NEW PART VI AA (FINANCIAL BENCHMARKS) OF THE SFA

DIVISION 1 (DESIGNATION OF FINANCIAL BENCHMARKS) & DIVISION 2 (ADMINISTRATOR LICENSING)

DISCLAIMER: This version of the amendments is in draft form and subject to change. It is also subject to review by the Attorney-General’s Chambers. Sections in this Part have been numbered beginning with “1”, subject to final decision on the placement of this Part within the SFA.
SECURITIES AND FUTURES ACT

(CHAPTER 289)

PART I

PRELIMINARY

[.....]

PART VI

CONDUCT OF BUSINESS

[.....]

PART VIAA

FINANCIAL BENCHMARKS

Division 1 – Designation of Financial Benchmarks

Power to designate financial benchmarks

1. The Authority may designate a financial benchmark as a designated benchmark for the purposes of this Part if it is satisfied that it is appropriate to do so taking into consideration either or both of the following factors –

   (a) the systemic importance of the financial benchmark; and

   (b) the susceptibility to manipulation of the financial benchmark; or

if the Authority is satisfied that it is in the interest of the public to do so.

Division 2 – Administrator Licensing

Need for licence to carry out administering of designated benchmarks

2. — (1) Subject to subsection (2) and section [17], no person shall, as principal or agent, carry out the activity of administering a designated benchmark unless he is a
holder of a benchmark administration licence, or, in the case of an individual, he is a representative of a holder of a benchmark administration licence.

(2) Any person who contravenes subsection (1) 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 and, in the case of a continuing offence, to a further fine not exceeding $15,000 for every day or part thereof during which the offence continues after conviction.

Application for grant of benchmark administration licence

3. — (1) An application for the grant of a benchmark administration licence shall be made to the Authority in such form and manner as the Authority may prescribe.

(2) The Authority may require an applicant to furnish it with such information or documents as the Authority considers necessary in relation to the application.

(3) An application for the grant of a benchmark administration licence shall be accompanied by a non-refundable prescribed application fee which shall be paid in the manner specified by the Authority.

Licence fee

4. — (1) The holder of a benchmark administration licence shall on a yearly basis on such date as the Authority may specify pay such licence fee as the Authority may prescribe.

(2) Any licence fee paid to the Authority in respect of a benchmark administration licence shall not be refunded if –

(a) the licence is revoked, suspended, or lapses during the period in which the licence fee relates;

(b) the holder of a benchmark administration licence ceases to carry on the activity of administering a designated benchmark during the period to which the licence fee relates; or

(c) a prohibition order has been made against the holder of a benchmark administration licence under section [35].

(3) Subject to subsection (2), the Authority may, where it considers appropriate, refund the whole or part of any licence fee paid to it.

(4) Where the holder of a benchmark administration licence fails to pay the licence fee by the date on which such fee is due, the Authority may impose a late payment fee of a prescribed amount for every day or part thereof that the payment is late and both fees shall be recoverable by the Authority as a judgment debt.
Grant of benchmark administration licence

5. — (1) A corporation with a permanent establishment in Singapore may make an application for a benchmark administration licence to carry out the activity of administering a designated benchmark.

(2) A benchmark administration licence shall only be granted if the applicant meets such requirements as the Authority may prescribe, either generally or specifically.

(3) Subject to regulations made under this Act, where an application is made for the grant of a benchmark administration licence, the Authority may refuse the application if —

(a) the applicant has not provided the Authority with such information or documents relating to it or any person employed by or associated with it for the purposes of carrying out the activity of administering a designated benchmark, and to any circumstances likely to affect its manner of carrying out such activity, as the Authority may require;

(b) any information or document that is furnished by the applicant to the Authority is false or misleading;

(c) the applicant or its substantial shareholder is in the course of being wound up or otherwise dissolved, whether in Singapore or elsewhere;

(d) execution against the applicant or its substantial shareholder in respect of a judgment debt has been returned unsatisfied in whole or in part;

(e) a receiver, a receiver and manager, 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 applicant or its substantial shareholder;

(f) the applicant or its substantial shareholder has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with its creditors, being a compromise or scheme of arrangement that is still in operation;

(g) the applicant or its substantial shareholder, or any officer of the applicant —

(i) has been convicted, whether in Singapore or elsewhere, of an offence involving fraud or dishonesty or the conviction for which involved a finding that it or he had acted fraudulently or dishonestly; or

(ii) has been convicted of an offence under this Act;

(h) the Authority is not satisfied as to the educational or other qualification or experience of the officers or employees of the applicant having regard to
the nature of the duties they are to perform in connection with the holding of the licence;

(i) the applicant fails to satisfy the Authority that it is a fit and proper person to be licensed or that all of its officers, employees and substantial shareholders are fit and proper persons;

(j) the Authority has reason to believe that the applicant may not be able to act in the best interests of users of the designated benchmark having regard to the reputation, character, financial integrity and reliability of the applicant or its officers, employees or substantial shareholders;

(k) the Authority is not satisfied as to the financial standing of the applicant or its substantial shareholders or the manner in which the applicant’s activity of administering a designated benchmark is to be conducted;

(l) the Authority is not satisfied as to the record of past performance or expertise of the applicant having regard to the nature of the activities which the applicant may carry on in connection with the holding of the licence;

(m) there are other circumstances which are likely to —

   (i) lead to the improper conduct in connection with carrying out the activity of administering a designated benchmark by the applicant, any of its officers, employees or substantial shareholders; or

   (ii) reflect discredit on the manner of carrying out the activity of administering a designated benchmark by the applicant or its substantial shareholders;

(o) the Authority has reason to believe that the applicant, or any of its officers or employees, will not perform the activity of administering a designated benchmark, efficiently, honestly or fairly;

(p) the Authority is of the opinion that it would be contrary to the interests of the public to grant the licence; or

(q) a prohibition order under section [35] has been made by the Authority, and remains in force, against the applicant.

(5) Subject to subsection (6), the Authority shall not refuse an application for a grant of a benchmark administration licence without giving the applicant an opportunity to be heard.

(6) The Authority may refuse an application for the grant of a benchmark administration licence on any of the following grounds without giving the applicant an opportunity to be heard:
(a) the applicant is in the course of being wound up or otherwise dissolved, whether in Singapore or elsewhere;

(b) a receiver, a receiver and manager or an equivalent person has been appointed, whether in Singapore or elsewhere, in relation to or in respect of any property of the applicant;

(c) the applicant has been convicted, whether in Singapore or elsewhere, of an offence involving fraud or dishonesty or the conviction for which involved a finding that it had acted fraudulently or dishonestly;

(d) a prohibition order under section [35] has been made by the Authority, and remains in force, against the applicant.

(7) In this section, “permanent establishment” means a fixed or permanent place for carrying on business, whether wholly or partly, including but not limited to, a place of management, a branch or an office.

Power of Authority to impose conditions or restrictions

6.—(1) The Authority may grant a benchmark administration licence subject to such conditions or restrictions as it thinks fit.

(2) The Authority may, at any time, by notice in writing to a holder of a benchmark administration licence, vary any condition or restriction or impose such further condition or restriction as it may think fit.

(3) Any person who contravenes any condition or restriction in its licence shall be guilty of an offence.

Deposit to be lodged in respect of benchmark administration licence

7.—(1) The Authority may, in granting a benchmark administration licence, require the applicant to lodge with the Authority, at the time of its application and in such manner as the Authority may determine, a deposit of such amount in cash or in such other form as the Authority may prescribe in respect of that licence.

(2) The Authority may prescribe the circumstances and purposes for the use of the deposit.
False statements in relation to application for grant or variation of benchmark administration licence

8. — Any person who, in connection with an application for the grant of a benchmark administration licence —
   (a) without reasonable excuse, makes a statement which is false or misleading in a material particular; or
   (b) without reasonable excuse, omits to state any matter or thing without which the application is misleading in a material respect, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $50,000.

Notification of change of particulars

9.—(1) Where —
   (a) the holder of a benchmark administration licence ceases to carry on the activity of administering a designated benchmark; or
   (b) a change occurs in any matter records of which are required by section 10 to be kept in relation to the holder, the holder shall, not later than 14 days after the occurrence of the event, furnish particulars of the event to the Authority in the prescribed form and manner.

   (2) Where a holder of a benchmark administration licence ceases to carry on the activity of administering a designated benchmark, it shall return the licence to the Authority within 14 days of the date of the cessation.

Records of holders of benchmark administration licence

10.—(1) The Authority shall keep in such form as it thinks fit records of holders of a benchmark administration licence setting out the following information of each holder:
   (a) its name;
   (b) the address of the principal place at which it carries out the activity of administering a designated benchmark;
   (c) where the activity is carried on under a name or style other than the name of the holder of the licence, the name or style under which the activity is carried on; and
   (d) such other information as may be prescribed.

   (2) The Authority may publish the information referred to in subsection (1) or any part of it in such manner as it considers appropriate.
Lapsing, revocation and suspension of benchmark administration licence

11.—(1) A benchmark administration licence shall lapse —

(a) if the holder is wound up or otherwise dissolved, whether in Singapore or elsewhere; or

(b) in the event of such other occurrence or in such other circumstances as may be prescribed.

(2) The Authority may revoke a benchmark administration licence if —

(a) there exists a ground on which the Authority may refuse an application under section [5];

(b) the holder of the benchmark administration licence fails or ceases to carry out the activity of administering a designated benchmark;

(c) the Authority has reason to believe that the holder, or any of its officers or employees, has not performed its or his duties efficiently, honestly or fairly;

(d) the holder has contravened any condition or restriction applicable in respect of its licence, any written direction issued to it by the Authority under this Act, or any provision in this Act;

(e) the Authority has reason to believe that the holder is carrying out the activity of administering a designated benchmark in a manner that is contrary to the interests of the public;

(f) the holder has furnished any information or document to the Authority that is false or misleading;

(g) the holder fails to pay the licence fee referred to in section [4]; or

(h) a prohibition order under section [35] has been made by the Authority, and remains in force, against the holder.

(3) The Authority may, if it considers it desirable to do so —

(a) suspend a benchmark administration licence for a specific period instead of revoking it under subsection (2); and

(b) at any time extend or revoke the suspension.

(4) Subject to subsection (5), the Authority shall not revoke or suspend a benchmark administration licence under subsection (2) or (3) without giving the holder of the licence an opportunity to be heard.

(5) The Authority may revoke or suspend a benchmark administration licence without giving the holder of the licence an opportunity to be heard, on any of the following grounds:
(a) the holder is in the course of being wound up or otherwise dissolved, whether in Singapore or elsewhere;

(b) a receiver, a receiver and manager or an equivalent person has been appointed, whether in Singapore or elsewhere, for or in respect of any property of the holder;

(c) the holder has been convicted, whether in Singapore or elsewhere, of an offence involving fraud or dishonesty or the conviction for which involved a finding that it had acted fraudulently or dishonestly; or

(d) a prohibition order under section [35] has been made by the Authority, and remains in force, against the holder.

(6) Where the Authority has revoked or suspended a benchmark administration licence, the holder of that licence shall —

(a) in the case of a revocation of its licence, immediately inform all its representatives by notice in writing of such revocation, and the representatives who are so informed shall cease to act as representatives of that holder; or

(b) in the case of a suspension of its licence, immediately inform all its representatives by notice in writing of such suspension, and the representatives who are so informed shall cease to act as representatives of that holder during the period of the suspension.

(7) Any holder of a benchmark administration licence who —

(a) performs the activity of administering a designated benchmark while its licence has lapsed or has been revoked or suspended; or

(b) contravenes subsection (6),

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 thereof during which the offence continues after conviction.

(8) A lapsing, revocation or suspension of a benchmark administration licence shall not operate so as to —

(a) avoid or affect any agreement, transaction or arrangement relating to the activity of administering a designated benchmark entered into by the holder of the licence, whether the agreement, transaction or arrangement was entered into before, on or after the revocation, suspension or lapsing of the licence, as the case may be; or
(b) affect any right, obligation or liability arising under any such agreement, transaction or arrangement.

Approval of chief executive officer and director of holder of benchmark administration licence

12.—(1) Subject to subsection (3), no holder of a benchmark administration licence shall —

(a) appoint a person as its chief executive officer or director; or

(b) change the nature of the appointment of a person as a director from one that is non-executive to one that is executive, unless it has obtained the approval of the Authority.

(2) Where a holder of a benchmark administration licence has obtained the approval of the Authority to appoint a person as its chief executive officer or director under subsection (1)(a), the person may be re-appointed as chief executive officer or director, as the case may be, of the holder immediately upon the expiry of the earlier term without the approval of the Authority.

(3) Subsection (1) shall not apply to the appointment of a person as a director of a foreign company, or the change in the nature of the appointment of a person as a director of a foreign company if, at the time of the appointment or change, the person—

(a) does not reside in Singapore; and

(b) is not directly responsible for its carrying out of the activity of administering of a designated benchmark or any part thereof.

(4) Without prejudice to any other matter that the Authority may consider relevant, the Authority may, in determining whether to grant its approval under subsection (1), have regard to such criteria as may be prescribed or as may be specified in written directions.

(5) Subject to subsection (6), the Authority shall not refuse an application for approval under subsection (1) without giving the holder of the benchmark administration licence an opportunity to be heard.

(6) The Authority may refuse an application for approval under subsection (1) on any of the following grounds without giving the holder of a benchmark administration licence an opportunity to be heard:

(a) the person is an undischarged bankrupt, whether in Singapore or elsewhere;

(b) a prohibition order under section [35] has been made by the Authority, and remains in force, against the person;
the person has been convicted, whether in Singapore or elsewhere, of an offence —

(i) involving fraud or dishonesty or the conviction for which involved a finding that he 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 subsection (1), the Authority need not give the person who was proposed to be appointed an opportunity to be heard.

(8) Without prejudice to the Authority’s power to impose conditions or restrictions under section 6, the Authority may, at any time by notice in writing to the holder of a benchmark administration licence, impose on it 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.

(9) Any person who contravenes any condition imposed under subsection (8) shall be guilty of an offence.

Removal of officer of holder of benchmark administration licence

13. —(1) Notwithstanding the provisions of any other written law —

(a) a holder of a benchmark administration licence shall not, without the prior written consent of the Authority, permit a person to act as its executive officer; and

(b) a holder of a benchmark administration licence which is incorporated in Singapore shall not, without the prior written consent of the Authority, permit a person to act as its director, if the person —

(i) has been convicted, whether in Singapore or elsewhere, of an offence committed before, on or after the date of commencement of section 9(1)(j) of the Financial Institutions (Miscellaneous Amendments) Act 2013, being an offence —

(A) involving fraud or dishonesty;

(B) the conviction for which involved a finding that he had acted fraudulently or dishonestly; or

(C) that is specified in the Third Schedule to the Registration of Criminals Act (Cap. 268);

(ii) is an undischarged bankrupt, whether in Singapore or elsewhere;
(iii) has had execution against him in respect of a judgment debt returned unsatisfied in whole or in part;

(iv) has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his creditors, being a compromise or scheme of arrangement that is still in operation;

(v) has had a prohibition order under section 59 of the Financial Advisers Act (Cap. 110), section 35V of the Insurance Act (Cap. 142) or section [35] or section 101A made against him that remains in force; or

(vi) has been a director of, or directly concerned in the management of, a regulated financial institution, whether in Singapore or elsewhere —

   (A) which is being or has been wound up by a court; or

   (B) the approval, authorisation, designation, recognition, registration or licence of which has been withdrawn, cancelled or revoked by the Authority or, in the case of a regulated financial institution in a foreign country or territory, by the regulatory authority in that foreign country or territory.

(2) Notwithstanding the provisions of any other written law, where the Authority is satisfied that a director of a holder of a benchmark administration licence which is incorporated in Singapore, or an executive officer of a holder of a benchmark administration licence —

   (a) has wilfully contravened or wilfully caused the holder to contravene any provision of this Act;

   (b) has, without reasonable excuse, failed to secure the compliance of the holder with this Act, the Monetary Authority of Singapore Act (Cap. 186) or any of the written laws set out in the Schedule to that Act; or

   (c) has failed to discharge any of the duties of his office,

the Authority may, if it thinks it necessary in the interests of the public or a section of the public or users of a designated benchmark or for the protection of investors, by notice in writing to the holder, direct the holder to remove the director or executive officer, as the case may be, from his office or employment within such period as may be specified by the Authority in the notice, and the holder shall comply with the notice.

(3) Without prejudice to any other matter that the Authority may consider relevant, the Authority shall, when determining whether a director or an executive officer of a holder of a benchmark administration licence has failed to discharge the duties of his
office for the purposes of subsection (2)(c), have regard to such criteria as may be prescribed or as may be specified in written directions.

(4) The Authority shall not direct a holder of a benchmark administration licence to remove a person from his office under subsection (2) without giving the holder an opportunity to be heard.

(5) Where the Authority directs a holder of a benchmark administration licence to remove a person from his office or employment under subsection (2), the Authority need not give that person an opportunity to be heard.

(6) No criminal or civil liability shall be incurred by —

(a) a holder of a benchmark administration licence; or

(b) any person acting on behalf of the holder,

in respect of anything done (including any statement made) or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of its obligations under this section.

(7) In this section, unless the context otherwise requires —

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

Control of take-over of holder of benchmark administration licence

14. —(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) No person shall enter into any arrangement in relation to shares in the holder of a benchmark administration licence that is a company by virtue of which he would, if the arrangement is carried out, obtain effective control of the holder, unless he has obtained the prior approval of the Authority to his entering into the arrangement.

(3) An application for the Authority’s approval under subsection (2) shall be made in writing, and the Authority may approve the application if the Authority is satisfied that —
(a) the applicant is a fit and proper person to have effective control of the holder of the benchmark administration licence;

(b) having regard to the applicant’s likely influence, the holder of a benchmark administration licence is likely to continue to carry out the activity of administering a designated benchmark prudently and comply with the provisions of this Act and directions made thereunder in relation to the activity of administering a designated benchmark; and

the applicant satisfies such other criteria as may be prescribed or as may be specified in written directions by the Authority.

(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 his disposal or further acquisition of shares or voting power in the holder of a benchmark administration licence; or

(b) restricting his exercise of voting power in the holder of a benchmark administration licence,

and the applicant shall comply with such conditions.

(5) Any condition imposed under subsection (4) shall have effect notwithstanding any provision of the Companies Act (Cap. 50) or anything contained in the memorandum or articles of association of the holder of a benchmark administration licence.

(6) For the purposes of this section and section [15] —

(a) a reference to a person entering into an arrangement in relation to shares includes —

(i) entering into an agreement or any formal or informal scheme, arrangement or understanding, to acquire those shares;

(ii) making or publishing a statement, however expressed, that expressly or impliedly invites the holder of those shares to offer to dispose of his shares to the first person;

(iii) the first person obtaining a right to acquire shares under an option, or to have shares transferred to himself or to his order, whether the right is exercisable presently or in the future and whether on fulfilment of a condition or not; and

(iv) becoming a trustee of a trust in respect of those shares;

(b) a person shall be regarded as obtaining effective control of the holder of a benchmark administration licence by virtue of an arrangement if the person alone or acting together with any connected person would, if the arrangement is carried out —
(i) acquire or hold, directly or indirectly, 20% or more of the issued share capital of the holder; or

(ii) control, directly or indirectly, 20% or more of the voting power in the holder; and

(c) a reference to the voting power in the holder of a benchmark administration licence is a reference to the total number of votes that may be cast in a general meeting of the holder.

(7) 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.

Objection to control of holder of benchmark administration licence

15.—(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 [14]; or

(b) any person who, whether before, on or after the date of commencement of this section, either alone or together with any connected person, holds, directly or indirectly, 20% or more of the issued share capital of the holder of a benchmark administration licence or controls, directly or indirectly, 20% or more of the voting power in the holder,

if the Authority is satisfied that —

(i) any condition of approval imposed on the person under section [14(4)] has not been complied with;

(ii) the person is not or ceases to be a fit and proper person to have effective control of the holder of the benchmark administration licence;

(iii) having regard to the likely influence of the person, the holder of a benchmark administration licence is not able to or is no longer likely to conduct the activity of administering a designated benchmark prudently or to comply with the provisions of this Act or any direction made thereunder;

(iv) the person does not or ceases to satisfy such criteria as may be prescribed;

(v) the person has furnished false or misleading information or documents in connection with an application under section [14]; or
the Authority would not have granted its approval under section [14] had it been aware, at that time, of circumstances relevant to the person’s application for such approval.

(2) The Authority shall 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 in Singapore or elsewhere, in relation to or in respect of any property of the person;

(c) a prohibition order under section [35] has been made by the Authority, 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 shall, in any written notice of objection, specify a reasonable period within which the person to be served the written notice of objection shall —

(a) take such steps as are necessary to ensure that he ceases to be a party to the arrangement described in section [14(2)] or ceases to have control of a holder of a benchmark administration licence in the manner described in subsection (1)(b); or

(b) comply with such other requirements as the Authority may specify in written directions.

(4) Any person served with a notice of objection under this section shall 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.

Appeals

16.—(1) Subject to subsection (2), any person who is aggrieved by —

(a) the refusal of the Authority to grant a benchmark administration licence;

(b) the revocation or suspension of a benchmark administration licence by the Authority;
(c) the refusal of the Authority to grant an approval to a holder of a benchmark administration licence to appoint a person as its chief executive officer or director; or

(d) the direction of the Authority to a holder of a benchmark administration licence to remove an officer from office or employment,

may within 30 days after it is notified of the decision of the Authority, appeal to the Minister whose decision shall be final.

(2) An appeal under subsection (1)(c) or (d) may only be made by the holder of a benchmark administration licence.

Exemptions from requirement to hold benchmark administration licence

17. – (1) The Authority may

(a) by regulations, exempt any person or class of persons from the requirement to hold a benchmark administration licence; and

(b) on the application of any person, exempt the person the requirement to hold a benchmark administration licence by notice in writing.

(2) An exemption under subsection (1)(b) need not be published in the Gazette.

(3) Where a person acts as a representative of an exempt benchmark administrator, he shall be exempted from the requirement to be licensed as a holder of a benchmark administrator license to carry out the activity of administering a designated benchmark, in so far as:

(a) the type and scope of the activity of administering a designated benchmark are within the type and scope of, or are the same as, that carried out by the exempt benchmark administrator (in his capacity as an exempt benchmark administrator); and

(b) the manner in which the exempt benchmark administrator carries out the activity of administering a designated benchmark is the same as the manner in which the exempt benchmark administrator (in his capacity as an exempt benchmark administrator) carries out the activity of administering a designated benchmark.

(4) The Authority may by regulations or by notice in writing impose such conditions or restrictions on an exempt benchmark administrator or its representative in relation to the administration of a designated benchmark or any related matter as the Authority thinks fit and the exempt benchmark administrator or its representative, as the case may be, shall comply with such conditions or restrictions.

(5) Any exempt benchmark administrator or representative of an exempt benchmark administrator, who contravenes any condition or restriction imposed under
subsection (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding $50,000 and, in the case of a continuing offence, to a further fine not exceeding $5,000 for every day or part thereof during which the offence continues after conviction.

(6) The Authority may withdraw an exemption granted to any person under this section —

(a) if it contravenes any provision of this Act which is applicable to it or any condition or restriction imposed on it under subsection (4);

(b) if it fails to pay the annual fee referred to in section [18];

(c) if it contravenes any direction issued to it under section [34]; or

(d) if the Authority considers that it is carrying on the activity of administering a designated benchmark in a manner that is, in the opinion of the Authority, contrary to the interest of the users of a designated benchmark or to the public interest.

(7) Where the Authority withdraws an exemption granted to any person under this section, the Authority need not give the person an opportunity to be heard.

(8) A withdrawal under subsection (6) of an exemption granted to any person shall not operate so as to —

(a) avoid or affect any agreement, transaction or arrangement relating to the administering of a designated benchmark entered into by the person, whether the agreement, transaction or arrangement was entered into before or after, the withdrawal of the exemption; or

(b) affect any right, obligation or liability arising under any such agreement, transaction or arrangement.

(9) A person that is aggrieved by a decision of the Authority made under subsection (6) may, within 30 days after it is notified of the decision of the Authority, appeal to the Minister whose decision shall be final.

Annual fees payable by an exempt benchmark administrator

18.—(1) Every exempt benchmark administrator shall pay to the Authority such annual fee in respect of the activity of administering a designated benchmark as may be prescribed and in such manner and on such date as may be specified by the Authority.

(2) Any annual fee paid by an exempt benchmark administrator to the Authority in respect of the activity of administering a designated benchmark shall not be refunded or remitted if —
(a) its exemption is withdrawn;

(b) it fails or ceases to carry on the activity of administering a designated benchmark; or

(c) a prohibition order has been made against it under section [35] during the period to which the annual fee relates.

(3) Subject to subsection (2), the Authority may, where it considers appropriate, refund or remit the whole or part of any annual fee paid or payable to it.

(4) Where an exempt benchmark administrator under fails to pay the fee by the date on which such fee is due, the Authority may impose a late payment fee of a prescribed amount for every day or part thereof that the payment is late and both fees shall be recoverable by the Authority as a judgment debt.