



REPUBLIC OF SINGAPORE

GOVERNMENT GAZETTE

BILLS SUPPLEMENT

Published by Authority

NO. 4]

WEDNESDAY, JANUARY 10

[2024

First published in the *Government Gazette*, Electronic Edition, on 10 January 2024 at 5 pm.

Notification No. B 4 — The Financial Institutions (Miscellaneous Amendments) Bill is published for general information. It was introduced in Parliament on 10 January 2024.

Financial Institutions (Miscellaneous Amendments) Bill

Bill No. 4/2024.

Read the first time on 10 January 2024.

A BILL

i n t i t u l e d

An Act to amend the Financial Advisers Act 2001, the Financial Services and Markets Act 2022, the Insurance Act 1966, the Monetary Authority of Singapore Act 1970, the Payment Services Act 2019, the Securities and Futures Act 2001 and the Trust Companies Act 2005.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Financial Institutions (Miscellaneous Amendments) Act 2024 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

PART 1

AMENDMENT OF FINANCIAL ADVISERS ACT 2001

Amendment of section 2

2. In the Financial Advisers Act 2001, in section 2(1) —

(a) after the definition of “director”, insert —

““executive officer”, in relation to a licensed financial adviser, means any person, by whatever name called, who is —

(a) in the direct employment of, or acting for or by arrangement with, the licensed financial adviser; and

(b) concerned with or takes part in the management of the licensed financial adviser on a day-to-day basis;”;

(b) replace the definition of “prescribed written law” with —

““prescribed written law” means —

(a) for the purpose of Division 3 of Part 6 — this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts:

(i) Banking Act 1970;

(ii) Credit Bureau Act 2016;

(iii) Deposit Insurance and Policy Owners’ Protection Schemes Act 2011;

- (iv) Finance Companies Act 1967;
 - (v) Financial Holding Companies Act 2013;
 - (vi) Financial Services and Markets Act 2022; 5
 - (vii) Insurance Act 1966;
 - (viii) Monetary Authority of Singapore Act 1970;
 - (ix) Payment Services Act 2019;
 - (x) Securities and Futures Act 2001; 10
 - (xi) Trust Companies Act 2005;
 - (xii) such other written law as the Authority may prescribe by regulations made under section 135; and 15
- (b) for the purpose of any other provision — this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts: 20
- (i) Banking Act 1970;
 - (ii) Finance Companies Act 1967;
 - (iii) Financial Services and Markets Act 2022; 25
 - (iv) Insurance Act 1966;
 - (v) Monetary Authority of Singapore Act 1970;
 - (vi) Payment Services Act 2019;
 - (vii) Securities and Futures Act 2001; 30

(viii) such other written law as the Authority may prescribe by regulations made under section 135;” and

(c) after the definition of “record”, insert —

““regulated financial institution” means a person who carries on a business the conduct of which is regulated or authorised by the Authority or, if it is carried on in Singapore, would be regulated or authorised by the Authority;

“regulatory authority”, in relation to a foreign country or jurisdiction, means an authority of the foreign country or jurisdiction exercising any function that corresponds to a regulatory function of the Authority under this Act, the Monetary Authority of Singapore Act 1970 or any of the written laws set out in the Schedule to that Act;”.

Amendment of section 11

3. In the Financial Advisers Act 2001, in section 11(1), replace “on such date” with “on or before such date and in such manner”.

Amendment of section 14

4. In the Financial Advisers Act 2001, in section 14, delete subsection (2).

Amendment of section 20

5. In the Financial Advisers Act 2001, in section 20 —

(a) in subsection (1), replace “Subject to subsection (10), the” with “The”;

(b) in subsection (1), replace “in respect of any financial advisory service” with “in respect of the following financial advisory services”;

- (c) in subsection (1)(a), after “1970”, insert “, in respect of any financial advisory service”;
- (d) in subsection (1)(b), after “1970”, insert “, in respect of any financial advisory service”;
- (e) in subsection (1)(c), after “that Act”, insert “, in respect of any financial advisory service”; 5
- (f) in subsection (1)(d), after “2001”, insert “, in respect of any financial advisory service”;
- (g) in subsection (1)(e), after “service”, insert “, in respect of any financial advisory service”; 10
- (h) in subsection (1)(f), replace “the provision of any financial advisory service that” with “any financial advisory service the provision of which”;
- (i) in subsection (1)(f), delete “and” at the end;
- (j) in subsection (1), replace paragraph (g) with — 15
 - “(g) a prescribed person or class of persons, in respect of a prescribed financial advisory service;
 - (h) a person or class of persons notified by written notice, in respect of a financial advisory service notified in that written notice.”;
- (k) in subsection (2), replace “subsection (1)(f) or (g)” with “subsection (1)(f), (g) or (h)”;
- (l) in subsections (5) and (7), replace “subsection (1)(g)” with “subsection (1)(g) or (h)”;
- (m) in subsection (9), replace “prescribe or specify in written directions such conditions or restrictions as may be imposed on an exempt financial adviser or a representative of a person mentioned in subsection (1)(f) or (g)” with “, by regulations made under section 135 or by written notice to an exempt financial adviser or representative of a person mentioned in subsection (1)(f), 30

(g) or (h), impose any condition or restriction on the exempt financial adviser or representative”; and

(n) after subsection (9), insert —

“(9A) The Authority may add to, vary or revoke any condition or restriction imposed under subsection (9) (including a condition that has been added to or varied under this subsection).”.

Amendment of section 28

6. In the Financial Advisers Act 2001, in section 28 —

(a) in subsection (1), replace “by the prescribed time” with “on or before the date specified by the Authority”; and

(b) in subsection (2), replace “by the prescribed time” with “on or before the date specified by the Authority”.

Replacement of section 64

7. In the Financial Advisers Act 2001, replace section 64 with —

“Disqualification or removal of officer of licensed financial adviser

64.—(1) Despite the provisions of any other written law —

(a) a licensed financial adviser must not, without the prior written consent of the Authority, permit an individual to act as its executive officer; and

(b) a licensed financial adviser which is incorporated in Singapore must not, without the prior written consent of the Authority, permit an individual to act as its director,

if the individual —

(c) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 7 of the Financial Institutions (Miscellaneous Amendments) Act 2024, being an offence —

- (i) involving fraud or dishonesty;
 - (ii) the conviction for which involved a finding that he or she had acted fraudulently or dishonestly; or
 - (iii) that is specified in the Third Schedule to the Registration of Criminals Act 1949;
- (d) is an undischarged bankrupt, whether in Singapore or elsewhere;
- (e) has had an enforcement order against him or her in respect of a judgment debt returned unsatisfied in whole or in part;
- (f) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his or her creditors, being a compromise or scheme of arrangement that is still in operation;
- (g) has had a prohibition order or a related Acts prohibition order made against him or her that remains in force; or
- (h) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere —
 - (i) which is being or has been wound up by a court; or
 - (ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction.

(2) Despite the provisions of any other written law, where the Authority is satisfied that a director of a licensed financial adviser which is incorporated in Singapore, or an executive officer of a licensed financial adviser, is not a fit and proper person to be a director or executive officer (as the case may be) of the licensed financial adviser, the Authority may, by notice in writing to the licensed financial adviser, direct it to remove the director or executive officer (as the case may be) from his or her office or employment within such period as the Authority may specify in the notice, and the licensed financial adviser must comply with the notice.

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

- (a) the individual has wilfully contravened or wilfully caused the licensed financial adviser to contravene any provision of this Act;
- (b) the individual has, without reasonable excuse, failed to secure the compliance of the licensed financial adviser with this Act, the Monetary Authority of Singapore Act 1970, or any of the written laws set out in the Schedule to that Act;
- (c) the individual has failed to discharge any of the duties of his or her office or employment;
- (d) the individual's removal is necessary in the public interest or for the protection of investors; or
- (e) the individual comes within any of the grounds mentioned in subsection (1).

(4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (3)(c), have regard to such criteria as may be prescribed.

(5) The Authority must not direct a licensed financial adviser to remove an individual from his or her office or employment under subsection (2) without giving the licensed financial

adviser and that individual an opportunity to be heard, except in any of the following circumstances:

- (a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere;
- (b) a prohibition order against the individual has been made that remains in force; 5
- (c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 7 of the Financial Institutions (Miscellaneous Amendments) Act 2024 — 10
 - (i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and
 - (ii) punishable with imprisonment for a term of 3 months or more. 15

(6) A licensed financial adviser must, as soon as practicable after receiving a direction under subsection (2), notify the affected director or executive officer of the direction.

(7) A licensed financial adviser who receives a direction under subsection (2), or any director or executive officer of a licensed financial adviser in relation to whom a direction under subsection (2) is given, may, within 30 days after the licensed financial adviser receives the direction, appeal to the Minister whose decision is final. 20 25

(8) Despite the lodging of an appeal under subsection (7), any direction under subsection (2) continues to have effect pending the Minister's decision.

(9) The Minister may, when deciding an appeal under subsection (7), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision. 30

(10) Any licensed financial adviser who, without reasonable excuse, contravenes subsection (1) or fails to comply with a

notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

(11) No civil or criminal liability is incurred by a licensed financial adviser, or any person acting on behalf of a licensed financial adviser, in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.

(12) In this section, “related Acts prohibition order” means —

(a) an order made under section 74(1) of the Insurance Act 1966 as in force immediately before the date of commencement of section 204(1) to (4) of the Financial Services and Markets Act 2022;

(b) an order made under section 74(1) of the Insurance Act 1966 as in force immediately before the date of commencement of section 204(1) to (4) of the Financial Services and Markets Act 2022, and as continued by section 218(2) of the Financial Services and Markets Act 2022;

(c) a prohibition order made under section 101A(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022;

(d) a prohibition order made under section 101A(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022, and as continued by section 220(3) of the Financial Services and Markets Act 2022;

(e) a prohibition order made under section 123ZZC(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and

(18) of the Financial Services and Markets Act 2022;
or

- (f) a prohibition order made under section 123ZZC(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022, and as continued by section 220(5) of the Financial Services and Markets Act 2022.”.

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Amendment of section 65

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8. In the Financial Advisers Act 2001, in section 65 —

- (a) replace subsection (2) with —

“(2) A person must not obtain effective control of a licensed financial adviser that is a company, unless the person has obtained the prior approval of the Authority.”;

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- (b) in subsection (3)(c), delete “or as may be specified in written directions by the Authority”;

- (c) after subsection (4), insert —

“(4A) The Authority may at any time add to or vary any condition imposed under subsection (4) and the applicant must comply with the condition so added to or varied.

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(4B) The Authority may at any time revoke any condition imposed under subsection (4) (including a condition that has been added to or varied under subsection (4A)).”;

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- (d) in subsection (5), after “subsection (4)”, insert “(including a condition that has been added to or varied under subsection (4A))”;

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- (e) in subsection (5), replace “memorandum or articles of association” with “constitution”;

- (f) in subsection (6), replace paragraphs (a) and (b) with —

“(a) a person has effective control of a licensed financial adviser —

5 (i) if the person, alone or acting together with any connected person, holds, directly or indirectly, 20% or more of the issued share capital of the licensed financial adviser;

10 (ii) if the person, alone or acting together with any connected person, controls, directly or indirectly, 20% or more of the voting power in the licensed financial adviser;

15 (iii) if the licensed financial adviser or its directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the person (whether conveyed by the person alone or together with any other person, and whether with or without holding shares or controlling voting power in the licensed financial adviser); or

25 (iv) if the person (whether alone or acting together with any other person, and whether with or without holding shares or controlling voting power in the licensed financial adviser) is able to determine the policy of the licensed financial adviser; and”;

30 (g) in subsection (8), replace “contravenes subsection (4)” with “fails to comply with a condition imposed under subsection (4) (including a condition added to or varied under subsection (4A))”.

Amendment of section 66

9. In the Financial Advisers Act 2001, in section 66 —

(a) in subsection (1), replace paragraph (b) with —

“(b) any person who has effective control of the licensed financial adviser;”;

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(b) in subsection (1)(c), after “section 65(4)”, insert “(including a condition that has been added to or varied under section 65(4A))”;

(c) in subsection (2), replace paragraph (c) with —

“(c) a prohibition order has been made, and remains in force, against the person;”;

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(d) in subsection (3), replace paragraph (a) with —

“(a) take such steps as are necessary to ensure that the person ceases to have effective control of the licensed financial adviser; or”; and

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(e) in subsection (3)(b), replace “written directions” with “the written notice of objection”.

Amendment of section 67

10. In the Financial Advisers Act 2001, in section 67(1), after “protection of investors”, insert “or policy owners”.

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Amendment of section 72

11. In the Financial Advisers Act 2001, in section 72(4), after “as may be prescribed,”, insert “in the manner specified by the Authority,”.

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Amendment of section 83

12. In the Financial Advisers Act 2001, in section 83(8) —

(a) in the definition of “foreign regulatory authority”, replace “territory” with “jurisdiction”; and

- (b) in the definition of “specified financial adviser”, replace “(e) or (g)” with “(e), (g) or (h)”.

Replacement of Divisions 3 and 4 of Part 6

13. In the Financial Advisers Act 2001, in Part 6, replace
5 Divisions 3 and 4 with —

“Division 3 — Investigative powers of Authority

Subdivision (1) — Preliminary

Interpretation of this Division

86. In this Division —

10 “computer” and “data” have the meanings given by
section 2(1) of the Computer Misuse Act 1993;

“law enforcement agency” means any authority or person
charged with the duty of investigating offences or
charging offenders under any written law;

15 “legal counsel” has the meaning given by section 3(7) of
the Evidence Act 1893;

“officer” —

(a) in relation to the Authority, includes any person
employed by the Authority in an executive
20 capacity; and

(b) in relation to any corporation (other than a law
enforcement agency), has the meaning given by
section 4(1) of the Companies Act 1967.

Subdivision (2) — General

Investigation by Authority

87.—(1) The Authority may conduct such investigation as it
considers necessary or expedient for any of the following
purposes:

(a) to perform any of its functions and duties under this
30 Act;

- (b) to ensure compliance with this Act or any written direction issued under this Act;
- (c) to investigate an alleged or suspected contravention of any provision of this Act or any written direction issued under this Act.

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(2) The Authority may exercise any of its powers under this Division for the purposes of conducting an investigation under subsection (1) despite the provisions of any prescribed written law or any requirement imposed thereunder or any rule of law.

(3) Subject to subsection (5), a requirement imposed by the Authority under this Division has effect despite any obligations as to secrecy or other restrictions upon the disclosure of information imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

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(4) Subject to subsection (5), any person who complies with a requirement imposed by the Authority under this Division is not treated as being in breach of any restriction upon the disclosure of information or thing imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

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(5) Nothing in this section requires a person to disclose any information subject to legal privilege.

(6) No civil or criminal action, other than proceedings for an offence under section 103, shall lie against any person —

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(a) for giving assistance to the Authority, including answering questions, if the person had given the assistance or answered the questions in good faith in compliance with a requirement imposed by the Authority under this Division;

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(b) for providing information, producing books or giving access to data to the Authority, if the person had done so in good faith in compliance with a requirement imposed by the Authority under this Division; or

- (c) for doing or omitting to do any act, if the person had done or omitted to do the act in good faith and as a result of complying with a requirement imposed by the Authority under this Division.

(7) In this section, a reference to a requirement imposed by the Authority under this Division includes a reference to a requirement imposed by an investigator or authorised person under Subdivision (3) or (4).

Confidentiality of investigation reports

88.—(1) Where a written report or any part of a written report (called in this section the report) has been produced by the Authority in respect of any investigation under section 87 and is provided by the Authority to the person under investigation (called in this section the investigated person), the report must not be disclosed by the investigated person or, if the investigated person is a corporation, by any of its officers or auditors, to any other person except in the circumstances provided under subsection (2).

(2) Disclosure of the report mentioned in subsection (1) may be made —

- (a) by the investigated person to any officer or auditor of that investigated person solely in connection with the performance of the duties of the officer or auditor (as the case may be) in that investigated person;

- (b) by any officer or auditor of the investigated person to any other officer or auditor of that investigated person, solely in connection with the performance of their duties in that investigated person; or

- (c) to such other person as the Authority may approve in writing.

(3) In granting written approval for any disclosure under subsection (2)(c), the Authority may impose such conditions or restrictions as it thinks fit on the investigated person, any of its officers or auditors or the person to whom disclosure is

approved, and that person must comply with such conditions or restrictions.

(4) The obligation on an officer or auditor mentioned in subsection (1) continues after the termination or cessation of his or her employment or appointment by the investigated person. 5

(5) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(6) Any person to whom the report is disclosed and who knows or has reasonable grounds for believing, at the time of the disclosure, that the report was disclosed to the person in contravention of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both, unless the person proves that — 10 15

(a) the disclosure was made contrary to the person's desire;

(b) where the disclosure was made in any written or printed form, the person had, as soon as practicable after receiving the report, surrendered or taken all reasonable steps to surrender the report and all copies of the report to the Authority; and 20

(c) where the disclosure was made in an electronic form, the person had, as soon as practicable after receiving the report, taken all reasonable steps to ensure that all electronic copies of the report had been deleted and that the report and all copies of the report in other forms had been surrendered to the Authority. 25

Self-incrimination and saving for advocates and solicitors 30

89.—(1) A person is not excused from disclosing information to the Authority, or an investigator or authorised person mentioned in Subdivision (3) or (4), pursuant to a requirement made of the person under any provision of this Division, on the

ground that the disclosure of the information might tend to incriminate the person.

(2) Where a person claims, before making a statement disclosing information that the person is required to disclose under any provision of this Division to the Authority or to an investigator or authorised person mentioned in Subdivision (3) or (4), that the statement might tend to incriminate the person, that statement is not admissible in evidence against the person in criminal proceedings other than proceedings for an offence under section 103(4).

(3) For the purposes of any proceedings for an offence under this Act, the making of a statement by an accused person made pursuant to a requirement mentioned in subsection (1), is not to be regarded under section 258(3) of the Criminal Procedure Code 2010 as caused by any inducement, threat or promise merely because the Authority, investigator or authorised person had earlier informed the accused person that the accused person was not excused from disclosing information on the ground that the disclosure of the information might tend to incriminate the accused person, if the Authority, investigator or authorised person (as the case may be) believed in good faith, when so informing the accused person, that —

(a) the accused person was concerned in an offence under this Act; or

(b) a reasonable complaint has been made, or credible information has been received, or a reasonable suspicion exists, that the accused person was concerned in an offence under this Act.

(4) Nothing in this Division —

(a) compels an advocate and solicitor or legal counsel to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; or

- (b) authorises the taking of any such book or other material which is in the possession of an advocate and solicitor or legal counsel.

(5) Despite subsection (4), an advocate and solicitor or legal counsel —

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- (a) who is required under this Division to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; and

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- (b) who refuses to disclose or produce the privileged communication, book or other material,

must give the name and address (if he or she knows them) of the person to whom, or by or on behalf of whom, that privileged communication was made.

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Subdivision (3) — Examination of persons

Requirement to appear for examination

90.—(1) For the purpose of an investigation under this Division, the Authority may, in writing, require a person —

- (a) to give to the Authority all reasonable assistance in connection with the investigation; and
- (b) to appear before an officer of the Authority duly authorised by the Authority for examination and to answer questions.

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(2) A written requirement imposed under subsection (1) must state the general nature of the matter mentioned in that subsection.

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Proceedings at examination

91. The provisions of this Subdivision apply where, pursuant to a requirement made under section 90 for the purposes of an investigation under this Division, a person (called in this

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Subdivision the examinee) appears before another person (called in this Subdivision the investigator) for examination.

Requirements made of examinee

5 **92.**—(1) The investigator may examine the examinee on oath or affirmation, and may, for that purpose, administer an oath or affirmation to the examinee.

10 (2) The oath or affirmation to be taken or made by the examinee for the purposes of the examination is an oath or affirmation that the statements that the examinee will make are true.

15 (3) The investigator may require the examinee to answer a question that is put to the examinee at the examination and is relevant to a matter that the Authority is investigating, or is to investigate, under this Division.

Examination to take place in private

20 **93.**—(1) The examination must take place in private and the investigator may give directions as to who may be present during the examination or part thereof.

25 (2) A person must not be present at the examination unless the person is —

- (a) the investigator or the examinee;
- (b) a person approved by the Authority; or
- (c) entitled to be present by virtue of a direction under subsection (1).

Record of examination

30 **94.**—(1) The investigator may, and must if the examinee so requests, cause a record to be made of statements made at the examination.

35 (2) If a record made under subsection (1) is in writing or is reduced to writing —

- (a) the investigator may require the examinee to read the record, or to have it read to the examinee, and may require the examinee to sign it; and
- (b) the investigator must, if requested in writing by the examinee to give to the examinee a copy of the written record, provide a copy of the written record without charge within a reasonable time, subject to such conditions as the investigator may impose. 5

Giving copies of record to other persons

95.—(1) The Authority may, subject to such conditions or restrictions as it may impose, give a copy of a written record of the examination, or such a copy together with a copy of any related book, to an advocate and solicitor acting on behalf of a person who is carrying on, or is contemplating in good faith, a legal proceeding in respect of a matter to which the examination relates. 10 15

(2) If the Authority gives a copy of a written record or book to a person under subsection (1), the person, or any other person who has possession, custody or control of the copy or a further copy of the copy, must not, except in connection with preparing, beginning or carrying on, or in the course of, any legal proceeding — 20

- (a) use the copy or a further copy of the copy; or
- (b) publish, or communicate to a person, the copy, a further copy of the copy, or any part of the contents of the copy. 25

(3) The Authority may, subject to such conditions or restrictions as it may impose, give to a person other than a person mentioned in subsection (1), a copy of a written record of the examination, or the copy together with a copy of any related book. 30

Copies given subject to conditions

96. If a copy of any written record or book is given to a person under section 94(2) or 95(1) or (3) subject to conditions or

restrictions imposed by the investigator or the Authority (as the case may be), the person, and any other person who has possession, custody or control of the copy or the further copy of the copy, must comply with the conditions or restrictions.

5 *Subdivision (4) — Powers to obtain information*

**Power of Authority to order production of books,
provision of information or giving of access to data**

97. For the purpose of an investigation under this Division, the Authority may, in writing, require —

- 10 (a) a person who is believed to possess, or to have power to access, any book, or who is believed to possess any information, relating to any matter under investigation; or
- 15 (b) a person who is believed to have power to access any data relating to any matter under investigation,
- to —
- (c) produce the book or a copy of the book, or to provide the information, at the time and place specified in the written requirement;
- 20 (d) give the Authority or any officer of the Authority who is authorised by the Authority for this purpose (called in this section an investigator) access to the book or data; or
- 25 (e) provide such reasonable assistance as the Authority or an investigator may require for the purposes of accessing the book or data.

Power to enter premises without warrant

98.—(1) In connection with an investigation under this Division, any officer of the Authority who is authorised by the Authority to do so (called in this section an investigator) and such other officers or persons as the Authority has authorised in

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writing to accompany the investigator (each called in this section an authorised person) may enter any premises.

(2) An investigator or authorised person accompanying the investigator must not enter any premises in the exercise of the powers under this section unless the investigator has given the occupier of the premises a written notice which —

- (a) gives at least 2 working days' notice of the intended entry;
- (b) indicates the subject matter and purpose of the investigation; and
- (c) indicates the nature of the offences investigated.

(3) Subsection (2) does not apply —

- (a) if the investigation relates to an alleged or suspected contravention of any provision of this Act and the investigator has reasonable grounds for suspecting that the premises are, or have been, occupied by a person who is being investigated in relation to the contravention; or
- (b) if the investigator has taken all such steps as are reasonably practicable to give notice under subsection (2)(a) but has not been able to do so.

(4) Where subsection (3) applies, the power of entry conferred by subsection (1) may only be exercised upon production of —

- (a) evidence of the investigator's authorisation and the authorisation of every authorised person accompanying the investigator; and
- (b) a document containing information indicating the subject matter and purpose of the investigation and the nature of the offences investigated.

(5) Without affecting section 97, an investigator or authorised person entering any premises under this section may —

- (a) bring with him or her to the premises such items as appear to him or her to be necessary;

(b) require any person on the premises to produce any book or copy of any book or to give access to any data which the investigator or authorised person considers relates to any matter relevant to the investigation;

5 (c) require any person on the premises to state, to the best of the person's knowledge and belief, where any such book or data is to be found; and

10 (d) take any step, or issue to any person on the premises any requirement, which appears to be necessary for the purpose of preserving or preventing interference with any such book or data.

Warrant to seize books, etc.

99.—(1) A Magistrate may, on the application of the Authority —

15 (a) issue a warrant, if the Magistrate is satisfied that there are reasonable grounds to suspect that there is, on any particular premises, any book, or a computer in which any data is contained or to which any data is available —

20 (i) being any book or data the production of which, or access to which, has been required under section 97 or 98, but which has not been produced, or access to which has not been given, in compliance with that requirement; or

25 (ii) being any book or data which, if production of which or access to which is required under section 97 or 98, will be concealed, removed, tampered with or destroyed; and

30 (b) if the Magistrate is also satisfied that there are reasonable grounds to suspect that there is, on those premises, any other book, or a computer in which any other data is contained or to which any other data is available, which relates to any matter relevant to the investigation concerned, direct that the powers

exercisable under the warrant extend to such other book or computer.

(2) A warrant issued under subsection (1) authorises the Authority or any person named in the warrant, with or without assistance —

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- (a) to enter the premises specified in the warrant, using such force as is reasonably necessary for the purpose;
- (b) to search the premises and to break open and search anything, whether a fixture or not, in the premises;
- (c) to take possession of, or secure against interference, any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b); 10
- (d) to require any person to provide an explanation of any book or data that appears to be any book or data mentioned in subsection (1)(a) or (b), or to state, to the best of that person's knowledge and belief, where any such book or data may be found; 15
- (e) to search any person on those premises, if there are reasonable grounds to suspect that the person has in his or her possession any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b), or any equipment or article which relates to any matter relevant to the investigation concerned; 20
- (f) to remove from those premises for examination any book that appears to be a book mentioned in subsection (1)(a) or (b), or any equipment (including a computer) or article which relates to any matter relevant to the investigation concerned; 25
- (g) to access, inspect and check the operation of a computer on the premises specified in the warrant, if there are reasonable grounds to suspect that any data mentioned in subsection (1)(a) or (b) is or has been contained in or available to the computer, or that 30

the computer is a computer mentioned in subsection (1)(a) or (b);

(h) to use any computer mentioned in paragraph (g), or cause any such computer to be used —

(i) to search any book or data that appears to be a book or any data mentioned in subsection (1)(a) or (b), that is contained in or available to such computer; and

(ii) to make a copy of any such book or data;

(i) to prevent any other person from gaining access to, or using, any computer mentioned in paragraph (g) (including by changing any username, password or other authentication information required to gain access to the computer);

(j) to order any person —

(i) to stop accessing or using or to not access or use any computer mentioned in paragraph (g); or

(ii) to access or use any such computer only under such conditions as the Authority or any person named in the warrant may specify; and

(k) to order —

(i) any person whom the Authority or any person named in the warrant reasonably suspects of using, or of having used, a computer mentioned in paragraph (g);

(ii) any person having charge of, or otherwise concerned with the operation of, any such computer; or

- (iii) any person whom the Authority or any person named in the warrant reasonably believes has knowledge of or access to any username, password or other authentication information required to gain access to any such computer, 5

to provide any of the following types of assistance to the Authority:

- (iv) assistance to gain access to the computer (including assistance through the provision of any username, password or other authentication information required to gain access to the computer); 10

- (v) assistance to prevent a person (other than the Authority or any person named in the warrant) from gaining access to, or using, the computer, including assistance in changing any username, password or other authentication information required to gain access to the computer. 15

(3) The Authority or any person named in the warrant may allow any equipment or article mentioned in subsection (2)(f) to be retained on the premises specified in the warrant, subject to such conditions as the Authority or that person may require. 20

(4) Any person entering any premises by virtue of a warrant issued under subsection (1) may bring with him or her to the premises such items as appear to him or her to be necessary. 25

(5) Where a warrant is issued under subsection (1), and there is no one present at the premises specified in the warrant when the Authority or any person named in the warrant proposes to execute the warrant, the Authority or that person must, before executing the warrant — 30

- (a) take such steps as are reasonable in all the circumstances to inform the occupier of the premises of the intended entry into the premises; and

- (b) subject to subsection (6), give the occupier or the occupier's legal or other representative a reasonable 35

opportunity to be present when the warrant is executed.

(6) If the Authority or any person named in the warrant is unable to inform the occupier of the premises of the intended entry into the premises, the Authority or that person must, when executing the warrant, leave a copy of the warrant in a prominent place on the premises.

(7) On leaving any premises specified in a warrant issued under subsection (1), the Authority or any person named in the warrant must, if the premises are unoccupied or if the occupier of the premises is temporarily absent, leave the premises as effectively secured as the Authority or that person found the premises.

(8) The powers conferred by this section are in addition to, and not in derogation of, any other powers conferred by any other written law or rule of law.

(9) In this section —

“occupier”, in relation to any premises specified in a warrant issued under subsection (1), includes any person whom the Authority or any person named in the warrant reasonably believes to be the occupier of those premises;

“premises” includes any structure, building, aircraft, vehicle or vessel.

Powers where books are produced, etc.

100.—(1) This section applies where —

(a) any book is produced to the Authority, or access to any book, or any data contained in or available to a computer, is given to the Authority —

(i) pursuant to a requirement under section 97; or

(ii) during an entry into any premises by an investigator or authorised person under section 98;

(b) under a warrant issued under section 99(1), the Authority or a person named therein —

- (i) takes possession of any book or computer; or
- (ii) secures any book or computer against interference; or

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(c) under a previous application of subsection (6), any book or computer is delivered into the possession of the Authority or a person authorised by it.

(2) If subsection (1)(a) applies, the Authority may take possession of any book or computer mentioned in that provision.

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(3) The Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) may —

(a) inspect, and make copies of, or take extracts from, a book, or any data contained in or available to the computer, mentioned in that subsection;

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(b) use, or permit the use of, a book, or any data contained in or available to the computer, mentioned in that subsection for the purposes of any proceedings;

(c) retain possession of a book or computer mentioned in that subsection for so long as is necessary —

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(i) for the purposes of exercising a power conferred by this section;

(ii) for a decision to be made about whether or not any proceedings to which the book or any data contained in or available to the computer would be relevant should be instituted; or

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(iii) for such proceedings to be instituted and carried on; and

(d) require any book stored in any electronic form, or any data, which the Authority or person mentioned in subsection (1)(b) or (c) is satisfied relates to any matter relevant to an investigation under this

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Division, to be produced in a form which can be taken away and which is visible and legible.

5 (4) No person is entitled, as against the Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) to claim a lien on any book or computer mentioned in that subsection, but such a lien is not otherwise prejudiced.

(5) While any book or computer is in the possession of the Authority or (where applicable) the person mentioned in subsection (1)(b) or (c), the Authority or the person —

10 (a) must permit another person to inspect at all reasonable times the book or computer as the second-mentioned person would be entitled to inspect if the book or computer were not in the possession of the Authority or the firstmentioned person; and

15 (b) may permit any other person to inspect the book or computer.

(6) If subsection (1)(a) or (b)(i) applies, an investigator or authorised person mentioned in subsection (1)(a) or a person mentioned in subsection (1)(b) may deliver any book or computer into the possession of the Authority or of a person authorised by the Authority to receive them.

20 (7) If subsection (1)(a) or (b) or (6) applies, the Authority, an investigator or authorised person mentioned in subsection (1)(a), a person mentioned in subsection (1)(b) or a person into whose possession any book or computer is delivered under subsection (6), may require —

25 (a) if subsection (1)(a) applies — a person who produced the book or gave access to the book or the data contained in or available to the computer; or

- (b) if subsection (1)(b) applies — a person who was a party to the preparation of the book or any data contained in or available to the computer,

to explain, to the best of his or her knowledge and belief, any matter about the preparation of the book or data or any matter to which the book or data relates.

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Powers where books not produced, information not provided or access to book or data not given

101. Where a person fails to comply with a requirement imposed by the Authority under section 97 to produce any book, provide any information or give access to any book or data, the Authority may require the person to state, to the best of his or her knowledge and belief —

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- (a) the place where such book, or any computer in which such data is contained or to which such data is available, may be found;

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- (b) the person who last had possession, custody or control of such book, or any computer in which such data is contained or to which such data is available, and the place where that person may be found; or

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- (c) the person who possesses such information and the place where that person may be found.

Copies of or extracts from books to be admitted in evidence

102.—(1) Subject to this section, a copy of or extract from any book referred to in this Division that is proved to be a true copy of the book, or of the relevant part of the book, is admissible in evidence as if it were the original book, or the relevant part of the original book.

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(2) For the purposes of subsection (1), evidence that a copy of or extract from any book is a true copy of the book or of a part of the book, may be given by a person who has compared the copy or extract with the book or the relevant part of the book, and may be given orally or by an affidavit sworn, or by a declaration

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made, before a person authorised to take affidavits or statutory declarations.

Offences under this Division

103.—(1) An advocate and solicitor or legal counsel who, without reasonable excuse, fails to comply with section 89(5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$12,500.

(2) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement imposed under section 90(1), 92(3), 97, 98(5)(b), (c) or (d), 100(3)(d) or (7) or 101; or

(b) any requirement imposed pursuant to a warrant issued under section 99(1),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(3) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement of an investigator under section 94(2)(a); or

(b) section 95(2) or 96,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(4) A person who —

(a) in purported compliance with a requirement imposed under section 89(5), 97, 98(5)(b), (c) or (d), 100(3)(d) or (7) or 101, or pursuant to a warrant issued under section 99(1); or

(b) in the course of examination of the person,

provides information or makes a statement that is false or misleading in a material particular shall be guilty of an offence

and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(5) It is a defence to a prosecution for an offence under subsection (4) if the defendant proves that the defendant believed on reasonable grounds that the information or statement was true and not misleading.

(6) Any person who, knowing or having reasonable grounds to believe that any book, computer, equipment or article relates to a matter that the Authority is investigating or about to investigate under this Division —

(a) conceals, destroys, mutilates or alters that book, computer, equipment or article; or

(b) if any such book, computer, equipment or article is within the territory of Singapore, takes or sends the book, computer, equipment or article out of Singapore,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both.

(7) A person who, without reasonable excuse, obstructs or hinders the Authority in the exercise of any power under this Division, or obstructs or hinders a person who is exercising any power under section 98(1) or (5) or executing a warrant issued under section 99(1), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(8) Any occupier or person in charge of any premises who fails to provide, to any person who enters those premises under section 98(1) or under a warrant issued under section 99(1), all reasonable facilities and assistance for the effective exercise of that person's powers under section 98(1) or (5) or under the warrant (as the case may be) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

*Division 4 — Transfer of evidence***Interpretation of this Division**

103A. In this Division —

“Commercial Affairs Officer” means a Commercial Affairs Officer appointed under section 64 of the Police Force Act 2004;

“data” has the meaning given by section 2(1) of the Computer Misuse Act 1993;

“police officer” means a member of the Singapore Police Force.

Evidence obtained by Authority may be used in criminal investigations and proceedings

103B.—(1) Despite the provisions of any written law or rule of law, the Authority may provide any book, written record of any examination or other information, or access to any data, obtained by the Authority under Division 3 to —

(a) a police officer;

(b) a Commercial Affairs Officer; or

(c) the Public Prosecutor,

for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under this Act.

(2) To avoid doubt, any book, written record of examination or other information provided, or any data to which access is provided, by the Authority under subsection (1) is not inadmissible in any criminal proceedings by reason only that it was first obtained by the Authority under this Act, and the admissibility thereof is to be determined in accordance with the rules of evidence under written law and any relevant rules of law.

Evidence obtained under Criminal Procedure Code 2010 may be used for purposes of Act

103C. Despite the provisions of any written law or any rule of law, any book, data, statement or other information obtained by —

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- (a) a police officer or a Commercial Affairs Officer in the exercise of his or her powers under Divisions 1 and 2 of Part 4 of the Criminal Procedure Code 2010; or
- (b) an authorised person mentioned in section 20(1) or (1A), 39(1) or 40(2) of the Criminal Procedure Code 2010, in the exercise of his or her powers under those sections,

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may be provided to the following persons for the following purposes, if it is in the public interest to do so:

- (c) to the Authority — for the purpose of any investigation under section 87(1);
- (d) to the Minister or to an Appeal Advisory Committee constituted under section 119 — for the purpose of any appeal against a decision of the Authority under this Act.”.

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Replacement of section 114

14. In the Financial Advisers Act 2001, replace section 114 with —

“Duty not to provide false information to Authority

114.—(1) Any individual who provides the Authority with any information under this Act or relevant to the Authority’s exercise of powers under this Act must use due care to ensure that the information is not false or misleading in any material particular.

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(2) Any person, other than an individual, who provides the Authority with any information under this Act or relevant to the Authority’s exercise of powers under this Act must use due care to ensure that the information is not false or misleading.

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(3) Subsection (1) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.

(4) Subsection (2) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.

5 (5) Any individual who —

(a) signs any document lodged with the Authority; or

(b) lodges with the Authority any document by electronic means using any identification or identifying code, password or other authentication method or procedure
10 assigned to the individual by the Authority,

must use due care to ensure that the document is not false or misleading in any material particular.

(6) Any person, other than an individual, who —

(a) signs any document lodged with the Authority; or

(b) lodges with the Authority any document by electronic means using any identification or identifying code, password or other authentication method or procedure
15 assigned to the person by the Authority,

must use due care to ensure that the document is not false or misleading.
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(7) Any individual who contravenes subsection (1) or (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 or to imprisonment for a term not exceeding 2 years or to both.

25 (8) Any person who contravenes subsection (2) or (6) shall be guilty of an offence and shall be liable on conviction —

(a) if the information or document is false or misleading in a material particular — to a fine not exceeding \$25,000; or

30 (b) in any other case — to a fine not exceeding \$12,500.”.

Amendment of section 125

15. In the Financial Advisers Act 2001, in section 125, after subsection (1), insert —

“(1A) The Authority may, under subsection (1), reprimand a person who has ceased to be a relevant person, if the person was a relevant person at the time of the misconduct.”.

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Amendment of section 130

16. In the Financial Advisers Act 2001, in section 130, replace subsection (2) with —

“(2) The Authority may, on the application of any person, by written notice exempt the person from —

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(a) all or any of the provisions of this Act; or

(b) all or any of the requirements imposed by the Authority under this Act.”.

Replacement of section 131 and new section 131A

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17. In the Financial Advisers Act 2001, replace section 131 with —

“Service of documents, etc.

131.—(1) Any notice, order or document required or authorised by this Act to be served on any person may be served —

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(a) in the case of an individual —

(i) by delivering it to the individual or to some adult member or employee of his or her family or household at his or her last known place of residence;

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(ii) by leaving it at the individual’s usual or last known place of residence or business in an envelope addressed to him or her;

(iii) by sending it by registered post addressed to the individual at his or her usual or last known place of residence or business; or

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(iv) by sending it by email to the individual's last email address; or

(b) in the case of a body corporate or body of persons —

(i) by delivering it to the secretary or other similar officer of the body corporate or body of persons at its registered office or principal place of business;

(ii) by leaving it at the registered office or principal place of business of the body corporate or body of persons in an envelope addressed to the body corporate or body of persons;

(iii) by sending it by registered post addressed to the body corporate or body of persons at its registered office or principal place of business; or

(iv) by sending it by email to the last email address of the body corporate or body of persons.

(2) Any notice, order or document sent by registered post to any person in accordance with subsection (1) is deemed to be duly served on the person at the time when the notice, order or document (as the case may be) would in the ordinary course of post be delivered.

(3) When proving service of the notice, order or document mentioned in subsection (2), it is sufficient to prove that the envelope containing the notice, order or document (as the case may be) was properly addressed, stamped and posted by registered post.

(4) Service of a notice, order or document under subsection (1)(a)(iv) or (b)(iv) takes effect at the time the email becomes capable of being retrieved by the person to whom the document is sent.

(5) A notice, order or document may be served on a person under subsection (1)(a)(iv) or (b)(iv) by email only with that person's prior written consent.

(6) This section does not apply to documents to be served in proceedings in court.

(7) In this section, “last email address” means —

- (a) the last email address given by the addressee concerned to the person giving or serving the document, notice or order as the email address for the service of notices, orders or documents under this Act; or 5
- (b) the last email address of the addressee concerned known to the person giving or serving the notice, order or document. 10

Electronic service

131A.—(1) The Authority may provide an electronic service for the service of any document that is required or authorised by this Act to be given to or served on any person. 15

(2) For the purposes of the electronic service, the Authority may assign to any person —

- (a) an authentication code; and
- (b) an account with the electronic service.

(3) Despite section 131, where any person has given the person’s consent for any document to be given to or served on the person through the electronic service, the Authority may give or serve the document on that person by transmitting an electronic record of the document to that person’s account with the electronic service. 20 25

(4) Where a person has given the person’s consent for a document to be given to or served on the person through the electronic service, the document is deemed to have been given or served at the time when an electronic record of the document enters the person’s account with the electronic service. 30

(5) Despite any other written law, in any proceedings under this Act —

(a) an electronic record of any document that was given or served through the electronic service; or

(b) any copy or print-out of that electronic record,

is admissible as evidence of the facts stated or contained therein if that electronic record, copy or print-out —

(c) is certified by the Authority to contain all or any information given or served through the electronic service in accordance with this section; and

(d) is duly authenticated in the manner specified in subsection (7) or is otherwise authenticated in the manner provided in the Evidence Act 1893 for the authentication of computer output.

(6) To avoid doubt —

(a) an electronic record of any document that was given or served through the electronic service; or

(b) any copy or print-out of that electronic record,

is not inadmissible in evidence merely because the document was given or served without the delivery of any equivalent document or counterpart in paper form.

(7) For the purposes of this section, a certificate —

(a) giving the particulars of —

(i) any person whose authentication code was used to give or serve the document; and

(ii) any person or device involved in the production or transmission of the electronic record of the document, or the copy or print-out of the electronic record;

(b) identifying the nature of the electronic record or copy or print-out of the electronic record; and

- (c) purporting to be signed by the Authority or by a person occupying a responsible position in relation to the operation of the electronic service at the relevant time,

is sufficient evidence that the electronic record, copy or print-out has been duly authenticated, unless the court, in its discretion, calls for further evidence on this issue.

(8) Where the electronic record of any document, or a copy or print-out of that electronic record, is admissible under subsection (5), it is presumed, until the contrary is proved, that the electronic record, copy or print-out accurately reproduces the contents of that document.

(9) The Authority may make regulations which are necessary or expedient for carrying out the purposes of this section, including regulations prescribing the procedure for the use of the electronic service, including the procedure in circumstances where there is a breakdown or interruption of the electronic service.

(10) In this section —

“account with the electronic service”, in relation to any person, means a computer account within the electronic service which is assigned by the Authority to that person for the storage and retrieval of electronic records relating to that person;

“authentication code”, in relation to any person, means an identification or identifying code, a password or any other authentication method or procedure which is assigned to that person for the purposes of identifying and authenticating the access to and use of the electronic service by that person;

“document” includes notice and order;

“electronic record” has the meaning given by section 2(1) of the Electronic Transactions Act 2010.”.

Amendment of section 135

18. In the Financial Advisers Act 2001, in section 135(2) —

(a) in paragraph (n), delete “and” at the end; and

(b) after paragraph (n), insert —

“(na) the notification to the Authority by a licensed financial adviser of —

(i) any adverse development that has or is likely to have a material impact on the licensed financial adviser; or

(ii) any matter affecting the fitness and propriety of any substantial shareholder, director or executive officer of the licensed financial adviser, or any person who has effective control of the licensed financial adviser (within the meaning of section 65(6)(a)), to be a substantial shareholder, director or executive officer, or person having effective control of, the licensed financial adviser; and”.

Miscellaneous amendments

19. In the Financial Advisers Act 2001 —

(a) in sections 17(2)(b) and (4)(b), 21(1), (2)(b) and (4) and 22(1)(b) and (5)(b), replace “section 20(1)(f) or (g)” with “section 20(1)(f), (g) or (h)”;

(b) in section 78(1) and (2), replace “this Part” with “Division 1, 2 or 2A”;

(c) in section 78(2), delete “other than proceedings for an offence under section 101(2)”;

(d) in section 79(1), replace “This Part does not” with “Divisions 1, 2 and 2A do not”; and

(e) in section 116(2)(a), replace “64(7)” with “64(10)”.

PART 2
AMENDMENT OF
FINANCIAL SERVICES AND MARKETS ACT 2022

New Part 10A

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20. In the Financial Services and Markets Act 2022, after Part 10, insert —

“PART 10A
INVESTIGATIONS

Division 1 — Preliminary

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Interpretation of this Part

173A. In this Part —

“advocate and solicitor” means an advocate and solicitor of the Supreme Court or a foreign lawyer as defined in section 2(1) of the Legal Profession Act 1966;

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“auditor” means a public accountant who is registered or deemed to be registered under the Accountants Act 2004;

“book” includes any record, register, document or other record of information, and any account or accounting record, however compiled, recorded or stored, whether in written or printed form or on microfilm or in any other electronic form or otherwise;

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“computer” and “data” have the meanings given by section 2(1) of the Computer Misuse Act 1993;

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“law enforcement agency” means any authority or person charged with the duty of investigating offences or charging offenders under any written law;

“legal counsel” has the meaning given by section 3(7) of the Evidence Act 1893;

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“officer” —

(a) in relation to the Authority, includes any person employed by the Authority in an executive capacity; and

(b) in relation to any corporation (other than a law enforcement agency), has the meaning given by section 4(1) of the Companies Act 1967;

“prescribed written law” means this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts:

(a) Banking Act 1970;

(b) Credit Bureau Act 2016;

(c) Deposit Insurance and Policy Owners’ Protection Schemes Act 2011;

(d) Finance Companies Act 1967;

(e) Financial Advisers Act 2001;

(f) Financial Holding Companies Act 2013;

(g) Insurance Act 1966;

(h) Monetary Authority of Singapore Act 1970;

(i) Payment Services Act 2019;

(j) Securities and Futures Act 2001;

(k) Trust Companies Act 2005;

(l) such other Act as the Authority may prescribe by regulations made under section 192.

Division 2 — Investigative powers of Authority

Subdivision (1) — General

Investigation by Authority

173B.—(1) The Authority may conduct such investigation as it considers necessary or expedient for any of the following purposes:

- (a) to perform any of its functions and duties under this Act;
- (b) to ensure compliance with this Act or any written direction issued under this Act;
- (c) to investigate an alleged or suspected contravention of any provision of this Act or any written direction issued under this Act.

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(2) The Authority may exercise any of its powers under this Division for the purposes of conducting an investigation under subsection (1) despite the provisions of any prescribed written law or any requirement imposed thereunder or any rule of law.

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(3) Subject to subsection (5), a requirement imposed by the Authority under this Division has effect despite any obligations as to secrecy or other restrictions upon the disclosure of information imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

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(4) Subject to subsection (5), any person who complies with a requirement imposed by the Authority under this Division is not treated as being in breach of any restriction upon the disclosure of information or thing imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

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(5) Nothing in this section requires a person to disclose any information subject to legal privilege.

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(6) No civil or criminal action, other than proceedings for an offence under section 173R, shall lie against any person —

- (a) for giving assistance to the Authority, including answering questions, if the person had given the assistance or answered the questions in good faith in compliance with a requirement imposed by the Authority under this Division;
- (b) for providing information, producing books or giving access to data to the Authority, if the person had done

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so in good faith in compliance with a requirement imposed by the Authority under this Division; or

- (c) for doing or omitting to do any act, if the person had done or omitted to do the act in good faith and as a result of complying with a requirement imposed by the Authority under this Division.

(7) In this section, a reference to a requirement imposed by the Authority under this Division includes a reference to a requirement imposed by an investigator or authorised person under Subdivision (2) or (3).

Confidentiality of investigation reports

173C.—(1) Where a written report or any part of a written report (called in this section the report) has been produced by the Authority in respect of any investigation under section 173B and is provided by the Authority to the person under investigation (called in this section the investigated person), the report must not be disclosed by the investigated person or, if the investigated person is a corporation, by any of its officers or auditors, to any other person except in the circumstances provided under subsection (2).

(2) Disclosure of the report mentioned in subsection (1) may be made —

- (a) by the investigated person to any officer or auditor of that investigated person solely in connection with the performance of the duties of the officer or auditor (as the case may be) in that investigated person;
- (b) by any officer or auditor of the investigated person to any other officer or auditor of that investigated person, solely in connection with the performance of their duties in that investigated person; or
- (c) to such other person as the Authority may approve in writing.

(3) In granting written approval for any disclosure under subsection (2)(c), the Authority may impose such conditions or

restrictions as it thinks fit on the investigated person, any of its officers or auditors or the person to whom disclosure is approved, and that person must comply with such conditions or restrictions.

(4) The obligation on an officer or auditor mentioned in subsection (1) continues after the termination or cessation of his or her employment or appointment by the investigated person.

(5) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(6) Any person to whom the report is disclosed and who knows or has reasonable grounds for believing, at the time of the disclosure, that the report was disclosed to the person in contravention of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both, unless the person proves that —

(a) the disclosure was made contrary to the person's desire;

(b) where the disclosure was made in any written or printed form, the person had, as soon as practicable after receiving the report, surrendered or taken all reasonable steps to surrender the report and all copies of the report to the Authority; and

(c) where the disclosure was made in an electronic form, the person had, as soon as practicable after receiving the report, taken all reasonable steps to ensure that all electronic copies of the report had been deleted and that the report and all copies of the report in other forms had been surrendered to the Authority.

Self-incrimination and saving for advocates and solicitors

173D.—(1) A person is not excused from disclosing information to the Authority, or an investigator or authorised

person mentioned in Subdivision (2) or (3), pursuant to a requirement made of the person under any provision of this Division, on the ground that the disclosure of the information might tend to incriminate the person.

(2) Where a person claims, before making a statement disclosing information that the person is required to disclose under any provision of this Division to the Authority or to an investigator or authorised person mentioned in Subdivision (2) or (3), that the statement might tend to incriminate the person, that statement is not admissible in evidence against the person in criminal proceedings other than proceedings for an offence under section 173R(4).

(3) For the purposes of any proceedings for an offence under this Act, the making of a statement by an accused person made pursuant to a requirement mentioned in subsection (1), is not to be regarded under section 258(3) of the Criminal Procedure Code 2010 as caused by any inducement, threat or promise merely because the Authority, investigator or authorised person had earlier informed the accused person that the accused person was not excused from disclosing information on the ground that the disclosure of the information might tend to incriminate the accused person, if the Authority, investigator or authorised person (as the case may be) believed in good faith, when so informing the accused person, that —

- (a) the accused person was concerned in an offence under this Act; or
- (b) a reasonable complaint has been made, or credible information has been received, or a reasonable suspicion exists, that the accused person was concerned in an offence under this Act.

(4) Nothing in this Division —

- (a) compels an advocate and solicitor or legal counsel to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; or

- (b) authorises the taking of any such book or other material which is in the possession of an advocate and solicitor or legal counsel.

(5) Despite subsection (4), an advocate and solicitor or legal counsel —

- (a) who is required under this Division to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; and
- (b) who refuses to disclose or produce the privileged communication, book or other material,

must give the name and address (if he or she knows them) of the person to whom, or by or on behalf of whom, that privileged communication was made.

Subdivision (2) — Examination of persons

Requirement to appear for examination

173E.—(1) For the purpose of an investigation under this Division, the Authority may, in writing, require a person —

- (a) to give to the Authority all reasonable assistance in connection with the investigation; and
- (b) to appear before an officer of the Authority duly authorised by the Authority for examination and to answer questions.

(2) A written requirement imposed under subsection (1) must state the general nature of the matter mentioned in that subsection.

Proceedings at examination

173F. The provisions of this Subdivision apply where, pursuant to a requirement made under section 173E for the purposes of an investigation under this Division, a person (called

in this Subdivision the examinee) appears before another person (called in this Subdivision the investigator) for examination.

Requirements made of examinee

5 **173G.**—(1) The investigator may examine the examinee on oath or affirmation, and may, for that purpose, administer an oath or affirmation to the examinee.

10 (2) The oath or affirmation to be taken or made by the examinee for the purposes of the examination is an oath or affirmation that the statements that the examinee will make are true.

(3) The investigator may require the examinee to answer a question that is put to the examinee at the examination and is relevant to a matter that the Authority is investigating, or is to investigate, under this Division.

Examination to take place in private

15 **173H.**—(1) The examination must take place in private and the investigator may give directions as to who may be present during the examination or part thereof.

20 (2) A person must not be present at the examination unless the person is —

- (a) the investigator or the examinee;
- (b) a person approved by the Authority; or
- (c) entitled to be present by virtue of a direction under subsection (1).

Record of examination

25 **173I.**—(1) The investigator may, and must if the examinee so requests, cause a record to be made of statements made at the examination.

30 (2) If a record made under subsection (1) is in writing or is reduced to writing —

- (a) the investigator may require the examinee to read the record, or to have it read to the examinee, and may require the examinee to sign it; and
- (b) the investigator must, if requested in writing by the examinee to give to the examinee a copy of the written record, provide a copy of the written record without charge within a reasonable time, subject to such conditions as the investigator may impose.

Giving copies of record to other persons

173J.—(1) The Authority may, subject to such conditions or restrictions as it may impose, give a copy of a written record of the examination, or such a copy together with a copy of any related book, to an advocate and solicitor acting on behalf of a person who is carrying on, or is contemplating in good faith, a legal proceeding in respect of a matter to which the examination relates.

(2) If the Authority gives a copy of a written record or book to a person under subsection (1), the person, or any other person who has possession, custody or control of the copy or a further copy of the copy, must not, except in connection with preparing, beginning or carrying on, or in the course of, any legal proceeding —

- (a) use the copy or a further copy of the copy; or
- (b) publish, or communicate to a person, the copy, a further copy of the copy, or any part of the contents of the copy.

(3) The Authority may, subject to such conditions or restrictions as it may impose, give to a person other than a person mentioned in subsection (1), a copy of a written record of the examination, or the copy together with a copy of any related book.

Copies given subject to conditions

173K. If a copy of any written record or book is given to a person under section 173I(2) or 173J(1) or (3) subject to

conditions or restrictions imposed by the investigator or the Authority (as the case may be), the person, and any other person who has possession, custody or control of the copy or the further copy of the copy, must comply with the conditions or restrictions.

Subdivision (3) — Powers to obtain information

Power of Authority to order production of books, provision of information or giving of access to data

173L. For the purpose of an investigation under this Division, the Authority may, in writing, require —

(a) a person who is believed to possess, or to have power to access, any book, or who is believed to possess any information, relating to any matter under investigation; or

(b) a person who is believed to have power to access any data relating to any matter under investigation,

to —

(c) produce the book or a copy of the book, or to provide the information, at the time and place specified in the written requirement;

(d) give the Authority or any officer of the Authority who is authorised by the Authority for this purpose (called in this section an investigator) access to the book or data; or

(e) provide such reasonable assistance as the Authority or an investigator may require for the purposes of accessing the book or data.

Power to enter premises without warrant

173M.—(1) In connection with an investigation under this Division, any officer of the Authority who is authorised by the Authority to do so (called in this section an investigator) and such other officers or persons as the Authority has authorised in

writing to accompany the investigator (each called in this section an authorised person) may enter any premises.

(2) An investigator or authorised person accompanying the investigator must not enter any premises in the exercise of the powers under this section unless the investigator has given the occupier of the premises a written notice which —

- (a) gives at least 2 working days' notice of the intended entry;
- (b) indicates the subject matter and purpose of the investigation; and
- (c) indicates the nature of the offences investigated.

(3) Subsection (2) does not apply —

- (a) if the investigation relates to an alleged or suspected contravention of any provision of this Act and the investigator has reasonable grounds for suspecting that the premises are, or have been, occupied by a person who is being investigated in relation to the contravention; or
- (b) if the investigator has taken all such steps as are reasonably practicable to give notice under subsection (2)(a) but has not been able to do so.

(4) Where subsection (3) applies, the power of entry conferred by subsection (1) may only be exercised upon production of —

- (a) evidence of the investigator's authorisation and the authorisation of every authorised person accompanying the investigator; and
- (b) a document containing information indicating the subject matter and purpose of the investigation and the nature of the offences investigated.

(5) Without affecting section 173L, an investigator or authorised person entering any premises under this section may —

- (a) bring with him or her to the premises such items as appear to him or her to be necessary;
- (b) require any person on the premises to produce any book or copy of any book or to give access to any data which the investigator or authorised person considers relates to any matter relevant to the investigation;
- (c) require any person on the premises to state, to the best of the person's knowledge and belief, where any such book or data is to be found; and
- (d) take any step, or issue to any person on the premises any requirement, which appears to be necessary for the purpose of preserving or preventing interference with any such book or data.

Warrant to seize books, etc.

173N.—(1) A Magistrate may, on the application of the Authority —

- (a) issue a warrant, if the Magistrate is satisfied that there are reasonable grounds to suspect that there is, on any particular premises, any book, or a computer in which any data is contained or to which any data is available —
 - (i) being any book or data the production of which, or access to which, has been required under section 173L or 173M, but which has not been produced, or access to which has not been given, in compliance with that requirement; or
 - (ii) being any book or data which, if production of which or access to which is required under section 173L or 173M, will be concealed, removed, tampered with or destroyed; and
- (b) if the Magistrate is also satisfied that there are reasonable grounds to suspect that there is, on those premises, any other book, or a computer in which any other data is contained or to which any other data is

available, which relates to any matter relevant to the investigation concerned, direct that the powers exercisable under the warrant extend to such other book or computer.

(2) A warrant issued under subsection (1) authorises the Authority or any person named in the warrant, with or without assistance — 5

- (a) to enter the premises specified in the warrant, using such force as is reasonably necessary for the purpose;
- (b) to search the premises and to break open and search anything, whether a fixture or not, in the premises; 10
- (c) to take possession of, or secure against interference, any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b);
- (d) to require any person to provide an explanation of any book or data that appears to be any book or data mentioned in subsection (1)(a) or (b), or to state, to the best of that person's knowledge and belief, where any such book or data may be found; 15
- (e) to search any person on those premises, if there are reasonable grounds to suspect that the person has in his or her possession any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b), or any equipment or article which relates to any matter relevant to the investigation concerned; 20 25
- (f) to remove from those premises for examination any book that appears to be a book mentioned in subsection (1)(a) or (b), or any equipment (including a computer) or article which relates to any matter relevant to the investigation concerned; 30
- (g) to access, inspect and check the operation of a computer on the premises specified in the warrant, if there are reasonable grounds to suspect that any data mentioned in subsection (1)(a) or (b) is or has 35

been contained in or available to the computer, or that the computer is a computer mentioned in subsection (1)(a) or (b);

5 (h) to use any computer mentioned in paragraph (g), or cause any such computer to be used —

(i) to search any book or data that appears to be a book or any data mentioned in subsection (1)(a) or (b), that is contained in or available to such computer; and

10 (ii) to make a copy of any such book or data;

(i) to prevent any other person from gaining access to, or using, any computer mentioned in paragraph (g) (including by changing any username, password or other authentication information required to gain access to the computer);

15 (j) to order any person —

(i) to stop accessing or using or to not access or use any computer mentioned in paragraph (g); or

20 (ii) to access or use any such computer only under such conditions as the Authority or any person named in the warrant may specify; and

(k) to order —

25 (i) any person whom the Authority or any person named in the warrant reasonably suspects of using, or of having used, a computer mentioned in paragraph (g);

(ii) any person having charge of, or otherwise concerned with the operation of, any such computer; or

- (iii) any person whom the Authority or any person named in the warrant reasonably believes has knowledge of or access to any username, password or other authentication information required to gain access to any such computer, 5

to provide any of the following types of assistance to the Authority:

- (iv) assistance to gain access to the computer (including assistance through the provision of any username, password or other authentication information required to gain access to the computer); 10

- (v) assistance to prevent a person (other than the Authority or any person named in the warrant) from gaining access to, or using, the computer, including assistance in changing any username, password or other authentication information required to gain access to the computer. 15

(3) The Authority or any person named in the warrant may allow any equipment or article mentioned in subsection (2)(f) to be retained on the premises specified in the warrant, subject to such conditions as the Authority or that person may require. 20

(4) Any person entering any premises by virtue of a warrant issued under subsection (1) may bring with him or her to the premises such items as appear to him or her to be necessary. 25

(5) Where a warrant is issued under subsection (1), and there is no one present at the premises specified in the warrant when the Authority or any person named in the warrant proposes to execute the warrant, the Authority or that person must, before executing the warrant — 30

- (a) take such steps as are reasonable in all the circumstances to inform the occupier of the premises of the intended entry into the premises; and

- (b) subject to subsection (6), give the occupier or the occupier's legal or other representative a reasonable 35

opportunity to be present when the warrant is executed.

(6) If the Authority or any person named in the warrant is unable to inform the occupier of the premises of the intended entry into the premises, the Authority or that person must, when executing the warrant, leave a copy of the warrant in a prominent place on the premises.

(7) On leaving any premises specified in a warrant issued under subsection (1), the Authority or any person named in the warrant must, if the premises are unoccupied or if the occupier of the premises is temporarily absent, leave the premises as effectively secured as the Authority or that person found the premises.

(8) The powers conferred by this section are in addition to, and not in derogation of, any other powers conferred by any other written law or rule of law.

(9) In this section —

“occupier”, in relation to any premises specified in a warrant issued under subsection (1), includes any person whom the Authority or any person named in the warrant reasonably believes to be the occupier of those premises;

“premises” includes any structure, building, aircraft, vehicle or vessel.

Powers where books are produced, etc.

173O.—(1) This section applies where —

(a) any book is produced to the Authority, or access to any book, or any data contained in or available to a computer, is given to the Authority —

(i) pursuant to a requirement under section 173L;
or

- (ii) during an entry into any premises by an investigator or authorised person under section 173M;
- (b) under a warrant issued under section 173N(1), the Authority or a person named therein — 5
 - (i) takes possession of any book or computer; or
 - (ii) secures any book or computer against interference; or
- (c) under a previous application of subsection (6), any book or computer is delivered into the possession of the Authority or a person authorised by it. 10
- (2) If subsection (1)(a) applies, the Authority may take possession of any book or computer mentioned in that provision.
- (3) The Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) may — 15
 - (a) inspect, and make copies of, or take extracts from, a book, or any data contained in or available to the computer, mentioned in that subsection;
 - (b) use, or permit the use of, a book, or any data contained in or available to the computer, mentioned in that subsection for the purposes of any proceedings; 20
 - (c) retain possession of a book or computer mentioned in that subsection for so long as is necessary —
 - (i) for the purposes of exercising a power conferred by this section; 25
 - (ii) for a decision to be made about whether or not any proceedings to which the book or any data contained in or available to the computer would be relevant should be instituted; or
 - (iii) for such proceedings to be instituted and carried on; and 30
 - (d) require any book stored in any electronic form, or any data, which the Authority or person mentioned in

subsection (1)(b) or (c) is satisfied relates to any matter relevant to an investigation under this Division, to be produced in a form which can be taken away and which is visible and legible.

5 (4) No person is entitled, as against the Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) to claim a lien on any book or computer mentioned in that subsection, but such a lien is not otherwise prejudiced.

10 (5) While any book or computer is in the possession of the Authority or (where applicable) the person mentioned in subsection (1)(b) or (c), the Authority or the person —

15 (a) must permit another person to inspect at all reasonable times the book or computer as the second-mentioned person would be entitled to inspect if the book or computer were not in the possession of the Authority or the firstmentioned person; and

(b) may permit any other person to inspect the book or computer.

20 (6) If subsection (1)(a) or (b)(i) applies, an investigator or authorised person mentioned in subsection (1)(a) or a person mentioned in subsection (1)(b) may deliver any book or computer into the possession of the Authority or of a person authorised by the Authority to receive them.

25 (7) If subsection (1)(a) or (b) or (6) applies, the Authority, an investigator or authorised person mentioned in subsection (1)(a), a person mentioned in subsection (1)(b) or a person into whose possession any book or computer is delivered under subsection (6), may require —

30 (a) if subsection (1)(a) applies — a person who produced the book or gave access to the book or the data contained in or available to the computer; or

- (b) if subsection (1)(b) applies — a person who was a party to the preparation of the book or any data contained in or available to the computer,

to explain, to the best of his or her knowledge and belief, any matter about the preparation of the book or data or any matter to which the book or data relates.

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Powers where books not produced, information not provided or access to book or data not given

173P. Where a person fails to comply with a requirement imposed by the Authority under section 173L to produce any book, provide any information or give access to any book or data, the Authority may require the person to state, to the best of his or her knowledge and belief —

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- (a) the place where such book, or any computer in which such data is contained or to which such data is available, may be found;

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- (b) the person who last had possession, custody or control of such book, or any computer in which such data is contained or to which such data is available, and the place where that person may be found; or

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- (c) the person who possesses such information and the place where that person may be found.

Copies of or extracts from books to be admitted in evidence

173Q.—(1) Subject to this section, a copy of or extract from any book referred to in this Division that is proved to be a true copy of the book, or of the relevant part of the book, is admissible in evidence as if it were the original book, or the relevant part of the original book.

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(2) For the purposes of subsection (1), evidence that a copy of or extract from any book is a true copy of the book or of a part of the book, may be given by a person who has compared the copy or extract with the book or the relevant part of the book, and may be given orally or by an affidavit sworn, or by a declaration

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made, before a person authorised to take affidavits or statutory declarations.

Offences under this Division

173R.—(1) An advocate and solicitor or legal counsel who, without reasonable excuse, fails to comply with section 173D(5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

(2) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement imposed under section 173E(1), 173G(3), 173L, 173M(5)(b), (c) or (d), 173O(3)(d) or (7) or 173P; or

(b) any requirement imposed pursuant to a warrant issued under section 173N(1),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(3) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement of an investigator under section 173I(2)(a); or

(b) section 173J(2) or 173K,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(4) A person who —

(a) in purported compliance with a requirement imposed under section 173D(5), 173L, 173M(5)(b), (c) or (d), 173O(3)(d) or (7) or 173P, or pursuant to a warrant issued under section 173N(1); or

(b) in the course of examination of the person,

provides information or makes a statement that is false or misleading in a material particular shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

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(5) It is a defence to a prosecution for an offence under subsection (4) if the defendant proves that the defendant believed on reasonable grounds that the information or statement was true and not misleading.

(6) Any person who, knowing or having reasonable grounds to believe that any book, computer, equipment or article relates to a matter that the Authority is investigating or about to investigate under this Division —

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(a) conceals, destroys, mutilates or alters that book, computer, equipment or article; or

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(b) if any such book, computer, equipment or article is within the territory of Singapore, takes or sends the book, computer, equipment or article out of Singapore,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both.

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(7) A person who, without reasonable excuse, obstructs or hinders the Authority in the exercise of any power under this Division, or obstructs or hinders a person who is exercising any power under section 173M(1) or (5) or executing a warrant issued under section 173N(1), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

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(8) Any occupier or person in charge of any premises who fails to provide, to any person who enters those premises under section 173M(1) or under a warrant issued under section 173N(1), all reasonable facilities and assistance for the effective exercise of that person's powers under section 173M(1) or (5) or under the warrant (as the case may

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be) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Division 3 — Transfer of evidence

Interpretation of this Division

173S. In this Division —

“Commercial Affairs Officer” means a Commercial Affairs Officer appointed under section 64 of the Police Force Act 2004;

“police officer” means a member of the Singapore Police Force.

Evidence obtained by Authority may be used in criminal investigations and proceedings

173T.—(1) Despite the provisions of any written law or rule of law, the Authority may provide any book, written record of any examination or other information, or access to any data, obtained by the Authority under this Part to —

(a) a police officer;

(b) a Commercial Affairs Officer; or

(c) the Public Prosecutor,

for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under this Act.

(2) To avoid doubt, any book, written record of examination or other information provided, or any data to which access is provided, by the Authority under subsection (1) is not inadmissible in any criminal proceedings by reason only that it was first obtained by the Authority under this Act, and the admissibility thereof is to be determined in accordance with the rules of evidence under written law and any relevant rules of law.

**Evidence obtained under Criminal Procedure Code 2010
may be used for purposes of Act**

173U. Despite the provisions of any written law or any rule of law, any book, data, statement or other information obtained by —

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- (a) a police officer or a Commercial Affairs Officer in the exercise of his or her powers under Divisions 1 and 2 of Part 4 of the Criminal Procedure Code 2010; or
- (b) an authorised person mentioned in section 20(1) or (1A), 39(1) or 40(2) of the Criminal Procedure Code 2010, in the exercise of his or her powers under those sections,

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may be provided to the following persons for the following purposes, if it is in the public interest to do so:

- (c) to the Authority — for the purpose of any investigation under section 173B(1);
- (d) to the Minister or to an Appeal Advisory Committee constituted under section 13 — for the purpose of any appeal against a decision of the Authority under this Act.”.

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Amendment of section 192

21. In the Financial Services and Markets Act 2022, in section 192, after subsection (1), insert —

“(1A) Without limiting subsection (1), regulations made under this section may prescribe any matter concerning the production of books or a copy thereof, or giving access to books or data under section 173L or 173M(5)(b), including the form and manner in which the production or giving access is to be carried out.”.

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PART 3

AMENDMENT OF INSURANCE ACT 1966

Amendment of Division 2 of Part 3

5 **22.** In the Insurance Act 1966, in Part 3, in Division 2, in the Division heading, delete “*and Investigations*”.

Deletion of section 99

23. In the Insurance Act 1966, delete section 99.

Amendment of section 101

24. In the Insurance Act 1966, in section 101 —
 10 (a) in the section heading, delete “**and investigation**”; and
 (b) in subsection (1)(a), delete “or an investigation under section 99”.

New Divisions 2A and 2B of Part 3

25. In the Insurance Act 1966, in Part 3, after Division 2, insert —
 15 *“Division 2A — Investigative powers of Authority*
 Subdivision (1) — Preliminary

Interpretation of this Division

101A. In this Division —
 “auditor” means a public accountant who is registered or
 20 deemed to be registered under the Accountants Act 2004;
 “book” includes any record, register, document or other record of information, and any account or accounting record, however compiled, recorded or stored, whether
 25 in written or printed form or on microfilm or in any other electronic form or otherwise;
 “computer” and “data” have the meanings given by section 2(1) of the Computer Misuse Act 1993;

“law enforcement agency” means any authority or person charged with the duty of investigating offences or charging offenders under any written law;

“legal counsel” has the meaning given by section 3(7) of the Evidence Act 1893;

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“officer” —

(a) in relation to the Authority, includes any person employed by the Authority in an executive capacity; and

(b) in relation to any corporation (other than a law enforcement agency), has the meaning given by section 4(1) of the Companies Act 1967;

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“prescribed written law” means this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts:

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(a) Banking Act 1970;

(b) Credit Bureau Act 2016;

(c) Deposit Insurance and Policy Owners’ Protection Schemes Act 2011;

(d) Finance Companies Act 1967;

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(e) Financial Advisers Act 2001;

(f) Financial Holding Companies Act 2013;

(g) Financial Services and Markets Act 2022;

(h) Monetary Authority of Singapore Act 1970;

(i) Payment Services Act 2019;

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(j) Securities and Futures Act 2001;

(k) Trust Companies Act 2005;

(l) any other Act that the Authority may prescribe by regulations made under section 154.

*Subdivision (2) — General***Investigation by Authority**

5 **101B.**—(1) The Authority may conduct such investigation as it considers necessary or expedient for any of the following purposes:

- (a) to perform any of its functions and duties under this Act;
- (b) to ensure compliance with this Act or any written direction issued under this Act;
- 10 (c) to investigate an alleged or suspected contravention of any provision of this Act or any written direction issued under this Act.

15 (2) The Authority may exercise any of its powers under this Division for the purposes of conducting an investigation under subsection (1) despite the provisions of any prescribed written law or any requirement imposed thereunder or any rule of law.

20 (3) Subject to subsection (5), a requirement imposed by the Authority under this Division has effect despite any obligations as to secrecy or other restrictions upon the disclosure of information imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

25 (4) Subject to subsection (5), any person who complies with a requirement imposed by the Authority under this Division is not treated as being in breach of any restriction upon the disclosure of information or thing imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

30 (5) Nothing in this section requires a person to disclose any information subject to legal privilege.

(6) No civil or criminal action, other than proceedings for an offence under section 101R, shall lie against any person —

- (a) for giving assistance to the Authority, including answering questions, if the person had given the

assistance or answered the questions in good faith in compliance with a requirement imposed by the Authority under this Division;

- (b) for providing information, producing books or giving access to data to the Authority, if the person had done so in good faith in compliance with a requirement imposed by the Authority under this Division; or 5
- (c) for doing or omitting to do any act, if the person had done or omitted to do the act in good faith and as a result of complying with a requirement imposed by the Authority under this Division. 10

(7) In this section, a reference to a requirement imposed by the Authority under this Division includes a reference to a requirement imposed by an investigator or authorised person under Subdivision (3) or (4). 15

Confidentiality of investigation reports

101C.—(1) Where a written report or any part of a written report (called in this section the report) has been produced by the Authority in respect of any investigation under section 101B and is provided by the Authority to the person under investigation (called in this section the investigated person), the report must not be disclosed by the investigated person or, if the investigated person is a corporation, by any of its officers or auditors, to any other person except in the circumstances provided under subsection (2). 20 25

(2) Disclosure of the report mentioned in subsection (1) may be made —

- (a) by the investigated person to any officer or auditor of that investigated person solely in connection with the performance of the duties of the officer or auditor (as the case may be) in that investigated person; 30
- (b) by any officer or auditor of the investigated person to any other officer or auditor of that investigated

person, solely in connection with the performance of their duties in that investigated person; or

(c) to such other person as the Authority may approve in writing.

5 (3) In granting written approval for any disclosure under subsection (2)(c), the Authority may impose such conditions or restrictions as it thinks fit on the investigated person, any of its officers or auditors or the person to whom disclosure is approved, and that person must comply with such conditions
10 or restrictions.

(4) The obligation on an officer or auditor mentioned in subsection (1) continues after the termination or cessation of his or her employment or appointment by the investigated person.

15 (5) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding 3 years or to both.

20 (6) Any person to whom the report is disclosed and who knows or has reasonable grounds for believing, at the time of the disclosure, that the report was disclosed to the person in contravention of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both, unless the person proves that —

25 (a) the disclosure was made contrary to the person's desire;

30 (b) where the disclosure was made in any written or printed form, the person had, as soon as practicable after receiving the report, surrendered or taken all reasonable steps to surrender the report and all copies of the report to the Authority; and

35 (c) where the disclosure was made in an electronic form, the person had, as soon as practicable after receiving the report, taken all reasonable steps to ensure that all electronic copies of the report had been deleted and

that the report and all copies of the report in other forms had been surrendered to the Authority.

Self-incrimination and saving for advocates and solicitors

101D.—(1) A person is not excused from disclosing information to the Authority, or an investigator or authorised person mentioned in Subdivision (3) or (4), pursuant to a requirement made of the person under any provision of this Division, on the ground that the disclosure of the information might tend to incriminate the person.

(2) Where a person claims, before making a statement disclosing information that the person is required to disclose under any provision of this Division to the Authority or to an investigator or authorised person mentioned in Subdivision (3) or (4), that the statement might tend to incriminate the person, that statement is not admissible in evidence against the person in criminal proceedings other than proceedings for an offence under section 101R(5).

(3) For the purposes of any proceedings for an offence under this Act, the making of a statement by an accused person made pursuant to a requirement mentioned in subsection (1), is not to be regarded under section 258(3) of the Criminal Procedure Code 2010 as caused by any inducement, threat or promise merely because the Authority, investigator or authorised person had earlier informed the accused person that the accused person was not excused from disclosing information on the ground that the disclosure of the information might tend to incriminate the accused person, if the Authority, investigator or authorised person (as the case may be) believed in good faith, when so informing the accused person, that —

- (a) the accused person was concerned in an offence under this Act; or
- (b) a reasonable complaint has been made, or credible information has been received, or a reasonable suspicion exists, that the accused person was concerned in an offence under this Act.

(4) Nothing in this Division —

- (a) compels an advocate and solicitor or legal counsel to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; or
- (b) authorises the taking of any such book or other material which is in the possession of an advocate and solicitor or legal counsel.

(5) Despite subsection (4), an advocate and solicitor or legal counsel —

- (a) who is required under this Division to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; and
- (b) who refuses to disclose or produce the privileged communication, book or other material,

must give the name and address (if he or she knows them) of the person to whom, or by or on behalf of whom, that privileged communication was made.

Subdivision (3) — Examination of persons

Requirement to appear for examination

101E.—(1) For the purpose of an investigation under this Division, the Authority may, in writing, require a person —

- (a) to give to the Authority all reasonable assistance in connection with the investigation; and
- (b) to appear before an officer of the Authority duly authorised by the Authority for examination and to answer questions.

(2) A written requirement imposed under subsection (1) must state the general nature of the matter mentioned in that subsection.

Proceedings at examination

101F. The provisions of this Subdivision apply where, pursuant to a requirement made under section 101E for the purposes of an investigation under this Division, a person (called in this Subdivision the examinee) appears before another person (called in this Subdivision the investigator) for examination.

Requirements made of examinee

101G.—(1) The investigator may examine the examinee on oath or affirmation, and may, for that purpose, administer an oath or affirmation to the examinee.

(2) The oath or affirmation to be taken or made by the examinee for the purposes of the examination is an oath or affirmation that the statements that the examinee will make are true.

(3) The investigator may require the examinee to answer a question that is put to the examinee at the examination and is relevant to a matter that the Authority is investigating, or is to investigate, under this Division.

Examination to take place in private

101H.—(1) The examination must take place in private and the investigator may give directions as to who may be present during the examination or part thereof.

(2) A person must not be present at the examination unless the person is —

- (a) the investigator or the examinee;
- (b) a person approved by the Authority; or
- (c) entitled to be present by virtue of a direction under subsection (1).

Record of examination

101I.—(1) The investigator may, and must if the examinee so requests, cause a record to be made of statements made at the examination.

(2) If a record made under subsection (1) is in writing or is reduced to writing —

(a) the investigator may require the examinee to read the record, or to have it read to the examinee, and may require the examinee to sign it; and

(b) the investigator must, if requested in writing by the examinee to give to the examinee a copy of the written record, provide a copy of the written record without charge within a reasonable time, subject to such conditions as the investigator may impose.

Giving copies of record to other persons

101J.—(1) The Authority may, subject to such conditions or restrictions as it may impose, give a copy of a written record of the examination, or such a copy together with a copy of any related book, to an advocate and solicitor acting on behalf of a person who is carrying on, or is contemplating in good faith, a legal proceeding in respect of a matter to which the examination relates.

(2) If the Authority gives a copy of a written record or book to a person under subsection (1), the person, or any other person who has possession, custody or control of the copy or a further copy of the copy, must not, except in connection with preparing, beginning or carrying on, or in the course of, any legal proceeding —

(a) use the copy or a further copy of the copy; or

(b) publish, or communicate to a person, the copy, a further copy of the copy, or any part of the contents of the copy.

(3) The Authority may, subject to such conditions or restrictions as it may impose, give to a person other than a

person mentioned in subsection (1), a copy of a written record of the examination, or the copy together with a copy of any related book.

Copies given subject to conditions

101K. If a copy of any written record or book is given to a person under section 101I(2) or 101J(1) or (3) subject to conditions or restrictions imposed by the investigator or the Authority (as the case may be), the person, and any other person who has possession, custody or control of the copy or the further copy of the copy, must comply with the conditions or restrictions.

Subdivision (4) — Powers to obtain information

Power of Authority to order production of books, provision of information or giving of access to data

101L. For the purpose of an investigation under this Division, the Authority may, in writing, require —

- (a) a person who is believed to possess, or to have power to access, any book, or who is believed to possess any information, relating to any matter under investigation; or
- (b) a person who is believed to have power to access any data relating to any matter under investigation,

to —

- (c) produce the book or a copy of the book, or to provide the information, at the time and place specified in the written requirement;
- (d) give the Authority or any officer of the Authority who is authorised by the Authority for this purpose (called in this section an investigator) access to the book or data; or

- (e) provide such reasonable assistance as the Authority or an investigator may require for the purposes of accessing the book or data.

Power to enter premises without warrant

101M.—(1) In connection with an investigation under this Division, any officer of the Authority who is authorised by the Authority to do so (called in this section an investigator) and such other officers or persons as the Authority has authorised in writing to accompany the investigator (each called in this section an authorised person) may enter any premises.

(2) An investigator or authorised person accompanying the investigator must not enter any premises in the exercise of the powers under this section unless the investigator has given the occupier of the premises a written notice which —

- (a) gives at least 2 working days' notice of the intended entry;
- (b) indicates the subject matter and purpose of the investigation; and
- (c) indicates the nature of the offences investigated.

(3) Subsection (2) does not apply —

- (a) if the investigation relates to an alleged or suspected contravention of any provision of this Act and the investigator has reasonable grounds for suspecting that the premises are, or have been, occupied by a person who is being investigated in relation to the contravention; or
- (b) if the investigator has taken all such steps as are reasonably practicable to give notice under subsection (2)(a) but has not been able to do so.

(4) Where subsection (3) applies, the power of entry conferred by subsection (1) may only be exercised upon production of —

(a) evidence of the investigator's authorisation and the authorisation of every authorised person accompanying the investigator; and

(b) a document containing information indicating the subject matter and purpose of the investigation and the nature of the offences investigated.

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(5) Without affecting section 101L, an investigator or authorised person entering any premises under this section may —

(a) bring with him or her to the premises such items as appear to him or her to be necessary;

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(b) require any person on the premises to produce any book or copy of any book or to give access to any data which the investigator or authorised person considers relates to any matter relevant to the investigation;

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(c) require any person on the premises to state, to the best of the person's knowledge and belief, where any such book or data is to be found; and

(d) take any step, or issue to any person on the premises any requirement, which appears to be necessary for the purpose of preserving or preventing interference with any such book or data.

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Warrant to seize books, etc.

101N.—(1) A Magistrate may, on the application of the Authority —

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(a) issue a warrant, if the Magistrate is satisfied that there are reasonable grounds to suspect that there is, on any particular premises, any book, or a computer in which any data is contained or to which any data is available —

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(i) being any book or data the production of which, or access to which, has been required under section 101L or 101M, but which has not been

produced, or access to which has not been given, in compliance with that requirement; or

- (ii) being any book or data which, if production of which or access to which is required under section 101L or 101M, will be concealed, removed, tampered with or destroyed; and

- (b) if the Magistrate is also satisfied that there are reasonable grounds to suspect that there is, on those premises, any other book, or a computer in which any other data is contained or to which any other data is available, which relates to any matter relevant to the investigation concerned, direct that the powers exercisable under the warrant extend to such other book or computer.

(2) A warrant issued under subsection (1) authorises the Authority or any person named in the warrant, with or without assistance —

- (a) to enter the premises specified in the warrant, using such force as is reasonably necessary for the purpose;
- (b) to search the premises and to break open and search anything, whether a fixture or not, in the premises;
- (c) to take possession of, or secure against interference, any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b);
- (d) to require any person to provide an explanation of any book or data that appears to be any book or data mentioned in subsection (1)(a) or (b), or to state, to the best of that person's knowledge and belief, where any such book or data may be found;
- (e) to search any person on those premises, if there are reasonable grounds to suspect that the person has in his or her possession any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b), or any equipment or article

which relates to any matter relevant to the investigation concerned;

- (f) to remove from those premises for examination any book that appears to be a book mentioned in subsection (1)(a) or (b), or any equipment (including a computer) or article which relates to any matter relevant to the investigation concerned; 5
- (g) to access, inspect and check the operation of a computer on the premises specified in the warrant, if there are reasonable grounds to suspect that any data mentioned in subsection (1)(a) or (b) is or has been contained in or available to the computer, or that the computer is a computer mentioned in subsection (1)(a) or (b); 10
- (h) to use any computer mentioned in paragraph (g), or cause any such computer to be used — 15
 - (i) to search any book or data that appears to be a book or any data mentioned in subsection (1)(a) or (b), that is contained in or available to such computer; and 20
 - (ii) to make a copy of any such book or data;
- (i) to prevent any other person from gaining access to, or using, any computer mentioned in paragraph (g) (including by changing any username, password or other authentication information required to gain access to the computer); 25
- (j) to order any person —
 - (i) to stop accessing or using or to not access or use any computer mentioned in paragraph (g); or
 - (ii) to access or use any such computer only under such conditions as the Authority or any person named in the warrant may specify; and 30

(k) to order —

(i) any person whom the Authority or any person named in the warrant reasonably suspects of using, or of having used, a computer mentioned in paragraph (g);

(ii) any person having charge of, or otherwise concerned with the operation of, any such computer; or

(iii) any person whom the Authority or any person named in the warrant reasonably believes has knowledge of or access to any username, password or other authentication information required to gain access to any such computer,

to provide any of the following types of assistance to the Authority:

(iv) assistance to gain access to the computer (including assistance through the provision of any username, password or other authentication information required to gain access to the computer);

(v) assistance to prevent a person (other than the Authority or any person named in the warrant) from gaining access to, or using, the computer, including assistance in changing any username, password or other authentication information required to gain access to the computer.

(3) The Authority or any person named in the warrant may allow any equipment or article mentioned in subsection (2)(f) to be retained on the premises specified in the warrant, subject to such conditions as the Authority or that person may require.

(4) Any person entering any premises by virtue of a warrant issued under subsection (1) may bring with him or her to the premises such items as appear to him or her to be necessary.

(5) Where a warrant is issued under subsection (1), and there is no one present at the premises specified in the warrant when the Authority or any person named in the warrant proposes to execute the warrant, the Authority or that person must, before executing the warrant —

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(a) take such steps as are reasonable in all the circumstances to inform the occupier of the premises of the intended entry into the premises; and

(b) subject to subsection (6), give the occupier or the occupier's legal or other representative a reasonable opportunity to be present when the warrant is executed.

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(6) If the Authority or any person named in the warrant is unable to inform the occupier of the premises of the intended entry into the premises, the Authority or that person must, when executing the warrant, leave a copy of the warrant in a prominent place on the premises.

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(7) On leaving any premises specified in a warrant issued under subsection (1), the Authority or any person named in the warrant must, if the premises are unoccupied or if the occupier of the premises is temporarily absent, leave the premises as effectively secured as the Authority or that person found the premises.

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(8) The powers conferred by this section are in addition to, and not in derogation of, any other powers conferred by any other written law or rule of law.

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(9) In this section —

“occupier”, in relation to any premises specified in a warrant issued under subsection (1), includes any person whom the Authority or any person named in the warrant reasonably believes to be the occupier of those premises;

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“premises” includes any structure, building, aircraft, vehicle or vessel.

Powers where books are produced, etc.

101O.—(1) This section applies where —

(a) any book is produced to the Authority, or access to any book, or any data contained in or available to a computer, is given to the Authority —

(i) pursuant to a requirement under section 101L; or

(ii) during an entry into any premises by an investigator or authorised person under section 101M;

(b) under a warrant issued under section 101N(1), the Authority or a person named therein —

(i) takes possession of any book or computer; or

(ii) secures any book or computer against interference; or

(c) under a previous application of subsection (6), any book or computer is delivered into the possession of the Authority or a person authorised by it.

(2) If subsection (1)(a) applies, the Authority may take possession of any book or computer mentioned in that provision.

(3) The Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) may —

(a) inspect, and make copies of, or take extracts from, a book, or any data contained in or available to the computer, mentioned in that subsection;

(b) use, or permit the use of, a book, or any data contained in or available to the computer, mentioned in that subsection for the purposes of any proceedings;

(c) retain possession of a book or computer mentioned in that subsection for so long as is necessary —

(i) for the purposes of exercising a power conferred by this section;

(ii) for a decision to be made about whether or not any proceedings to which the book or any data contained in or available to the computer would be relevant should be instituted; or

(iii) for such proceedings to be instituted and carried on; and 5

(d) require any book stored in any electronic form, or any data, which the Authority or person mentioned in subsection (1)(b) or (c) is satisfied relates to any matter relevant to an investigation under this Division, to be produced in a form which can be taken away and which is visible and legible. 10

(4) No person is entitled, as against the Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) to claim a lien on any book or computer mentioned in that subsection, but such a lien is not otherwise prejudiced. 15

(5) While any book or computer is in the possession of the Authority or (where applicable) the person mentioned in subsection (1)(b) or (c), the Authority or the person —

(a) must permit another person to inspect at all reasonable times the book or computer as the second-mentioned person would be entitled to inspect if the book or computer were not in the possession of the Authority or the firstmentioned person; and 20 25

(b) may permit any other person to inspect the book or computer.

(6) If subsection (1)(a) or (b)(i) applies, an investigator or authorised person mentioned in subsection (1)(a) or a person mentioned in subsection (1)(b) may deliver any book or computer into the possession of the Authority or of a person authorised by the Authority to receive them. 30

(7) If subsection (1)(a) or (b) or (6) applies, the Authority, an investigator or authorised person mentioned in subsection (1)(a), a person mentioned in subsection (1)(b) or a 35

person into whose possession any book or computer is delivered under subsection (6), may require —

- (a) if subsection (1)(a) applies — a person who produced the book or gave access to the book or the data contained in or available to the computer; or
- (b) if subsection (1)(b) applies — a person who was a party to the preparation of the book or any data contained in or available to the computer,

to explain, to the best of his or her knowledge and belief, any matter about the preparation of the book or data or any matter to which the book or data relates.

Powers where books not produced, information not provided or access to book or data not given

101P. Where a person fails to comply with a requirement imposed by the Authority under section 101L to produce any book, provide any information or give access to any book or data, the Authority may require the person to state, to the best of his or her knowledge and belief —

- (a) the place where such book, or any computer in which such data is contained or to which such data is available, may be found;
- (b) the person who last had possession, custody or control of such book, or any computer in which such data is contained or to which such data is available, and the place where that person may be found; or
- (c) the person who possesses such information and the place where that person may be found.

Copies of or extracts from books to be admitted in evidence

101Q.—(1) Subject to this section, a copy of or extract from any book referred to in this Division that is proved to be a true copy of the book, or of the relevant part of the book, is

admissible in evidence as if it were the original book, or the relevant part of the original book.

(2) For the purposes of subsection (1), evidence that a copy of or extract from any book is a true copy of the book or of a part of the book, may be given by a person who has compared the copy or extract with the book or the relevant part of the book, and may be given orally or by an affidavit sworn, or by a declaration made, before a person authorised to take affidavits or statutory declarations.

Offences under this Division

101R.—(1) An advocate and solicitor or legal counsel who, without reasonable excuse, fails to comply with section 101D(5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day during which the offence continues after conviction.

(2) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement imposed under section 101E(1), 101G(3), 101M(5)(b), (c) or (d), 101O(3)(d) or (7) or 101P; or

(b) any requirement imposed pursuant to a warrant issued under section 101N(1),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(3) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement of an investigator under section 101I(2)(a); or

(b) section 101J(2) or 101K,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(4) A person who, without reasonable excuse, refuses or fails to comply with a requirement imposed under section 101L shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day during which the offence continues after conviction.

(5) A person who —

(a) in purported compliance with a requirement imposed under section 101D(5), 101L, 101M(5)(b), (c) or (d), 101O(3)(d) or (7) or 101P, or pursuant to a warrant issued under section 101N(1); or

(b) in the course of examination of the person,

provides information or makes a statement that is false or misleading in a material particular shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(6) It is a defence to a prosecution for an offence under subsection (5) if the defendant proves that the defendant believed on reasonable grounds that the information or statement was true and not misleading.

(7) Any person who, knowing or having reasonable grounds to believe that any book, computer, equipment or article relates to a matter that the Authority is investigating or about to investigate under this Division —

(a) conceals, destroys, mutilates or alters that book, computer, equipment or article; or

(b) if any such book, computer, equipment or article is within the territory of Singapore, takes or sends the book, computer, equipment or article out of Singapore,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both.

(8) A person who, without reasonable excuse, obstructs or hinders the Authority in the exercise of any power under this Division, or obstructs or hinders a person who is exercising any power under section 101M(1) or (5) or executing a warrant issued under section 101N(1), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(9) Any occupier or person in charge of any premises who fails to provide, to any person who enters those premises under section 101M(1) or under a warrant issued under section 101N(1), all reasonable facilities and assistance for the effective exercise of that person's powers under section 101M(1) or (5) or under the warrant (as the case may be) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Division 2B — Transfer of evidence

Interpretation of this Division

101S. In this Division —

“book” includes any record, register, document or other record of information, and any account or accounting record, however compiled, recorded or stored, whether in written or printed form or on microfilm or in any other electronic form or otherwise;

“Commercial Affairs Officer” means a Commercial Affairs Officer appointed under section 64 of the Police Force Act 2004;

“data” has the meaning given by section 2(1) of the Computer Misuse Act 1993;

“police officer” means a member of the Singapore Police Force.

Evidence obtained by Authority may be used in criminal investigations and proceedings

101T.—(1) Despite the provisions of any written law or rule of law, the Authority may provide any book, written record of any examination or other information, or access to any data, obtained by the Authority under Division 2A to —

- (a) a police officer;
- (b) a Commercial Affairs Officer; or
- (c) the Public Prosecutor,

for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under this Act.

(2) To avoid doubt, any book, written record of examination or other information provided, or any data to which access is provided, by the Authority under subsection (1) is not inadmissible in any criminal proceedings by reason only that it was first obtained by the Authority under this Act, and the admissibility thereof is to be determined in accordance with the rules of evidence under written law and any relevant rules of law.

Evidence obtained under Criminal Procedure Code 2010 may be used for purposes of Act

101U. Despite the provisions of any written law or any rule of law, any book, data, statement or other information obtained by —

- (a) a police officer or a Commercial Affairs Officer in the exercise of his or her powers under Divisions 1 and 2 of Part 4 of the Criminal Procedure Code 2010; or

- (b) an authorised person mentioned in section 20(1) or (1A), 39(1) or 40(2) of the Criminal Procedure Code 2010, in the exercise of his or her powers under those sections,

may be provided to the following persons for the following purposes, if it is in the public interest to do so:

- (c) to the Authority — for the purpose of any investigation under section 101B(1);
- (d) to the Minister or to an Appeal Advisory Committee constituted under section 127 — for the purpose of any appeal against a decision of the Authority under this Act.”.

Amendment of section 154

26. In the Insurance Act 1966, in section 154(2) —

- (a) in paragraph (b), delete “and” at the end; and
- (b) replace paragraph (c) with —

“(c) the corporate governance of insurers and insurance brokers;

(d) the risk management of insurers, including the management of financial risk, conduct risk, operational risk and underwriting risk, in relation to the conduct of insurance business in Singapore; and

(e) the risk management of insurance brokers, including the management of financial risk, conduct risk, operational risk and reputational risk, in relation to the conduct of insurance broking business in Singapore.”.

Amendment of section 11

Amendment of Part heading of Part 4

10 **Deletion of section 73**

Amendment of section 74

(a) in the section heading, delete “**and investigation**”;

“(a) produced a written report upon an inspection under section 72 of the books of a person (being a licensee, an exempt payment service provider, an operator, a settlement institution or a participant of a designated payment system, or a person exempt under section 100); and”;

New Part 4A

31. In the Payment Services Act 2019, after Part 4, insert —

“PART 4A

INVESTIGATIONS

Division 1 — Preliminary

Interpretation of this Part

76A. In this Part —

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“advocate and solicitor” means an advocate and solicitor of the Supreme Court or a foreign lawyer as defined in section 2(1) of the Legal Profession Act 1966;

“auditor” means a public accountant who is registered or deemed to be registered under the Accountants Act 2004;

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“computer” and “data” have the meanings given by section 2(1) of the Computer Misuse Act 1993;

“law enforcement agency” means any authority or person charged with the duty of investigating offences or charging offenders under any written law;

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“legal counsel” has the meaning given by section 3(7) of the Evidence Act 1893;

“officer” —

(a) in relation to the Authority, includes any person employed by the Authority in an executive capacity; and

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(b) in relation to any corporation (other than a law enforcement agency), has the meaning given by section 4(1) of the Companies Act 1967;

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“prescribed written law” means this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts:

(a) Banking Act 1970;

(b) Credit Bureau Act 2016;

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(c) Deposit Insurance and Policy Owners’ Protection Schemes Act 2011;

- (d) Finance Companies Act 1967;
- (e) Financial Advisers Act 2001;
- (f) Financial Holding Companies Act 2013;
- (g) Financial Services and Markets Act 2022;
- 5 (h) Insurance Act 1966;
- (i) Monetary Authority of Singapore Act 1970;
- (j) Securities and Futures Act 2001;
- (k) Trust Companies Act 2005;
- 10 (l) such other Act as the Authority may prescribe by regulations made under section 103.

Division 2 — Investigative powers of Authority

Subdivision (1) — General

Investigation by Authority

15 **76B.**—(1) The Authority may conduct such investigation as it considers necessary or expedient for any of the following purposes:

- (a) to perform any of its functions and duties under this Act;
- 20 (b) to ensure compliance with this Act or any written direction issued under this Act;
- (c) to investigate an alleged or suspected contravention of any provision of this Act or any written direction issued under this Act.

25 (2) The Authority may exercise any of its powers under this Division for the purposes of conducting an investigation under subsection (1) despite the provisions of any prescribed written law or any requirement imposed thereunder or any rule of law.

30 (3) Subject to subsection (5), a requirement imposed by the Authority under this Division has effect despite any obligations as to secrecy or other restrictions upon the disclosure of

information imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

(4) Subject to subsection (5), any person who complies with a requirement imposed by the Authority under this Division is not treated as being in breach of any restriction upon the disclosure of information or thing imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

(5) Nothing in this section requires a person to disclose any information subject to legal privilege.

(6) No civil or criminal action, other than proceedings for an offence under section 76R, shall lie against any person —

(a) for giving assistance to the Authority, including answering questions, if the person had given the assistance or answered the questions in good faith in compliance with a requirement imposed by the Authority under this Division;

(b) for providing information, producing books or giving access to data to the Authority, if the person had done so in good faith in compliance with a requirement imposed by the Authority under this Division; or

(c) for doing or omitting to do any act, if the person had done or omitted to do the act in good faith and as a result of complying with a requirement imposed by the Authority under this Division.

(7) In this section, a reference to a requirement imposed by the Authority under this Division includes a reference to a requirement imposed by an investigator or authorised person under Subdivision (2) or (3).

Confidentiality of investigation reports

76C.—(1) Where a written report or any part of a written report (called in this section the report) has been produced by the Authority in respect of any investigation under section 76B and

is provided by the Authority to the person under investigation (called in this section the investigated person), the report must not be disclosed by the investigated person or, if the investigated person is a corporation, by any of its officers or auditors, to any other person except in the circumstances provided under subsection (2).

(2) Disclosure of the report mentioned in subsection (1) may be made —

(a) by the investigated person to any officer or auditor of that investigated person solely in connection with the performance of the duties of the officer or auditor (as the case may be) in that investigated person;

(b) by any officer or auditor of the investigated person to any other officer or auditor of that investigated person, solely in connection with the performance of their duties in that investigated person; or

(c) to such other person as the Authority may approve in writing.

(3) In granting written approval for any disclosure under subsection (2)(c), the Authority may impose such conditions or restrictions as it thinks fit on the investigated person, any of its officers or auditors or the person to whom disclosure is approved, and that person must comply with such conditions or restrictions.

(4) The obligation on an officer or auditor mentioned in subsection (1) continues after the termination or cessation of his or her employment or appointment by the investigated person.

(5) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(6) Any person to whom the report is disclosed and who knows or has reasonable grounds for believing, at the time of the disclosure, that the report was disclosed to the person in contravention of subsection (1) shall be guilty of an offence and

shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both, unless the person proves that —

- (a) the disclosure was made contrary to the person's desire; 5
- (b) where the disclosure was made in any written or printed form, the person had, as soon as practicable after receiving the report, surrendered or taken all reasonable steps to surrender the report and all copies of the report to the Authority; and 10
- (c) where the disclosure was made in an electronic form, the person had, as soon as practicable after receiving the report, taken all reasonable steps to ensure that all electronic copies of the report had been deleted and that the report and all copies of the report in other forms had been surrendered to the Authority. 15

Self-incrimination and saving for advocates and solicitors

76D.—(1) A person is not excused from disclosing information to the Authority, or an investigator or authorised person mentioned in Subdivision (2) or (3), pursuant to a requirement made of the person under any provision of this Division, on the ground that the disclosure of the information might tend to incriminate the person. 20

(2) Where a person claims, before making a statement disclosing information that the person is required to disclose under any provision of this Division to the Authority or to an investigator or authorised person mentioned in Subdivision (2) or (3), that the statement might tend to incriminate the person, that statement is not admissible in evidence against the person in criminal proceedings other than proceedings for an offence under section 76R(5). 25 30

(3) For the purposes of any proceedings for an offence under this Act, the making of a statement by an accused person made pursuant to a requirement mentioned in subsection (1), is not to be regarded under section 258(3) of the Criminal Procedure 35

Code 2010 as caused by any inducement, threat or promise merely because the Authority, investigator or authorised person had earlier informed the accused person that the accused person was not excused from disclosing information on the ground that the disclosure of the information might tend to incriminate the accused person, if the Authority, investigator or authorised person (as the case may be) believed in good faith, when so informing the accused person, that —

(a) the accused person was concerned in an offence under this Act; or

(b) a reasonable complaint has been made, or credible information has been received, or a reasonable suspicion exists, that the accused person was concerned in an offence under this Act.

(4) Nothing in this Division —

(a) compels an advocate and solicitor or legal counsel to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; or

(b) authorises the taking of any such book or other material which is in the possession of an advocate and solicitor or legal counsel.

(5) Despite subsection (4), an advocate and solicitor or legal counsel —

(a) who is required under this Division to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; and

- (b) who refuses to disclose or produce the privileged communication, book or other material,

must give the name and address (if he or she knows them) of the person to whom, or by or on behalf of whom, that privileged communication was made.

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Subdivision (2) — Examination of persons

Requirement to appear for examination

76E.—(1) For the purpose of an investigation under this Division, the Authority may, in writing, require a person —

- (a) to give to the Authority all reasonable assistance in connection with the investigation; and
- (b) to appear before an officer of the Authority duly authorised by the Authority for examination and to answer questions.

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(2) A written requirement imposed under subsection (1) must state the general nature of the matter mentioned in that subsection.

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Proceedings at examination

76F. The provisions of this Subdivision apply where, pursuant to a requirement made under section 76E for the purposes of an investigation under this Division, a person (called in this Subdivision the examinee) appears before another person (called in this Subdivision the investigator) for examination.

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Requirements made of examinee

76G.—(1) The investigator may examine the examinee on oath or affirmation, and may, for that purpose, administer an oath or affirmation to the examinee.

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(2) The oath or affirmation to be taken or made by the examinee for the purposes of the examination is an oath or affirmation that the statements that the examinee will make are true.

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(3) The investigator may require the examinee to answer a question that is put to the examinee at the examination and is relevant to a matter that the Authority is investigating, or is to investigate, under this Division.

Examination to take place in private

76H.—(1) The examination must take place in private and the investigator may give directions as to who may be present during the examination or part thereof.

(2) A person must not be present at the examination unless the person is —

- (a) the investigator or the examinee;
- (b) a person approved by the Authority; or
- (c) entitled to be present by virtue of a direction under subsection (1).

Record of examination

76I.—(1) The investigator may, and must if the examinee so requests, cause a record to be made of statements made at the examination.

(2) If a record made under subsection (1) is in writing or is reduced to writing —

- (a) the investigator may require the examinee to read the record, or to have it read to the examinee, and may require the examinee to sign it; and
- (b) the investigator must, if requested in writing by the examinee to give to the examinee a copy of the written record, provide a copy of the written record without charge within a reasonable time, subject to such conditions as the investigator may impose.

Giving copies of record to other persons

76J.—(1) The Authority may, subject to such conditions or restrictions as it may impose, give a copy of a written record of the examination, or such a copy together with a copy of any

related book, to an advocate and solicitor acting on behalf of a person who is carrying on, or is contemplating in good faith, a legal proceeding in respect of a matter to which the examination relates.

(2) If the Authority gives a copy of a written record or book to a person under subsection (1), the person, or any other person who has possession, custody or control of the copy or a further copy of the copy, must not, except in connection with preparing, beginning or carrying on, or in the course of, any legal proceeding —

- (a) use the copy or a further copy of the copy; or
- (b) publish, or communicate to a person, the copy, a further copy of the copy, or any part of the contents of the copy.

(3) The Authority may, subject to such conditions or restrictions as it may impose, give to a person other than a person mentioned in subsection (1), a copy of a written record of the examination, or the copy together with a copy of any related book.

Copies given subject to conditions

76K. If a copy of any written record or book is given to a person under section 76I(2) or 76J(1) or (3) subject to conditions or restrictions imposed by the investigator or the Authority (as the case may be), the person, and any other person who has possession, custody or control of the copy or the further copy of the copy, must comply with the conditions or restrictions.

Subdivision (3) — Powers to obtain information

Power of Authority to order production of books, provision of information or giving of access to data

76L. For the purpose of an investigation under this Division, the Authority may, in writing, require —

- (a) a person who is believed to possess, or to have power to access, any book, or who is believed to possess any

information, relating to any matter under investigation; or

- (b) a person who is believed to have power to access any data relating to any matter under investigation,

to —

- (c) produce the book or a copy of the book, or to provide the information, at the time and place specified in the written requirement;

- (d) give the Authority or any officer of the Authority who is authorised by the Authority for this purpose (called in this section an investigator) access to the book or data; or

- (e) provide such reasonable assistance as the Authority or an investigator may require for the purposes of accessing the book or data.

Power to enter premises without warrant

76M.—(1) In connection with an investigation under this Division, any officer of the Authority who is authorised by the Authority to do so (called in this section an investigator) and such other officers or persons as the Authority has authorised in writing to accompany the investigator (each called in this section an authorised person) may enter any premises.

(2) An investigator or authorised person accompanying the investigator must not enter any premises in the exercise of the powers under this section unless the investigator has given the occupier of the premises a written notice which —

- (a) gives at least 2 working days' notice of the intended entry;

- (b) indicates the subject matter and purpose of the investigation; and

- (c) indicates the nature of the offences investigated.

(3) Subsection (2) does not apply —

(a) if the investigation relates to an alleged or suspected contravention of any provision of this Act and the investigator has reasonable grounds for suspecting that the premises are, or have been, occupied by a person who is being investigated in relation to the contravention; or

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(b) if the investigator has taken all such steps as are reasonably practicable to give notice under subsection (2)(a) but has not been able to do so.

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(4) Where subsection (3) applies, the power of entry conferred by subsection (1) may only be exercised upon production of —

(a) evidence of the investigator's authorisation and the authorisation of every authorised person accompanying the investigator; and

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(b) a document containing information indicating the subject matter and purpose of the investigation and the nature of the offences investigated.

(5) Without affecting section 76L, an investigator or authorised person entering any premises under this section may —

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(a) bring with him or her to the premises such items as appear to him or her to be necessary;

(b) require any person on the premises to produce any book or copy of any book or to give access to any data which the investigator or authorised person considers relates to any matter relevant to the investigation;

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(c) require any person on the premises to state, to the best of the person's knowledge and belief, where any such book or data is to be found; and

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(d) take any step, or issue to any person on the premises any requirement, which appears to be necessary for the purpose of preserving or preventing interference with any such book or data.

Warrant to seize books, etc.

76N.—(1) A Magistrate may, on the application of the Authority —

5 (a) issue a warrant, if the Magistrate is satisfied that there are reasonable grounds to suspect that there is, on any particular premises, any book, or a computer in which any data is contained or to which any data is available —

10 (i) being any book or data the production of which, or access to which, has been required under section 76L or 76M, but which has not been produced, or access to which has not been given, in compliance with that requirement; or

15 (ii) being any book or data which, if production of which or access to which is required under section 76L or 76M, will be concealed, removed, tampered with or destroyed; and

20 (b) if the Magistrate is also satisfied that there are reasonable grounds to suspect that there is, on those premises, any other book, or a computer in which any other data is contained or to which any other data is available, which relates to any matter relevant to the investigation concerned, direct that the powers exercisable under the warrant extend to such other
25 book or computer.

(2) A warrant issued under subsection (1) authorises the Authority or any person named in the warrant, with or without assistance —

30 (a) to enter the premises specified in the warrant, using such force as is reasonably necessary for the purpose;

 (b) to search the premises and to break open and search anything, whether a fixture or not, in the premises;

- (c) to take possession of, or secure against interference, any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b);
- (d) to require any person to provide an explanation of any book or data that appears to be any book or data mentioned in subsection (1)(a) or (b), or to state, to the best of that person's knowledge and belief, where any such book or data may be found; 5
- (e) to search any person on those premises, if there are reasonable grounds to suspect that the person has in his or her possession any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b), or any equipment or article which relates to any matter relevant to the investigation concerned; 10 15
- (f) to remove from those premises for examination any book that appears to be a book mentioned in subsection (1)(a) or (b), or any equipment (including a computer) or article which relates to any matter relevant to the investigation concerned; 20
- (g) to access, inspect and check the operation of a computer on the premises specified in the warrant, if there are reasonable grounds to suspect that any data mentioned in subsection (1)(a) or (b) is or has been contained in or available to the computer, or that the computer is a computer mentioned in subsection (1)(a) or (b); 25
- (h) to use any computer mentioned in paragraph (g), or cause any such computer to be used —
 - (i) to search any book or data that appears to be a book or any data mentioned in subsection (1)(a) or (b), that is contained in or available to such computer; and 30
 - (ii) to make a copy of any such book or data;

(i) to prevent any other person from gaining access to, or using, any computer mentioned in paragraph (g) (including by changing any username, password or other authentication information required to gain access to the computer);

(j) to order any person —

(i) to stop accessing or using or to not access or use any computer mentioned in paragraph (g); or

(ii) to access or use any such computer only under such conditions as the Authority or any person named in the warrant may specify; and

(k) to order —

(i) any person whom the Authority or any person named in the warrant reasonably suspects of using, or of having used, a computer mentioned in paragraph (g);

(ii) any person having charge of, or otherwise concerned with the operation of, any such computer; or

(iii) any person whom the Authority or any person named in the warrant reasonably believes has knowledge of or access to any username, password or other authentication information required to gain access to any such computer,

to provide any of the following types of assistance to the Authority:

(iv) assistance to gain access to the computer (including assistance through the provision of any username, password or other authentication information required to gain access to the computer);

(v) assistance to prevent a person (other than the Authority or any person named in the warrant) from gaining access to, or using, the computer,

including assistance in changing any username, password or other authentication information required to gain access to the computer.

(3) The Authority or any person named in the warrant may allow any equipment or article mentioned in subsection (2)(f) to be retained on the premises specified in the warrant, subject to such conditions as the Authority or that person may require.

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(4) Any person entering any premises by virtue of a warrant issued under subsection (1) may bring with him or her to the premises such items as appear to him or her to be necessary.

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(5) Where a warrant is issued under subsection (1), and there is no one present at the premises specified in the warrant when the Authority or any person named in the warrant proposes to execute the warrant, the Authority or that person must, before executing the warrant —

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(a) take such steps as are reasonable in all the circumstances to inform the occupier of the premises of the intended entry into the premises; and

(b) subject to subsection (6), give the occupier or the occupier's legal or other representative a reasonable opportunity to be present when the warrant is executed.

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(6) If the Authority or any person named in the warrant is unable to inform the occupier of the premises of the intended entry into the premises, the Authority or that person must, when executing the warrant, leave a copy of the warrant in a prominent place on the premises.

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(7) On leaving any premises specified in a warrant issued under subsection (1), the Authority or any person named in the warrant must, if the premises are unoccupied or if the occupier of the premises is temporarily absent, leave the premises as effectively secured as the Authority or that person found the premises.

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(8) The powers conferred by this section are in addition to, and not in derogation of, any other powers conferred by any other written law or rule of law.

(9) In this section —

“occupier”, in relation to any premises specified in a warrant issued under subsection (1), includes any person whom the Authority or any person named in the warrant reasonably believes to be the occupier of those premises;

“premises” includes any structure, building, aircraft, vehicle or vessel.

Powers where books are produced, etc.

76O.—(1) This section applies where —

(a) any book is produced to the Authority, or access to any book, or any data contained in or available to a computer, is given to the Authority —

(i) pursuant to a requirement under section 76L; or

(ii) during an entry into any premises by an investigator or authorised person under section 76M;

(b) under a warrant issued under section 76N(1), the Authority or a person named therein —

(i) takes possession of any book or computer; or

(ii) secures any book or computer against interference; or

(c) under a previous application of subsection (6), any book or computer is delivered into the possession of the Authority or a person authorised by it.

(2) If subsection (1)(a) applies, the Authority may take possession of any book or computer mentioned in that provision.

(3) The Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) may —

- (a) inspect, and make copies of, or take extracts from, a book, or any data contained in or available to the computer, mentioned in that subsection;
- (b) use, or permit the use of, a book, or any data contained in or available to the computer, mentioned in that subsection for the purposes of any proceedings; 5
- (c) retain possession of a book or computer mentioned in that subsection for so long as is necessary —
 - (i) for the purposes of exercising a power conferred by this section; 10
 - (ii) for a decision to be made about whether or not any proceedings to which the book or any data contained in or available to the computer would be relevant should be instituted; or
 - (iii) for such proceedings to be instituted and carried on; and 15
- (d) require any book stored in any electronic form, or any data, which the Authority or person mentioned in subsection (1)(b) or (c) is satisfied relates to any matter relevant to an investigation under this Division, to be produced in a form which can be taken away and which is visible and legible. 20

(4) No person is entitled, as against the Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) to claim a lien on any book or computer mentioned in that subsection, but such a lien is not otherwise prejudiced. 25

(5) While any book or computer is in the possession of the Authority or (where applicable) the person mentioned in subsection (1)(b) or (c), the Authority or the person —

- (a) must permit another person to inspect at all reasonable times the book or computer as the second-mentioned person would be entitled to inspect if the book or computer were not in the 30

possession of the Authority or the firstmentioned person; and

(b) may permit any other person to inspect the book or computer.

(6) If subsection (1)(a) or (b)(i) applies, an investigator or authorised person mentioned in subsection (1)(a) or a person mentioned in subsection (1)(b) may deliver any book or computer into the possession of the Authority or of a person authorised by the Authority to receive them.

(7) If subsection (1)(a) or (b) or (6) applies, the Authority, an investigator or authorised person mentioned in subsection (1)(a), a person mentioned in subsection (1)(b) or a person into whose possession any book or computer is delivered under subsection (6), may require —

(a) if subsection (1)(a) applies — a person who produced the book or gave access to the book or the data contained in or available to the computer; or

(b) if subsection (1)(b) applies — a person who was a party to the preparation of the book or any data contained in or available to the computer,

to explain, to the best of his or her knowledge and belief, any matter about the preparation of the book or data or any matter to which the book or data relates.

Powers where books not produced, information not provided or access to book or data not given

76P. Where a person fails to comply with a requirement imposed by the Authority under section 76L to produce any book, provide any information or give access to any book or data, the Authority may require the person to state, to the best of his or her knowledge and belief —

(a) the place where such book, or any computer in which such data is contained or to which such data is available, may be found;

- (b) the person who last had possession, custody or control of such book, or any computer in which such data is contained or to which such data is available, and the place where that person may be found; or
- (c) the person who possesses such information and the place where that person may be found. 5

Copies of or extracts from books to be admitted in evidence

76Q.—(1) Subject to this section, a copy of or extract from any book referred to in this Division that is proved to be a true copy of the book, or of the relevant part of the book, is admissible in evidence as if it were the original book, or the relevant part of the original book. 10

(2) For the purposes of subsection (1), evidence that a copy of or extract from any book is a true copy of the book or of a part of the book, may be given by a person who has compared the copy or extract with the book or the relevant part of the book, and may be given orally or by an affidavit sworn, or by a declaration made, before a person authorised to take affidavits or statutory declarations. 15 20

Offences under this Division

76R.—(1) An advocate and solicitor or legal counsel who, without reasonable excuse, fails to comply with section 76D(5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000. 25

(2) A person who, without reasonable excuse, refuses or fails to comply with —

- (a) any requirement imposed under section 76E(1), 76G(3), 76M(5)(b), (c) or (d), 76O(3)(d) or (7) or 76P; or 30

(b) any requirement imposed pursuant to a warrant issued under section 76N(1),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(3) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement of an investigator under section 76I(2)(a); or

(b) section 76J(2) or 76K,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(4) A person who, without reasonable excuse, refuses or fails to comply with any requirement imposed under section 76L shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day during which the offence continues after conviction.

(5) A person who —

(a) in purported compliance with a requirement imposed under section 76D(5), 76L, 76M(5)(b), (c) or (d), 76O(3)(d) or (7) or 76P, or pursuant to a warrant issued under section 76N(1); or

(b) in the course of examination of the person,

provides information or makes a statement that is false or misleading in a material particular shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(6) It is a defence to a prosecution for an offence under subsection (5) if the defendant proves that the defendant

believed on reasonable grounds that the information or statement was true and not misleading.

(7) Any person who, knowing or having reasonable grounds to believe that any book, computer, equipment or article relates to a matter that the Authority is investigating or about to investigate under this Division —

(a) conceals, destroys, mutilates or alters that book, computer, equipment or article; or

(b) if any such book, computer, equipment or article is within the territory of Singapore, takes or sends the book, computer, equipment or article out of Singapore,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both.

(8) A person who, without reasonable excuse, obstructs or hinders the Authority in the exercise of any power under this Division, or obstructs or hinders a person who is exercising any power under section 76M(1) or (5) or executing a warrant issued under section 76N(1), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(9) Any occupier or person in charge of any premises who fails to provide, to any person who enters those premises under section 76M(1) or under a warrant issued under section 76N(1), all reasonable facilities and assistance for the effective exercise of that person's powers under section 76M(1) or (5) or under the warrant (as the case may be) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

*Division 3 — Transfer of evidence***Interpretation of this Division**

76S. In this Division —

“Commercial Affairs Officer” means a Commercial Affairs Officer appointed under section 64 of the Police Force Act 2004;

“police officer” means a member of the Singapore Police Force.

Evidence obtained by Authority may be used in criminal investigations and proceedings

76T.—(1) Despite the provisions of any written law or rule of law, the Authority may provide any book, written record of any examination or other information, or access to any data, obtained by the Authority under this Part to —

- (a) a police officer;
- (b) a Commercial Affairs Officer; or
- (c) the Public Prosecutor,

for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under this Act.

(2) To avoid doubt, any book, written record of examination or other information provided, or any data to which access is provided, by the Authority under subsection (1) is not inadmissible in any criminal proceedings by reason only that it was first obtained by the Authority under this Act, and the admissibility thereof is to be determined in accordance with the rules of evidence under written law and any relevant rules of law.

Evidence obtained under Criminal Procedure Code 2010 may be used for purposes of Act

76U. Despite the provisions of any written law or any rule of law, any book, data, statement or other information obtained by —

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- (a) a police officer or a Commercial Affairs Officer in the exercise of his or her powers under Divisions 1 and 2 of Part 4 of the Criminal Procedure Code 2010; or
- (b) an authorised person mentioned in section 20(1) or (1A), 39(1) or 40(2) of the Criminal Procedure Code 2010, in the exercise of his or her powers under those sections,

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may be provided to the following persons for the following purposes, if it is in the public interest to do so:

- (c) to the Authority — for the purpose of any investigation under section 76B(1);
- (d) to the Minister — for the purpose of any appeal against a decision of the Authority under this Act.”.

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Amendment of section 94

32. In the Payment Services Act 2019, in section 94, after subsection (1), insert —

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“(1A) Subsection (1) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.”.

PART 5

25

**AMENDMENT OF
SECURITIES AND FUTURES ACT 2001**

Amendment of section 2

33. In the Securities and Futures Act 2001, in section 2(1) —

- (a) replace the definition of “prescribed written law” with —

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““prescribed written law” means —

(a) for the purpose of Division 3 of Part 9 — this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts:

(i) Banking Act 1970;

(ii) Credit Bureau Act 2016;

(iii) Deposit Insurance and Policy Owners’ Protection Schemes Act 2011;

(iv) Finance Companies Act 1967;

(v) Financial Advisers Act 2001;

(vi) Financial Holding Companies Act 2013;

(vii) Financial Services and Markets Act 2022;

(viii) Insurance Act 1966;

(ix) Monetary Authority of Singapore Act 1970;

(x) Payment Services Act 2019;

(xi) Trust Companies Act 2005;

(xii) such other written law as the Authority may prescribe by regulations made under section 341; and

(b) for the purpose of any other provision — this Act or any of the following Acts, and any subsidiary legislation made thereunder:

(i) Banking Act 1970;

(ii) Finance Companies Act 1967;

- (iii) Financial Advisers Act 2001;
- (iv) Financial Services and Markets Act 2022;
- (v) Insurance Act 1966;
- (vi) Monetary Authority of Singapore Act 1970; 5
- (vii) Payment Services Act 2019;
- (viii) such other written law as the Authority may prescribe by regulations made under 10
section 341;” and

(b) after the definition of “regulated activity”, insert —

““regulated financial institution” means a person who carries on a business the conduct of which is regulated or authorised by the Authority or, if it were carried on in Singapore, would be regulated or authorised by the Authority; 15

“regulatory authority”, in relation to a foreign country or jurisdiction, means an authority of the foreign country or jurisdiction exercising any function that corresponds to a regulatory function of the Authority under this Act, the Monetary Authority of Singapore Act 1970 or any of the written laws set out in the Schedule to that Act;”. 20 25

Amendment of section 4

34. In the Securities and Futures Act 2001, in section 4(4), delete “(apart from this subsection)”.

Amendment of section 6

35. In the Securities and Futures Act 2001, in section 6 — 30

- (a) in the definition of “Singapore corporation”, replace the full-stop at the end with a semi-colon; and

(b) after the definition of “Singapore corporation”, insert —

““Singapore recognised market operator” means a recognised market operator that is a Singapore corporation.”.

5 **Replacement of section 31 and new sections 31A, 31B and 31C**

36. In the Securities and Futures Act 2001, replace section 31 with —

“Auditors of approved exchanges — appointment and duties

10 **31.**—(1) Despite any other provision of this Act or any other written law, every approved exchange must —

(a) on an annual basis, appoint an auditor and obtain the approval of the Authority to such appointment; and

15 (b) where, for any reason, the auditor ceases to act for the approved exchange, as soon as practicable thereafter, appoint another auditor and obtain the approval of the Authority to such appointment.

(2) An auditor must not be approved by the Authority as an auditor for an approved exchange unless the auditor is able to comply with such conditions in relation to the discharge of an auditor’s duties as the Authority may determine.

20 (3) The Authority may appoint an auditor for an approved exchange if —

25 (a) the approved exchange fails to appoint an auditor in accordance with subsection (1); or

(b) the Authority considers it desirable that another auditor should act with an auditor for the approved exchange appointed under subsection (1),

30 and may at any time fix the remuneration to be paid by the approved exchange to that auditor.

(4) The duties of an auditor appointed under subsections (1) and (3) are —

(a) to carry out, for the year in respect of which the auditor is appointed, an audit of the accounts of the approved exchange; and

(b) to make a report in respect of the latest financial statements of the approved exchange or, where the approved exchange is a parent company for which consolidated financial statements are prepared, the consolidated financial statements, in accordance with section 207 of the Companies Act 1967.

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(5) The Authority may, by written notice, impose all or any of the following duties on an auditor in addition to those in subsection (4):

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(a) a duty to submit to the Authority such additional information in relation to the auditor's audit as the Authority considers necessary;

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(b) a duty to enlarge or extend the scope of the auditor's audit of the business and affairs of the approved exchange;

(c) a duty to carry out any other examination or establish any procedure in any particular case;

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(d) a duty to submit to the Authority a report on any of the matters mentioned in paragraphs (b) and (c).

(6) An auditor to whom a notice is given under subsection (5) must comply with each direction specified in the notice.

(7) The approved exchange must remunerate the auditor in respect of the discharge by the auditor of the duties mentioned in subsection (5).

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(8) Despite any other provision of this Act or the provisions of the Companies Act 1967, the Authority may, if it is not satisfied with the performance of any duty by an auditor of an approved exchange, at any time —

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(a) direct the approved exchange to remove the auditor; and

(b) direct the approved exchange to appoint another auditor approved by the Authority, as soon as practicable after the removal,

and the approved exchange must comply with such direction.

(9) If an auditor discloses in good faith to the Authority any information mentioned in subsection (5)(a) or report mentioned in subsection (5)(d), the disclosure is not to be treated as a breach of any restriction on the disclosure imposed by any law, contract or rules of professional conduct, and the auditor is not liable for any loss arising from the disclosure or any act or omission as a result of the disclosure.

(10) An approved exchange that contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

(11) An approved exchange that fails to comply with a direction under subsection (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part of a day during which the offence continues after conviction.

(12) Any auditor who fails to carry out any duty mentioned in subsection (4), or who fails to comply with subsection (6), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

Auditors of approved exchanges to report certain matters and irregularities to Authority

31A.—(1) If an auditor of an approved exchange, in the course of performing the auditor's duties mentioned in section 31(4) or (5), becomes aware of any matter or irregularity mentioned in

the following paragraphs, the auditor must immediately send to the Authority a written report of that matter or irregularity:

- (a) any matter that, in the auditor's opinion, adversely affects or may adversely affect the financial position of the approved exchange to a material extent; 5
- (b) any matter that, in the auditor's opinion, constitutes or may constitute a breach of any provision of this Act or an offence involving fraud or dishonesty;
- (c) any irregularity that has or may have a material effect upon the accounts of the approved exchange, including any irregularity that affects or jeopardises, or may affect or jeopardise, the funds or property of investors. 10

(2) An auditor of an approved exchange is not, in the absence of malice on the auditor's part, liable to any action for defamation at the suit of any person in respect of any statement made in the auditor's report under subsection (1). 15

(3) Subsection (2) does not restrict or affect any right, privilege or immunity that the auditor of an approved exchange may have, apart from this section, as a defendant in an action for defamation. 20

Power of Authority to appoint auditor to examine and audit books of approved exchange

31B.—(1) Where —

- (a) an approved exchange is required under section 19 to submit to the Authority an auditor's report but fails to do so; or 25

(b) the Authority receives a report under section 31A(1), the Authority may, without affecting its powers under section 31, if it is satisfied that it is in the interests of the approved exchange, the participants of the approved exchange or the general public to do so, appoint in writing an auditor to examine and audit (either generally or in relation to any particular matter) the books of the approved exchange. 30

(2) Where the Authority is of the opinion that the whole or any part of the costs and expenses of an auditor appointed by the Authority under subsection (1) should be borne by the approved exchange, the Authority may, in writing, direct the approved exchange to pay a specified amount, being the whole or part of such costs and expenses, within such time and in such manner as may be specified in the direction.

(3) Where an approved exchange fails to comply with a direction under subsection (2), the amount specified in the direction may be sued for and recovered by the Authority as a civil debt.

(4) An auditor appointed under subsection (1) must, on the conclusion of the examination and audit, submit a report to the Authority.

Restriction on auditor's and employee's right to communicate certain matters

31C. Except as may be necessary for carrying into effect the provisions of this Act or so far as may be required for the purposes of any legal proceedings (whether civil or criminal), an auditor who is carrying out any duty imposed under section 31(5) or who is appointed under section 31B, or any employee of such auditor, must not disclose any information which may come to his or her knowledge or possession in the course of performing his or her duties as such auditor or employee (as the case may be) to any person other than —

- (a) the Authority;
- (b) in the case of an employee of such auditor, the auditor; and
- (c) any other person authorised by the Authority in writing to receive such information.”.

New sections 41A, 41B and 41C

37. In the Securities and Futures Act 2001, after section 41, insert —

“Control of shareholding in Singapore recognised market operator

41A.—(1) A person must not become a 20% controller of a Singapore recognised market operator without first obtaining the approval of the Authority.

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(2) In this section and section 41B, “20% controller”, in relation to a Singapore recognised market operator, means a person who, alone or together with the person’s associates —

(a) holds not less than 20% of the shares in the Singapore recognised market operator; or

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(b) is in a position to control not less than 20% of the votes in the Singapore recognised market operator.

(3) In this section —

(a) a person holds a share if —

(i) the person is deemed to have an interest in that share under section 7(6) to (10) of the Companies Act 1967; or

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(ii) the person otherwise has a legal or an equitable interest in that share, except such interest as is to be disregarded under section 7(6) to (10) of the Companies Act 1967;

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(b) a reference to the control of a percentage of the votes in a Singapore recognised market operator is a reference to the control, whether direct or indirect, of that percentage of the total number of votes that might be cast in a general meeting of the Singapore recognised market operator; and

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(c) a person (*A*) is an associate of another person (*B*) if —

(i) *A* is the spouse, a parent, remoter lineal ancestor or step-parent, a son, daughter, remoter issue, step-son or step-daughter or a brother or sister of *B*;

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(ii) *A* is a body corporate that is, or a majority of the directors of which are, accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B*;

(iii) *A* is a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B*;

(iv) *A* is a subsidiary of *B*;

(v) *A* is a body corporate in which *B*, whether alone or together with other associates of *B* as described in sub-paragraphs (ii), (iii) and (iv), is in a position to control not less than 20% of the votes in *A*; or

(vi) *A* is a person with whom *B* has an agreement or arrangement, whether oral or in writing and whether express or implied, to act together with respect to the acquisition, holding or disposal of shares or other interests in, or with respect to the exercise of their votes in relation to, the Singapore recognised market operator.

(4) The Authority may grant its approval mentioned in subsection (1) subject to such conditions or restrictions as the Authority may impose.

(5) Without affecting subsection (12), the Authority may, for the purposes of securing compliance with subsection (1) or any condition or restriction imposed under subsection (4), by written notice, direct the transfer or disposal of all or any of the shares of a Singapore recognised market operator in which a 20% controller of the Singapore recognised market operator has an interest.

(6) Until a person to whom a direction has been issued under subsection (5) transfers or disposes of the shares that are the subject of the direction, and despite anything to the contrary in

the Companies Act 1967 or the constitution or other constituent document or documents of the Singapore recognised market operator —

- (a) no voting rights are exercisable in respect of the shares that are the subject of the direction; 5
- (b) the Singapore recognised market operator must not offer or issue any shares (whether by way of rights, bonus, share dividend or otherwise) in respect of the shares that are the subject of the direction; and
- (c) except in a liquidation of the Singapore recognised market operator, the Singapore recognised market operator must not make any payment (whether by way of cash dividend, dividend in kind or otherwise) in respect of the shares that are the subject of the direction. 10 15

(7) Any issue of shares by a Singapore recognised market operator in contravention of subsection (6)(b) is void, and a person to whom a direction has been issued under subsection (5) must immediately return those shares to the Singapore recognised market operator, upon which the Singapore recognised market operator must return to the person any payment received from the person in respect of those shares. 20

(8) Any payment made by a Singapore recognised market operator in contravention of subsection (6)(c) is void, and a person to whom a direction has been issued under subsection (5) must immediately return the payment the person has received to the Singapore recognised market operator. 25

(9) The Authority may, by regulations made under section 44, exempt —

- (a) any person or class of persons; or 30

(b) any class or description of shares or interests in shares,

from the requirement under subsection (1), subject to such conditions or restrictions as may be prescribed in those regulations.

(10) The Authority may, by written notice, exempt any person, shares or interests in shares from subsection (1), subject to such conditions or restrictions as the Authority may specify by written notice.

(11) It is not necessary to publish any exemption granted under subsection (10) in the *Gazette*.

(12) Any person who contravenes subsection (1), or any condition or restriction imposed by the Authority under subsection (4), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.

(13) Any person who contravenes subsection (6)(b) or (c), (7) or (8) or any direction issued by the Authority under subsection (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

Objection to control of Singapore recognised market operator

41B.—(1) The Authority may serve a written notice of objection on —

(a) any person required to obtain the Authority's approval or who has obtained the approval under section 41A; or

- (b) any person who, whether before, on or after the date of commencement of section 37 of the Financial Institutions (Miscellaneous Amendments) Act 2024, is a 20% controller of a Singapore recognised market operator,

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if the Authority is satisfied that —

- (c) any condition of approval imposed on the person under section 41A(4) has not been complied with;
- (d) the person is not or ceases to be a fit and proper person to be a 20% controller of the Singapore recognised market operator;
- (e) having regard to the likely influence of the person, the Singapore recognised market operator is not able to or is no longer likely to conduct its business prudently or to comply with the provisions of this Act or any direction made thereunder;
- (f) the person does not or ceases to satisfy such criteria as may be prescribed;
- (g) the person has provided false or misleading information or documents in connection with an application under section 41A; or
- (h) the Authority would not have granted its approval under section 41A had it been aware, at that time, of circumstances relevant to the person's application for such approval.

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(2) The Authority must not serve a notice of objection on any person without giving the person an opportunity to be heard, except in the following circumstances:

- (a) the person is in the course of being wound up or otherwise dissolved or, in the case of an individual, is an undischarged bankrupt whether in Singapore or elsewhere;
- (b) a receiver, a receiver and manager, a judicial manager or an equivalent person has been appointed, whether

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in Singapore or elsewhere, in relation to or in respect of any property of the person;

(c) a section 101A prohibition order or an FSMA prohibition order has been made, and remains in force, against the person;

(d) the person has been convicted, whether in Singapore or elsewhere, of any offence involving fraud or dishonesty or the conviction for which involved a finding that the person had acted fraudulently or dishonestly.

(3) The Authority must, in any written notice of objection, specify a reasonable period within which the person to be served the written notice of objection must —

(a) take such steps as are necessary to ensure that the person ceases to be a 20% controller of a Singapore recognised market operator; or

(b) comply with such other requirements as the Authority may specify.

(4) Any person served with a notice of objection under this section must comply with the notice.

(5) Any person who contravenes subsection (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 or to imprisonment for a term not exceeding 3 years or to both.

Chairperson, chief executive officer, director and key persons, etc., of Singapore recognised market operator

41C.—(1) A Singapore recognised market operator must not appoint a person as its chairperson, chief executive officer or director unless the Singapore recognised market operator has obtained the approval of the Authority.

(2) The Authority may, by written notice, require a Singapore recognised market operator to obtain the approval of the Authority for the appointment of any person to any key management position or committee of the Singapore

recognised market operator, and the Singapore recognised market operator must comply with the notice.

(3) An application for approval under subsection (1) or (2) must be made in such form and manner as the Authority may specify.

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(4) The Authority may, in determining whether to grant its approval under subsection (1) or (2), have regard to such criteria as the Authority may prescribe by regulations made under section 44 or notify the Singapore recognised market operator in writing, or to any other matter that the Authority may consider relevant.

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(5) Subject to subsection (6), the Authority must not refuse an application for approval under this section without giving the Singapore recognised market operator an opportunity to be heard.

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(6) The Authority may refuse an application for approval on any of the following grounds without giving the Singapore recognised market operator an opportunity to be heard:

(a) the person is an undischarged bankrupt, whether in Singapore or elsewhere;

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(b) the person has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 37 of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

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(i) involving fraud or dishonesty or the conviction for which involved a finding that the person had acted fraudulently or dishonestly; and

(ii) punishable with imprisonment for a term of 3 months or more.

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(7) Where the Authority refuses an application for approval under this section, the Authority need not give the person who was proposed to be appointed an opportunity to be heard.

(8) A Singapore recognised market operator must, as soon as practicable, give written notice to the Authority of the resignation or removal of its chairperson, chief executive officer or director, or of any person mentioned in any notice issued by the Authority to the Singapore recognised market operator under subsection (2).

(9) The Authority may make regulations under section 44 relating to the composition and duties of the board of directors or any committee of a Singapore recognised market operator.

(10) In this section, “committee” includes any committee of directors, disciplinary committee or appeals committee of a Singapore recognised market operator, or any body responsible for disciplinary action against a member of a Singapore recognised market operator.

(11) The Authority may, by regulations made under section 44, exempt any Singapore recognised market operator or class of Singapore recognised market operators from complying with subsection (1) or (8), subject to such conditions or restrictions as the Authority may prescribe in those regulations.

(12) The Authority may, by written notice, exempt any Singapore recognised market operator from complying with subsection (1) or (8), subject to such conditions or restrictions as the Authority may specify by written notice.

(13) It is not necessary to publish any exemption granted under subsection (12) in the *Gazette*.

(14) Any Singapore recognised market operator which contravenes subsection (1), (2) or (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.”.

Replacement of section 43

38. In the Securities and Futures Act 2001, replace section 43 with —

“Disqualification or removal of director or executive officer

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43.—(1) Despite the provisions of any other written law, an approved exchange, or a Singapore recognised market operator, must not, without the prior written consent of the Authority, permit an individual to act as its director or executive officer, if the individual —

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(a) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 38 of the Financial Institutions (Miscellaneous Amendments) Act 2024, being an offence —

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(i) involving fraud or dishonesty;

(ii) the conviction for which involved a finding that he or she had acted fraudulently or dishonestly; or

(iii) that is specified in the Third Schedule to the Registration of Criminals Act 1949;

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(b) is an undischarged bankrupt, whether in Singapore or elsewhere;

(c) has had an enforcement order against him or her in respect of a judgment debt returned unsatisfied in whole or in part;

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(d) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his or her creditors, being a compromise or scheme of arrangement that is still in operation;

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(e) has had a related Acts prohibition order, a section 101A prohibition order, a section 123ZZC prohibition order, or an FSMA prohibition order made against him or her that remains in force; or

(f) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere —

(i) which is being or has been wound up by a court;
or

(ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction.

(2) Despite the provisions of any other written law, where the Authority is satisfied that a director or executive officer of an approved exchange or a Singapore recognised market operator is not a fit and proper person to be a director or executive officer (as the case may be) of the approved exchange or Singapore recognised market operator (as the case may be), the Authority may, by notice in writing to the approved exchange or Singapore recognised market operator, direct it to remove the director or executive officer from his or her office or employment within such period as may be specified by the Authority in the notice, and the approved exchange or Singapore recognised market operator must comply with the notice.

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

(a) the individual has wilfully contravened or wilfully caused the approved exchange or Singapore recognised market operator to contravene any provision of this Act or the business rules or listing rules of the approved exchange or Singapore recognised market operator;

- (b) the individual has, without reasonable excuse, failed to secure the compliance of the approved exchange or Singapore recognised market operator with this Act, the Monetary Authority of Singapore Act 1970, any of the written laws set out in the Schedule to that Act, or the business rules or listing rules of the approved exchange or Singapore recognised market operator; 5
- (c) the individual has failed to discharge any of the duties of his or her office or employment;
- (d) the individual's removal is necessary in the public interest or for the protection of investors; or 10
- (e) the individual comes within any of the grounds mentioned in subsection (1).

(4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (3)(c), have regard to such criteria as may be prescribed. 15

(5) The Authority must not direct an approved exchange or Singapore recognised market operator to remove an individual from his or her office or employment under subsection (2) without giving the approved exchange or Singapore recognised market operator and that individual, an opportunity to be heard except in any of the following circumstances: 20

- (a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere; 25
- (b) a section 101A prohibition order or an FSMA prohibition order against the individual has been made and remains in force;
- (c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 38 of the Financial Institutions (Miscellaneous Amendments) Act 2024 — 30

(i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and

(ii) punishable with imprisonment for a term of 3 months or more.

(6) An approved exchange or Singapore recognised market operator must, as soon as practicable after receiving a direction under subsection (2), notify the affected director or executive officer of the direction.

(7) Any approved exchange or Singapore recognised market operator who receives a direction under subsection (2), or any director or executive officer of an approved exchange or Singapore recognised market operator in relation to whom a direction under subsection (2) is given, may, within 30 days after the approved exchange or Singapore recognised market operator receives the direction, appeal to the Minister whose decision is final.

(8) Despite the lodging of an appeal under subsection (7), a direction under subsection (2) continues to have effect pending the Minister's decision.

(9) The Minister may, when deciding an appeal under subsection (7), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision.

(10) No criminal or civil liability is incurred by an approved exchange, a Singapore recognised market operator, or any person acting on behalf of an approved exchange or a Singapore recognised market operator, in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.

(11) Any approved exchange, or Singapore recognised market operator, which, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on

conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.”.

Amendment of section 45

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39. In the Securities and Futures Act 2001, in section 45(1) —

- (a) after “a recognised market operator,”, insert “or a class of approved exchanges or class of recognised market operators,”;
- (b) in paragraph (a), after “or of organised markets operated by”, insert “approved exchanges or recognised market operators of the class, or by”; and
- (c) in paragraph (e), after “28(11) or (12)”, insert “, 41A(4), (9) or (10), 41C(11) or (12)”.

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Replacement of section 46X and new sections 46XA, 46XB and 46XC

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40. In the Securities and Futures Act 2001, replace section 46X with —

“Auditors of licensed trade repositories — appointment and duties

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46X.—(1) Despite any other provision of this Act or any other written law, every licensed trade repository must —

- (a) on an annual basis, appoint an auditor and obtain the approval of the Authority to such appointment; and
- (b) where, for any reason, the auditor ceases to act for the licensed trade repository, as soon as practicable thereafter, appoint another auditor and obtain the approval of the Authority to such appointment.

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(2) An auditor must not be approved by the Authority as an auditor for a licensed trade repository unless the auditor is able to comply with such conditions in relation to the discharge of an auditor’s duties as the Authority may determine.

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(3) The Authority may appoint an auditor for a licensed trade repository if —

(a) the licensed trade repository fails to appoint an auditor in accordance with subsection (1); or

(b) the Authority considers it desirable that another auditor should act with an auditor for the licensed trade repository appointed under subsection (1),

and may at any time fix the remuneration to be paid by the licensed trade repository to that auditor.

(4) The duties of an auditor appointed under subsections (1) and (3) are —

(a) to carry out, for the year in respect of which the auditor is appointed, an audit of the accounts of the licensed trade repository; and

(b) to make a report in respect of the latest financial statements of the licensed trade repository or, where the licensed trade repository is a parent company for which consolidated financial statements are prepared, the consolidated financial statements, in accordance with section 207 of the Companies Act 1967.

(5) The Authority may, by written notice, impose all or any of the following duties on an auditor in addition to those in subsection (4):

(a) a duty to submit to the Authority such additional information in relation to the auditor's audit as the Authority considers necessary;

(b) a duty to enlarge or extend the scope of the auditor's audit of the business and affairs of the licensed trade repository;

(c) a duty to carry out any other examination or establish any procedure in any particular case;

(d) a duty to submit to the Authority a report on any of the matters mentioned in paragraphs (b) and (c).

(6) An auditor to whom a notice is given under subsection (5) must comply with each direction specified in the notice.

(7) The licensed trade repository must remunerate the auditor in respect of the discharge by the auditor of the duties mentioned in subsection (5).

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(8) Despite any other provision of this Act or the provisions of the Companies Act 1967, the Authority may, if it is not satisfied with the performance of any duty by an auditor of a licensed trade repository, at any time —

(a) direct the licensed trade repository to remove the auditor; and

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(b) direct the licensed trade repository to appoint another auditor approved by the Authority, as soon as practicable after the removal,

and the licensed trade repository must comply with such direction.

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(9) If an auditor discloses in good faith to the Authority any information mentioned in subsection (5)(a) or report mentioned in subsection (5)(d), the disclosure is not to be treated as a breach of any restriction on the disclosure imposed by any law, contract or rules of professional conduct, and the auditor is not liable for any loss arising from the disclosure or any act or omission as a result of the disclosure.

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(10) A licensed trade repository that contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

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(11) A licensed trade repository that fails to comply with a direction under subsection (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part of a day during which the offence continues after conviction.

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(12) Any auditor who fails to carry out any duty mentioned in subsection (4), or who fails to comply with subsection (6), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

Auditors of licensed trade repositories to report certain matters and irregularities to Authority

46XA.—(1) If an auditor of a licensed trade repository, in the course of performing the auditor's duties mentioned in section 46X(4) or (5), becomes aware of any matter or irregularity mentioned in the following paragraphs, the auditor must immediately send to the Authority a written report of that matter or irregularity:

- (a) any matter that, in the auditor's opinion, adversely affects or may adversely affect the financial position of the licensed trade repository to a material extent;
- (b) any matter that, in the auditor's opinion, constitutes or may constitute a breach of any provision of this Act or an offence involving fraud or dishonesty;
- (c) any irregularity that has or may have a material effect upon the accounts of the licensed trade repository, including any irregularity that affects or jeopardises, or may affect or jeopardise, the funds or property of investors.

(2) An auditor of a licensed trade repository is not, in the absence of malice on the auditor's part, liable to any action for defamation at the suit of any person in respect of any statement made in the auditor's report under subsection (1).

(3) Subsection (2) does not restrict or affect any right, privilege or immunity that the auditor of a licensed trade repository may have, apart from this section, as a defendant in an action for defamation.

Power of Authority to appoint auditor to examine and audit books of licensed trade repository

46XB.—(1) Where —

(a) a licensed trade repository is required under section 46M to submit to the Authority an auditor's report but fails to do so; or

(b) the Authority receives a report under section 46XA(1),

the Authority may, without affecting its powers under section 46X, if it is satisfied that it is in the interests of the licensed trade repository, the participants of the licensed trade repository or the general public to do so, appoint in writing an auditor to examine and audit (either generally or in relation to any particular matter) the books of the licensed trade repository.

(2) Where the Authority is of the opinion that the whole or any part of the costs and expenses of an auditor appointed by the Authority under subsection (1) should be borne by the licensed trade repository, the Authority may, in writing, direct the licensed trade repository to pay a specified amount, being the whole or part of such costs and expenses, within such time and in such manner as may be specified in the direction.

(3) Where a licensed trade repository fails to comply with a direction under subsection (2), the amount specified in the direction may be sued for and recovered by the Authority as a civil debt.

(4) An auditor appointed under subsection (1) must, on the conclusion of the examination and audit, submit a report to the Authority.

Restriction on auditor's and employee's right to communicate certain matters

46XC. Except as may be necessary for carrying into effect the provisions of this Act or so far as may be required for the purposes of any legal proceedings (whether civil or criminal), an auditor who is carrying out any duty imposed under

section 46X(5) or who is appointed under section 46XB, or any employee of such auditor, must not disclose any information which may come to his or her knowledge or possession in the course of performing his or her duties as such auditor or employee (as the case may be) to any person other than —

- (a) the Authority;
- (b) in the case of an employee of such auditor, the auditor; and
- (c) any other person authorised by the Authority in writing to receive such information.”.

Replacement of section 46Z

41. In the Securities and Futures Act 2001, replace section 46Z with —

“Disqualification or removal of director or executive officer

46Z.—(1) Despite the provisions of any other written law, a licensed trade repository must not, without the prior written consent of the Authority, permit an individual to act as its director or executive officer, if the individual —

- (a) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 41 of the Financial Institutions (Miscellaneous Amendments) Act 2024, being an offence —
 - (i) involving fraud or dishonesty;
 - (ii) the conviction for which involved a finding that he or she had acted fraudulently or dishonestly; or
 - (iii) that is specified in the Third Schedule to the Registration of Criminals Act 1949;
- (b) is an undischarged bankrupt, whether in Singapore or elsewhere;

- (c) has had an enforcement order against him or her in respect of a judgment debt returned unsatisfied in whole or in part;
- (d) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his or her creditors, being a compromise or scheme of arrangement that is still in operation; 5
- (e) has had a related Acts prohibition order, a section 101A prohibition order, a section 123ZZC prohibition order, or an FSMA prohibition order made against him or her that remains in force; or 10
- (f) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere —
 - (i) which is being or has been wound up by a court; 15
or
 - (ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction. 20 25

(2) Despite the provisions of any other written law, where the Authority is satisfied that a director or executive officer of a licensed trade repository is not a fit and proper person to be a director or executive officer (as the case may be) of the licensed trade repository, the Authority may, by notice in writing to the licensed trade repository, direct it to remove the director or executive officer from his or her office or employment within such period as may be specified by the Authority in the notice, and the licensed trade repository must comply with the notice. 30 35

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

5 (a) the individual has wilfully contravened or wilfully caused the licensed trade repository to contravene any provision of this Act or the business rules of the licensed trade repository;

10 (b) the individual has, without reasonable excuse, failed to secure the compliance of the licensed trade repository with this Act, the Monetary Authority of Singapore Act 1970, any of the written laws set out in the Schedule to that Act, or the business rules of the licensed trade repository;

15 (c) the individual has failed to discharge any of the duties of his or her office or employment;

 (d) the individual's removal is necessary in the public interest or for the protection of investors; or

 (e) the individual comes within any of the grounds mentioned in subsection (1).

20 (4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (3)(c), have regard to such criteria as may be prescribed.

25 (5) The Authority must not direct a licensed trade repository to remove an individual from his or her office or employment under subsection (2) without giving the licensed trade repository and that individual, an opportunity to be heard except in any of the following circumstances:

30 (a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere;

 (b) a section 101A prohibition order or an FSMA prohibition order against the individual has been made and remains in force;

(c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 41 of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

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(i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and

(ii) punishable with imprisonment for a term of 3 months or more.

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(6) A licensed trade repository must, as soon as practicable after receiving a direction under subsection (2), notify the affected director or executive officer of the direction.

(7) Any licensed trade repository who receives a direction under subsection (2), or any director or executive officer of a licensed trade repository in relation to whom a direction under subsection (2) is given, may, within 30 days after the licensed trade repository receives the direction, appeal to the Minister whose decision is final.

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(8) Despite the lodging of an appeal under subsection (7), a direction under subsection (2) continues to have effect pending the Minister's decision.

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(9) The Minister may, when deciding an appeal under subsection (7), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision.

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(10) No criminal or civil liability is incurred by a licensed trade repository or any person acting on behalf of a licensed trade repository in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.

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(11) Any licensed trade repository which, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding

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\$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.”.

Amendment of section 46ZK

- 5 **42.** In the Securities and Futures Act 2001, in section 46ZK —
- (a) in subsection (1), after “to a licensed trade repository or licensed foreign trade repository,”, insert “or a class of licensed trade repositories or class of licensed foreign trade repositories,”;
 - 10 (b) in subsection (1)(a), after “licensed foreign trade repository,”, insert “of licensed trade repositories or licensed foreign trade repositories of the class,”;
 - (c) in subsection (1)(e), replace “46U(5) or (10),” with “46U(5), (10) or (11),”;
 - 15 (d) in subsection (2), after “to a licensed trade repository or licensed foreign trade repository”, insert “, or a class of licensed trade repositories or class of licensed foreign trade repositories”;
 - (e) in subsection (2)(a), after “licensed foreign trade repository,”, insert “or to licensed trade repositories or licensed foreign trade repositories of the class,”; and
 - 20 (f) in subsection (2)(b), after “licensed foreign trade repository”, insert “or to licensed trade repositories or licensed foreign trade repositories of the class”.

25 **Amendment of section 46ZL**

43. In the Securities and Futures Act 2001, in section 46ZL(2B) and (2C), delete “, or any class of licensed trade repositories or class of licensed foreign trade repositories,”.

Amendment of section 48

- 30 **44.** In the Securities and Futures Act 2001, in section 48(1) —
- (a) in the definition of “Singapore corporation”, replace the full-stop at the end with a semi-colon; and

- (b) after the definition of “Singapore corporation”, insert —
- ““Singapore recognised clearing house” means a recognised clearing house that is a Singapore corporation.”.

Amendment of section 71

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45. In the Securities and Futures Act 2001, in section 71 —

- (a) in subsection (3), replace “prescribe” with “specify”; and
- (b) in subsection (4), replace “as the Authority may prescribe or specify in directions issued by written notice” with “as may be prescribed by regulations made under section 81Q or notified by the Authority to the approved clearing house in writing”.

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Replacement of section 73 and new sections 73A, 73B and 73C

46. In the Securities and Futures Act 2001, replace section 73 with —

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“Auditors of approved clearing houses — appointment and duties

73.—(1) Despite any other provision of this Act or any other written law, every approved clearing house must —

- (a) on an annual basis, appoint an auditor and obtain the approval of the Authority to such appointment; and
- (b) where, for any reason, the auditor ceases to act for the approved clearing house, as soon as practicable thereafter, appoint another auditor and obtain the approval of the Authority to such appointment.

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(2) An auditor must not be approved by the Authority as an auditor for an approved clearing house unless the auditor is able to comply with such conditions in relation to the discharge of an auditor’s duties as the Authority may determine.

(3) The Authority may appoint an auditor for an approved clearing house —

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(a) if the approved clearing house fails to appoint an auditor in accordance with subsection (1); or

(b) if the Authority considers it desirable that another auditor should act with an auditor for the approved clearing house appointed under subsection (1),

and may at any time fix the remuneration to be paid by the approved clearing house to that auditor.

(4) The duties of an auditor appointed under subsections (1) and (3) are —

(a) to carry out, for the year in respect of which the auditor is appointed, an audit of the accounts of the approved clearing house; and

(b) to make a report in respect of the latest financial statements of the approved clearing house or, where the approved clearing house is a parent company for which consolidated financial statements are prepared, the consolidated financial statements, in accordance with section 207 of the Companies Act 1967.

(5) The Authority may, by written notice, impose all or any of the following duties on an auditor in addition to those in subsection (4):

(a) a duty to submit to the Authority such additional information in relation to the auditor's audit as the Authority considers necessary;

(b) a duty to enlarge or extend the scope of the auditor's audit of the business and affairs of the approved clearing house;

(c) a duty to carry out any other examination or establish any procedure in any particular case;

(d) a duty to submit to the Authority a report on any of the matters mentioned in paragraphs (b) and (c).

(6) An auditor to whom a notice is given under subsection (5) must comply with each direction specified in the notice.

(7) The approved clearing house must remunerate the auditor in respect of the discharge by the auditor of the duties mentioned in subsection (5).

(8) Despite any other provision of this Act or the provisions of the Companies Act 1967, the Authority may, if it is not satisfied with the performance of any duty by an auditor of an approved clearing house, at any time —

(a) direct the approved clearing house to remove the auditor; and

(b) direct the approved clearing house to appoint another auditor approved by the Authority, as soon as practicable after the removal,

and the approved clearing house must comply with such direction.

(9) If an auditor discloses in good faith to the Authority any information mentioned in subsection (5)(a) or report mentioned in subsection (5)(d), the disclosure is not to be treated as a breach of any restriction on the disclosure imposed by any law, contract or rules of professional conduct, and the auditor is not liable for any loss arising from the disclosure or any act or omission as a result of the disclosure.

(10) An approved clearing house that contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

(11) An approved clearing house that fails to comply with a direction under subsection (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part of a day during which the offence continues after conviction.

(12) Any auditor who fails to carry out any duty mentioned in subsection (4), or who fails to comply with subsection (6), shall

be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

5 **Auditors of approved clearing houses to report certain matters and irregularities to Authority**

10 **73A.**—(1) If an auditor of an approved clearing house, in the course of performing the auditor's duties mentioned in section 73(4) or (5), becomes aware of any matter or irregularity mentioned in the following paragraphs, the auditor must immediately send to the Authority a written report of that matter or irregularity:

- 15 (a) any matter that, in the auditor's opinion, adversely affects or may adversely affect the financial position of the approved clearing house to a material extent;
- (b) any matter that, in the auditor's opinion, constitutes or may constitute a breach of any provision of this Act or an offence involving fraud or dishonesty;
- 20 (c) any irregularity that has or may have a material effect upon the accounts of the approved clearing house, including any irregularity that affects or jeopardises, or may affect or jeopardise, the funds or property of investors.

25 (2) An auditor of an approved clearing house is not, in the absence of malice on the auditor's part, liable to any action for defamation at the suit of any person in respect of any statement made in the auditor's report under subsection (1).

30 (3) Subsection (2) does not restrict or affect any right, privilege or immunity that the auditor of an approved clearing house may have, apart from this section, as a defendant in an action for defamation.

Power of Authority to appoint auditor to examine and audit books of approved clearing house

73B.—(1) Where —

(a) an approved clearing house is required under section 62 to submit to the Authority an auditor's report but fails to do so; or

(b) the Authority receives a report under section 73A(1), the Authority may, without affecting its powers under section 73, if it is satisfied that it is in the interests of the approved clearing house, the participants of the approved clearing house or the general public to do so, appoint in writing an auditor to examine and audit (either generally or in relation to any particular matter) the books of the approved clearing house.

(2) Where the Authority is of the opinion that the whole or any part of the costs and expenses of an auditor appointed by the Authority under subsection (1) should be borne by the approved clearing house, the Authority may, in writing, direct the approved clearing house to pay a specified amount, being the whole or part of such costs and expenses, within such time and in such manner as may be specified in the direction.

(3) Where an approved clearing house fails to comply with a direction under subsection (2), the amount specified in the direction may be sued for and recovered by the Authority as a civil debt.

(4) An auditor appointed under subsection (1) must, on the conclusion of the examination and audit, submit a report to the Authority.

Restriction on auditor's and employee's right to communicate certain matters

73C. Except as may be necessary for carrying into effect the provisions of this Act or so far as may be required for the purposes of any legal proceedings (whether civil or criminal), an auditor who is carrying out any duty imposed under

section 73(5) or who is appointed under section 73B, or any employee of such auditor, must not disclose any information which may come to his or her knowledge or possession in the course of performing his or her duties as such auditor or employee (as the case may be) to any person other than —

- (a) the Authority;
- (b) in the case of an employee of such auditor, the auditor; and
- (c) any other person authorised by the Authority in writing to receive such information.”.

New sections 81AA, 81AB and 81AC

47. In the Securities and Futures Act 2001, after section 81, insert —

“Control of shareholding in Singapore recognised clearing house

81AA.—(1) A person must not become a 20% controller of a Singapore recognised clearing house without first obtaining the approval of the Authority.

(2) In this section and section 81AB, “20% controller”, in relation to a Singapore recognised clearing house, means a person who, alone or together with the person’s associates —

- (a) holds not less than 20% of the shares in the Singapore recognised clearing house; or
- (b) is in a position to control not less than 20% of the votes in the Singapore recognised clearing house.

(3) In this section —

- (a) a person holds a share if —
 - (i) the person is deemed to have an interest in that share under section 7(6) to (10) of the Companies Act 1967; or
 - (ii) the person otherwise has a legal or an equitable interest in that share, except such interest as is to

be disregarded under section 7(6) to (10) of the Companies Act 1967;

- (b) a reference to the control of a percentage of the votes in a Singapore recognised clearing house is a reference to the control, whether direct or indirect, of that percentage of the total number of votes that might be cast in a general meeting of the Singapore recognised clearing house; and 5
- (c) a person (*A*) is an associate of another person (*B*) if —
 - (i) *A* is the spouse, a parent, remoter lineal ancestor or step-parent, a son, daughter, remoter issue, step-son or step-daughter or a brother or sister of *B*; 10
 - (ii) *A* is a body corporate that is, or a majority of the directors of which are, accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B*; 15
 - (iii) *A* is a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B*; 20
 - (iv) *A* is a subsidiary of *B*;
 - (v) *A* is a body corporate in which *B*, whether alone or together with other associates of *B* as described in sub-paragraphs (ii), (iii) and (iv), is in a position to control not less than 20% of the votes in *A*; or 25
 - (vi) *A* is a person with whom *B* has an agreement or arrangement, whether oral or in writing and whether express or implied, to act together with respect to the acquisition, holding or disposal of shares or other interests in, or with respect to the exercise of their votes in relation to, the Singapore recognised clearing house. 30
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(4) The Authority may grant its approval mentioned in subsection (1) subject to such conditions or restrictions as the Authority may impose.

5 (5) Without affecting subsection (12), the Authority may, for the purposes of securing compliance with subsection (1) or any condition or restriction imposed under subsection (4), by written notice, direct the transfer or disposal of all or any of the shares of a Singapore recognised clearing house in which a 20% controller of the Singapore recognised clearing house has an
10 interest.

(6) Until a person to whom a direction has been issued under subsection (5) transfers or disposes of the shares that are the subject of the direction, and despite anything to the contrary in the Companies Act 1967 or the constitution or other constituent
15 document or documents of the Singapore recognised clearing house —

(a) no voting rights are exercisable in respect of the shares that are the subject of the direction;

20 (b) the Singapore recognised clearing house must not offer or issue any shares (whether by way of rights, bonus, share dividend or otherwise) in respect of the shares that are the subject of the direction; and

25 (c) except in a liquidation of the Singapore recognised clearing house, the Singapore recognised clearing house must not make any payment (whether by way of cash dividend, dividend in kind or otherwise) in respect of the shares that are the subject of the direction.

30 (7) Any issue of shares by a Singapore recognised clearing house in contravention of subsection (6)(b) is void, and a person to whom a direction has been issued under subsection (5) must immediately return those shares to the Singapore recognised clearing house, upon which the Singapore recognised clearing house must return to the person any payment received from the
35 person in respect of those shares.

(8) Any payment made by a Singapore recognised clearing house in contravention of subsection (6)(c) is void, and a person to whom a direction has been issued under subsection (5) must immediately return the payment the person has received to the Singapore recognised clearing house.

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(9) The Authority may, by regulations made under section 81Q, exempt —

(a) any person or class of persons; or

(b) any class or description of shares or interests in shares,

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from the requirement under subsection (1), subject to such conditions or restrictions as may be prescribed in those regulations.

(10) The Authority may, by written notice, exempt any person, shares or interests in shares from subsection (1), subject to such conditions or restrictions as the Authority may specify by written notice.

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(11) It is not necessary to publish any exemption granted under subsection (10) in the *Gazette*.

(12) Any person who contravenes subsection (1), or any condition or restriction imposed by the Authority under subsection (4), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.

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(13) Any person who contravenes subsection (6)(b) or (c), (7) or (8) or any direction issued by the Authority under subsection (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

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Objection to control of Singapore recognised clearing house

81AB.—(1) The Authority may serve a written notice of objection on —

- (a) any person required to obtain the Authority's approval or who has obtained the approval under section 81AA; or
- (b) any person who, whether before, on or after the date of commencement of section 47 of the Financial Institutions (Miscellaneous Amendments) Act 2024, is a 20% controller of a Singapore recognised clearing house,

if the Authority is satisfied that —

- (c) any condition of approval imposed on the person under section 81AA(4) has not been complied with;
- (d) the person is not or ceases to be a fit and proper person to be a 20% controller of the Singapore recognised clearing house;
- (e) having regard to the likely influence of the person, the Singapore recognised clearing house is not able to or is no longer likely to conduct its business prudently or to comply with the provisions of this Act or any direction made thereunder;
- (f) the person does not or ceases to satisfy such criteria as may be prescribed;
- (g) the person has provided false or misleading information or documents in connection with an application under section 81AA; or
- (h) the Authority would not have granted its approval under section 81AA had it been aware, at that time, of circumstances relevant to the person's application for such approval.

(2) The Authority must not serve a notice of objection on any person without giving the person an opportunity to be heard, except in the following circumstances:

- (a) the person is in the course of being wound up or otherwise dissolved or, in the case of an individual, is an undischarged bankrupt whether in Singapore or elsewhere; 5
- (b) a receiver, a receiver and manager, a judicial manager or an equivalent person has been appointed, whether in Singapore or elsewhere, in relation to or in respect of any property of the person; 10
- (c) a section 101A prohibition order or an FSMA prohibition order has been made, and remains in force, against the person;
- (d) the person has been convicted, whether in Singapore or elsewhere, of any offence involving fraud or dishonesty or the conviction for which involved a finding that the person had acted fraudulently or dishonestly. 15

(3) The Authority must, in any written notice of objection, specify a reasonable period within which the person to be served the written notice of objection must — 20

- (a) take such steps as are necessary to ensure that the person ceases to be a 20% controller of a Singapore recognised clearing house; or 25
- (b) comply with such other requirements as the Authority may specify.

(4) Any person served with a notice of objection under this section must comply with the notice.

(5) Any person who contravenes subsection (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 or to imprisonment for a term not exceeding 3 years or to both. 30

Chairperson, chief executive officer, director and key persons, etc., of Singapore recognised clearing house

5 **81AC.**—(1) A Singapore recognised clearing house must not appoint a person as its chairperson, chief executive officer or director unless the Singapore recognised clearing house has obtained the approval of the Authority.

10 (2) The Authority may, by written notice, require a Singapore recognised clearing house to obtain the approval of the Authority for the appointment of any person to any key management position or committee of the Singapore recognised clearing house, and the Singapore recognised clearing house must comply with the notice.

15 (3) An application for approval under subsection (1) or (2) must be made in such form and manner as the Authority may specify.

20 (4) The Authority may, in determining whether to grant its approval under subsection (1) or (2), have regard to such criteria as the Authority may prescribe by regulations made under section 81Q or notify the Singapore recognised clearing house in writing, or to any other matter that the Authority may consider relevant.

(5) Subject to subsection (6), the Authority must not refuse an application for approval under this section without giving the Singapore recognised clearing house an opportunity to be heard.

25 (6) The Authority may refuse an application for approval on any of the following grounds without giving the Singapore recognised clearing house an opportunity to be heard:

(a) the person is an undischarged bankrupt, whether in Singapore or elsewhere;

30 (b) the person has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 47 of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

- (i) involving fraud or dishonesty or the conviction for which involved a finding that the person had acted fraudulently or dishonestly; and
- (ii) punishable with imprisonment for a term of 3 months or more.

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(7) Where the Authority refuses an application for approval under this section, the Authority need not give the person who was proposed to be appointed an opportunity to be heard.

(8) A Singapore recognised clearing house must, as soon as practicable, give written notice to the Authority of the resignation or removal of its chairperson, chief executive officer or director, or of any person mentioned in any notice issued by the Authority to the Singapore recognised clearing house under subsection (2).

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(9) The Authority may make regulations under section 81Q relating to the composition and duties of the board of directors or any committee of a Singapore recognised clearing house.

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(10) In this section, “committee” includes any committee of directors, disciplinary committee or appeals committee of a Singapore recognised clearing house, or any body responsible for disciplinary action against a member of a Singapore recognised clearing house.

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(11) The Authority may, by regulations made under section 81Q, exempt any Singapore recognised clearing house or class of Singapore recognised clearing houses from complying with subsection (1) or (8), subject to such conditions or restrictions as the Authority may prescribe in those regulations.

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(12) The Authority may, by written notice, exempt any Singapore recognised clearing house from complying with subsection (1) or (8), subject to such conditions or restrictions as the Authority may specify by written notice.

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(13) It is not necessary to publish any exemption granted under subsection (12) in the *Gazette*.

(14) Any Singapore recognised clearing house which contravenes subsection (1), (2) or (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.”.

Replacement of section 81P

48. In the Securities and Futures Act 2001, replace section 81P with —

“Disqualification or removal of director or executive officer

81P.—(1) Despite the provisions of any other written law, an approved clearing house or Singapore recognised clearing house must not, without the prior written consent of the Authority, permit an individual to act as its director or executive officer, if the individual —

(a) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 48 of the Financial Institutions (Miscellaneous Amendments) Act 2024, being an offence —

(i) involving fraud or dishonesty;

(ii) the conviction for which involved a finding that he or she had acted fraudulently or dishonestly;
or

(iii) that is specified in the Third Schedule to the Registration of Criminals Act 1949;

(b) is an undischarged bankrupt, whether in Singapore or elsewhere;

(c) has had an enforcement order against him or her in respect of a judgment debt returned unsatisfied in whole or in part;

- (d) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his or her creditors, being a compromise or scheme of arrangement that is still in operation;
- (e) has had a related Acts prohibition order, a section 101A prohibition order, a section 123ZZC prohibition order, or an FSMA prohibition order made against him or her that remains in force; or 5
- (f) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere — 10
 - (i) which is being or has been wound up by a court; or
 - (ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction. 15 20

(2) Despite the provisions of any other written law, where the Authority is satisfied that a director or executive officer of an approved clearing house or Singapore recognised clearing house is not a fit and proper person to be a director or executive officer (as the case may be) of the approved clearing house or Singapore recognised clearing house (as the case may be), the Authority may, by notice in writing to the approved clearing house or Singapore recognised clearing house, direct it to remove the director or executive officer from his or her office or employment within such period as may be specified by the Authority in the notice, and the approved clearing house or Singapore recognised clearing house must comply with the notice. 25 30 35

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

(a) the individual has wilfully contravened or wilfully caused the approved clearing house or Singapore recognised clearing house to contravene any provision of this Act or the business rules of the approved clearing house or Singapore recognised clearing house;

(b) the individual has, without reasonable excuse, failed to secure the compliance of the approved clearing house or Singapore recognised clearing house with this Act, the Monetary Authority of Singapore Act 1970, any of the written laws set out in the Schedule to that Act, or the business rules of the approved clearing house or Singapore recognised clearing house;

(c) the individual has failed to discharge any of the duties of his or her office or employment;

(d) the individual's removal is necessary in the public interest or for the protection of investors; or

(e) the individual comes within any of the grounds mentioned in subsection (1).

(4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (3)(c), have regard to such criteria as may be prescribed.

(5) The Authority must not direct an approved clearing house or Singapore recognised clearing house to remove an individual from his or her office or employment under subsection (2) without giving the approved clearing house or Singapore recognised clearing house and that individual, an opportunity to be heard except in any of the following circumstances:

(a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere;

(b) a section 101A prohibition order or an FSMA prohibition order against the individual has been made and remains in force;

(c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 48 of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

(i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and

(ii) punishable with imprisonment for a term of 3 months or more.

(6) An approved clearing house or Singapore recognised clearing house must, as soon as practicable after receiving a direction under subsection (2), notify the affected director or executive officer of the direction.

(7) Any approved clearing house or Singapore recognised clearing house who receives a direction under subsection (2), or any director or executive officer of an approved clearing house or Singapore recognised clearing house in relation to whom a direction under subsection (2) is given, may, within 30 days after the approved clearing house or Singapore recognised clearing house receives the direction, appeal to the Minister whose decision is final.

(8) Despite the lodging of an appeal under subsection (7), a direction under subsection (2) continues to have effect pending the Minister's decision.

(9) The Minister may, when deciding an appeal under subsection (7), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision.

(10) No criminal or civil liability is incurred by an approved clearing house or Singapore recognised clearing house, or any person acting on behalf of an approved clearing house or

Singapore recognised clearing house, in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.

(11) Any approved clearing house or Singapore recognised clearing house which, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.”.

Amendment of section 81R

49. In the Securities and Futures Act 2001, in section 81R(1) —

(a) after “a recognised clearing house,”, insert “or a class of approved clearing houses or class of recognised clearing houses,”;

(b) in paragraph (a), replace “or of clearing facilities, operated” with “or of clearing facilities operated by approved clearing houses or recognised clearing houses of the class or”; and

(c) in paragraph (e), replace “section 58(2), 70(5) or (10), 71(11) or (12)” with “section 51(4) or (5), 58(2), 70(5), (10) or (11), 71(11) or (12), 81AA(4), (9) or (10), 81AC(11) or (12)”.

Amendment of section 81SB

50. In the Securities and Futures Act 2001, in section 81SB(2B) and (2C), delete “, or any class of approved clearing houses or class of recognised clearing houses,”.

Replacement of section 81ZH and new sections 81ZHA, 81ZHB and 81ZHC

51. In the Securities and Futures Act 2001, replace section 81ZH with —

“Auditors of approved holding companies — appointment and duties

81ZH.—(1) Despite any other provision of this Act or any other written law, every approved holding company must —

- (a) on an annual basis, appoint an auditor and obtain the approval of the Authority to such appointment; and 5
- (b) where, for any reason, the auditor ceases to act for the approved holding company, as soon as practicable thereafter, appoint another auditor and obtain the approval of the Authority to such appointment. 10

(2) An auditor must not be approved by the Authority as an auditor for an approved holding company unless the auditor is able to comply with such conditions in relation to the discharge of an auditor’s duties as the Authority may determine.

(3) The Authority may appoint an auditor for an approved holding company if — 15

- (a) the approved holding company fails to appoint an auditor in accordance with subsection (1); or
- (b) the Authority considers it desirable that another auditor should act with an auditor for the approved holding company appointed under subsection (1), 20

and may at any time fix the remuneration to be paid by the approved holding company to that auditor.

(4) The duties of an auditor appointed under subsections (1) and (3) are — 25

- (a) to carry out, for the year in respect of which the auditor is appointed, an audit of the accounts of the approved holding company; and
- (b) to make a report in respect of the latest financial statements of the approved holding company or, where the approved holding company is a parent company for which consolidated financial statements are prepared, the consolidated financial statements, in 30

accordance with section 207 of the Companies Act 1967.

(5) The Authority may, by written notice, impose all or any of the following duties on an auditor in addition to those in subsection (4):

- (a) a duty to submit to the Authority such additional information in relation to the auditor's audit as the Authority considers necessary;
- (b) a duty to enlarge or extend the scope of the auditor's audit of the business and affairs of the approved holding company;
- (c) a duty to carry out any other examination or establish any procedure in any particular case;
- (d) a duty to submit to the Authority a report on any of the matters mentioned in paragraphs (b) and (c).

(6) An auditor to whom a notice is given under subsection (5) must comply with each direction specified in the notice.

(7) The approved holding company must remunerate the auditor in respect of the discharge by the auditor of the duties mentioned in subsection (5).

(8) Despite any other provision of this Act or the provisions of the Companies Act 1967, the Authority may, if it is not satisfied with the performance of any duty by an auditor of an approved holding company, at any time —

- (a) direct the approved holding company to remove the auditor; and
- (b) direct the approved holding company to appoint another auditor approved by the Authority, as soon as practicable after the removal,

and the approved holding company must comply with such direction.

(9) If an auditor discloses in good faith to the Authority any information mentioned in subsection (5)(a) or report mentioned

in subsection (5)(d), the disclosure is not to be treated as a breach of any restriction on the disclosure imposed by any law, contract or rules of professional conduct, and the auditor is not liable for any loss arising from the disclosure or any act or omission as a result of the disclosure.

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(10) An approved holding company that contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

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(11) An approved holding company that fails to comply with a direction under subsection (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part of a day during which the offence continues after conviction.

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(12) Any auditor who fails to carry out any duty mentioned in subsection (4), or who fails to comply with subsection (6), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

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Auditors of approved holding companies to report certain matters and irregularities to Authority

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81ZHA.—(1) If an auditor of an approved holding company, in the course of performing the auditor's duties mentioned in section 81ZH(4) or (5), becomes aware of any matter or irregularity mentioned in the following paragraphs, the auditor must immediately send to the Authority a written report of that matter or irregularity:

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- (a) any matter that, in the auditor's opinion, adversely affects or may adversely affect the financial position of the approved holding company to a material extent;

(b) any matter that, in the auditor's opinion, constitutes or may constitute a breach of any provision of this Act or an offence involving fraud or dishonesty;

5 (c) any irregularity that has or may have a material effect upon the accounts of the approved holding company, including any irregularity that affects or jeopardises, or may affect or jeopardise, the funds or property of investors.

10 (2) An auditor of an approved holding company is not, in the absence of malice on the auditor's part, liable to any action for defamation at the suit of any person in respect of any statement made in the auditor's report under subsection (1).

15 (3) Subsection (2) does not restrict or affect any right, privilege or immunity that the auditor of an approved holding company may have, apart from this section, as a defendant in an action for defamation.

Power of Authority to appoint auditor to examine and audit books of approved holding company

81ZHB.—(1) Where —

20 (a) an approved holding company is required under section 81ZB(1) to submit to the Authority an auditor's report but fails to do so; or

(b) the Authority receives a report under section 81ZHA(1),

25 the Authority may, without affecting its powers under section 81ZH, if it is satisfied that it is in the interests of the approved holding company, the participants of the approved holding company or the general public to do so, appoint in writing an auditor to examine and audit, either generally or in
30 relation to any particular matter, the books of the approved holding company.

(2) Where the Authority is of the opinion that the whole or any part of the costs and expenses of an auditor appointed by the Authority under subsection (1) should be borne by the approved

holding company, the Authority may, in writing, direct the approved holding company to pay a specified amount, being the whole or part of such costs and expenses, within such time and in such manner as may be specified in the direction.

(3) Where an approved holding company fails to comply with a direction under subsection (2), the amount specified in the direction may be sued for and recovered by the Authority as a civil debt.

(4) An auditor appointed under subsection (1) must, on the conclusion of the examination and audit, submit a report to the Authority.

Restriction on auditor's and employee's right to communicate certain matters

81ZHC. Except as may be necessary for carrying into effect the provisions of this Act or so far as may be required for the purposes of any legal proceedings (whether civil or criminal), an auditor who is carrying out any duty imposed under section 81ZH(5) or who is appointed under section 81ZHB, or any employee of such auditor, must not disclose any information which may come to his or her knowledge or possession in the course of performing his or her duties as such auditor or employee (as the case may be) to any person other than —

- (a) the Authority;
- (b) in the case of an employee of such auditor, the auditor; and
- (c) any other person authorised by the Authority in writing to receive such information.”.

Amendment of section 81ZI

52. In the Securities and Futures Act 2001, in section 81ZI(2B) and (2C), delete “, or any class of approved holding companies,”.

Replacement of section 81ZJ

53. In the Securities and Futures Act 2001, replace section 81ZJ with —

“Disqualification or removal of director or executive officer

81ZJ.—(1) Despite the provisions of any other written law, an approved holding company must not, without the prior written consent of the Authority, permit an individual to act as its director or executive officer, if the individual —

(a) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 53 of the Financial Institutions (Miscellaneous Amendments) Act 2024, being an offence —

(i) involving fraud or dishonesty;

(ii) the conviction for which involved a finding that he or she had acted fraudulently or dishonestly; or

(iii) that is specified in the Third Schedule to the Registration of Criminals Act 1949;

(b) is an undischarged bankrupt, whether in Singapore or elsewhere;

(c) has had an enforcement order against him or her in respect of a judgment debt returned unsatisfied in whole or in part;

(d) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his or her creditors, being a compromise or scheme of arrangement that is still in operation;

(e) has had a related Acts prohibition order, a section 101A prohibition order, a section 123ZZC prohibition order, or an FSMA prohibition order made against him or her that remains in force; or

(f) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere —

(i) which is being or has been wound up by a court; or

(ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction.

(2) Despite the provisions of any other written law, where the Authority is satisfied that a director or executive officer of an approved holding company is not a fit and proper person to be a director or executive officer (as the case may be) of the approved holding company, the Authority may, by notice in writing to the approved holding company, direct it to remove the director or executive officer from his or her office or employment within such period as may be specified by the Authority in the notice, and the approved holding company must comply with the notice.

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

(a) the individual has wilfully contravened or wilfully caused the approved holding company to contravene any provision of this Act or the business rules of the approved holding company;

(b) the individual has, without reasonable excuse, failed to secure the compliance of the approved holding company with this Act, the Monetary Authority of Singapore Act 1970, any of the written laws set out in

the Schedule to that Act, or the business rules of the approved holding company;

(c) the individual has failed to discharge any of the duties of his or her office or employment;

5 (d) the individual's removal is necessary in the public interest or for the protection of investors; or

(e) the individual comes within any of the grounds mentioned in subsection (1).

10 (4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (3)(c), have regard to such criteria as may be prescribed.

15 (5) The Authority must not direct an approved holding company to remove an individual from his or her office or employment under subsection (2) without giving the approved holding company and that individual, an opportunity to be heard except in any of the following circumstances:

(a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere;

20 (b) a section 101A prohibition order or an FSMA prohibition order against the individual has been made and remains in force;

25 (c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 53 of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

30 (i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and

(ii) punishable with imprisonment for a term of 3 months or more.

(6) An approved holding company must, as soon as practicable after receiving a direction under subsection (2), notify the affected director or executive officer of the direction.

(7) Any approved holding company who receives a direction under subsection (2), or any director or executive officer of an approved holding company in relation to whom a direction under subsection (2) is given, may, within 30 days after the approved holding company receives the direction, appeal to the Minister whose decision is final.

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(8) Despite the lodging of an appeal under subsection (7), a direction under subsection (2) continues to have effect pending the Minister's decision.

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(9) The Minister may, when deciding an appeal under subsection (7), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision.

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(10) No criminal or civil liability is incurred by an approved holding company, or any person acting on behalf of an approved holding company, in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.

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(11) Any approved holding company which, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 and, in the case of a continuing offence, to a further fine not exceeding \$15,000 for every day or part of a day during which the offence continues after conviction.”.

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Amendment of section 81ZL

54. In the Securities and Futures Act 2001, in section 81ZL(1), replace “, and the approved holding company” with “or class of approved holding companies, and the approved holding company or each approved holding company of the class”.

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Amendment of section 85

55. In the Securities and Futures Act 2001, in section 85(1), replace “on such date” with “on or before such date and in such manner”.

Amendment of section 88

5 **56.** In the Securities and Futures Act 2001, in section 88(2), after “vary”, insert “or revoke”.

Amendment of section 93

57. In the Securities and Futures Act 2001, in section 93, replace subsection (2) with —

10 “(2) Any person who, without reasonable excuse, contravenes this section shall be guilty of an offence.”.

Amendment of section 97

58. In the Securities and Futures Act 2001, in section 97 —

(a) replace the section heading with —

15 **“Disqualification or removal of director or executive officer”;**

(b) in subsection (1), replace paragraph (g) with —

20 “(g) has had a related Acts prohibition order, a section 101A prohibition order, a section 123ZZC prohibition order or an FSMA prohibition order made against him or her that remains in force; or”;

(c) in subsection (1)(h), replace sub-paragraph (ii) with —

25 “(ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in

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the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction.”;

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(d) replace subsections (1A), (2), (3) and (5) with —

“(1A) Despite the provisions of any other written law, where the Authority is satisfied that a director of a holder of a capital markets services licence which is incorporated in Singapore, or an executive officer of a holder of a capital markets services licence, is not a fit and proper person to be a director or executive officer (as the case may be) of the holder, the Authority may, by notice in writing to the holder, direct it to remove the director or executive officer from his or her office or employment within such period as the Authority may specify in the notice, and the holder must comply with the notice.

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(2) For the purpose of subsection (1A), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

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(a) the individual has wilfully contravened or wilfully caused the holder to contravene any provision of this Act;

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(b) the individual has, without reasonable excuse, failed to secure the compliance of the holder with this Act, the Monetary Authority of Singapore Act 1970, or any of the written laws set out in the Schedule to that Act;

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(c) the individual has failed to discharge any of the duties of his or her office or employment;

(d) the individual's removal is necessary in the public interest or for the protection of investors; or

(e) the individual comes within any of the grounds mentioned in subsection (1).

(3) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (2)(c), have regard to such criteria as may be prescribed.

(4) The Authority must not direct a holder of a capital markets services licence to remove an individual from his or her office or employment under subsection (1A) without giving the holder and that individual an opportunity to be heard, except in any of the following circumstances:

(a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere;

(b) a section 101A prohibition order or an FSMA prohibition order against the individual has been made that remains in force;

(c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 58(d) of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

(i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and

(ii) punishable with imprisonment for a term of 3 months or more.

(5) A holder of a capital markets services licence must, as soon as practicable after receiving a direction under subsection (1A), notify the affected director or executive officer of the direction.

(5A) A holder of a capital markets services licence who receives a direction under subsection (1A), or any director or executive officer of a holder of a capital markets services licence in relation to whom a direction under subsection (1A) is given, may, within 30 days after the holder receives the direction, appeal to the Minister whose decision is final.

(5B) Despite the lodging of an appeal under subsection (5A), any direction under subsection (1A) continues to have effect pending the Minister's decision.

(5C) The Minister may, when deciding an appeal under subsection (5A), modify the direction under subsection (1A), and such modified action has effect starting on the date of the Minister's decision.”;

(e) in subsection (6), replace “shall be” with “is”;

(f) in subsection (6), delete “(including any statement made)”;

(g) after subsection (6), insert —

“(6A) A holder of a capital markets services licence who, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (1A) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.”; and

(h) delete subsection (7).

Amendment of section 97A

59. In the Securities and Futures Act 2001, in section 97A —

(a) replace subsection (2) with —

“(2) A person must not obtain effective control of the holder of a capital markets services licence that is a company, unless the person has obtained the prior approval of the Authority.”;

5 (b) in subsection (3)(c), delete “or as may be specified in written directions by the Authority”;

(c) after subsection (4), insert —

10 “(4A) The Authority may at any time add to or vary any condition imposed under subsection (4) and the applicant must comply with the condition so added to or varied.

15 (4B) The Authority may at any time revoke any condition imposed under subsection (4) (including a condition that has been added to or varied under subsection (4A)).”;

(d) in subsection (5), after “subsection (4)”, insert “(including a condition that has been added to or varied under subsection (4A))”;

(e) in subsection (6), replace paragraphs (a) and (b) with —

20 “(a) a person has effective control of the holder of a capital markets services licence —

(i) if the person, alone or acting together with any connected person, holds, directly or indirectly, 20% or more of the issued share capital of the holder;

25 (ii) if the person, alone or acting together with any connected person, controls, directly or indirectly, 20% or more of the voting power in the holder;

30 (iii) if the holder or its directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the person

(whether conveyed by the person alone or together with any other person, and whether with or without holding shares or controlling voting power in the holder); or

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(iv) if the person (whether alone or acting together with any other person, and whether with or without holding shares or controlling voting power in the holder) is able to determine the policy of the holder; and”; and

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(f) after subsection (7), insert —

“(8) Any person who fails to comply with a condition imposed under subsection (4) (including a condition added to or varied under subsection (4A)) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.”.

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Amendment of section 97B

60. In the Securities and Futures Act 2001, in section 97B —

(a) in subsection (1), replace paragraph (b) with —

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“(b) any person who has effective control of the holder of a capital markets services licence,”;

(b) in subsection (1)(c), after “section 97A(4)”, insert “(including a condition that has been added to or varied under section 97A(4A))”;

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(c) in subsection (2), replace paragraph (c) with —

“(c) a section 101A prohibition order or an FSMA prohibition order has been made, and remains in force, against the person,”;

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(d) in subsection (3), replace paragraph (a) with —

“(a) take such steps as are necessary to ensure that the person ceases to have effective

control of the holder of a capital markets services licence; or”; and

(e) in subsection (3)(b), replace “written directions” with “the written notice of objection”.

5 **Amendment of section 98**

61. In the Securities and Futures Act 2001, in section 98 —

(a) in subsection (1)(b), insert “or” at the end;

(b) in subsection (1)(d), replace “; or” at the end with a comma;

10 (c) in subsection (1), delete paragraph (e); and

(d) in subsection (2), delete “or (e)”.

Amendment of section 99

62. In the Securities and Futures Act 2001, in section 99, after subsection (4), insert —

15 “(4A) The Authority may by regulations or by written notice vary or revoke any condition or restriction imposed under subsection (4).”.

Amendment of section 99K

63. In the Securities and Futures Act 2001, in section 99K —

20 (a) in subsections (1) and (3), replace “by the prescribed time,” with “on or before the date specified by the Authority,”; and

(b) in subsection (2), replace “by the prescribed time” with “on or before the date specified by the Authority”.

25 **Amendment of section 101**

64. In the Securities and Futures Act 2001, in section 101 —

(a) after subsection (2), insert —

“(2A) The Authority may, if it thinks it necessary or expedient in the interests of the public or a section of

the public or for the protection of investors, issue written directions, either of a general or specific nature, in relation to the conduct of any additional business by any holder of a capital markets services licence, or class of such licence holders, to any of the following: 5

- (a) a holder of a capital markets services licence or a class of such licence holders;
- (b) an additional business representative of a holder of a capital markets services licence or a class of such additional business representatives. 10

(2B) In issuing any direction under subsection (2A), the Authority must have regard to the need to avoid or reduce any risk (including any credit risk, asset risk, liquidity risk, market risk, operational risk, technology risk, market conduct risk, legal risk, reputational risk or regulatory risk) — 15

- (a) that has arisen or may arise from the conduct of the additional business by the licence holder or class of licence holders; and 20
- (b) that may affect the business in a regulated activity of the licence holder or class of licence holders. 25

(2C) Without limiting subsection (2A), any written direction may be issued with respect to —

- (a) the standards to be maintained by a holder of a capital markets services licence in the conduct of, and in respect of the risk management of, any additional business; 30
- (b) the manner, method and place of soliciting any additional business by a holder of a capital markets services licence and its

additional business representatives, and the conduct of such solicitation;

5 (c) the manner in which a holder of a capital markets services licence and its additional business representatives makes recommendations to customers in respect of any additional business and the duties of the holder and its representatives when making such recommendations;

10 (d) the manner in which a holder of a capital markets services licence deals with its customers in respect of any additional business of the holder, and any conflicts of interests between the holder and its customers in respect of any additional business of the holder;

15 (e) the type and frequency of submission of financial returns and other information to the Authority in respect of any additional business carried on by a holder of a capital markets services licence;

20 (f) the qualifications, experience and training of additional business representatives of a holder of a capital markets services licence in respect of any additional business; and

25 (g) the maximum amount of capital or financial resources that may be maintained by a holder of a capital markets services licence in respect of any additional business (expressed as an absolute amount or as a percentage of an amount (determined by the Authority) required to address risks arising from the activities of the holder), and the manner in which such amount is to be determined.

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(2D) In this section —

“additional business” means a business in —

- (a) dealing in additional financial products; or
- (b) providing custodial services in relation to additional financial products;

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“additional business representative”, in relation to a holder of a capital markets services licence —

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- (a) means a person, by whatever name called, in the direct employment of, or acting for or by arrangement with the holder, who carries out for the holder any additional business (other than work ordinarily performed by accountants, clerks or cashiers), whether or not the person is remunerated, and whether the person’s remuneration (if any) is by way of salary, wages, commission or otherwise; and

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- (b) includes, where the holder is a corporation, any officer of the holder who performs for the holder any additional business, whether or not the officer is remunerated, and whether the officer’s remuneration (if any) is by way of salary, wages, commission or otherwise;

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“additional financial product” means —

- (a) any contract or arrangement that is not traded on an organised market that is established or operated by an approved exchange, under which —

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(i) a party to the contract or arrangement is required to, or may be required to, discharge all or any of its obligations under the contract or arrangement at some future time; and

(ii) the value of the contract or arrangement is determined (whether directly or indirectly, or whether wholly or in part) by reference to, is derived from, or varies by reference to, either of the following:

(A) the value or amount of one or more payment tokens;

(B) fluctuations in the values or amounts of one or more payment tokens;

(b) any spot foreign exchange contract for a purpose other than leveraged foreign exchange trading; or

(c) any other product prescribed by the Authority;

“dealing in additional financial products” means doing any of the following (whether as principal or agent):

(a) making with any person, or offering to make with any person, any agreement for or with a view to acquiring, disposing of, entering into, effecting, arranging, subscribing for, or underwriting those additional financial products;

(b) inducing any person, or attempting to induce any person, to enter into such agreement;

(c) inducing any person, or attempting to induce any person, to offer to enter into such agreement;

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“payment token” means any digital representation of value —

(a) that is expressed as a unit;

(b) the value of which is determined in any way, other than being permanently fixed by the issuer of the digital representation of value at the time when the digital representation of value is issued to either a single currency or 2 or more currencies;

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(c) that is, or is intended to be, a medium of exchange accepted by the public, or a section of the public, as payment for goods or services or for the discharge of a debt; and

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(d) that can be transferred, stored or traded electronically;

“providing custodial services”, in relation to additional financial products, means providing or agreeing to provide a service to a person of taking possession or control of those products under an arrangement to carry out any of the following functions for the person:

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(a) settlement of transactions relating to the additional financial products;

(b) collecting or distributing dividends or other pecuniary benefits derived from ownership or possession of the additional financial products;

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(c) paying tax or other costs associated with the additional financial products;

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(d) exercising rights, including without limitation voting rights, attached to or derived from the additional financial products;

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(e) any other function necessary or incidental to the safeguarding or administration of the additional financial products,

but does not include —

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(f) the provision of services to a related corporation or connected person of the service provider, except where the additional financial products in respect of which such services are provided are —

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(i) held on trust for another person by the related corporation or connected person;

(ii) held as a result of any custodial services provided by the related corporation or connected person to another person; or

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(iii) beneficially owned by any person other than the related corporation or connected person; and

- (g) any other conduct that the Authority may, by order, prescribe.”; and
- (b) in subsections (3) and (4), replace “subsection (1)” with “subsection (1) or (2A)”.

Amendment of section 150

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65. In the Securities and Futures Act 2001, in section 150(1), after “an approved holding company,”, insert “an approved trustee mentioned in section 289(1),”.

Amendment of section 150B

66. In the Securities and Futures Act 2001, in section 150B —

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- (a) in subsections (1) and (5), replace “territory” with “jurisdiction”;

- (b) after subsection (1), insert —

“(1A) A foreign regulatory authority may, with the prior written approval of the Authority, appoint any person to conduct the inspection under subsection (1) and in such event, this section (other than this subsection) applies to the person as if a reference to the foreign regulatory authority or any official of the foreign regulatory authority in this section includes a reference to the person.”;

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- (c) in subsection (2), after “subsection (1)”, insert “or (1A)”;
- and

- (d) after subsection (4A), insert —

“(4B) Where —

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- (a) the relevant person is a person exempted under section 99(1)(a) or (b); and

(b) the foreign regulatory authority has already obtained the approval of the Authority under section 45 of the Banking Act 1970 or section 83 of the Financial Advisers Act 2001 to conduct an inspection under that provision of the relevant person,

then the foreign regulatory authority is treated as having obtained the Authority's written approval under subsection (1).”.

Replacement of Divisions 3 and 4 of Part 9

67. In the Securities and Futures Act 2001, in Part 9, replace Divisions 3 and 4 with —

“Division 3 — Investigative Powers of Authority

Subdivision (1) — Preliminary

Interpretation of this Division

152. In this Division —

“auditor” means a public accountant who is registered or deemed to be registered under the Accountants Act 2004;

“computer” and “data” have the meanings given by section 2(1) of the Computer Misuse Act 1993;

“law enforcement agency” means any authority or person charged with the duty of investigating offences or charging offenders under any written law;

“legal counsel” has the meaning given by section 3(7) of the Evidence Act 1893;

“officer” —

(a) in relation to the Authority, includes any person employed by the Authority in an executive capacity; and

- (b) in relation to any corporation (other than a law enforcement agency), has the meaning given by section 4(1) of the Companies Act 1967.

Subdivision (2) — General

Investigation by Authority

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153.—(1) The Authority may conduct such investigation as it considers necessary or expedient for any of the following purposes:

- (a) to perform any of its functions and duties under this Act;
- (b) to ensure compliance with this Act or any written direction issued under this Act;
- (c) to investigate an alleged or suspected contravention of any provision of this Act or any written direction issued under this Act.

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(2) The Authority may exercise any of its powers under this Division for the purposes of conducting an investigation under subsection (1) despite the provisions of any prescribed written law or any requirement imposed thereunder or any rule of law.

(3) Subject to subsection (5), a requirement imposed by the Authority under this Division has effect despite any obligations as to secrecy or other restrictions upon the disclosure of information imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

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(4) Subject to subsection (5), any person who complies with a requirement imposed by the Authority under this Division is not treated as being in breach of any restriction upon the disclosure of information or thing imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

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(5) Nothing in this section requires a person to disclose any information subject to legal privilege.

(6) No civil or criminal action, other than proceedings for an offence under section 168A, shall lie against any person —

(a) for giving assistance to the Authority, including answering questions, if the person had given the assistance or answered the questions in good faith in compliance with a requirement imposed by the Authority under this Division;

(b) for providing information, producing books or giving access to data to the Authority, if the person had done so in good faith in compliance with a requirement imposed by the Authority under this Division; or

(c) for doing or omitting to do any act, if the person had done or omitted to do the act in good faith and as a result of complying with a requirement imposed by the Authority under this Division.

(7) In this section, a reference to a requirement imposed by the Authority under this Division includes a reference to a requirement imposed by an investigator or authorised person under Subdivision (3) or (4).

Confidentiality of investigation reports

154.—(1) Where a written report or any part of a written report (called in this section the report) has been produced by the Authority in respect of any investigation under section 153 and is provided by the Authority to the person under investigation (called in this section the investigated person), the report must not be disclosed by the investigated person or, if the investigated person is a corporation, by any of its officers or auditors, to any other person except in the circumstances provided under subsection (2).

(2) Disclosure of the report mentioned in subsection (1) may be made —

(a) by the investigated person to any officer or auditor of that investigated person solely in connection with the

performance of the duties of the officer or auditor (as the case may be) in that investigated person;

(b) by any officer or auditor of the investigated person to any other officer or auditor of that investigated person, solely in connection with the performance of their duties in that investigated person; or

(c) to such other person as the Authority may approve in writing.

(3) In granting written approval for any disclosure under subsection (2)(c), the Authority may impose such conditions or restrictions as it thinks fit on the investigated person, any of its officers or auditors or the person to whom disclosure is approved, and that person must comply with such conditions or restrictions.

(4) The obligation on an officer or auditor mentioned in subsection (1) continues after the termination or cessation of his or her employment or appointment by the investigated person.

(5) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(6) Any person to whom the report is disclosed and who knows or has reasonable grounds for believing, at the time of the disclosure, that the report was disclosed to the person in contravention of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both, unless the person proves that —

(a) the disclosure was made contrary to the person's desire;

(b) where the disclosure was made in any written or printed form, the person had, as soon as practicable after receiving the report, surrendered or taken all reasonable steps to surrender the report and all copies of the report to the Authority; and

- (c) where the disclosure was made in an electronic form, the person had, as soon as practicable after receiving the report, taken all reasonable steps to ensure that all electronic copies of the report had been deleted and that the report and all copies of the report in other forms had been surrendered to the Authority.

Self-incrimination and saving for advocates and solicitors

155.—(1) A person is not excused from disclosing information to the Authority, or an investigator or authorised person mentioned in Subdivision (3) or (4), pursuant to a requirement made of the person under any provision of this Division, on the ground that the disclosure of the information might tend to incriminate the person.

(2) Where a person claims, before making a statement disclosing information that the person is required to disclose under any provision of this Division to the Authority or to an investigator or authorised person mentioned in Subdivision (3) or (4), that the statement might tend to incriminate the person, that statement is not admissible in evidence against the person in criminal proceedings other than proceedings for an offence under section 168A(4).

(3) For the purposes of any proceedings for an offence under this Act, the making of a statement by an accused person made pursuant to a requirement mentioned in subsection (1), is not to be regarded under section 258(3) of the Criminal Procedure Code 2010 as caused by any inducement, threat or promise merely because the Authority, investigator or authorised person had earlier informed the accused person that the accused person was not excused from disclosing information on the ground that the disclosure of the information might tend to incriminate the accused person, if the Authority, investigator or authorised person (as the case may be) believed in good faith, when so informing the accused person, that —

- (a) the accused person was concerned in an offence under this Act; or

- (b) a reasonable complaint has been made, or credible information has been received, or a reasonable suspicion exists, that the accused person was concerned in an offence under this Act.

(4) Nothing in this Division —

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- (a) compels an advocate and solicitor or legal counsel to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; or

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- (b) authorises the taking of any such book or other material which is in the possession of an advocate and solicitor or legal counsel.

(5) Despite subsection (4), an advocate and solicitor or legal counsel —

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- (a) who is required under this Division to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; and

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- (b) who refuses to disclose or produce the privileged communication, book or other material,

must give the name and address (if he or she knows them) of the person to whom, or by or on behalf of whom, that privileged communication was made.

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Subdivision (3) — Examination of persons

Requirement to appear for examination

156.—(1) For the purpose of an investigation under this Division, the Authority may, in writing, require a person —

- (a) to give to the Authority all reasonable assistance in connection with the investigation; and

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- (b) to appear before an officer of the Authority duly authorised by the Authority for examination and to answer questions.

(2) A written requirement imposed under subsection (1) must state the general nature of the matter mentioned in that subsection.

Proceedings at examination

157. The provisions of this Subdivision apply where, pursuant to a requirement made under section 156 for the purposes of an investigation under this Division, a person (called in this Subdivision the examinee) appears before another person (called in this Subdivision the investigator) for examination.

Requirements made of examinee

158.—(1) The investigator may examine the examinee on oath or affirmation, and may, for that purpose, administer an oath or affirmation to the examinee.

(2) The oath or affirmation to be taken or made by the examinee for the purposes of the examination is an oath or affirmation that the statements that the examinee will make are true.

(3) The investigator may require the examinee to answer a question that is put to the examinee at the examination and is relevant to a matter that the Authority is investigating, or is to investigate, under this Division.

Examination to take place in private

159.—(1) The examination must take place in private and the investigator may give directions as to who may be present during the examination or part thereof.

(2) A person must not be present at the examination unless the person is —

- (a) the investigator or the examinee;
- (b) a person approved by the Authority; or

- (c) entitled to be present by virtue of a direction under subsection (1).

Record of examination

160.—(1) The investigator may, and must if the examinee so requests, cause a record to be made of statements made at the examination.

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(2) If a record made under subsection (1) is in writing or is reduced to writing —

(a) the investigator may require the examinee to read the record, or to have it read to the examinee, and may require the examinee to sign it; and

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(b) the investigator must, if requested in writing by the examinee to give to the examinee a copy of the written record, provide a copy of the written record without charge within a reasonable time, subject to such conditions as the investigator may impose.

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Giving copies of record to other persons

161.—(1) The Authority may, subject to such conditions or restrictions as it may impose, give a copy of a written record of the examination, or such a copy together with a copy of any related book, to an advocate and solicitor acting on behalf of a person who is carrying on, or is contemplating in good faith, a legal proceeding in respect of a matter to which the examination relates.

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(2) If the Authority gives a copy of a written record or book to a person under subsection (1), the person, or any other person who has possession, custody or control of the copy or a further copy of the copy, must not, except in connection with preparing, beginning or carrying on, or in the course of, any legal proceeding —

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(a) use the copy or a further copy of the copy; or

- (b) publish, or communicate to a person, the copy, a further copy of the copy, or any part of the contents of the copy.

(3) The Authority may, subject to such conditions or restrictions as it may impose, give to a person other than a person mentioned in subsection (1), a copy of a written record of the examination, or the copy together with a copy of any related book.

Copies given subject to conditions

162. If a copy of any written record or book is given to a person under section 160(2) or 161(1) or (3) subject to conditions or restrictions imposed by the investigator or the Authority (as the case may be), the person, and any other person who has possession, custody or control of the copy or the further copy of the copy, must comply with the conditions or restrictions.

Subdivision (4) — Powers to obtain information

Power of Authority to order production of books, provision of information or giving of access to data

163. For the purpose of an investigation under this Division, the Authority may, in writing, require —

- (a) a person who is believed to possess, or to have power to access, any book, or who is believed to possess any information, relating to any matter under investigation; or
- (b) a person who is believed to have power to access any data relating to any matter under investigation,

to —

- (c) produce the book or a copy of the book, or to provide the information, at the time and place specified in the written requirement;

- (d) give the Authority or any officer of the Authority who is authorised by the Authority for this purpose (called in this section an investigator) access to the book or data; or
- (e) provide such reasonable assistance as the Authority or an investigator may require for the purposes of accessing the book or data. 5

Power to enter premises without warrant

164.—(1) In connection with an investigation under this Division, any officer of the Authority who is authorised by the Authority to do so (called in this section an investigator) and such other officers or persons as the Authority has authorised in writing to accompany the investigator (each called in this section an authorised person) may enter any premises. 10

(2) An investigator or authorised person accompanying the investigator must not enter any premises in the exercise of the powers under this section unless the investigator has given the occupier of the premises a written notice which — 15

- (a) gives at least 2 working days' notice of the intended entry; 20
- (b) indicates the subject matter and purpose of the investigation; and
- (c) indicates the nature of the offences investigated.

(3) Subsection (2) does not apply —

- (a) if the investigation relates to an alleged or suspected contravention of any provision of this Act and the investigator has reasonable grounds for suspecting that the premises are, or have been, occupied by a person who is being investigated in relation to the contravention; or 25
- (b) if the investigator has taken all such steps as are reasonably practicable to give notice under subsection (2)(a) but has not been able to do so. 30

(4) Where subsection (3) applies, the power of entry conferred by subsection (1) may only be exercised upon production of —

- (a) evidence of the investigator's authorisation and the authorisation of every authorised person accompanying the investigator; and
- (b) a document containing information indicating the subject matter and purpose of the investigation and the nature of the offences investigated.

(5) Without affecting section 163, an investigator or authorised person entering any premises under this section may —

- (a) bring with him or her to the premises such items as appear to him or her to be necessary;
- (b) require any person on the premises to produce any book or copy of any book or to give access to any data which the investigator or authorised person considers relates to any matter relevant to the investigation;
- (c) require any person on the premises to state, to the best of the person's knowledge and belief, where any such book or data is to be found; and
- (d) take any step, or issue to any person on the premises any requirement, which appears to be necessary for the purpose of preserving or preventing interference with any such book or data.

Warrant to seize books, etc.

165.—(1) A Magistrate may, on the application of the Authority —

- (a) issue a warrant, if the Magistrate is satisfied that there are reasonable grounds to suspect that there is, on any particular premises, any book, or a computer in which any data is contained or to which any data is available —

- (i) being any book or data the production of which, or access to which, has been required under section 163 or 164, but which has not been produced, or access to which has not been given, in compliance with that requirement; or 5
- (ii) being any book or data which, if production of which or access to which is required under section 163 or 164, will be concealed, removed, tampered with or destroyed; and
- (b) if the Magistrate is also satisfied that there are reasonable grounds to suspect that there is, on those premises, any other book, or a computer in which any other data is contained or to which any other data is available, which relates to any matter relevant to the investigation concerned, direct that the powers exercisable under the warrant extend to such other book or computer. 10 15

(2) A warrant issued under subsection (1) authorises the Authority or any person named in the warrant, with or without assistance — 20

- (a) to enter the premises specified in the warrant, using such force as is reasonably necessary for the purpose;
- (b) to search the premises and to break open and search anything, whether a fixture or not, in the premises;
- (c) to take possession of, or secure against interference, any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b); 25
- (d) to require any person to provide an explanation of any book or data that appears to be any book or data mentioned in subsection (1)(a) or (b), or to state, to the best of that person's knowledge and belief, where any such book or data may be found; 30
- (e) to search any person on those premises, if there are reasonable grounds to suspect that the person has in his or her possession any book or computer that 35

appears to be a book or computer mentioned in subsection (1)(a) or (b), or any equipment or article which relates to any matter relevant to the investigation concerned;

5 (f) to remove from those premises for examination any book that appears to be a book mentioned in subsection (1)(a) or (b), or any equipment (including a computer) or article which relates to any matter relevant to the investigation concerned;

10 (g) to access, inspect and check the operation of a computer on the premises specified in the warrant, if there are reasonable grounds to suspect that any data mentioned in subsection (1)(a) or (b) is or has been contained in or available to the computer, or that
15 the computer is a computer mentioned in subsection (1)(a) or (b);

(h) to use any computer mentioned in paragraph (g), or cause any such computer to be used —

20 (i) to search any book or data that appears to be a book or any data mentioned in subsection (1)(a) or (b), that is contained in or available to such computer; and

(ii) to make a copy of any such book or data;

25 (i) to prevent any other person from gaining access to, or using, any computer mentioned in paragraph (g) (including by changing any username, password or other authentication information required to gain access to the computer);

(j) to order any person —

30 (i) to stop accessing or using or to not access or use any computer mentioned in paragraph (g); or

(ii) to access or use any such computer only under such conditions as the Authority or any person named in the warrant may specify; and

(k) to order —

- (i) any person whom the Authority or any person named in the warrant reasonably suspects of using, or of having used, a computer mentioned in paragraph (g); 5
 - (ii) any person having charge of, or otherwise concerned with the operation of, any such computer; or
 - (iii) any person whom the Authority or any person named in the warrant reasonably believes has knowledge of or access to any username, password or other authentication information required to gain access to any such computer, 10
- to provide any of the following types of assistance to the Authority: 15
- (iv) assistance to gain access to the computer (including assistance through the provision of any username, password or other authentication information required to gain access to the computer); 20
 - (v) assistance to prevent a person (other than the Authority or any person named in the warrant) from gaining access to, or using, the computer, including assistance in changing any username, password or other authentication information required to gain access to the computer. 25

(3) The Authority or any person named in the warrant may allow any equipment or article mentioned in subsection (2)(f) to be retained on the premises specified in the warrant, subject to such conditions as the Authority or that person may require. 30

(4) Any person entering any premises by virtue of a warrant issued under subsection (1) may bring with him or her to the premises such items as appear to him or her to be necessary.

(5) Where a warrant is issued under subsection (1), and there is no one present at the premises specified in the warrant when the Authority or any person named in the warrant proposes to execute the warrant, the Authority or that person must, before
5 executing the warrant —

(a) take such steps as are reasonable in all the circumstances to inform the occupier of the premises of the intended entry into the premises; and

(b) subject to subsection (6), give the occupier or the
10 occupier's legal or other representative a reasonable opportunity to be present when the warrant is executed.

(6) If the Authority or any person named in the warrant is unable to inform the occupier of the premises of the intended
15 entry into the premises, the Authority or that person must, when executing the warrant, leave a copy of the warrant in a prominent place on the premises.

(7) On leaving any premises specified in a warrant issued under subsection (1), the Authority or any person named in the
20 warrant must, if the premises are unoccupied or if the occupier of the premises is temporarily absent, leave the premises as effectively secured as the Authority or that person found the premises.

(8) The powers conferred by this section are in addition to, and
25 not in derogation of, any other powers conferred by any other written law or rule of law.

(9) In this section —

“occupier”, in relation to any premises specified in a
30 warrant issued under subsection (1), includes any person whom the Authority or any person named in the warrant reasonably believes to be the occupier of those premises;

“premises” includes any structure, building, aircraft,
vehicle or vessel.

Powers where books are produced, etc.

166.—(1) This section applies where —

(a) any book is produced to the Authority, or access to any book, or any data contained in or available to a computer, is given to the Authority —

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(i) pursuant to a written requirement under section 163; or

(ii) during an entry into any premises by an investigator or authorised person under section 164;

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(b) under a warrant issued under section 165(1), the Authority or a person named therein —

(i) takes possession of any book or computer; or

(ii) secures any book or computer against interference; or

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(c) under a previous application of subsection (6), any book or computer is delivered into the possession of the Authority or a person authorised by it.

(2) If subsection (1)(a) applies, the Authority may take possession of any book or computer mentioned in that provision.

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(3) The Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) may —

(a) inspect, and make copies of, or take extracts from, a book, or any data contained in or available to the computer, mentioned in that subsection;

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(b) use, or permit the use of, a book, or any data contained in or available to the computer, mentioned in that subsection for the purposes of any proceedings;

(c) retain possession of a book or computer mentioned in that subsection for so long as is necessary —

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(i) for the purposes of exercising a power conferred by this section;

(ii) for a decision to be made about whether or not any proceedings to which the book or any data contained in or available to the computer would be relevant should be instituted; or

5 (iii) for such proceedings to be instituted and carried on; and

(d) require any book stored in any electronic form, or any data, which the Authority or person mentioned in subsection (1)(b) or (c) is satisfied relates to any matter relevant to an investigation under this Division, to be produced in a form which can be taken away and which is visible and legible.

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(4) No person is entitled, as against the Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) to claim a lien on any book or computer mentioned in that subsection, but such a lien is not otherwise prejudiced.

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(5) While any book or computer is in the possession of the Authority or (where applicable) the person mentioned in subsection (1)(b) or (c), the Authority or the person —

20 (a) must permit another person to inspect at all reasonable times the book or computer as the second-mentioned person would be entitled to inspect if the book or computer were not in the possession of the Authority or the firstmentioned person; and

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(b) may permit any other person to inspect the book or computer.

(6) If subsection (1)(a) or (b)(i) applies, an investigator or authorised person mentioned in subsection (1)(a) or a person mentioned in subsection (1)(b) may deliver any book or computer into the possession of the Authority or of a person authorised by the Authority to receive them.

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(7) If subsection (1)(a) or (b) or (6) applies, the Authority, an investigator or authorised person mentioned in subsection (1)(a), a person mentioned in subsection (1)(b) or a

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person into whose possession any book or computer is delivered under subsection (6), may require —

- (a) if subsection (1)(a) applies — a person who produced the book or gave access to the book or the data contained in or available to the computer; or 5
- (b) if subsection (1)(b) applies — a person who was a party to the preparation of the book or any data contained in or available to the computer,

to explain, to the best of his or her knowledge and belief, any matter about the preparation of the book or data or any matter to which the book or data relates. 10

Powers where books not produced, information not provided or access to book or data not given

167. Where a person fails to comply with a written requirement imposed by the Authority under section 163 to produce any book, provide any information or give access to any book or data, the Authority may require the person to state, to the best of his or her knowledge and belief — 15

- (a) the place where such book, or any computer in which such data is contained or to which such data is available, may be found; 20
- (b) the person who last had possession, custody or control of such book, or any computer in which such data is contained or to which such data is available, and the place where that person may be found; or 25
- (c) the person who possesses such information and the place where that person may be found.

Copies of or extracts from books to be admitted in evidence

168.—(1) Subject to this section, a copy of or extract from any book referred to in this Division that is proved to be a true copy of the book, or of the relevant part of the book, is admissible in 30

evidence as if it were the original book, or the relevant part of the original book.

(2) For the purposes of subsection (1), evidence that a copy of or extract from any book is a true copy of the book or of a part of the book, may be given by a person who has compared the copy or extract with the book or the relevant part of the book, and may be given orally or by an affidavit sworn, or by a declaration made, before a person authorised to take affidavits or statutory declarations.

Offences under this Division

168A.—(1) An advocate and solicitor or legal counsel who, without reasonable excuse, fails to comply with section 155(5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

(2) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement imposed under section 156(1), 158(3), 163, 164(5)(b), (c) or (d), 166(3)(d) or (7) or 167; or

(b) any requirement imposed pursuant to a warrant issued under section 165(1),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(3) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement of an investigator under section 160(2)(a); or

(b) section 161(2) or 162,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(4) A person who —

(a) in purported compliance with a requirement imposed under section 155(5), 163, 164(5)(b), (c) or (d), 166(3)(d) or (7) or 167, or pursuant to a warrant issued under section 165(1); or

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(b) in the course of examination of the person,

provides information or makes a statement that is false or misleading in a material particular shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

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(5) It is a defence to a prosecution for an offence under subsection (4) if the defendant proves that the defendant believed on reasonable grounds that the information or statement was true and not misleading.

(6) Any person who, knowing or having reasonable grounds to believe that any book, computer, equipment or article relates to a matter that the Authority is investigating or about to investigate under this Division —

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(a) conceals, destroys, mutilates or alters that book, computer, equipment or article; or

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(b) if any such book, computer, equipment or article is within the territory of Singapore, takes or sends the book, computer, equipment or article out of Singapore,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both.

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(7) A person who, without reasonable excuse, obstructs or hinders the Authority in the exercise of any power under this Division, or obstructs or hinders a person who is exercising any power under section 164(1) or (5) or executing a warrant issued under section 165(1), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

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(8) Any occupier or person in charge of any premises who fails to provide, to any person who enters those premises under section 164(1) or under a warrant issued under section 165(1), all reasonable facilities and assistance for the effective exercise of that person's powers under section 164(1) or (5) or under the warrant (as the case may be) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Division 4 — Transfer of evidence

Interpretation of this Division

168B. In this Division —

“Commercial Affairs Officer” means a Commercial Affairs Officer appointed under section 64 of the Police Force Act 2004;

“data” has the meaning given by section 2(1) of the Computer Misuse Act 1993;

“police officer” means a member of the Singapore Police Force.

Evidence obtained by Authority may be used in criminal investigations and proceedings

168C.—(1) Despite the provisions of any written law or rule of law, the Authority may provide any book, written record of any examination or other information, or access to any data, obtained by the Authority under Division 3 to —

(a) a police officer;

(b) a Commercial Affairs Officer; or

(c) the Public Prosecutor,

for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under this Act.

(2) To avoid doubt, any book, written record of examination or other information provided, or any data to which access is

provided, by the Authority under subsection (1) is not inadmissible in any criminal proceedings by reason only that it was first obtained by the Authority under this Act, and the admissibility thereof is to be determined in accordance with the rules of evidence under written law and any relevant rules of law. 5

Evidence obtained under Criminal Procedure Code 2010 may be used for purposes of Act

168D. Despite the provisions of any written law or any rule of law, any book, data, statement or other information obtained by — 10

- (a) a police officer or a Commercial Affairs Officer in the exercise of his or her powers under Divisions 1 and 2 of Part 4 of the Criminal Procedure Code 2010; or
- (b) an authorised person mentioned in section 20(1) or (1A), 39(1) or 40(2) of the Criminal Procedure Code 2010, in the exercise of his or her powers under those sections, 15

may be provided to the following persons for the following purposes, if it is in the public interest to do so: 20

- (c) to the Authority — for the purpose of any investigation under section 153(1);
- (d) to the Minister or to an Appeal Advisory Committee constituted under section 310 — for the purpose of any appeal against a decision of the Authority under this Act.”. 25

Amendment of section 272

68. In the Securities and Futures Act 2001, in section 272(1) and (2), replace “Subdivisions (2)” with “Subdivisions (1A), (2)”.

Amendment of section 272A

69. In the Securities and Futures Act 2001, in section 272A(1), replace “Subdivisions (2)” wherever it appears with “Subdivisions (1A), (2)”.

Amendment of section 272B

70. In the Securities and Futures Act 2001, in section 272B(1), replace “Subdivisions (2)” with “Subdivisions (1A), (2)”.

Amendment of section 273

71. In the Securities and Futures Act 2001, in section 273 —

(a) in subsection (1), after paragraph (ck), insert —

“(cl) it is an offer of units or derivatives of units in a business trust —

(i) being a business trust which is registered in Singapore or otherwise, whose units or derivatives of units are not listed for quotation on an approved exchange; or

(ii) being a business trust which is not registered in Singapore, whose units or derivatives of units are listed for quotation on an approved exchange and such listing is not a primary listing,

that is made to any existing unitholder of the business trust or any holder of any debenture of the trustee-manager of the business trust that is issued by the trustee-manager of the business trust in its capacity as trustee-manager of the business trust (whether or not the offer is renounceable in favour of persons other

than existing unitholders or holders of debentures);”;

(b) in subsection (1A), replace “or (e)” with “, (e) or (h)”;

(c) in subsection (1A)(a)(iv), delete “and” at the end;

(d) in subsection (1A)(b), replace the full-stop at the end with “; and”; 5

(e) in subsection (1A), after paragraph (b), insert —

“(c) in the case of an offer of securities-based derivatives contracts, the obligations under the contracts are not obligations to be discharged by one party to the other at some future time by cash settlement only.”; 10

(f) after subsection (1A), insert —

“(1B) Subdivision (1A) of this Division does not apply to any offer of units in a business trust or derivatives of units in a business trust of a kind described in subsection (1)(b), (c), (cc), (cl) or (j).”; 15

(g) in subsection (5), replace “Subdivisions (2)” with “Subdivisions (1A), (2)”; and

(h) in subsection (8A)(a) and (b)(i), replace “or (e)” with “, (e), (f), (g) or (h)”. 20

Amendment of section 274

72. In the Securities and Futures Act 2001, in section 274, replace “Subdivisions (2)” with “Subdivisions (1A), (2)”.

Amendment of section 275

73. In the Securities and Futures Act 2001, in section 275(1) and (1A), replace “Subdivisions (2)” with “Subdivisions (1A), (2)”. 25

Amendment of section 276

74. In the Securities and Futures Act 2001, in section 276 —

(a) in subsection (1), replace “(e) and (f)” with “(da), (e), (f), (g), (h), (i) and (j)”;

(b) in subsections (1) and (2), replace “Subdivisions (2)” with “Subdivisions (1A), (2)”;

(c) replace subsection (7) with —

“(7) Subsections (1), (3) and (4) do not apply where the securities or securities-based derivatives contracts that are acquired are —

(a) securities or securities-based derivatives contracts of a corporation that are of the same class as other securities or securities-based derivatives contracts of the corporation, and —

(i) those other securities or securities-based derivatives contracts are listed for quotation on an approved exchange; and

(ii) a prospectus, offer information statement, introductory document, shareholders’ circular for a reverse take-over, document issued for the purposes of a scheme of arrangement, or any other similar document approved by an approved exchange, had earlier been issued in connection with —

(A) an offer of those other securities or securities-based derivatives contracts; or

(B) the listing for quotation of those other securities or

securities-based derivatives
contracts; or

- (b) units in a business trust or derivatives of
units in a business trust that are of the same
class as other units in the business trust or
derivatives of units in the business trust,
and — 5
 - (i) those other units or derivatives of
units are listed for quotation on an
approved exchange; and 10
 - (ii) a prospectus, offer information
statement, introductory document,
shareholders' circular for a reverse
take-over, document issued for the
purposes of a scheme of 15
arrangement, or any other similar
document approved by an approved
exchange, had earlier been issued in
connection with —
 - (A) an offer of those other units or 20
derivatives of units; or
 - (B) the listing for quotation of
those other units or
derivatives of units.”.

Amendment of section 277

75. In the Securities and Futures Act 2001, in section 277 — 25

(a) in subsection (1), after “section 341)”, insert “, whether by
means of a rights issue or otherwise,”;

(b) in subsection (1), replace paragraph (a) with —

“(a) the securities or securities-based 30
derivatives contracts are —

(i) units or derivatives of units in a
business trust, issued by a

trustee-manager in its capacity as trustee-manager of the business trust, and the units of that business trust are listed for quotation on an approved exchange; or

(ii) securities or securities-based derivatives contracts other than those mentioned in sub-paragraph (i) issued by a corporation the shares of which are listed for quotation on an approved exchange;

(aa) if the securities or securities-based derivatives contracts are units of shares or units of debentures, the issuer of the units is the issuer of those shares or debentures, as the case may be;

(ab) if the securities or securities-based derivatives contracts are derivatives of units in a business trust, the issuer of the derivatives is the issuer of those units in the business trust;” and

(c) in subsection (7), after “subsection (1)”, insert “or (1AC)”.

Amendment of section 284B

76. In the Securities and Futures Act 2001, in section 284B(b), replace “Subdivision (3) of Division 1A” with “Subdivision (4) of Division 1”.

Amendment of section 287

77. In the Securities and Futures Act 2001, in section 287(9), replace “recognised real estate investment trust” with “collective investment scheme recognised under subsection (1)”.

Replacement of section 290

78. In the Securities and Futures Act 2001, replace section 290 with —

“Chief executive officer, director and key persons, etc., of approved trustee

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290.—(1) An approved trustee must not appoint a person as its chief executive officer or director unless the approved trustee has obtained the approval of the Authority.

(2) The Authority may, by written notice, require an approved trustee to obtain the approval of the Authority for the appointment of any person to any key management position or committee of the approved trustee, and the approved trustee must comply with the notice.

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(3) An application for approval under subsection (1) or (2) must be made in such form and manner as the Authority may specify.

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(4) The Authority may, in determining whether to grant its approval under subsection (1) or (2), have regard to such criteria as the Authority may prescribe by regulations made under section 341 or notify the approved trustee in writing, or to any other matter that the Authority may consider relevant.

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(5) Subject to subsection (6), the Authority must not refuse an application for approval under this section without giving the approved trustee an opportunity to be heard.

(6) The Authority may refuse an application for approval on any of the following grounds without giving the approved trustee an opportunity to be heard:

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(a) the person is an undischarged bankrupt, whether in Singapore or elsewhere;

(b) the person has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 78 of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

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- (i) involving fraud or dishonesty or the conviction for which involved a finding that the person had acted fraudulently or dishonestly; and
- (ii) punishable with imprisonment for a term of 3 months or more.

(7) Where the Authority refuses an application for approval under this section, the Authority need not give the person who was proposed to be appointed an opportunity to be heard.

(8) An approved trustee must, as soon as practicable, give written notice to the Authority of the resignation or removal of its chief executive officer or director, or of any person mentioned in any notice issued by the Authority to the approved trustee under subsection (2).

(9) Without affecting the Authority's power to impose conditions or restrictions under section 289(1) or (1A), the Authority may, at any time by written notice to an approved trustee, impose on the approved trustee a condition requiring it to notify the Authority of a change to any specified attribute (such as residence and nature of appointment) of its chief executive officer or director, and vary any such condition.

(10) Any approved trustee which contravenes subsection (1), (2) or (8), or any condition imposed under subsection (9), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.”.

Amendment of section 292A

79. In the Securities and Futures Act 2001, in section 292A —

(a) in subsection (1), replace paragraph (g) with —

“(g) has had a related Acts prohibition order, a section 101A prohibition order, a section 123ZZC prohibition order or an FSMA prohibition order made against him or her that remains in force; or”;

(b) in subsection (1)(h), replace sub-paragraph (ii) with —

“(ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction.”;

(c) replace subsections (2) to (8) with —

“(2) Despite the provisions of any other written law, where the Authority is satisfied that a director of an approved trustee which is incorporated in Singapore, or an executive officer of an approved trustee, is not a fit and proper person to be a director or executive officer (as the case may be) of the approved trustee, the Authority may, by notice in writing to the approved trustee, direct the approved trustee to remove the director or executive officer from his or her office or employment within such period as the Authority may specify in the notice, and the approved trustee must comply with the notice.

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

- (a) the individual has wilfully contravened or wilfully caused the approved trustee to contravene any provision of this Act;
- (b) the individual has, without reasonable excuse, failed to secure the compliance of the approved trustee with this Act, the Monetary Authority of Singapore

Act 1970, or any of the written laws set out in the Schedule to that Act;

(c) the individual has failed to discharge any of the duties of his or her office or employment;

(d) the individual's removal is necessary in the public interest or for the protection of investors; or

(e) the individual comes within any of the grounds mentioned in subsection (1).

(4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of subsection (3)(c), have regard to such criteria as may be prescribed.

(5) The Authority must not direct an approved trustee to remove an individual from his or her office or employment under subsection (2) without giving the approved trustee and that individual an opportunity to be heard, except in any of the following circumstances:

(a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere;

(b) a section 101A prohibition order or an FSMA prohibition order against the individual has been made that remains in force;

(c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 79(c) of the Financial Institutions (Miscellaneous Amendments) Act 2024 —

- (i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and
- (ii) punishable with imprisonment for a term of 3 months or more. 5

(6) An approved trustee must, as soon as practicable after receiving a direction under subsection (2), notify the affected director or executive officer of the direction. 10

(7) An approved trustee who receives a direction under subsection (2), or any director or executive officer of an approved trustee in relation to whom a direction under subsection (2) is given, may, within 30 days after the approved trustee receives the direction, appeal to the Minister whose decision is final. 15

(8) Despite the lodging of an appeal under subsection (7), any direction under subsection (2) continues to have effect pending the Minister's decision. 20

(8A) The Minister may, when deciding an appeal under subsection (7), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision. 25

(8B) Any approved trustee which, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction. 30

(8C) No criminal or civil liability is incurred by —

(a) an approved trustee; or

(b) any person acting on behalf of an approved trustee,

5 in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.”; and

(d) delete subsection (9).

10 **New sections 292AA and 292AB**

80. In the Securities and Futures Act 2001, after section 292A, insert —

“Control of take-over of approved trustee

15 **292AA.**—(1) This section applies to all individuals whether resident in Singapore or not and whether citizens of Singapore or not, and to all bodies corporate or unincorporate, whether incorporated or carrying on business in Singapore or not.

(2) A person must not obtain effective control of an approved trustee that is a company, unless the person has obtained the
20 prior approval of the Authority.

(3) An application for the Authority’s approval under subsection (2) must be made in writing, and the Authority may approve the application if the Authority is satisfied that —

25 (a) the applicant is a fit and proper person to have effective control of the approved trustee;

(b) having regard to the applicant’s likely influence, the approved trustee is likely to continue to conduct its business prudently and comply with the provisions of this Act and directions made thereunder; and

30 (c) the applicant satisfies such other criteria as may be prescribed.

(4) Any approval under subsection (3) may be granted to the applicant subject to such conditions as the Authority may determine, including any condition —

- (a) restricting the applicant's disposal or further acquisition of shares or voting power in an approved trustee; or
- (b) restricting the applicant's exercise of voting power in the approved trustee,

and the applicant must comply with such conditions.

(5) The Authority may at any time add to or vary any condition imposed under subsection (4) and the applicant must comply with the condition so added to or varied.

(6) The Authority may at any time revoke any condition imposed under subsection (4) (including a condition that has been added to or varied under subsection (5)).

(7) Any condition imposed under subsection (4) (including a condition that has been added to or varied under subsection (5)) has effect despite any provision of the Companies Act 1967 or anything contained in the constitution of the approved trustee.

(8) For the purposes of this section and section 292AB —

- (a) a person has effective control of the approved trustee —
 - (i) if the person, alone or acting together with any connected person, holds, directly or indirectly, 20% or more of the issued share capital of the approved trustee;
 - (ii) if the person, alone or acting together with any connected person, controls, directly or indirectly, 20% or more of the voting power in the approved trustee;
 - (iii) if the approved trustee or its directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the person

(whether conveyed by the person alone or together with any other person, and whether with or without holding shares or controlling voting power in the approved trustee); or

(iv) if the person (whether alone or acting together with any other person, and whether with or without holding shares or controlling voting power in the approved trustee) is able to determine the policy of the approved trustee; and

(b) a reference to the voting power of an approved trustee is a reference to the total number of votes that may be cast in a general meeting of the approved trustee.

(9) Any person who contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 or to imprisonment for a term not exceeding 3 years or to both.

(10) Any person who fails to comply with a condition imposed under subsection (4) (including a condition added to or varied under subsection (5)) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

Objection to control of approved trustee

292AB.—(1) The Authority may serve a written notice of objection on —

(a) any person required to obtain the Authority's approval or who has obtained the approval under section 292AA; or

(b) any person who has effective control of an approved trustee,

if the Authority is satisfied that —

(c) any condition of approval imposed on the person under section 292AA(4) (including a condition that has been added to or varied under section 292AA(5)) has not been complied with;

- (d) the person is not or ceases to be a fit and proper person to have effective control of the approved trustee;
- (e) having regard to the likely influence of the person, the approved trustee is not able to or is no longer likely to conduct its business prudently or to comply with the provisions of this Act or any direction made thereunder; 5
- (f) the person does not or ceases to satisfy such criteria as may be prescribed;
- (g) the person has provided false or misleading information or documents in connection with an application under section 292AA; or 10
- (h) the Authority would not have granted its approval under section 292AA had it been aware, at that time, of circumstances relevant to the person's application for such approval. 15

(2) The Authority must not serve a notice of objection on any person without giving the person an opportunity to be heard, except in the following circumstances:

- (a) the person is in the course of being wound up or otherwise dissolved or, in the case of an individual, is an undischarged bankrupt whether in Singapore or elsewhere; 20
- (b) a receiver, a receiver and manager, a judicial manager or an equivalent person has been appointed, whether in Singapore or elsewhere, in relation to or in respect of any property of the person; 25
- (c) a section 101A prohibition order or an FSMA prohibition order has been made, and remains in force, against the person; 30
- (d) the person has been convicted, whether in Singapore or elsewhere, of any offence involving fraud or dishonesty or the conviction for which involved a

finding that the person had acted fraudulently or dishonestly.

(3) The Authority must, in any written notice of objection, specify a reasonable period within which the person to be served the written notice of objection must —

(a) take such steps as are necessary to ensure that the person ceases to have effective control of an approved trustee; or

(b) comply with such other requirements as the Authority may specify.

(4) Any person served with a notice of objection under this section must comply with the notice.

(5) Any person who contravenes subsection (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$150,000 or to imprisonment for a term not exceeding 3 years or to both.”.

Amendment of section 294

81. In the Securities and Futures Act 2001, in section 294 —

(a) replace subsections (1) and (1A) with —

“(1) Where a collective investment scheme is authorised under section 286 and constituted as a unit trust, any document relating to the scheme is sufficiently served —

(a) if served on the responsible person for the scheme at the responsible person’s last known address;

(b) if delivered to the secretary or other similar officer of the responsible person at its registered office or principal place of business;

(c) if sent by registered post addressed to the responsible person at its registered office or principal place of business; or

- (d) if sent by email to the last email address of the responsible person.

(1A) Where a collective investment scheme is authorised under section 286 and constituted as a VCC or sub-fund, any document relating to the scheme is sufficiently served if served on the VCC in accordance with section 149 of the Variable Capital Companies Act 2018. 5

(1B) Where a collective investment scheme is recognised under section 287, any document relating to the scheme is sufficiently served — 10

- (a) if served on the responsible person for the scheme or the representative for the scheme at the person's last known address;

- (b) if, in the case of a responsible person who is an individual — 15

- (i) the document is delivered to the individual or to some adult member or employee of his or her family or household at his or her last known place of residence; 20

- (ii) the document is left at the individual's usual or last known place of residence or business in an envelope addressed to the individual; 25

- (iii) the document is sent by registered post addressed to the individual at his or her usual or last known place of residence or business; or

- (iv) the document is sent by email to the individual's last email address; or 30

- (c) if, in the case of a responsible person who is a body corporate or body of persons —

(i) the document is delivered to the secretary or other similar officer of the body corporate or body of persons at its registered office or principal place of business;

(ii) the document is left at the registered office or principal place of business of the body corporate or body of persons in an envelope addressed to the body corporate or body of persons;

(iii) the document is sent by registered post addressed to the body corporate or body of persons at its registered office or principal place of business; or

(iv) the document is sent by email to the last email address of the body corporate or body of persons.

(1C) To avoid doubt, a reference in subsection (1)(a), (1A) or (1B)(a) to service of any document relating to the scheme includes the service of any process in relation to the scheme.”;

(b) in subsection (2), after “notice”, insert “, order”;

(c) in subsection (2)(a), after “a corporation”, insert “other than a VCC”;

(d) in subsection (2), replace “if it has been delivered or sent by post or by fax to such person at the person’s last known address.” with —

“if it has been —

(f) in the case of an individual —

(i) delivered to the individual or to some adult member or employee of his or

her family or household at his or her last known place of residence;

(ii) left at the individual's usual or last known place of residence or business in an envelope addressed to him or her; 5

(iii) sent by registered post addressed to the individual at his or her usual or last known place of residence or business; or 10

(iv) sent by email to the individual's last email address; or

(g) in the case of a body corporate or body of persons —

(i) delivered to the secretary or other similar officer of the body corporate or body of persons at its registered office or principal place of business; 15

(ii) left at the registered office or principal place of business of the body corporate or body of persons in an envelope addressed to the body corporate or body of persons; 20

(iii) sent by registered post addressed to the body corporate or body of persons at its registered office or principal place of business; or 25

(iv) sent by email to the last email address of the body corporate or body of persons.”; and 30

(e) replace subsection (3) with —

“(3) In subsection (1)(a) or (1B)(a), the last known address of a responsible person that is a company or foreign company is —

(a) if the responsible person is a company, the address of its registered office in Singapore; or

(b) if the responsible person is a foreign company, the address of its registered office in Singapore or the registered address of its authorised representative mentioned in section 366(1) of the Companies Act 1967 or, if the responsible person does not maintain a place of business in Singapore, its registered office in the place of its incorporation.

(4) A document, notice, order or direction may be served on a person under this section by email only with that person's prior written consent.

(5) Subsections (1)(b), (c) and (d) and (1B)(b) and (c) and (2) do not apply to documents to be served in proceedings in court.

(6) Any document, notice, order or direction sent by registered post to any person in accordance with subsection (1), (1A), (1B) or (2) is deemed to be duly served on the person at the time when the document, notice, order or direction (as the case may be) would in the ordinary course of post be delivered.

(7) When proving service of the document, notice, order or direction under subsection (6), it is sufficient to prove that the envelope containing the document, notice, order or direction (as the case may be) was properly addressed, stamped and posted by registered post.

(8) Service of a document, notice, order or direction under subsection (1)(d), (1B)(b)(iv) or (c)(iv) or (2)(f)(iv) or (g)(iv) takes effect at the time the email becomes capable of being retrieved by the person to whom the document is sent.

(9) In this section, “last email address” means —

- (a) the last email address given by the addressee concerned to the person giving or serving the document, notice, order or direction as the email address for the service of the document, notice, order or direction under this Act; or 5
- (b) the last email address of the addressee concerned known to the person giving or serving the document, notice, order or direction.”. 10

Amendment of section 295

82. In the Securities and Futures Act 2001, in section 295 —

- (a) in subsection (4)(a), delete “at the participant’s last known address”; and 15

- (b) after subsection (4), insert —

“(4A) For the purposes of subsection (4)(a), written notice is to be given to a participant —

- (a) in the case of a participant who is an individual — 20
 - (i) by delivering a written notice to the individual or to some adult member or employee of his or her family or household at his or her last known place of residence; 25
 - (ii) by leaving a written notice at the individual’s usual or last known place of residence or business in an envelope addressed to him or her; or
 - (iii) by sending a written notice by post addressed to the individual at his or her usual or last known place of residence or business; or 30

(b) in the case of a body corporate or body of persons —

(i) by delivering a written notice to the secretary or other similar officer of the body corporate or body of persons at its registered office or principal place of business;

(ii) by leaving a written notice at the registered office or principal place of business of the body corporate or body of persons in an envelope addressed to the body corporate or body of persons; or

(iii) by sending a written notice by post addressed to the body corporate or body of persons at its registered office or principal place of business.

(4B) Any written notice sent by post to any person in accordance with subsection (4A) is deemed to be duly served on the person at the time when the notice would in the ordinary course of post be delivered.

(4C) When proving service of the notice mentioned in subsection (4B), it is sufficient to prove that the envelope containing the notice was properly addressed, stamped and posted.”.

Amendment of section 302B

83. In the Securities and Futures Act 2001, in section 302B(3)(b)(iii) and (8)(c)(ii)(C) and (v), replace “and (v)” with “, (v) and (vi)”.

Amendment of section 302C

84. In the Securities and Futures Act 2001, in section 302C(1)(c), replace “and (v)” with “, (v) and (vi)”.

Amendment of section 304A

85. In the Securities and Futures Act 2001, in section 304A(2)(b), after “in respect of which any”, insert “prospectus,”.

Amendment of section 305A

86. In the Securities and Futures Act 2001, in section 305A(5)(b), after “in respect of which any”, insert “prospectus,”.

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Amendment of section 317

87. In the Securities and Futures Act 2001, in section 317(2), after “on payment”, insert “in the manner specified by the Authority”.

Replacement of section 329

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88. In the Securities and Futures Act 2001, replace section 329 with —

“Duty not to provide false information to Authority

329.—(1) Any individual who provides the Authority with any information under this Act or relevant to the Authority’s exercise of powers under this Act must use due care to ensure that the information is not false or misleading in any material particular.

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(2) Any person, other than an individual, who provides the Authority with any information under this Act or relevant to the Authority’s exercise of powers under this Act must use due care to ensure that the information is not false or misleading.

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(3) Subsection (1) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.

(4) Subsection (2) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.

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(5) Any individual who —

(a) signs any document lodged with the Authority; or

- (b) lodges with the Authority any document by electronic means using any identification or identifying code, password or other authentication method or procedure assigned to the individual by the Authority,

must use due care to ensure that the document is not false or misleading in any material particular.

- (6) Any person, other than an individual, who —

- (a) signs any document lodged with the Authority; or

- (b) lodges with the Authority any document by electronic means using any identification or identifying code, password or other authentication method or procedure assigned to the person by the Authority,

must use due care to ensure that the document is not false or misleading.

(7) Any individual who contravenes subsection (1) or (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(8) Any person who contravenes subsection (2) or (6) shall be guilty of an offence and shall be liable on conviction —

- (a) if the information or document is false or misleading in a material particular — to a fine not exceeding \$50,000; or

- (b) in any other case — to a fine not exceeding \$25,000.”.

Amendment of section 333

89. In the Securities and Futures Act 2001, in section 333(2)(a) —

- (a) after “41(4) and (7),”, insert “41C(14),”;

- (b) replace “46Z(10),” with “46Z(11),”;

- (c) after “81A,”, insert “81AC(14),”;

- (d) replace “81P(10),” with “81P(11),”;

- (e) replace “81ZJ(10),” with “81ZJ(11),”;

and

(f) delete “, 290(4)”.

Amendment of section 334

90. In the Securities and Futures Act 2001, in section 334, after subsection (1), insert —

“(1A) The Authority may, under subsection (1), reprimand a person who has ceased to be a relevant person, if the person was a relevant person at the time of the misconduct.”.

5

Amendment of section 337

91. In the Securities and Futures Act 2001, in section 337 —

(a) in subsection (2), replace “subsection (1)” with “subsections (1) and (3)”; and

10

(b) replace subsection (3) with —

“(3) The Authority may, on the application of any person, by written notice exempt the person from —

(a) all or any of the provisions of this Act; or

15

(b) all or any of the requirements imposed by the Authority under this Act.”.

New sections 337A and 337B

92. In the Securities and Futures Act 2001, after section 337, insert —

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“Service of documents, etc.

337A.—(1) Any notice, order or document required or authorised by this Act to be served on any person (other than a document relating to a collective investment scheme) may be served —

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(a) in the case of an individual —

(i) by delivering it to the individual or to some adult member or employee of his or her family or household at his or her last known place of residence;

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(ii) by leaving it at the individual's usual or last known place of residence or business in an envelope addressed to him or her;

5 (iii) by sending it by registered post addressed to the individual at his or her usual or last known place of residence or business; or

(iv) by sending it by email to the individual's last email address; or

(b) in the case of a body corporate or body of persons —

10 (i) by delivering it to the secretary or other similar officer of the body corporate or body of persons at its registered office or principal place of business;

15 (ii) by leaving it at the registered office or principal place of business of the body corporate or body of persons in an envelope addressed to the body corporate or body of persons;

20 (iii) by sending it by registered post addressed to the body corporate or body of persons at its registered office or principal place of business; or

(iv) by sending it by email to the last email address of the body corporate or body of persons.

25 (2) Any notice, order or document sent by registered post to any person in accordance with subsection (1) is deemed to be duly served on the person at the time when the notice, order or document (as the case may be) would in the ordinary course of post be delivered.

30 (3) When proving service of the notice, order or document mentioned in subsection (2), it is sufficient to prove that the envelope containing the notice, order or document (as the case may be) was properly addressed, stamped and posted by registered post.

(4) Service of a notice, order or document, under subsection (1)(a)(iv) or (b)(iv) takes effect at the time the email becomes capable of being retrieved by the person to whom the notice, order or document is sent.

(5) A notice, order or document may be served on a person under subsection (1)(a)(iv) or (b)(iv) by email only with that person's prior written consent. 5

(6) This section does not apply to documents to be served in proceedings in court.

(7) In this section, "last email address" means — 10

(a) the last email address given by the addressee concerned to the person giving or serving the notice, order or document as the email address for the service of notices, orders or documents under this Act; or 15

(b) the last email address of the addressee concerned known to the person giving or serving the notice, order or document.

Electronic service

337B.—(1) The Authority may provide an electronic service for the service of any document that is required or authorised by this Act to be given to or served on any person. 20

(2) For the purposes of the electronic service, the Authority may assign to any person —

(a) an authentication code; and 25

(b) an account with the electronic service.

(3) Despite sections 294 and 337A, where any person has given the person's consent for any document to be given to or served on the person through the electronic service, the Authority may give or serve the document on that person by transmitting an electronic record of the document to that person's account with the electronic service. 30

(4) Where a person has given the person's consent for a document to be given to or served on the person through the electronic service, the document is deemed to have been given or served at the time when an electronic record of the document enters the person's account with the electronic service.

(5) Despite any other written law, in any proceedings under this Act —

(a) an electronic record of any document that was given or served through the electronic service; or

(b) any copy or print-out of that electronic record, is admissible as evidence of the facts stated or contained therein if that electronic record, copy or print-out —

(c) is certified by the Authority to contain all or any information given or served through the electronic service in accordance with this section; and

(d) is duly authenticated in the manner specified in subsection (7) or is otherwise authenticated in the manner provided in the Evidence Act 1893 for the authentication of computer output.

(6) To avoid doubt —

(a) an electronic record of any document that was given or served through the electronic service; or

(b) any copy or print-out of that electronic record, is not inadmissible in evidence merely because the document was given or served without the delivery of any equivalent document or counterpart in paper form.

(7) For the purposes of this section, a certificate —

(a) giving the particulars of —

(i) any person whose authentication code was used to give or serve the document; and

(ii) any person or device involved in the production or transmission of the electronic record of the

document, or the copy or print-out of the electronic record;

(b) identifying the nature of the electronic record or copy or print-out of the electronic record; and

(c) purporting to be signed by the Authority or by a person occupying a responsible position in relation to the operation of the electronic service at the relevant time,

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is sufficient evidence that the electronic record, copy or print-out has been duly authenticated, unless the court, in its discretion, calls for further evidence on this issue.

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(8) Where the electronic record of any document, or a copy or print-out of that electronic record, is admissible under subsection (5), it is presumed, until the contrary is proved, that the electronic record, copy or print-out accurately reproduces the contents of that document.

15

(9) The Authority may make regulations which are necessary or expedient for carrying out the purposes of this section, including regulations prescribing the procedure for the use of the electronic service, including the procedure in circumstances where there is a breakdown or interruption of the electronic service.

20

(10) In this section —

“account with the electronic service”, in relation to any person, means a computer account within the electronic service which is assigned by the Authority to that person for the storage and retrieval of electronic records relating to that person;

25

“authentication code”, in relation to any person, means an identification or identifying code, a password or any other authentication method or procedure which is assigned to that person for the purposes of identifying and authenticating the access to and use of the electronic service by that person;

30

“document” includes notice and order;

“electronic record” has the meaning given by section 2(1) of the Electronic Transactions Act 2010.”.

Amendment of Schedules

5 93. In the Securities and Futures Act 2001 —

(a) in the First Schedule, in paragraph 1(1)(a) and (2)(a) and (b), replace “securities or units” wherever it appears with “issued securities or issued units”;

10 (b) in the First Schedule, in paragraph 1(1)(b), replace “facility or class of facilities” with “place or class of places, or facility or class of facilities,”;

(c) in the First Schedule, in paragraph 1, after sub-paragraph (2), insert —

“(3) In this paragraph —

15 “issued securities”, in relation to an offer or invitation to exchange, sell or purchase those securities, means securities that have already been issued when the offer or invitation is made;

20 “issued units in collective investment schemes”, in relation to an offer or invitation to exchange, sell or purchase those units, means units in collective investment schemes that have already been issued when the offer or invitation is made.”;

25 (d) in the First Schedule, in paragraph 4(1), in the definition of “clearing or settlement”, replace paragraph (d) with —

30 “(d) parties to those transactions meet their obligations under such transactions, including the obligation to deliver, the transfer of funds, the transfer of title to securities between the parties, or the transfer of interest in or title to derivatives contracts or units in a collective investment scheme between the parties.”;

(e) in the First Schedule, in paragraph 4(2)(b), after “control of securities”, insert “, derivatives contracts or units in a collective investment scheme”;

35 (f) in the Fourth Schedule, after item 3, insert —

“3A. Section 41A(10)

3B. Section 41C(12)”;

(g) in the Fourth Schedule, after item 12, insert —

“12A. Section 81AA(10)

12B. Section 81AC(12)”;

5

(h) in the Fourth Schedule, after item 26, insert —

“26A. Section 240AB(2)”;

(i) in the Fourth Schedule, after item 32, insert —

“32A. Section 296A(6)”.

Miscellaneous amendments

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94. In the Securities and Futures Act 2001 —

(a) in section 123Y, delete subsection (8); and

(b) in section 123ZU, delete subsection (9).

PART 6

AMENDMENT OF TRUST COMPANIES ACT 2005

15

Amendment of section 9

95. In the Trust Companies Act 2005, in section 9, replace subsections (2) and (3) with —

“(2) Any licensed trust company that, without reasonable excuse, contravenes subsection (1) shall be guilty of an offence.”.

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Amendment of section 11

96. In the Trust Companies Act 2005, in section 11 —

(a) in the section heading, delete “**or surrender of licence**”;

25

(b) in subsection (1), replace “in part unadministered —” with “in part unadministered, cease to carry on its trust business.”; and

(c) in subsection (1), delete paragraphs (a) and (b).

Amendment of section 14

97. In the Trust Companies Act 2005, in section 14 —

(a) in the section heading, replace “**Removal**” with
“Disqualification or removal”;

(b) replace subsections (1), (2), (3) and (4) with —

“(1) Despite the provisions of any other written law —

(a) a licensed trust company must not, without the prior written consent of the Authority, permit an individual to act as its officer, executive officer or resident manager; and

(b) a licensed trust company which is incorporated in Singapore must not, without the prior written consent of the Authority, permit an individual to act as its director,

if the individual —

(c) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 97(b) of the Financial Institutions (Miscellaneous Amendments) Act 2024, being an offence —

(i) involving fraud or dishonesty;

(ii) the conviction for which involved a finding that he or she had acted fraudulently or dishonestly; or

(iii) that is specified in the Third Schedule to the Registration of Criminals Act 1949;

- (d) is an undischarged bankrupt, whether in Singapore or elsewhere;
- (e) has had an enforcement order against him or her in respect of a judgment debt returned unsatisfied in whole or in part; 5
- (f) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his or her creditors, being a compromise or scheme of arrangement that is still in operation; 10
- (g) has had a related Acts prohibition order or an FSMA prohibition order made against him or her that remains in force; or
- (h) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere — 15
 - (i) which is being or has been wound up by a court; or
 - (ii) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked (without any application by the regulated financial institution for withdrawal, cancellation or revocation) by the Authority or, in the case of a regulated financial institution in a foreign country or jurisdiction, by the regulatory authority in that foreign country or jurisdiction. 20 25 30

(2) Despite the provisions of any other written law, where the Authority is satisfied that a director of a licensed trust company which is incorporated in 35

Singapore, or an officer, executive officer or resident manager of a licensed trust company is not a fit and proper person to be a director, officer, executive officer or resident manager (as the case may be) of the licensed trust company, the Authority may, by notice in writing to the licensed trust company, direct it to remove the director, officer, executive officer or resident manager from his or her office or employment within such period as the Authority may specify in the notice, and the licensed trust company must comply with the notice.

(3) For the purpose of subsection (2), the Authority may consider any matter which it considers relevant, including (but not limited to) whether —

- (a) the individual has wilfully contravened or wilfully caused the licensed trust company to contravene any provision of this Act;
- (b) the individual has, without reasonable excuse, failed to secure the compliance of the licensed trust company with this Act, the Monetary Authority of Singapore Act 1970, or any of the written laws set out in the Schedule to that Act;
- (c) the individual has failed to discharge any of the duties of his or her office or employment;
- (d) the individual's removal is necessary in the public interest or for the protection of protected parties of the licensed trust company; or
- (e) the individual comes within any of the grounds mentioned in subsection (1).

(4) The Authority must, in determining whether an individual has failed to discharge the duties of his or her office or employment for the purposes of

subsection (3)(c), have regard to such criteria as may be prescribed.

(4A) The Authority must not direct a licensed trust company to remove an individual from his or her office or employment under subsection (2) without giving the licensed trust company and that individual an opportunity to be heard, except in any of the following circumstances:

- (a) the individual is an undischarged bankrupt, whether in Singapore or elsewhere; 10
- (b) an FSMA prohibition order against the individual has been made that remains in force;
- (c) the individual has been convicted, whether in Singapore or elsewhere, of an offence, committed before, on or after the date of commencement of section 97(b) of the Financial Institutions (Miscellaneous Amendments) Act 2024 — 15
 - (i) involving fraud or dishonesty or the conviction for which involved a finding that the individual had acted fraudulently or dishonestly; and 20
 - (ii) punishable with imprisonment for a term of 3 months or more. 25

(4B) A licensed trust company must, as soon as practicable after receiving a direction under subsection (2), notify the affected director, officer, executive officer or resident manager of the direction.

(4C) A licensed trust company who receives a direction under subsection (2), or any director, officer, executive officer or resident manager of a licensed trust company in relation to whom a direction under subsection (2) is given, may, within 30 days after the licensed trust company receives the 30 35

direction, appeal to the Minister whose decision is final.

(4D) Despite the lodging of an appeal under subsection (4C), any direction under subsection (2) continues to have effect pending the Minister's decision.

(4E) The Minister may, when deciding an appeal under subsection (4C), modify the direction under subsection (2), and such modified action has effect starting on the date of the Minister's decision."'; and

(c) replace subsection (6) with —

“(6) Any licensed trust company who, without reasonable excuse, contravenes subsection (1) or fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

(7) In this section —

“FSMA prohibition order” means a prohibition order made under section 7(1) of the Financial Services and Markets Act 2022;

“regulated financial institution” means a person who carries on a business the conduct of which is regulated or authorised by the Authority or, if it is carried on in Singapore, would be regulated or authorised by the Authority;

“regulatory authority”, in relation to a foreign country or jurisdiction, means an authority of the foreign country or jurisdiction exercising any function that corresponds to a regulatory function of the Authority under this Act, the Monetary Authority of Singapore Act 1970 or any of the written laws set out in the Schedule to that Act;

“related Acts prohibition order” means —

- (a) a prohibition order made under section 68(1) of the Financial Advisers Act 2001 as in force immediately before the date of commencement of section 200(1)(b) and (2) to (7) of the Financial Services and Markets Act 2022; 5
- (b) a prohibition order made under section 68(1) of the Financial Advisers Act 2001 as in force immediately before the date of commencement of section 200(1)(b) and (2) to (7) of the Financial Services and Markets Act 2022, and as continued by section 217(2) of the Financial Services and Markets Act 2022; 10 15
- (c) an order made under section 74(1) of the Insurance Act 1966 as in force immediately before the date of commencement of section 204(1) to (4) of the Financial Services and Markets Act 2022; 20
- (d) an order made under section 74(1) of the Insurance Act 1966 as in force immediately before the date of commencement of section 204(1) to (4) of the Financial Services and Markets Act 2022, and as continued by section 218(2) of the Financial Services and Markets Act 2022; 25 30
- (e) a prohibition order made under section 101A(1) of the Securities and Futures Act 2001 as in force immediately before the date of 35

commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022;

5 (f) a prohibition order made under section 101A(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of
10 section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022, and as continued by section 220(3) of the Financial Services and Markets
15 Act 2022;

(g) a prohibition order made under section 123ZZC(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of
20 section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022; or

25 (h) a prohibition order made under section 123ZZC(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of
30 section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022, and as continued by section 220(5) of the Financial Services and Markets Act 2022.”.

Replacement of Division 1 heading of Part 7

98. In the Trust Companies Act 2005, in Part 7, in Division 1, replace the Division heading with —

“Division 1 — Inspection powers of Authority”.

Amendment of section 38

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99. In the Trust Companies Act 2005, in section 38(1) and (2), replace “this Part” with “this Division”.

Amendment of section 39

100. In the Trust Companies Act 2005, in section 39(1), replace “this Part” with “this Division”.

10

Deletion of Division 2 heading of Part 7

101. In the Trust Companies Act 2005, in Part 7, in Division 2, delete the Division heading.

Replacement of Division 3 of Part 7

102. In the Trust Companies Act 2005, in Part 7, replace Division 3 with —

15

“Division 2 — Investigative powers of Authority

Subdivision (1) — Preliminary

Interpretation of this Division

41. In this Division —

20

“auditor” means a public accountant who is registered or deemed to be registered under the Accountants Act 2004;

“computer” and “data” have the meanings given by section 2(1) of the Computer Misuse Act 1993;

25

“law enforcement agency” means any authority or person charged with the duty of investigating offences or charging offenders under any written law;

“legal counsel” has the meaning given by section 3(7) of the Evidence Act 1893;

“officer” —

(a) in relation to the Authority, includes any person employed by the Authority in an executive capacity; and

(b) in relation to any corporation (other than a law enforcement agency), has the meaning given by section 4(1) of the Companies Act 1967;

“prescribed written law” means this Act or any of the following Acts, and any subsidiary legislation made under this Act or those Acts:

(a) Banking Act 1970;

(b) Credit Bureau Act 2016;

(c) Deposit Insurance and Policy Owners’ Protection Schemes Act 2011;

(d) Finance Companies Act 1967;

(e) Financial Advisers Act 2001;

(f) Financial Holding Companies Act 2013;

(g) Financial Services and Markets Act 2022;

(h) Insurance Act 1966;

(i) Monetary Authority of Singapore Act 1970;

(j) Payment Services Act 2019;

(k) Securities and Futures Act 2001;

(l) such other Act as the Authority may prescribe by regulations made under section 82.

Subdivision (2) — General

Investigation by Authority

42.—(1) The Authority may conduct such investigation, under conditions of secrecy, as it considers necessary or expedient for any of the following purposes:

5

- (a) to perform any of its functions and duties under this Act;
- (b) to ensure compliance with this Act or any written direction issued under this Act;
- (c) to investigate an alleged or suspected contravention of any provision of this Act or any written direction issued under this Act.

10

(2) The Authority may exercise any of its powers under this Division for the purposes of conducting an investigation under subsection (1) despite the provisions of any prescribed written law or any requirement imposed thereunder or any rule of law.

15

(3) Subject to subsection (5), a requirement imposed by the Authority under this Division has effect despite any obligations as to secrecy or other restrictions upon the disclosure of information imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

20

(4) Subject to subsection (5), any person who complies with a requirement imposed by the Authority under this Division is not treated as being in breach of any restriction upon the disclosure of information or thing imposed by any prescribed written law or any requirement imposed thereunder, any rule of law, any contract or any rule of professional conduct.

25

(5) Nothing in this section requires a person to disclose any information subject to legal privilege.

30

(6) No civil or criminal action, other than proceedings for an offence under section 46L, shall lie against any person —

- (a) for giving assistance to the Authority, including answering questions, if the person had given the

assistance or answered the questions in good faith in compliance with a requirement imposed by the Authority under this Division;

(b) for providing information, producing books or giving access to data to the Authority, if the person had done so in good faith in compliance with a requirement imposed by the Authority under this Division; or

(c) for doing or omitting to do any act, if the person had done or omitted to do the act in good faith and as a result of complying with a requirement imposed by the Authority under this Division.

(7) In this section, a reference to a requirement imposed by the Authority under this Division includes a reference to a requirement imposed by an investigator or authorised person under Subdivision (3) or (4).

Confidentiality of investigation reports

43.—(1) Where a written report or any part of a written report (called in this section the report) has been produced by the Authority in respect of any investigation under section 42 and is provided by the Authority to the person under investigation (called in this section the investigated person), the report must not be disclosed by the investigated person or, if the investigated person is a corporation, by any of its officers or auditors, to any other person except in the circumstances provided under subsection (2).

(2) Disclosure of the report mentioned in subsection (1) may be made —

(a) by the investigated person to any officer or auditor of that investigated person solely in connection with the performance of the duties of the officer or auditor (as the case may be) in that investigated person;

(b) by any officer or auditor of the investigated person to any other officer or auditor of that investigated

person, solely in connection with the performance of their duties in that investigated person; or

(c) to such other person as the Authority may approve in writing.

(3) In granting written approval for any disclosure under subsection (2)(c), the Authority may impose such conditions or restrictions as it thinks fit on the investigated person, any of its officers or auditors or the person to whom disclosure is approved, and that person must comply with such conditions or restrictions.

(4) The obligation on an officer or auditor mentioned in subsection (1) continues after the termination or cessation of his or her employment or appointment by the investigated person.

(5) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$75,000 or to imprisonment for a term not exceeding 3 years or to both.

(6) Any person to whom the report is disclosed and who knows or has reasonable grounds for believing, at the time of the disclosure, that the report was disclosed to the person in contravention of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$12,500, unless the person proves that —

(a) the disclosure was made contrary to the person's desire;

(b) where the disclosure was made in any written or printed form, the person had, as soon as practicable after receiving the report, surrendered or taken all reasonable steps to surrender the report and all copies of the report to the Authority; and

(c) where the disclosure was made in an electronic form, the person had, as soon as practicable after receiving the report, taken all reasonable steps to ensure that all electronic copies of the report had been deleted and

that the report and all copies of the report in other forms had been surrendered to the Authority.

Self-incrimination and saving for advocates and solicitors

5 **44.**—(1) A person is not excused from disclosing information to the Authority, or an investigator or authorised person mentioned in Subdivision (3) or (4), pursuant to a requirement made of the person under any provision of this Division, on the ground that the disclosure of the information might tend to incriminate the person.

10 (2) Where a person claims, before making a statement disclosing information that the person is required to disclose under any provision of this Division to the Authority or to an investigator or authorised person mentioned in Subdivision (3) or (4), that the statement might tend to incriminate the person,
15 that statement is not admissible in evidence against the person in criminal proceedings other than proceedings for an offence under section 46L(4).

20 (3) For the purposes of any proceedings for an offence under this Act, the making of a statement by an accused person made pursuant to a requirement mentioned in subsection (1), is not to be regarded under section 258(3) of the Criminal Procedure Code 2010 as caused by any inducement, threat or promise merely because the Authority, investigator or authorised person had earlier informed the accused person that the accused person
25 was not excused from disclosing information on the ground that the disclosure of the information might tend to incriminate the accused person, if the Authority, investigator or authorised person (as the case may be) believed in good faith, when so informing the accused person, that —

- 30 (a) the accused person was concerned in an offence under this Act; or
- (b) a reasonable complaint has been made, or credible information has been received, or a reasonable suspicion exists, that the accused person was
35 concerned in an offence under this Act.

(4) Nothing in this Division —

- (a) compels an advocate and solicitor or legal counsel to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; or 5
- (b) authorises the taking of any such book or other material which is in the possession of an advocate and solicitor or legal counsel.

(5) Despite subsection (4), an advocate and solicitor or legal counsel — 10

- (a) who is required under this Division to disclose or produce a privileged communication, or a book or other material containing a privileged communication, made by or to the advocate and solicitor or legal counsel in that capacity; and 15
- (b) who refuses to disclose or produce the privileged communication, book or other material,

must give the name and address (if he or she knows them) of the person to whom, or by or on behalf of whom, that privileged communication was made. 20

Subdivision (3) — Examination of persons

Requirement to appear for examination

45.—(1) For the purpose of an investigation under this Division, the Authority may, in writing, require a person — 25

- (a) to give to the Authority all reasonable assistance in connection with the investigation; and
- (b) to appear before an officer of the Authority duly authorised by the Authority for examination and to answer questions. 30

(2) A written requirement imposed under subsection (1) must state the general nature of the matter mentioned in that subsection.

Proceedings at examination

5 **46.** The provisions of this Subdivision apply where, pursuant to a requirement made under section 45 for the purposes of an investigation under this Division, a person (called in this Subdivision the examinee) appears before another person (called in this Subdivision the investigator) for examination.

Requirements made of examinee

10 **46A.**—(1) The investigator may examine the examinee on oath or affirmation, and may, for that purpose, administer an oath or affirmation to the examinee.

15 (2) The oath or affirmation to be taken or made by the examinee for the purposes of the examination is an oath or affirmation that the statements that the examinee will make are true.

20 (3) The investigator may require the examinee to answer a question that is put to the examinee at the examination and is relevant to a matter that the Authority is investigating, or is to investigate, under this Division.

Examination to take place in private

25 **46B.**—(1) The examination must take place in private and the investigator may give directions as to who may be present during the examination or part thereof.

(2) A person must not be present at the examination unless the person is —

(a) the investigator or the examinee;

(b) a person approved by the Authority; or

30 (c) entitled to be present by virtue of a direction under subsection (1).

Record of examination

46C.—(1) The investigator may, and must if the examinee so requests, cause a record to be made of statements made at the examination.

(2) If a record made under subsection (1) is in writing or is reduced to writing — 5

(a) the investigator may require the examinee to read the record, or to have it read to the examinee, and may require the examinee to sign it; and

(b) the investigator must, if requested in writing by the examinee to give to the examinee a copy of the written record, provide a copy of the written record without charge within a reasonable time, subject to such conditions as the investigator may impose. 10

Giving copies of record to other persons

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46D.—(1) The Authority may, subject to such conditions or restrictions as it may impose, give a copy of a written record of the examination, or such a copy together with a copy of any related book, to an advocate and solicitor acting on behalf of a person who is carrying on, or is contemplating in good faith, a legal proceeding in respect of a matter to which the examination relates. 20

(2) If the Authority gives a copy of a written record or book to a person under subsection (1), the person, or any other person who has possession, custody or control of the copy or a further copy of the copy, must not, except in connection with preparing, beginning or carrying on, or in the course of, any legal proceeding — 25

(a) use the copy or a further copy of the copy; or

(b) publish, or communicate to a person, the copy, a further copy of the copy, or any part of the contents of the copy. 30

(3) The Authority may, subject to such conditions or restrictions as it may impose, give to a person other than a

person mentioned in subsection (1), a copy of a written record of the examination, or the copy together with a copy of any related book.

Copies given subject to conditions

46E. If a copy of any written record or book is given to a person under section 46C(2) or 46D(1) or (3) subject to conditions or restrictions imposed by the investigator or the Authority (as the case may be), the person, and any other person who has possession, custody or control of the copy or the further copy of the copy, must comply with the conditions or restrictions.

Subdivision (4) — Powers to obtain information

Power of Authority to order production of books, provision of information or giving of access to data

46F. For the purpose of an investigation under this Division, the Authority may, in writing, require —

(a) a person who is believed to possess, or to have power to access, any book, or who is believed to possess any information, relating to any matter under investigation; or

(b) a person who is believed to have power to access any data relating to any matter under investigation,

to —

(c) produce the book or a copy of the book, or to provide the information, at the time and place specified in the written requirement;

(d) give the Authority or any officer of the Authority who is authorised by the Authority for this purpose (called in this section an investigator) access to the book or data; or

- (e) provide such reasonable assistance as the Authority or an investigator may require for the purposes of accessing the book or data.

Power to enter premises without warrant

46G.—(1) In connection with an investigation under this Division, any officer of the Authority who is authorised by the Authority to do so (called in this section an investigator) and such other officers or persons as the Authority has authorised in writing to accompany the investigator (each called in this section an authorised person) may enter any premises. 5 10

(2) An investigator or authorised person accompanying the investigator must not enter any premises in the exercise of the powers under this section unless the investigator has given the occupier of the premises a written notice which —

- (a) gives at least 2 working days' notice of the intended entry; 15
- (b) indicates the subject matter and purpose of the investigation; and
- (c) indicates the nature of the offences investigated.

(3) Subsection (2) does not apply — 20

- (a) if the investigation relates to an alleged or suspected contravention of any provision of this Act and the investigator has reasonable grounds for suspecting that the premises are, or have been, occupied by a person who is being investigated in relation to the contravention; or 25
- (b) if the investigator has taken all such steps as are reasonably practicable to give notice under subsection (2)(a) but has not been able to do so.

(4) Where subsection (3) applies, the power of entry conferred by subsection (1) may only be exercised upon production of — 30

(a) evidence of the investigator's authorisation and the authorisation of every authorised person accompanying the investigator; and

(b) a document containing information indicating the subject matter and purpose of the investigation and the nature of the offences investigated.

(5) Without affecting section 46F, an investigator or authorised person entering any premises under this section may —

(a) bring with him or her to the premises such items as appear to him or her to be necessary;

(b) require any person on the premises to produce any book or copy of any book or to give access to any data which the investigator or authorised person considers relates to any matter relevant to the investigation;

(c) require any person on the premises to state, to the best of the person's knowledge and belief, where any such book or data is to be found; and

(d) take any step, or issue to any person on the premises any requirement, which appears to be necessary for the purpose of preserving or preventing interference with any such book or data.

Warrant to seize books, etc.

46H.—(1) A Magistrate may, on the application of the Authority —

(a) issue a warrant, if the Magistrate is satisfied that there are reasonable grounds to suspect that there is, on any particular premises, any book, or a computer in which any data is contained or to which any data is available —

(i) being any book or data the production of which, or access to which, has been required under section 46F or 46G, but which has not been

produced, or access to which has not been given, in compliance with that requirement; or

- (ii) being any book or data which, if production of which or access to which is required under section 46F or 46G, will be concealed, removed, tampered with or destroyed; and

- (b) if the Magistrate is also satisfied that there are reasonable grounds to suspect that there is, on those premises, any other book, or a computer in which any other data is contained or to which any other data is available, which relates to any matter relevant to the investigation concerned, direct that the powers exercisable under the warrant extend to such other book or computer.

(2) A warrant issued under subsection (1) authorises the Authority or any person named in the warrant, with or without assistance —

- (a) to enter the premises specified in the warrant, using such force as is reasonably necessary for the purpose;
- (b) to search the premises and to break open and search anything, whether a fixture or not, in the premises;
- (c) to take possession of, or secure against interference, any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b);
- (d) to require any person to provide an explanation of any book or data that appears to be any book or data mentioned in subsection (1)(a) or (b), or to state, to the best of that person's knowledge and belief, where any such book or data may be found;
- (e) to search any person on those premises, if there are reasonable grounds to suspect that the person has in his or her possession any book or computer that appears to be a book or computer mentioned in subsection (1)(a) or (b), or any equipment or article

which relates to any matter relevant to the investigation concerned;

5 (f) to remove from those premises for examination any book that appears to be a book mentioned in subsection (1)(a) or (b), or any equipment (including a computer) or article which relates to any matter relevant to the investigation concerned;

10 (g) to access, inspect and check the operation of a computer on the premises specified in the warrant, if there are reasonable grounds to suspect that any data mentioned in subsection (1)(a) or (b) is or has been contained in or available to the computer, or that the computer is a computer mentioned in subsection (1)(a) or (b);

15 (h) to use any computer mentioned in paragraph (g), or cause any such computer to be used —

20 (i) to search any book or data that appears to be a book or any data mentioned in subsection (1)(a) or (b), that is contained in or available to such computer; and

(ii) to make a copy of any such book or data;

25 (i) to prevent any other person from gaining access to, or using, any computer mentioned in paragraph (g) (including by changing any username, password or other authentication information required to gain access to the computer);

(j) to order any person —

(i) to stop accessing or using or to not access or use any computer mentioned in paragraph (g); or

30 (ii) to access or use any such computer only under such conditions as the Authority or any person named in the warrant may specify; and

(k) to order —

- (i) any person whom the Authority or any person named in the warrant reasonably suspects of using, or of having used, a computer mentioned in paragraph (g); 5
 - (ii) any person having charge of, or otherwise concerned with the operation of, any such computer; or
 - (iii) any person whom the Authority or any person named in the warrant reasonably believes has knowledge of or access to any username, password or other authentication information required to gain access to any such computer, 10
- to provide any of the following types of assistance to the Authority: 15
- (iv) assistance to gain access to the computer (including assistance through the provision of any username, password or other authentication information required to gain access to the computer); 20
 - (v) assistance to prevent a person (other than the Authority or any person named in the warrant) from gaining access to, or using, the computer, including assistance in changing any username, password or other authentication information required to gain access to the computer. 25

(3) The Authority or any person named in the warrant may allow any equipment or article mentioned in subsection (2)(f) to be retained on the premises specified in the warrant, subject to such conditions as the Authority or that person may require. 30

(4) Any person entering any premises by virtue of a warrant issued under subsection (1) may bring with him or her to the premises such items as appear to him or her to be necessary.

(5) Where a warrant is issued under subsection (1), and there is no one present at the premises specified in the warrant when the Authority or any person named in the warrant proposes to execute the warrant, the Authority or that person must, before
5 executing the warrant —

(a) take such steps as are reasonable in all the circumstances to inform the occupier of the premises of the intended entry into the premises; and

(b) subject to subsection (6), give the occupier or the
10 occupier's legal or other representative a reasonable opportunity to be present when the warrant is executed.

(6) If the Authority or any person named in the warrant is unable to inform the occupier of the premises of the intended
15 entry into the premises, the Authority or that person must, when executing the warrant, leave a copy of the warrant in a prominent place on the premises.

(7) On leaving any premises specified in a warrant issued under subsection (1), the Authority or any person named in the
20 warrant must, if the premises are unoccupied or if the occupier of the premises is temporarily absent, leave the premises as effectively secured as the Authority or that person found the premises.

(8) The powers conferred by this section are in addition to, and not in derogation of, any other powers conferred by any other
25 written law or rule of law.

(9) In this section —

“occupier”, in relation to any premises specified in a
30 warrant issued under subsection (1), includes any person whom the Authority or any person named in the warrant reasonably believes to be the occupier of those premises;

“premises” includes any structure, building, aircraft, vehicle or vessel.

Powers where books are produced, etc.

46I.—(1) This section applies where —

(a) any book is produced to the Authority, or access to any book, or any data contained in or available to a computer, is given to the Authority — 5

(i) pursuant to a requirement under section 46F; or

(ii) during an entry into any premises by an investigator or authorised person under section 46G;

(b) under a warrant issued under section 46H(1), the Authority or a person named therein — 10

(i) takes possession of any book or computer; or

(ii) secures any book or computer against interference; or

(c) under a previous application of subsection (6), any book or computer is delivered into the possession of the Authority or a person authorised by it. 15

(2) If subsection (1)(a) applies, the Authority may take possession of any book or computer mentioned in that provision.

(3) The Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) may — 20

(a) inspect, and make copies of, or take extracts from, a book, or any data contained in or available to the computer, mentioned in that subsection;

(b) use, or permit the use of, a book, or any data contained in or available to the computer, mentioned in that subsection for the purposes of any proceedings; 25

(c) retain possession of a book or computer mentioned in that subsection for so long as is necessary —

(i) for the purposes of exercising a power conferred by this section; 30

(ii) for a decision to be made about whether or not any proceedings to which the book or any data contained in or available to the computer would be relevant should be instituted; or

5 (iii) for such proceedings to be instituted and carried on; and

(d) require any book stored in any electronic form, or any data, which the Authority or person mentioned in subsection (1)(b) or (c) is satisfied relates to any matter relevant to an investigation under this Division, to be produced in a form which can be taken away and which is visible and legible.

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(4) No person is entitled, as against the Authority or, where applicable, a person mentioned in subsection (1)(b) or (c) to claim a lien on any book or computer mentioned in that subsection, but such a lien is not otherwise prejudiced.

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(5) While any book or computer is in the possession of the Authority or (where applicable) the person mentioned in subsection (1)(b) or (c), the Authority or the person —

20 (a) must permit another person to inspect at all reasonable times the book or computer as the second-mentioned person would be entitled to inspect if the book or computer were not in the possession of the Authority or the firstmentioned person; and

25

(b) may permit any other person to inspect the book or computer.

(6) If subsection (1)(a) or (b)(i) applies, an investigator or authorised person mentioned in subsection (1)(a) or a person mentioned in subsection (1)(b) may deliver any book or computer into the possession of the Authority or of a person authorised by the Authority to receive them.

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(7) If subsection (1)(a) or (b) or (6) applies, the Authority, an investigator or authorised person mentioned in subsection (1)(a), a person mentioned in subsection (1)(b) or a

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person into whose possession any book or computer is delivered under subsection (6), may require —

- (a) if subsection (1)(a) applies — a person who produced the book or gave access to the book or the data contained in or available to the computer; or 5
- (b) if subsection (1)(b) applies — a person who was a party to the preparation of the book or any data contained in or available to the computer,

to explain, to the best of his or her knowledge and belief, any matter about the preparation of the book or data or any matter to which the book or data relates. 10

Powers where books not produced, information not provided or access to book or data not given

46J. Where a person fails to comply with a requirement imposed by the Authority under section 46F to produce any book, provide any information or give access to any book or data, the Authority may require the person to state, to the best of his or her knowledge and belief — 15

- (a) the place where such book, or any computer in which such data is contained or to which such data is available, may be found; 20
- (b) the person who last had possession, custody or control of such book, or any computer in which such data is contained or to which such data is available, and the place where that person may be found; or 25
- (c) the person who possesses such information and the place where that person may be found.

Copies of or extracts from books to be admitted in evidence

46K.—(1) Subject to this section, a copy of or extract from any book referred to in this Division that is proved to be a true copy of the book, or of the relevant part of the book, is 30

admissible in evidence as if it were the original book, or the relevant part of the original book.

(2) For the purposes of subsection (1), evidence that a copy of or extract from any book is a true copy of the book or of a part of the book, may be given by a person who has compared the copy or extract with the book or the relevant part of the book, and may be given orally or by an affidavit sworn, or by a declaration made, before a person authorised to take affidavits or statutory declarations.

Offences under this Division

46L.—(1) An advocate and solicitor or legal counsel who, without reasonable excuse, fails to comply with section 44(5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$12,500.

(2) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement imposed under section 45(1), 46A(3), 46F, 46G(5)(b), (c) or (d), 46I(3)(d) or (7) or 46J; or

(b) any requirement imposed pursuant to a warrant issued under section 46H(1),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

(3) A person who, without reasonable excuse, refuses or fails to comply with —

(a) any requirement of an investigator under section 46C(2)(a); or

(b) section 46D(2) or 46E,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(4) A person who —

(a) in purported compliance with a requirement imposed under section 44(5), 46F, 46G(5)(b), (c) or (d), 46I(3)(d) or (7) or 46J, or pursuant to a warrant issued under section 46H(1); or

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(b) in the course of examination of the person,

provides information or makes a statement that is false or misleading in a material particular shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

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(5) It is a defence to a prosecution for an offence under subsection (4) if the defendant proves that the defendant believed on reasonable grounds that the information or statement was true and not misleading.

(6) Any person who, knowing or having reasonable grounds to believe that any book, computer, equipment or article relates to a matter that the Authority is investigating or about to investigate under this Division —

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(a) conceals, destroys, mutilates or alters that book, computer, equipment or article; or

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(b) if any such book, computer, equipment or article is within the territory of Singapore, takes or sends the book, computer, equipment or article out of Singapore,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both.

25

(7) A person who, without reasonable excuse, obstructs or hinders the Authority in the exercise of any power under this Division, or obstructs or hinders a person who is exercising any power under section 46G(1) or (5) or executing a warrant issued under section 46H(1), shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

30

(8) Any occupier or person in charge of any premises who fails to provide, to any person who enters those premises under section 46G(1) or under a warrant issued under section 46H(1), all reasonable facilities and assistance for the effective exercise of that person's powers under section 46G(1) or (5) or under the warrant (as the case may be) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Division 3 — Transfer of evidence

Interpretation of this Division

46M. In this Division —

“Commercial Affairs Officer” means a Commercial Affairs Officer appointed under section 64 of the Police Force Act 2004;

“data” has the meaning given by section 2(1) of the Computer Misuse Act 1993;

“police officer” means a member of the Singapore Police Force.

Evidence obtained by Authority may be used in criminal investigations and proceedings

46N.—(1) Despite the provisions of any written law or rule of law, the Authority may provide any book, written record of any examination or other information, or access to any data, obtained by the Authority under Division 2 to —

(a) a police officer;

(b) a Commercial Affairs Officer; or

(c) the Public Prosecutor,

for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under this Act.

(2) To avoid doubt, any book, written record of examination or other information provided, or any data to which access is

provided, by the Authority under subsection (1) is not inadmissible in any criminal proceedings by reason only that it was first obtained by the Authority under this Act, and the admissibility thereof is to be determined in accordance with the rules of evidence under written law and any relevant rules of law. 5

Evidence obtained under Criminal Procedure Code 2010 may be used for purposes of Act

46O. Despite the provisions of any written law or any rule of law, any book, data, statement or other information obtained by — 10

- (a) a police officer or a Commercial Affairs Officer in the exercise of his or her powers under Divisions 1 and 2 of Part 4 of the Criminal Procedure Code 2010; or
- (b) an authorised person mentioned in section 20(1) or (1A), 39(1) or 40(2) of the Criminal Procedure Code 2010, in the exercise of his or her powers under those sections, 15

may be provided to the following persons for the following purposes, if it is in the public interest to do so: 20

- (c) to the Authority — for the purpose of any investigation under section 42(1);
- (d) to the Minister or to an Appeal Advisory Committee constituted under section 51 — for the purpose of any appeal against a decision of the Authority under this Act.”. 25

Amendment of section 48

103. In the Trust Companies Act 2005, in section 48 —

- (a) in the section heading, delete “**and investigation**”; and
- (b) in subsection (1)(a), delete “or an investigation under section 41”. 30

Amendment of section 49

104. In the Trust Companies Act 2005, in section 49(9), replace “section 41” with “section 42(1)”.

Amendment of section 50

- 5 **105.** In the Trust Companies Act 2005, in section 50 —
- (a) in paragraph (b), insert “or” at the end;
 - (b) in paragraph (c), replace “; or” at the end with a comma; and
 - (c) delete paragraph (d).

10 Replacement of section 62

106. In the Trust Companies Act 2005, replace section 62 with —

“Duty not to provide false information to Authority

15 **62.—**(1) Any individual who provides the Authority with any information under this Act or relevant to the Authority’s exercise of powers under this Act must use due care to ensure that the information is not false or misleading in any material particular.

20 (2) Any person, other than an individual, who provides the Authority with any information under this Act or relevant to the Authority’s exercise of powers under this Act must use due care to ensure that the information is not false or misleading.

(3) Subsection (1) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.

25 (4) Subsection (2) applies only if no other provision of this Act makes it an offence to do the act mentioned in that subsection.

(5) Any individual who —

- (a) signs any document lodged with the Authority; or

- (b) lodges with the Authority any document by electronic means using any identification or identifying code, password or other authentication method or procedure assigned to the individual by the Authority,

must use due care to ensure that the document is not false or misleading in any material particular.

- (6) Any person, other than an individual, who —

- (a) signs any document lodged with the Authority; or
- (b) lodges with the Authority any document by electronic means using any identification or identifying code, password or other authentication method or procedure assigned to the person by the Authority,

must use due care to ensure that the document is not false or misleading.

- (7) Any individual who contravenes subsection (1) or (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 or to imprisonment for a term not exceeding 2 years or to both.

- (8) Any person who contravenes subsection (2) or (6) shall be guilty of an offence and shall be liable on conviction —

- (a) if the information or document is false or misleading in a material particular — to a fine not exceeding \$25,000; or
- (b) in any other case — to a fine not exceeding \$12,500.”.

Amendment of section 72

107. In the Trust Companies Act 2005, in section 72 —

- (a) after subsection (1), insert —

“(1A) The Authority may, under subsection (1), reprimand a person who has ceased to be a relevant person, if the person was a relevant person at the time of the misconduct.”; and

- (b) in subsection (2), after the definition of “officer”, insert —

““partner” includes a person purporting to act as a partner;”.

Replacement of section 79 and new section 79A

108. In the Trust Companies Act 2005, replace section 79 with —

“Service of documents, etc.

79.—(1) Any notice, order or document required or authorised by this Act to be served on any person may be served —

(a) in the case of an individual —

(i) by delivering it to the individual or to some adult member or employee of his or her family or household at his or her last known place of residence;

(ii) by leaving it at the individual’s usual or last known place of residence or business in an envelope addressed to him or her;

(iii) by sending it by registered post addressed to the individual at his or her usual or last known place of residence or business; or

(iv) by sending it by email to the individual’s last email address; or

(b) in the case of a body corporate or body of persons —

(i) by delivering it to the secretary or other similar officer of the body corporate or body of persons at its registered office or principal place of business;

(ii) by leaving it at the registered office or principal place of business of the body corporate or body of persons in an envelope addressed to the body corporate or body of persons;

(iii) by sending it by registered post addressed to the body corporate or body of persons at its

registered office or principal place of business;
or

(iv) by sending it by email to the last email address
of the body corporate or body of persons.

(2) Any notice, order or document sent by registered post to
any person in accordance with subsection (1) is deemed to be
duly served on the person at the time when the notice, order or
document (as the case may be) would in the ordinary course of
post be delivered. 5

(3) When proving service of the notice, order or document
mentioned in subsection (2), it is sufficient to prove that the
envelope containing the notice, order or document (as the case
may be) was properly addressed, stamped and posted by
registered post. 10

(4) Service of a notice, order or document, under
subsection (1)(a)(iv) or (b)(iv) takes effect at the time the
email becomes capable of being retrieved by the person to whom
the notice, order or document is sent. 15

(5) A notice, order or document may be served on a person
under subsection (1)(a)(iv) or (b)(iv) by email only with that
person's prior written consent. 20

(6) This section does not apply to documents to be served in
proceedings in court.

(7) In this section, "last email address" means —

(a) the last email address given by the addressee
concerned to the person giving or serving the
notice, order or document as the email address for
the service of notices, orders or documents under this
Act; or 25

(b) the last email address of the addressee concerned
known to the person giving or serving the notice,
order or document. 30

Electronic service

79A.—(1) The Authority may provide an electronic service for the service of any document that is required or authorised by this Act to be given to or served on any person.

(2) For the purposes of the electronic service, the Authority may assign to any person —

(a) an authentication code; and

(b) an account with the electronic service.

(3) Despite section 79, where any person has given the person's consent for any document to be given to or served on the person through the electronic service, the Authority may give or serve the document on that person by transmitting an electronic record of the document to that person's account with the electronic service.

(4) Where a person has given the person's consent for a document to be given to or served on the person through the electronic service, the document is deemed to have been given or served at the time when an electronic record of the document enters the person's account with the electronic service.

(5) Despite any other written law, in any proceedings under this Act —

(a) an electronic record of any document that was given or served through the electronic service; or

(b) any copy or print-out of that electronic record,

is admissible as evidence of the facts stated or contained therein if that electronic record, copy or print-out —

(c) is certified by the Authority to contain all or any information given or served through the electronic service in accordance with this section; and

(d) is duly authenticated in the manner specified in subsection (7) or is otherwise authenticated in the manner provided in the Evidence Act 1893 for the authentication of computer output.

(6) To avoid doubt —

(a) an electronic record of any document that was given or served through the electronic service; or

(b) any copy or print-out of that electronic record,

is not inadmissible in evidence merely because the document 5
was given or served without the delivery of any equivalent document or counterpart in paper form.

(7) For the purposes of this section, a certificate —

(a) giving the particulars of —

(i) any person whose authentication code was used 10
to give or serve the document; and

(ii) any person or device involved in the production or transmission of the electronic record of the document, or the copy or print-out of the electronic record; 15

(b) identifying the nature of the electronic record or copy or print-out of the electronic record; and

(c) purporting to be signed by the Authority or by a person occupying a responsible position in relation to the operation of the electronic service at the relevant time, 20

is sufficient evidence that the electronic record, copy or print-out has been duly authenticated, unless the court, in its discretion, calls for further evidence on this issue.

(8) Where the electronic record of any document, or a copy or print-out of that electronic record, is admissible under subsection (5), it is presumed, until the contrary is proved, that the electronic record, copy or print-out accurately reproduces the contents of that document. 25

(9) The Authority may make regulations which are necessary or expedient for carrying out the purposes of this section, including regulations prescribing the procedure for the use of the electronic service, including the procedure in circumstances 30

where there is a breakdown or interruption of the electronic service.

(10) In this section —

“account with the electronic service”, in relation to any person, means a computer account within the electronic service which is assigned by the Authority to that person for the storage and retrieval of electronic records relating to that person;

“authentication code”, in relation to any person, means an identification or identifying code, a password or any other authentication method or procedure which is assigned to that person for the purposes of identifying and authenticating the access to and use of the electronic service by that person;

“document” includes notice and order;

“electronic record” has the meaning given by section 2(1) of the Electronic Transactions Act 2010.”.

Amendment of section 80

109. In the Trust Companies Act 2005, in section 80, replace subsection (2) with —

“(2) The Authority may, on the application of any person, by written notice exempt the person from —

(a) all or any of the provisions of this Act; or

(b) all or any of the requirements imposed by the Authority under this Act.”.

PART 7

AMENDMENT OF MONETARY AUTHORITY OF SINGAPORE ACT 1970

Amendment of section 12

110. In the Monetary Authority of Singapore Act 1970, in section 12 —

(a) in subsection (1), replace “not less frequently than once in 3 months” with “at least one meeting must be summoned in each quarter of a calendar year”; and

(b) after subsection (3), insert —

“(4) In subsection (1), each of the following is a quarter of a calendar year: 5

(a) January, February and March of the same calendar year;

(b) April, May and June of the same calendar year; 10

(c) July, August and September of the same calendar year;

(d) October, November and December of the same calendar year.”.

PART 8 15

SAVING AND TRANSITIONAL PROVISION

Saving and transitional provision

111. For a period of 2 years after the date of commencement of any provision of this Act, the Minister may, by regulations, prescribe such additional provisions of a saving or transitional nature consequent on the enactment of that provision as the Minister may consider necessary or expedient. 20

EXPLANATORY STATEMENT

This Bill seeks to amend the Financial Advisers Act 2001 (the FAA), the Financial Services and Markets Act 2022 (the FSMA), the Insurance Act 1966 (the IA), the Monetary Authority of Singapore Act 1970, the Payment Services Act 2019 (the PSA), the Securities and Futures Act 2001 (the SFA) and the Trust Companies Act 2005 (the TCA), to —

- (a) enhance and widen the investigative powers of the Monetary Authority of Singapore (MAS) under the FAA, IA, PSA, SFA and TCA and provide for investigative powers of MAS under the FSMA;
- (b) empower MAS to regulate through directions under the SFA, the conduct of certain additional businesses by holders of capital markets services licence which may pose contagion risks to their businesses in regulated activities;
- (c) clarify that a person previously regulated under the FAA, SFA or TCA, and who has ceased to be regulated under the relevant Act, can be reprimanded by MAS for misconduct, if the person was a regulated person at the time of the misconduct;
- (d) enhance, widen and clarify the powers of MAS under the FAA, SFA and TCA relating to the appointment, disqualification and removal of certain officers of various financial institutions, the appointment of external auditors of financial institutions, and the control of financial institutions;
- (e) provide under the FAA, SFA and TCA for service of documents by email, provide under the SFA for the manner of service of a written notice of meeting to participants of a collective investment scheme constituted as a unit trust under certain circumstances, and provide under the FAA, SFA and TCA for an electronic service provided by MAS for the service of documents;
- (f) make it an offence for a person who is not an individual to fail to take due care to ensure that information provided to MAS under the FAA, SFA and TCA is not false or misleading (whether or not the information is false or misleading in a material particular), and clarify when the duty to not provide false information arises;
- (g) generally to standardise common provisions across the MAS-administered Acts; and
- (h) make amendments of a miscellaneous or technical nature.

Clause 1 relates to the short title and commencement.

The rest of the Bill is divided into 8 Parts.

Part 1 consists of clauses 2 to 19 and amends the FAA.

Part 2 consists of clauses 20 and 21 and amends the FSMA.

Part 3 consists of clauses 22 to 26 and amends the IA.

Part 4 consists of clauses 27 to 32 and amends the PSA.

Part 5 consists of clauses 33 to 94 and amends the SFA.

Part 6 consists of clauses 95 to 109 and amends the TCA.

Part 7 consists of clause 110 and amends the Monetary Authority of Singapore Act 1970.

Part 8 consists of clause 111 and contains a saving and transitional provision.

Further explanations of salient provisions of this Bill are set out below.

INVESTIGATIVE POWERS OF MAS

Clauses 13, 25, 31, 67 and 102 amend the FAA, the IA, the PSA, the SFA and the TCA, respectively, to enhance and widen the investigative powers of the MAS under those Acts. In each of those Acts, provisions relating to investigative powers are inserted to replace existing provisions relating to investigative powers. Clause 20 inserts new Part 10A in the FSMA to provide MAS with investigative powers under the FSMA. The provisions are based on existing Divisions 3 and 4 of Part 9 of the SFA, with some modifications.

New section 86 of the FAA, new section 173A of the FSMA, new section 101A of the IA, new section 76A of the PSA, new section 152 of the SFA and new section 41 of the TCA define certain terms in relation to investigations under the respective Acts. “Auditor” means a public accountant who is registered or deemed to be registered under the Accountants Act 2004, “computer” and “data” have the meanings given by section 2(1) of the Computer Misuse Act 1993, and “legal counsel” has the meaning given by section 3(7) of the Evidence Act 1893.

New section 87(1) of the FAA, new section 173B(1) of the FSMA, new section 101B(1) of the IA, new section 76B(1) of the PSA, new section 153(1) of the SFA and new section 42(1) of the TCA provide that MAS may conduct such investigation as it considers necessary or expedient to perform any of its functions and duties under the relevant Act, to ensure compliance with the relevant Act or any written direction issued under the relevant Act, and to investigate an alleged or suspected contravention of any provision of the relevant Act or any written direction issued under the relevant Act.

New section 89(1) of the FAA, new section 173D(1) of the FSMA, new section 101D(1) of the IA, new section 76D(1) of the PSA, new section 155(1) of the SFA and new section 44(1) of the TCA provide that a person is not excused from disclosing information when required to do so during an investigation under the relevant Act, on the ground that the disclosure might tend to incriminate himself or herself. New section 89(3) of the FAA, new section 173D(3) of the FSMA, new section 101D(3) of the IA, new section 76D(3) of the PSA, new section 155(3) of the SFA and new section 44(3) of the TCA provide that merely informing the investigated person that he or she is not so excused from disclosing the information does not constitute an inducement, threat or promise under

section 258(3) of the Criminal Procedure Code 2010, for the purposes of any proceedings for an offence under each of those Acts.

New section 89(4) of the FAA, new section 173D(4) of the FSMA, new section 101D(4) of the IA, new section 76D(4) of the PSA, new section 155(4) of the SFA and new section 44(4) of the TCA provide that an advocate and solicitor, or a legal counsel, is not compelled to disclose or produce privileged communications for the purposes of investigations under those Acts. However, an advocate and solicitor or legal counsel who refuses to disclose or produce such a communication must give the name and address (if he or she knows such name and address) of the person who made the communication.

New sections 90 to 96 of the FAA, new sections 173E to 173K of the FSMA, new sections 101E to 101K of the IA, new sections 76E to 76K of the PSA, new sections 156 to 162 of the SFA and new sections 45 to 46E of the TCA provide for the examination of persons by MAS for its investigations.

New sections 97 to 103 of the FAA, new sections 173L to 173R of the FSMA, new sections 101L to 101R of the IA, new sections 76L to 76R of the PSA, new sections 163 to 168A of the SFA and new sections 46F to 46L of the TCA empower MAS to obtain documents and information and access data in computers for its investigations.

MAS may order the production of books, provision of information, or giving of access to data (under new section 97 of the FAA, new section 173L of the FSMA, new section 101L of the IA, new section 76L of the PSA, new section 163 of the SFA and new section 46F of the TCA), and may enter premises without a warrant under certain circumstances (under new section 98 of the FAA, new section 173M of the FSMA, new section 101M of the IA, new section 76M of the PSA, new section 164 of the SFA and new section 46G of the TCA).

MAS may also apply to a Magistrate for a warrant to (among other things) enter and search premises and seize books and computers (under new section 99 of the FAA, new section 173N of the FSMA, new section 101N of the IA, new section 76N of the PSA, new section 165 of the SFA and new section 46H of the TCA). New section 103 of the FAA, new section 173R of the FSMA, new section 101R of the IA, new section 76R of the PSA, new section 168A of the SFA and new section 46L of the TCA provide for offences relating to investigations.

New sections 103A, 103B and 103C of the FAA, new sections 173S, 173T and 173U of the FSMA, new sections 101S, 101T and 101U of the IA, new sections 76S, 76T and 76U of the PSA, new sections 168B, 168C and 168D of the SFA and new sections 46M, 46N and 46O of the TCA provide for the transfer of evidence between authorities enforcing the criminal law and MAS.

New section 103B of the FAA, new section 173T of the FSMA, new section 101T of the IA, new section 76T of the PSA, new section 168C of the SFA and new section 46N of the TCA provide for the transfer of evidence obtained by

MAS under those Acts to a police officer, a Commercial Affairs Officer or the Public Prosecutor for the purposes of any investigation into or criminal proceedings against a person for an alleged or suspected contravention of any provision under each of those Acts.

New section 103C of the FAA, new section 173U of the FSMA, new section 101U of the IA, new section 76U of the PSA, new section 168D of the SFA and new section 46O of the TCA provide for the transfer of evidence obtained under the Criminal Procedure Code 2010 to MAS for the purposes of investigations under each of those Acts and appeals to the Minister against a decision of MAS under each of those Acts, if such transfer of evidence is in the public interest.

REGULATION OF ADDITIONAL BUSINESSES

Clause 64 amends section 101 of the SFA to insert a new subsection (2A) to empower MAS to issue written directions in relation to the conduct of any “additional business” by holders of a capital markets services licence. “Additional business” is defined in new section 101(2D) of the SFA to mean a business of dealing in “additional financial products” or providing custodial services in relation to “additional financial products”. “Additional financial product” refers to certain financial products that are not currently regulated by MAS. The term “additional financial product” is defined in new section 101(2D) of the SFA to mean —

- (a) any contract or arrangement that is not traded on an organised market that is established or operated by an approved exchange, under which —
 - (i) a party to the contract or arrangement is required to, or may be required to, discharge all or any of its obligations under the contract or arrangement at some future time; and
 - (ii) the value of the contract or arrangement is determined (whether directly or indirectly, or whether wholly or in part) by reference to, is derived from, or varies by reference to the value or amount of one or more payment tokens or fluctuations in the values or amounts of one or more payment tokens;
- (b) any spot foreign exchange contract for a purpose other than leveraged foreign exchange trading; or
- (c) any other product prescribed by the Authority.

Under new section 101(2B) of the SFA, MAS must, in issuing written directions under new section 101(2A) of the SFA, have regard to the need to avoid or reduce any risk that has arisen or may arise from the conduct of the additional

business by the capital markets services licence holder and that may affect the business in a regulated activity of the licence holder.

Under new section 101(2C) of the SFA, written directions may be issued under new section 101(2A) of the SFA with respect to (among other things) standards to be maintained in the conduct of, and in respect of the risk management of, any additional business. For the purpose of restricting the amount of risk that a holder of a capital markets services licence may assume in respect of the additional business, written directions may also be issued with respect to the maximum amount of capital or financial resources that may be maintained by a holder of a capital markets services licence in respect of any additional business, and the manner in which such amount is to be determined.

POWER TO REPRIMAND

Clauses 15, 90 and 107(a) amend section 125 of the FAA, section 334 of the SFA and section 72 of the TCA, respectively, to clarify that a person previously regulated under one of those Acts, and who has ceased to be regulated under the relevant Act, can be reprimanded by MAS for misconduct, if the person was a regulated person at the time of the misconduct.

POWERS IN RELATION TO FINANCIAL INSTITUTIONS

The following clauses make amendments to enhance, widen and clarify the powers of MAS under the FAA, SFA and TCA relating to the appointment, disqualification and removal of certain officers of various financial institutions, the appointment of external auditors of financial institutions, and the control of financial institutions:

- (a) in relation to the FAA — clauses 7, 8 and 9;
- (b) in relation to the SFA — clauses 36, 37, 38, 40, 41, 46, 47, 48, 51, 53, 58, 59, 60, 78, 79 and 80;
- (c) in relation to the TCA — clause 97.

The next 3 parts of this Explanatory Statement, under the headings “Appointment, disqualification or removal of certain officers”, “Control of financial institutions” and “Auditors of approved exchanges, licensed trade repositories, approved clearing houses and approved holding companies” further explain these clauses.

APPOINTMENT, DISQUALIFICATION OR REMOVAL OF CERTAIN OFFICERS

Clauses 7, 38, 41, 48, 53, 58 and 79 amend provisions in the FAA and SFA that provide for the disqualification or removal of directors or executive officers of the

following regulated entities, in order to standardise the provisions across the different regulated entities:

- (a) licensed financial advisers;
- (b) approved exchanges;
- (c) recognised market operators incorporated in Singapore;
- (d) licensed trade repositories;
- (e) approved clearing houses;
- (f) recognised clearing houses incorporated in Singapore;
- (g) approved holding companies;
- (h) holders of a capital markets services licence;
- (i) approved trustees.

Clauses 37 and 47 insert new provisions in the SFA (sections 41C and 81AC) to provide for the approval of the appointment of chairpersons, chief executive officers, directors and key management of recognised market operators incorporated in Singapore and recognised clearing houses incorporated in Singapore.

Clause 78 inserts provisions in the SFA that provide for the approval of appointment of chief executive officers, directors and key management of approved trustees. The provisions replace existing section 290 of the SFA, which is unrelated and which is no longer necessary (see explanation relating to clause 65 under “Other provisions”).

Clause 97 amends section 14 of the TCA to provide for the disqualification or removal of officers, executive officers and resident managers of licensed trust companies, and of directors of licensed trust companies incorporated in Singapore.

The new provisions set out various grounds of disqualification. The new provisions also set out that MAS may direct the various financial institutions to remove an individual from his or her appointment if MAS is satisfied that the individual is not a fit and proper person to hold the relevant appointment. Certain factors that MAS may consider in assessing whether an individual is a fit and proper person are set out. Provisions relating to the opportunity to be heard and to appeals are also set out.

CONTROL OF FINANCIAL INSTITUTIONS

Clauses 8 and 59 amend section 65 of the FAA and section 97A of the SFA, respectively, to (among other things) provide that a person must not obtain effective control of a licensed financial adviser or holder of a capital markets

services licence without MAS's approval, and to amend the definition of "effective control".

Clauses 9 and 60 amend section 66 of the FAA and section 97B of the SFA, respectively, to provide that MAS may serve a written notice of objection on a person who has effective control of a licensed financial adviser or a holder of a capital markets services licence.

Clause 80 amends the SFA to require approval for a person to obtain effective control of an approved trustee, and to confer on MAS the power to object to controllers of approved trustees on certain grounds.

Clauses 37 and 47 insert new provisions in the SFA (sections 41A, 41B, 81AA and 81AB) requiring approval for a person to hold 20% of the shares of, or control 20% of the voting power of, a recognised market operator incorporated in Singapore, or a recognised clearing house incorporated in Singapore.

AUDITORS OF APPROVED EXCHANGES, LICENSED TRADE REPOSITORIES, APPROVED CLEARING HOUSES AND APPROVED HOLDING COMPANIES

Clauses 36, 40, 46 and 51 amend the SFA to replace existing provisions relating to the auditors of approved exchanges, licensed trade repositories, approved clearing houses and approved holding companies. Under the new provisions, each such financial institution must appoint an auditor on an annual basis with the approval of MAS. MAS may appoint an auditor for the financial institution if the financial institution fails to appoint an auditor or if MAS considers that another auditor ought to be appointed. The primary duty of the auditor is to audit the accounts of the financial institution and to make a report on its financial statements. MAS may direct the financial institution to remove its auditor or to appoint a new auditor. Auditors of these financial institutions must report certain matters to MAS.

Separate from the auditor appointed on an annual basis primarily to audit accounts, MAS is also empowered, at any time, to appoint an auditor to examine and audit the books of a financial institution mentioned above.

SERVICE OF DOCUMENTS

Clauses 17 and 108 amend the FAA and the TCA to provide for (among other things) service of documents by email, in addition to existing modes of service of documents, and for an electronic service provided by the Authority for service of documents. The provisions contemplate that certain documents may be served by email sent to the last email address of the intended recipient.

Clause 81 amends section 294 of the SFA to provide for service of documents relating to a collective investment scheme by additional modes of service, including email and registered post.

Clause 82 amends the SFA to set out how written notice of a proposed meeting under section 295(3) of the SFA for an authorised collective investment scheme constituted as a unit trust may be given to participants of that scheme if it is in liquidation, ceases to carry on business, or fails to comply with the trust deed in respect of the scheme.

Clause 92 inserts new sections 337A and 337B in the SFA to provide generally for the service of documents (other than documents relating to a collective investment scheme), and to provide for an electronic service provided by the Authority for the service of documents required or authorised by the SFA to be given to or served on any person.

DUTY NOT TO PROVIDE FALSE INFORMATION

Clauses 14, 88 and 106 replace section 114 of the FAA, section 329 of the SFA and section 62 of the TCA, respectively, to make it an offence for a person who is not an individual to fail to take due care to ensure that information provided to MAS under the FAA, SFA and TCA is not false or misleading (whether or not the information is false or misleading in a material particular).

Clauses 14, 88 and 106 also replace section 114 of the FAA, section 329 of the SFA and section 62 of the TCA, respectively, to clarify that the duty to use due care in providing information applies to any person who provides information to MAS under the relevant Act, or who provides information to MAS that is relevant to its exercise of powers under the relevant Act (whether or not the information is required by MAS under that relevant Act).

OTHER PROVISIONS

Clauses 2, 33, 35 and 44 amend provisions in the FAA, PSA and SFA to provide for definitions necessitated by amendments made by this Bill.

Clauses 3, 6, 11, 55, 63 and 87 amend sections 11, 28 and 72 of the FAA and sections 85, 99K and 317 of the SFA, respectively, to provide that MAS may administratively specify the time and manner for the payment of certain fees.

Clauses 4, 57, 95 and 96 amend section 14 of the FAA, section 93 of the SFA and sections 9 and 11 of the TCA, respectively, to remove references to returning or surrender of a licence. It will no longer be possible to return or surrender a licence that is issued electronically.

Clause 5 amends section 20(1) of the FAA to set out the types of financial advisory services in respect of which the different descriptions of exempt financial advisers are exempt from holding a financial adviser's licence.

Clause 10 amends section 67 of the FAA to provide that written directions under that section may also be issued by MAS for the protection of policy owners.

Clauses 16, 91 and 109 amend section 130 of the FAA, section 337 of the SFA and section 80 of the TCA, respectively, to provide that MAS may, on the application of any person, by written notice exempt the person from provisions of the relevant Act, or requirements imposed by MAS under the relevant Act.

Clause 18 amends section 135 of the FAA to provide that regulations may be made for MAS to be notified of adverse developments that have or are likely to have a material impact on a licensed financial adviser, or of matters affecting the fitness and propriety of substantial shareholders, directors or executive officers of the licensed financial adviser, or persons having effective control of the licensed financial adviser, to be in such positions.

Clause 26 amends section 154 of the IA to enable regulations to be made with respect to the corporate governance of insurance brokers and the risk management of insurers and insurance brokers.

Clause 45 amends section 71 of the SFA to provide that MAS may specify the form and manner of an application for approval for appointment of a chairperson, chief executive officer or director of an approved clearing house.

Clauses 61 and 105 amend section 98 of the SFA and section 50 of the TCA, respectively, to remove the appeal process in respect of a direction for the removal of an officer from office or employment. The process is now covered by new section 97(5A), (5B) and (5C) of the SFA (inserted by clause 58(d)) and new section 14(4C), (4D) and (4E) of the TCA (inserted by clause 97(b)) that relate to the disqualification and removal of officers.

Clause 65 amends section 150 of the SFA such that the inspection powers of MAS under that section will also apply to an approved trustee mentioned in section 289(1) of the SFA. Clause 78 consequentially deletes section 290 of the SFA to avoid a duplication of powers (section 290 is replaced by unrelated provisions — see explanation of clause 78 under “Appointment, disqualification or removal of certain officers”).

Clause 66 amends section 150B of the SFA to permit a foreign regulatory authority to appoint any person to conduct an inspection under section 150B(1) of the SFA on behalf of the foreign regulatory authority, with the approval of MAS.

Clauses 68, 69, 70, 71(g), 72, 73 and 74(b) amend —

- (a) sections 272(1) and (2), 272A(1), 272B(1), 273(5), 274, 275(1) and (1A) and 276(2) of the SFA, which currently apply with modifications

Subdivisions (2) and (3) of Division 1 of Part 13 of the SFA to certain offers of investments; and

- (b) section 276(1) of the SFA, which currently creates an exception to the application of those Subdivisions to certain offers of investments.

The amendments apply or (in the case of section 276(1) of the SFA) disapply Subdivision (1A) of Division 1 of Part 13 of the SFA to those offers of investments. Subdivision (1A) of Division 1 of Part 13 of the SFA requires the business trust whose units or derivatives of units are the subject of an offer of investment to be registered under the Business Trusts Act 2004 or recognised by MAS under section 239D(1) of the SFA.

Clause 71(a) inserts in section 273(1) of the SFA an additional category of offers to which Subdivisions (2) and (3) (other than section 257) of Division 1 of Part 13 of the SFA do not apply. This category was previously dealt with under section 282X(3)(e) of the SFA, as in force immediately before 8 October 2018.

Clause 71(b) amends section 273(1A) of the SFA, which carves out certain offers from section 273(1)(d), (da) and (e) of the SFA (being categories of offers to which parts of Division 1 of Part 13 of the SFA are disapplied as described above). The amendment carves out those offers from section 273(1)(h) of the SFA.

Clause 71(e) adds an additional condition for the carve-out from section 273(1)(h) of the SFA to operate.

Clause 74(c) amends section 276(7) of the SFA (which disapplies subsections (1), (3) and (4) to an offer of securities or securities-based derivatives contracts and securities or securities-based derivatives contracts acquired pursuant to it) to expressly refer to units in a business trust and derivatives of units in a business trust.

Clause 75(a) amends section 277(1) of the SFA (which disapplies parts of Division 1 of Part 13 of the SFA to an offer made using an offer information statement) to clarify that that provision deals with offers whether or not made by means of a rights issue.

Clause 75(b) amends the conditions for the application of section 277(1) of the SFA.

Clauses 76 and 77 amend sections 284B and 287 to correct an incorrect cross-reference and an incorrect term, respectively.

Clause 110 amends section 12 of the Monetary Authority of Singapore Act 1970 to provide that at least one meeting of the board of directors of MAS must be held in each quarter of a calendar year. Each calendar year is divided into four quarters of a calendar year, consisting of January to March (first quarter), April to June (second quarter), July to September (third quarter) and October to December (fourth quarter).

Clause 111 empowers the Minister to prescribe provisions of a saving or transitional nature.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
