

FREQUENTLY ASKED QUESTIONS

LODGMENT OF FINANCIAL RETURNS UNDER THE SECURITIES AND FUTURES (FINANCIAL AND MARGIN REQUIREMENTS) REGULATIONS

(A) Lodgment of Financial Statements

Q1: What are the lodgment requirements that a holder of a Capital Markets Services (“CMS”) licensee has under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licence) Regulations 2002 (“SF(FMR) Regs”)

A: A CMS Licence holder is required to lodge financial returns in the prescribed forms, defined in Part VII of the SF(FMR) Regs.

Specifically, licensees are required to:

- a. lodge quarterly statements electronically within 14 days after the end of the period for which the statement is prepared; and
- b. lodge annual audited statements electronically with the Authority within 5 months after the end of the financial year. In addition, a copy of the electronic submission along with licensee’s audited accounts and balance-sheet, shall be lodged with the Authority in accordance to section 107 of the Securities and Futures Act read with regulation 27(8) of the SF(FMR)Regs. This lodgment is to be made by personal delivery or pre-paid post.

CMS licensee who are member of the Singapore Exchange Limited (“SGX”) are not required to lodge separate forms for quarterly returns through MASNET. The Authority will receive member companies’ quarterly submissions from the SGX. However, please note that annual returns from member companies shall be lodged electronically with the Authority in accordance to point (b) above.

Q2: How should a CMS licensee lodge regulatory returns electronically with the Authority?

A: All electronic lodgment of returns should be lodged via the MAS Network (“MASNET”) through the Adobe Regulatory Returns system, as referred to in regulation 26 of the SF(FMR)Regs.

For more information, please refer to the User Guide on the Submission of Returns in PDF Electronic Form for Capital Markets Services Licensees.

Q3. How would a CMS licensee know which are the relevant regulatory forms that it needs to lodge through MASNET?

A: As stipulated in Part VII of the SF(FMR)Regs, the applicable forms to a CMS licensee are determined based on the type and scope of the licensee’s regulated activities.

As a quick reference however, user may refer to information in MASNET. Upon a successful login to MASNET and the Adobe Regulatory Returns System, user can go to **“Form Submission, click here to submit return”** to find the list of Forms that are required to be submitted to the Authority.

Submission of SFA Quarterly Return

Reporting Institution : ABC Investment Company (J9999) J-Code

Business Unit : Form1 }
 Form2 } ←

Reporting Cycle : (MM/YYYY)

Forms listed here are applicable to the company.

In this example, Forms 1 and 2 are applicable to ABC Investment Company (J Code: J9999)

Q4: When submitting Financial Returns, can I submit all the Forms at the same time?

A: No. Submission has to be done one form at a time.

Q5: In each Form, there is a requirement to input the company’s J-Code. What is J-Code means?

A: J-Code is a unique identification code issued to MASNET subscriber. You may refer to the code found in the Forms Submission, as noted above.

Q6: In the event if a CMS licensee failed to lodge the relevant statements with the Authority within the stipulated time, does it constitute an offence under the SF(FMR)Regs?

A: Failure to lodge the relevant statements with the Authority will constitute an offence and the licensee shall be liable on conviction to a fine as stated under regulations 27(7) and 27(10) of the SF(FMR) Regs.

Q7. In the event that a CMS licensee's quarterly reporting cycles coincides with its financial year end, would the licensee be required to re-lodge separate annual accounts and statements with the Authority via MASNET?

A: Yes. The quarterly reporting and the annual audited accounts are two separate returns. The quarterly returns shall be submitted within 14 days of the end of each quarter for which the statement is prepared for, while the annual audited accounts and statement are to be submitted within 5 months after the licensee's financial year end..

Q8. What should a CMS licensee do if there were changes to the statements after the forms had been lodged with the Authority via MASNET?

A: CMS licensees are expected to exercise due care to ensure that any information submitted to the Authority is true and correct. Licensee is required to put in place the relevant control and processes to review and verify information before submitting the returns to the Authority.

In the event if an error is detected after the submission, licensee is required to immediately inform the MAS officer in charge of the company, including an explanation to the reason(s) for the error. Upon notification to the MAS officer, licensees are required to make the relevant changes via MASNET.

Q9. If the MASNET system is not available, what would be the alternative to electronic submission?

A: Under exceptional circumstances, where submission via electronic means is not possible, CMS licensees are allowed to lodge the forms by other means, such as by personal delivery or pre-paid post. Licensee shall inform the MAS officer in charge of the company, of the reasons for not submitting the returns electronically.

Q10. In the event if CMS licensees encounter problems in submitting the regulatory forms, who should they contact?

A: If licensees encounter problems in login to MASNET or accessing the Adobe Regulatory Returns System, they may contact the MASNET Helpdesk at 6229 9688 or the MASNET toll free line at 1800-2258247.

However, if there are clarifications with regards to the contents in the forms or on the form validation checks, licensees may contact the MAS officer in charge of the company.

(B) MASNET Installation

Q11: How much is the average cost for installing and accessing MASNET?

A: The one-time installation cost including Lotus Notes license fee & Installation Service is about S\$450. For more information, please refer to MASNET Order Form. Please note that besides the recommended vendor shown on the MASNET Order Form, you may engage other vendors to provide the installation service. With regards to the ongoing MASNET subscription charges, please refer to the MASNET website at <http://masnet.mas.gov.sg/abtMasnet.html>.

Q12: Do we have to renew maintenance support for the Lotus Notes License?

A: No. The renewal of the maintenance support for Lotus Notes is optional. However, if you renew the maintenance support, you will be eligible for new updates in future releases of Lotus Notes software.

Q13: Do I have to purchase the Lotus Notes CD Media Pack?

A: This item is optional. IBM allows you to obtain the media, without charge, through its Passport Advantage Express (PA Express) service. This service is available for 1 year to parties who purchase a Lotus Notes license. You can only access the service after receipt of the Lotus Notes license.

Q14: How do I access the IBM Passport Advantage Express service?

A: Upon purchase of your Lotus Notes license, IBM will send you an e-mail with the details of the license. In addition, IBM will also send a 'Welcome' note with the details on access to Passport Advantage Express (PA Express). Your assigned customer ID should be included in the note. This ID would provide access to the PA Express Service. Further help on this service can be obtained by calling the PA Express eCustomer Care hotline at 800-6161-468, then select option 6 for Passport Advantage.

Q15: What version of the Lotus Notes client do we order through the Passport Advantage Express?

A: Notes/Domino 6.0.4 Media Pack English. Part Number: AH0LBNA

Q16: I have purchased a Lotus Notes license and if I request the recommended vendor, UIC Asian Computer Services ("UICACS") (Ph: 62417811), to install the MASNET software, do I need to have the Lotus Notes CD?

A: No, UICACS will bring their own installation CD to install the Lotus Notes application for you. You can obtain the Notes CD from IBM Passport Advantage Express later. Please note that you should do so before the 1 year service expires.

**Q17: In MASNET access, there is a designated role of Liaison Officer (“LO”).
What is the role of an LO?**

A: The purpose of the LO role is outlined in the MASNET Security Procedures on Access. The MASNET LO has a designated User ID with a role to perform the following functions:

- a. Access to MASNET “Access Control List Administration” application. This application is available on MASNET web-site and allows only LOs to grant their institution web-ids access to returns (by default, web-ids do not have access to returns).
- b. Access the Lotus Notes application for Security Access Request to:
 - i) add/delete MASNET user accounts (both Web & Notes)
 - ii) change recipients of MASNET invoices and circulars

Please note that the monthly subscription charge of \$5 would be waived for Liaison Officer account if the company has more than one MASNET user account. All other charges would apply, e.g. mailbox storage charge, connect time charge, etc.