Monetary Authority of Singapore

CIS Guidelines 2

GUIDELINES ON THE REGISTER OF PARTICIPANTS AND SENDING ACCOUNTS AND REPORTS TO PARTICIPANTS

Issued on: 29 August 2002 (Last updated 15 October 2005)

OFFERS OF INVESTMENTS
(COLLECTIVE INVESTMENT SCHEMES) ("CIS")

Register of participants under Regulation 7(1)(e) and particulars of participants under Regulation 7(2)

Sending accounts and reports to participants under Regulation 8(2)(b)(iii)

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1 Purpose

1.1 These guidelines are issued by the Monetary Authority of Singapore ("the Authority") pursuant to section 321 of the Securities and Futures Act (Cap. 289) ("the Act"). The objective of these guidelines is to provide guidance on –

(a) the nature of ownership that a trustee is required to take into account for the purposes of regulation 7(1)(e) and 7(2) of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 ("SFR"); and

(b) the participants to whom a trustee is required to send the semi-annual and annual accounts and reports referred to in regulation 8(2)(b)(iii) of the SFR.

2 Register of participants

2.1 Under regulation 7(1)(e) of the SFR, an approved trustee (defined in regulation 2(1) of the SFR) is required to keep or maintain or cause to be kept or maintained a register of participants. Regulation 7(2) of the SFR specifies particulars of the participants to be contained in the register.

2.2 Section 2(1) of the Act defines "participant" to be a person who participates in a CIS by way of *owning* one or more units in a CIS.

2.3 The Authority will accept that the approved trustee has complied with regulation 7(1)(e) of the SFR if –

(a) the approved trustee keeps and maintains or causes to be kept and maintained an up-to-date register ("the register") of participants who have legal ownership of units in the CIS (equitable or beneficial interests may be disregarded for this purpose); and

(b) the register contains the particulars required by regulation 7(2) of the SFR.

3 Sending of accounts and reports to participants

3.1 Regulation 8(2)(b)(iii) of the SFR requires the trust deed to contain covenants binding on the trustee to send or cause to be sent to participants semi-annual and annual accounts and reports, within the time period specified in the Code on CIS. Regulation 10 of the SFR makes it an offence for any person to breach a covenant referred to in regulation 8(2)(b) which is included in the trust deed of the CIS.

3.2 The Authority will accept that an approved trustee has complied with the covenants in regulation 8(2)(b)(iii) of the SFR, if the approved trustee sends or causes to be sent within the prescribed time the semi-annual and annual accounts and reports to participants whose names are entered on the register of the CIS.[1]

[1] For participants who purchase units in the scheme through a distributor and whose names will not be entered on the register of the scheme, paragraph 4.1(i) of the Code on Collective Investment Schemes provides that the manager should require the distributor to put in place arrangements for such participants to receive the accounts and reports referred to in regulation 8(2)(b)(iii) of the SFR.