

Companies (Central Depository System) Regulations

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THE SCHEDULE

Legislative History

COMPANIES ACT (CHAPTER 50, SECTION 130P)

COMPANIES (CENTRAL DEPOSITORY SYSTEM) REGULATIONS

Rg 2

G.N. No. S 446/1993

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[12th November 1993]

Citation

1. These Regulations may be cited as the Companies (Central Depository System) Regulations.

Definitions

2. In these Regulations, unless the context otherwise requires —

“Depository Agent Agreement” means an agreement entered into by the Depository with each depository agent;

“issuer” means a corporation whose securities are listed on the Stock Exchange.

Control of depository agents by Depository

3.—(1) No person may be approved as a depository agent by the Depository unless the Depository is satisfied that —

(a) he has the competence, physical capacity and financial resources to discharge his duties under the Depository Agent Agreement and he is able to meet any obligation he might reasonably be expected to incur thereunder; and

(b) he is a fit and proper person to perform those duties and obligations.

(2) The Depository may terminate the Depository Agent Agreement —

- (a) where the depository agent ceases to comply with the requirements in paragraph (1); or
- (b) on the occurrence of any of the events that may be specified in the Depository Agent Agreement.

Duties of Depository

4.—(1) The Depository shall establish and maintain a system of procedures to enable and facilitate the evidencing and transfer of title to book-entry securities.

(2) In particular, and without prejudice to the generality of paragraph (1), the Depository shall establish or cause to be established all such procedures as may be necessary —

- (a) to facilitate the deposit and withdrawal of documents evidencing title in relation to book-entry securities;
- (b) to ensure orderly dealings in, and registration of, book-entry securities;
- (c) to ensure the safe custody of documents evidencing title deposited with the Depository; and
- (d) to ensure as far as is reasonably practicable that the risk of error and fraud is reduced and in particular the regulation of access to the computerised Central Depository System.

Duties of depository agents

5. The duties of a depository agent shall be —

- (a) to open and maintain separate accounts of sub-account holders as authorised under its Depository Agent Agreement, for its own account and on account of each of its clients;
- (b) to gather and maintain a record of such information relating to sub-account holders as the Depository may from time to time specify;
- (c) to furnish to the Depository upon request information relating to services provided by the Depository under the Depository Agent Agreement and the discharge of the depository agent's obligations thereunder but not including information concerning its sub-account holders unless disclosure of such information is permitted under the Depository Agent Agreement for a particular purpose or for purposes of investor protection or is required by any court or under the provisions of any written law; and

- (d) to furnish to the Registrar or the Monetary Authority of Singapore, as the case may be, such information or documents relating to a sub-account holder's account as is necessary for the proper administration of Division 7A of the Act or for the protection of investors.

Power of Minister to give directions

6.—(1) The Minister may, where he considers it necessary in the public interest or for the protection of investors, give directions to the Depository or the depository agent with regard to the discharge of its duties or functions. The Depository and the depository agent shall comply with any such direction.

(2) Before giving directions under this regulation, the Minister may consult the Depository or the depository agent and afford it an opportunity to make representations.

Inspections by Monetary Authority of Singapore

7.—(1) The Monetary Authority of Singapore may, after consultation with the Registrar, from time to time, inspect under conditions of secrecy, the books, accounts, documents and transactions of the Depository.

(2) The Monetary Authority of Singapore may appoint any person to exercise the power of the Authority under paragraph (1).

(3) For the purposes of an inspection under this regulation, the Depository shall afford the Monetary Authority of Singapore access to, and shall produce, its books, accounts and documents and shall give such information and facilities as may be required to conduct the inspection.

(4) Any person appointed by the Monetary Authority of Singapore shall, at all times, have the power to copy or take possession of the books, accounts and other documents of the Depository.

(5) If the Depository fails, without reasonable excuse, to produce any book, account or document or furnish any information or facilities in accordance with paragraph (3), the Depository shall be guilty of an offence.

(6) Nothing in this regulation shall be construed as in any way limiting or restricting the powers of inspection and investigation conferred upon the Registrar by the Act.

Rights and obligations of a depositor in his book-entry security are the same as in his deposited security

8. All the rights that are attached to the documents evidencing title representing the securities that are deposited with the Depository and all obligations to which those documents evidencing title are subject shall subsist and be attached to the book-entry