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**INSURANCE ACT  
(CHAPTER 142)**

**INSURANCE  
(CORPORATE GOVERNANCE)  
REGULATIONS 2013**

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In exercise of the powers conferred by section 64 of the Insurance Act, the Monetary Authority of Singapore hereby makes the following Regulations:

PART I

PRELIMINARY

**Citation and commencement**

1. These Regulations may be cited as the Insurance (Corporate Governance) Regulations 2013 and shall come into operation on 4th April 2013.

**Application of these Regulations**

2. These Regulations shall apply to all direct insurers and reinsurers incorporated in Singapore other than marine mutual insurers.

**Definitions**

3.—(1) In these Regulations, unless the context otherwise requires —

“associate”, in relation to a substantial shareholder, means —

- (a) any corporation in which the substantial shareholder controls the composition of the board of directors;
- (b) any corporation in which the substantial shareholder controls more than half of the voting power;
- (c) any corporation in which the substantial shareholder holds more than half of the issued share capital;
- (d) any corporation which is a subsidiary of any other corporation which is an associate by virtue of paragraph (a), (b) or (c);
- (e) any corporation in which the substantial shareholder or any other corporation which is an associate by virtue of paragraph (a), (b), (c) or (d) has, or the substantial shareholder and such other corporation together have, an interest in shares entitling the beneficial owners thereof the right to cast, whether by proxy or in person, not less than 20% but not more than 50% of the total votes able to be cast at a general meeting of the first-mentioned corporation; or
- (f) any corporation (not being a corporation which is an associate by virtue of paragraph (a), (b), (c), (d) or (e)) the policies of which the substantial shareholder or any other corporation which is an associate by virtue of paragraph (a), (b), (c), (d) or (e) is, or the substantial shareholder together with such other corporation are, able to control or influence materially;

“Audit Committee” means an Audit Committee referred to in regulation 17;

“Board”, in relation to an insurer, means the board of directors of the insurer;

“board committee” means any of the committees specified in regulation 10 and the Executive Committee referred to in regulation 9;

“corporation” —

(a) has the same meaning as in section 4(1) of the Companies Act (Cap. 50); and

(b) includes a co-operative society;

“direct composite insurer” means a direct insurer registered to carry on both life business and general business under the Act;

“direct general insurer” means a direct insurer registered to carry on general business under the Act;

“direct life insurer” means a direct insurer registered to carry on life business under the Act;

“executive director”, in relation to a corporation, means a director who is concurrently an executive officer of that corporation, and “non-executive director” shall be construed accordingly;

“executive officer”, in relation to a corporation, means any person, by whatever name described, who —

(a) is in the direct employment of, or acting for or by arrangement with, the corporation; and

(b) is concerned with or takes part in the management of the corporation on a day-to-day basis;

“financial holding company” means a company belonging to a class of financial institutions approved as financial holding companies under section 28 of the Monetary Authority of Singapore Act (Cap. 186);

“financial year” has the same meaning as in section 4(1) of the Companies Act;

“immediate family”, in relation to an individual, means the individual’s spouse, child, adopted child, step-child, parent, step-parent, brother, step-brother, sister or step-sister;

“immediate subsidiary” means a subsidiary as defined under section 5(1)(a) of the Companies Act;

“independent director”, in relation to an insurer, means a director who —

- (a) is independent from any management and business relationship with the insurer;
- (b) is independent from any substantial shareholder of the insurer; and
- (c) has not served on the Board of the insurer for a continuous period of 9 years or longer;

“insurance funds” means the funds established and maintained under section 17 of the Act;

“limited liability partnership” has the same meaning as in section 2(1) of the Limited Liability Partnerships Act (Cap. 163A);

“marine mutual insurance business” means the business of providing the insurance of liabilities under insurance policies on the basis of mutual insurance (within the meaning of section 85 of the Marine Insurance Act (Cap. 387)) on such risk or risks as follows:

- (a) upon goods, merchandise or property of any description transported on board vessel, including incidental transit before and after shipment;
- (b) upon the freight of, or any other interest in or relating to, vessels;
- (c) upon vessels, or upon machinery, tackle furniture or equipment of vessels;
- (d) against damage arising out of or in connection with the use of vessels, including third-party risks;
- (e) against risks incidental to the construction, repair or docking of vessels, including third-party risks; or