

SUMMARY OF KEY AMENDMENTS TO NOTICE 314

Paragraph	Key Amendments Proposed
Throughout the entire Notice	The amendments are to reflect drafting improvements to the Notice. The regulatory expectations as set out in this Notice remains unchanged.
Paragraph 8.6	The amendments are to introduce requirements for the direct life insurer to assess whether a customer may be a shell company that presents higher ML/TF risks and, if so, perform enhanced CDD measures.
Paragraph 13.7A	The amendments are to clarify that group-wide sharing of the underlying analysis of an STR is permitted for risk-management purposes, subject to adequate safeguards to protect the confidentiality and restrict the use of the information shared.
Paragraphs 6.7A, 6.7B	The amendments clarify that where the direct life insurer has assessed that the ML/TF risk of a customer is not high, and is unable to obtain the U.I.N. of the connected party of the customer after taking reasonable measures, the direct life insurer may obtain D.O.B and nationality, in lieu of the U.I.N.
Paragraphs 6.12A, 6.12B, 6.12C	The amendments clarify that where the direct life insurer has assessed that the ML/TF risk of a customer is not high, and is unable to obtain the residential address of the natural person who acts or is appointed to act on behalf of the customer after taking reasonable measures, the direct life insurer may obtain the business address, in lieu of the residential address.
Paragraph 6.12	The amendments clarify that the direct life insurer is allowed to use electronic methods, as an alternative to a specimen signature, to verify that a natural person is the person authorised to act on the customer's behalf.
Paragraph 6.19(c)	The amendments clarify that the exemption cannot be relied on when the customer has been granted a waiver by SGX from the requirements relating to disclosure of its beneficial owners.
Paragraph 6.19(g)	The amendments clarify that, where the direct life insurer itself is the primary manager of the investment vehicle (in respect of its fund management activities for the purpose of carrying out insurance business), it cannot avail itself of the exemption.

MAS Notice 314

24 April 2015

Last revised on **DD MM 2021**

(Refer to endnotes for history of amendments)

NOTICE TO DIRECT LIFE INSURERS
MONETARY AUTHORITY OF SINGAPORE ACT, CAP. 186

PREVENTION OF MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM – DIRECT LIFE INSURERS

1 INTRODUCTION

- 1.1 This Notice is issued pursuant to section 27B of the Monetary Authority of Singapore Act (Cap.186) (“MAS Act”) and applies to all direct life insurers licensed under section 8 of the Insurance Act (Cap. 142) (“IA”).
- 1.2 The requirements of this Notice (other than those set out in paragraphs 13.3 to 13.9) shall apply to a direct life insurer, only in relation to its insurance business concerned with life policies but shall exclude the business of providing the reinsurance of liabilities under life policies.
- 1.3 Except for paragraphs 4, 5, 13.6 and 13.7, this Notice shall take effect from 24 May 2015. Paragraphs 4, 5, 13.6 and 13.7 shall take effect from 24 July 2015. MAS Notice 314 dated 2 July 2007 is cancelled with effect from 24 May 2015.

2 DEFINITIONS

- 2.1 For the purposes of this Notice -

“AML/CFT” means anti-money laundering and countering the financing of terrorism;

“Authority” means the Monetary Authority of Singapore;

“beneficial owner”, in relation to a customer of a direct life insurer, means the natural person who ultimately owns or controls the customer or the natural person on whose behalf business relations are established, and includes any person who exercises ultimate effective control over a legal person or legal arrangement;

“business relations” means -

- (a) the issuance of a life policy by the direct life insurer to; or
- (b) the provision of financial advice by the direct life insurer to,
a person (whether a natural person, legal person or legal arrangement);

“CDD measures” or “customer due diligence measures” means the measures required by paragraph 6;

“CDSA” means the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Cap. 65A);

“connected party” -

- (a) in relation to a legal person (other than a partnership), means any director or any natural person having executive authority in the legal person;
- (b) in relation to a legal person that is a partnership, means any partner or manager¹; and
- (c) in relation to a legal arrangement, means any natural person having executive authority in the legal arrangement;

“Core Principles” refers to the Core Principles for Effective Banking Supervision issued by the Basel Committee on Banking Supervision, the Objectives and Principles for Securities Regulation issued by the International Organisation of Securities Commissions, or the Insurance Core Principles issued by the International Association of Insurance Supervisors;

“customer”, in relation to a direct life insurer, means a person (whether a natural person, legal person or legal arrangement) with whom the direct life insurer establishes or intends to establish business relations including, in the case of a group life policy, the owner of the master policy issued or intended to be issued;

“direct life insurer” means a direct insurer licensed under section 8 of the IA to carry on life business as described in section 2(1) of the IA;

“FATF” means the Financial Action Task Force;

“financial advice” means a financial advisory service as defined in section 2(1) of the

¹ In the case of a limited liability partnership or a limited partnership

Financial Advisers Act (Cap. 110) or advising on corporate finance as defined in section 2(1) of the Securities and Futures Act (Cap. 289);

“financial group” means a group that consists of a legal person or legal arrangement exercising control and coordinating functions over the rest of the group for the application of group supervision under the Core Principles, and its branches and subsidiaries that are financial institutions as defined in section 27A(6) of the MAS Act or the equivalent financial institutions outside Singapore;

“government entity” means a government of a country or jurisdiction, a ministry within such a government, or an agency specially established by such a government through written law;

“legal arrangement” means a trust or other similar arrangement;

“legal person” means an entity other than a natural person that can establish a permanent customer relationship with a financial institution or otherwise own property;

“officer” means any director or any member of the committee of management of the direct life insurer;

“partnership” means a partnership, a limited partnership within the meaning of the Limited Partnerships Act (Cap. 163B) or a limited liability partnership within the meaning of the Limited Liability Partnerships Act (Cap. 163A);

“payee” means the person, other than the beneficiary of a life insurance policy, to whom monies are payable pursuant to paragraphs 6.21(a) to (d) of this Notice;

“personal data” has the same meaning as defined in section 2(1) of the Personal Data Protection Act 2012 (Act 26 of 2012);

“reasonable measures” means appropriate measures which are commensurate with the level of money laundering or terrorism financing risks;

“STR” means suspicious transaction report;

“STRO” means the Suspicious Transaction Reporting Office, Commercial Affairs Department of the Singapore Police Force; and

“TSOFA” means the Terrorism (Suppression of Financing) Act (Cap. 325).

2.2 The expressions used in this Notice shall, except where defined in this Notice or where the context otherwise requires, have the same meanings as in the IA.

3 UNDERLYING PRINCIPLES

3.1 This Notice is based on the following principles, which shall serve as a guide for all direct life insurers in the conduct of their operations and business activities:

- (a) A direct life insurer shall exercise due diligence when dealing with customers, natural persons appointed to act on the customer's behalf, connected parties of the customer and beneficial owners of the customer.
- (b) A direct life insurer shall conduct its business in conformity with high ethical standards, and guard against establishing any business relations or undertaking any transaction, that is or may be connected with, or **facilitates or** may facilitate money laundering or terrorism financing.
- (c) A direct life insurer shall, to the fullest extent possible, assist and cooperate with the relevant law enforcement authorities in Singapore to prevent money laundering and terrorism financing.

4 ASSESSING RISKS AND APPLYING A RISK-BASED APPROACH

Risk Assessment

4.1 A direct life insurer shall take appropriate steps to identify, assess and understand, its money laundering and terrorism financing risks in relation to -

- (a) its customers;
- (b) the countries or jurisdictions its customers are from or in;
- (c) the countries or jurisdictions the direct life insurer has operations in; and
- (d) the products, services, transactions and delivery channels of the direct life insurer.

4.2 The appropriate steps referred to in paragraph 4.1 shall include -

- (a) documenting the direct life insurer's risk assessments;
- (b) considering all the relevant risk factors before determining the level of overall risk and the appropriate type and extent of mitigation to be applied;
- (c) keeping the direct life insurer's risk assessments up-to-date; and

- (d) having appropriate mechanisms to provide its risk assessment information to the Authority.

Risk Mitigation

4.3 A direct life insurer shall -

- (a) develop and implement policies, procedures and controls, which are approved by senior management, to enable the direct life insurer to effectively manage and mitigate the risks that have been identified by the direct life insurer or notified to it by the Authority or other relevant authorities in Singapore;
- (b) monitor the implementation of those policies, procedures and controls, and enhance them if necessary;
- (c) perform enhanced measures where higher risks are identified, to effectively manage and mitigate those higher risks; and
- (d) ensure that the performance of measures or enhanced measures to effectively manage and mitigate the identified risks addresses the risk assessment and guidance from the Authority or other relevant authorities in Singapore.

5 NEW PRODUCTS, PRACTICES AND TECHNOLOGIES

5.1 A direct life insurer shall identify and assess the money laundering and terrorism financing risks that may arise in relation to -

- (a) the development of new products and new business practices, including new delivery mechanisms; and
- (b) the use of new or developing technologies for both new and ~~pre~~-existing products.

5.2 A direct life insurer shall undertake the risk assessments, prior to the launch or use of such products, practices and technologies (to the extent such use is permitted by this Notice), and shall take appropriate measures to manage and mitigate the risks.

5.3 A direct life insurer shall, in complying with the requirements of paragraphs 5.1 and 5.2, pay special attention to any -

- (a) new products and new business practices, including new delivery mechanisms; and
- (b) new or developing technologies,

that favour anonymity.

6 CUSTOMER DUE DILIGENCE (“CDD”)

Anonymous or Fictitious Person

6.1 No direct life insurer shall deal with any person on an anonymous basis or any person using a fictitious name.

Where There are Reasonable Grounds for Suspicion prior to the Establishment of Business Relations

6.2 Prior to a direct life insurer establishing business relations, where the direct life insurer has any reasonable grounds to suspect that the assets or funds of a customer are proceeds of drug dealing or criminal conduct as defined in the CDSA, or are property related to the facilitation or carrying out of any terrorism financing offence as defined in the TSOFA, the direct life insurer shall -

- (a) not establish business relations with the customer; and
- (b) file an STR², and extend a copy to the Authority for information.

When CDD is to be Performed

6.3 A direct life insurer shall perform the measures as required by paragraphs 6, 7 and 8 when -

- (a) the direct life insurer establishes business relations with any customer;
- (b) there is a suspicion of money laundering or terrorism financing, notwithstanding that the direct life insurer would not otherwise be required by this Notice to perform the measures as required by paragraphs 6, 7 and 8; or
- (c) the direct life insurer has doubts about the veracity or adequacy of any information previously obtained.

(l) Identification of Customer

6.4 A direct life insurer shall identify each customer.

6.5 For the purposes of paragraph 6.4, a direct life insurer shall obtain at least the following

² Please note in particular section 48 of the CDSA on tipping-off.

information:

- (a) full name, including any aliases;
 - (b) unique identification number (such as an identity card number, birth certificate number or passport number, or where the customer is not a natural person, the incorporation number or business registration number);
 - (c) the customer's -
 - (i) residential address; or
 - (ii) registered or business address, and if different, principal place of business, as may be appropriate;
 - (d) date of birth, establishment, incorporation or registration (as may be appropriate); and
 - (e) nationality, place of incorporation or place of registration (as may be appropriate).
- 6.6 Where the customer is a legal person or legal arrangement, the direct life insurer shall, apart from identifying the customer, also identify the legal form, constitution and powers that regulate and bind the legal person or legal arrangement.
- 6.7 Where the customer is a legal person or legal arrangement, the direct life insurer shall identify the connected parties of the customer, by obtaining at least the following information of each connected party:
- (a) full name, including any aliases; and
 - (b) unique identification number (such as an identity card number, birth certificate number or passport number of the connected party).

6.7A Where the direct life insurer –

- (a) has assessed that the money laundering and terrorism financing risks in relation to the customer are not high; and
- (b) is unable to obtain the unique identification number of the connected party after taking reasonable measures,

the direct life insurer may obtain the date of birth and nationality of the connected party, in lieu of the unique identification number.

6.7B The direct life insurer shall document the results of the assessment in paragraph 6.7A(a) and all the measures taken under paragraph 6.7A(b).

[MAS Notice 314 (Amendment No.2) 2021]

(II) Verification of Identity of Customer

6.8 A direct life insurer shall verify the identity of the customer using reliable, independent source data, documents or information. Where the customer is a legal person or legal arrangement, a direct life insurer shall verify the legal form, proof of existence, constitution and powers that regulate and bind the customer, using reliable, independent source data, documents or information.

(III) Identification and Verification of Identity of Beneficiary

6.9 A direct life insurer shall, as soon as a beneficiary is identified or designated -

- (a) for a beneficiary who is identified as a specifically named natural person, legal person or legal arrangement, obtain the full name, including any aliases, of such beneficiary; or
- (b) for a beneficiary who is designated by characteristics, class or other means, obtain sufficient information concerning the beneficiary to satisfy itself that it will be able to establish the identity of such beneficiary at the time of payout.

6.10 A direct life insurer shall verify the identity of the beneficiary in accordance with the timing set out in paragraph 6.38 of the Notice.

(IV) Identification and Verification of Identity of Natural Person Appointed to Act on a Customer's Behalf

6.11 Where a customer appoints one or more natural persons to act on his behalf in establishing business relations with a direct life insurer or the customer is not a natural person, the direct life insurer shall -

- (a) identify each natural person who acts or is appointed to act on behalf of the customer by obtaining at least the following information of such natural person:
 - (i) full name, including any aliases;
 - (ii) unique identification number (such as an identity card number, birth certificate number or passport number);
 - (iii) residential address;

- (iv) date of birth;
 - (v) nationality; and
 - (b) verify the identity of each natural person using reliable, independent source data, documents or information.
- 6.12 A direct life insurer shall verify the due authority of each natural person appointed to act on behalf of the customer by: ~~obtaining at least the following:~~
- (a) ~~obtaining~~ the appropriate documentary evidence authorising the appointment of such natural person by the customer to act on his or its behalf; and
 - (b) ~~the specimen signature of such natural person appointed~~ verifying that such natural person is the person authorised to act on the customer's behalf, through methods which include obtaining the person's specimen signature or other electronic means of verification.

[MAS Notice 314 (Amendment No.2) 2021]

6.12A Where the direct life insurer –

- (a) has assessed that the money laundering and terrorism financing risks of the customer are not high; and
- (b) is unable to obtain the residential address of the natural person who acts or is appointed to act on behalf of the customer after taking reasonable measures,

the direct life insurer may obtain the business address of this natural person, in lieu of the residential address.

6.12B Where the direct life insurer has obtained the business address of the natural person referred to in paragraph 6.12A, the direct life insurer shall take reasonable measures to verify the business address using reliable, independent source data, documents or information.

6.12C The direct life insurer shall document the results of the assessment in paragraph 6.12A(a) and all the measures taken under paragraph 6.12A(b).

[MAS Notice 314 (Amendment No.2) 2021]

6.13 Where the customer is a Singapore Government entity, the direct life insurer shall only be required to obtain such information as may be required to confirm that the customer is a Singapore Government entity as asserted.

(V) Identification and Verification of Identity of Beneficial Owner

6.14 For the purposes of paragraphs 6.15 to 6.20 -

- (a) a reference to a beneficiary means a beneficiary that is -
 - (i) a legal person or legal arrangement; and
 - (ii) assessed by the direct life insurer to present a higher risk for money laundering or terrorism financing; and
- (b) a reference to a beneficial owner of a beneficiary means the natural person who ultimately owns or controls the beneficiary and includes any person who exercises ultimate effective control over the beneficiary.

6.15 Subject to paragraph 6.19, a direct life insurer shall inquire if there exists any beneficial owner of a customer or beneficial owner of a beneficiary.

6.16 Where there is one or more beneficial owners of a customer or one or more beneficial owners of a beneficiary, the direct life insurer shall identify the beneficial owners and take reasonable measures to verify the identities of the beneficial owners using the relevant information or data obtained from reliable, independent sources. The direct life insurer shall -

- (a) for customers or beneficiaries that are legal persons -
 - (i) identify the natural persons (whether acting alone or together) who ultimately own the legal person;
 - (ii) to the extent that there is doubt under subparagraph (i) as to whether the natural persons who ultimately own the legal person are the beneficial owners or where no natural persons ultimately own the legal person, identify the natural persons (if any) who ultimately control the legal person or have ultimate effective control of the legal person; and
 - (iii) where no natural persons are identified under subparagraph (i) or (ii), identify the natural persons having executive authority in the legal person, or in equivalent or similar positions;
- (b) for customers or beneficiaries that are legal arrangements -
 - (i) for trusts, identify the settlors, the trustees, the protector (if any), the beneficiaries of the trust (including every beneficiary that falls within a

designated characteristic or class)³, and any natural person exercising ultimate ownership, ultimate control or ultimate effective control over the trust (including through a chain of control or ownership); and

- (ii) for other types of legal arrangements, identify persons in equivalent or similar positions, as those described under subparagraph (i).

6.17 A direct life insurer shall identify the beneficial owners of a beneficiary at the time of payout.

6.18 Where the customer or beneficiary is not a natural person, the direct life insurer shall understand the nature of the customer's or the beneficiary's business and its ownership and control structure.

6.19 A direct life insurer shall not be required to inquire if there exists any beneficial owner in relation to, a customer or a beneficiary that is -

(a) *Deleted with effect from 30 November 2015;*

(b) *Deleted with effect from 30 November 2015;*

(c) an entity listed on the Singapore Exchange, **provided that such entity has not been granted a waiver by the Singapore Exchange from the requirements relating to disclosure of its beneficial owners;**

(d) an entity listed on a stock exchange outside of Singapore that is subject to -

(i) regulatory disclosure requirements; and

(ii) requirements relating to adequate transparency in respect of its beneficial owners (imposed through stock exchange rules, law or other enforceable means);

(e) a financial institution set out in Appendix 1;

(f) a financial institution incorporated or established outside Singapore that is subject to and supervised for compliance with AML/CFT requirements consistent with standards set by the FATF; or

(g) an investment vehicle where the managers **(other than the direct life insurer in respect of its fund management activities for the purpose of carrying out insurance**

³ In relation to a beneficiary of a trust designated by characteristics or by class, the direct life insurer shall obtain sufficient information about the beneficiary to satisfy itself that it will be able to establish the identity of the beneficiary –

- (a) before making a distribution to that beneficiary; or
- (b) when that beneficiary intends to exercise vested rights.

business) are financial institutions -

- (i) set out in Appendix 1; or
- (ii) incorporated or established outside Singapore but are subject to and supervised for compliance with AML/CFT requirements consistent with standards set by the FATF,

unless the direct life insurer has doubts about the veracity of the CDD information, or suspects that the customer, beneficiary, business relations with, or transaction undertaken in the course of business relations for, the customer, may be connected with money laundering or terrorism financing.

[MAS Notice 314 (Amendment) 2015]
[MAS Notice 314 (Amendment No.2) 2021]

6.20 For the purposes of paragraphs 6.19(f) and 6.19(g)(ii), a direct life insurer shall document the basis for its determination that the requirements in those paragraphs have been duly met.

(VI) Identification and Verification of Identity of Payee

6.21 Where the payee is not the customer, a direct life insurer shall identify the payee and verify his identity at the time of making any of the following types of payment:

- (a) payment of the sum assured (or part thereof) upon the occurrence of the risk insured against in accordance with a life policy;
- (b) payment of the surrender value of a life policy;
- (c) refund of premium upon the avoidance, cancellation or termination of a life policy; or
- (d) any other payment made in relation to any life policy.

(VII) Information on the Purpose and Intended Nature of Business Relations

6.22 A direct life insurer shall, when processing the application to establish business relations, understand and as appropriate, obtain from the customer information as to the purpose and intended nature of business relations.

(VIII) Ongoing Monitoring

6.23 A direct life insurer shall monitor on an ongoing basis, its business relations with customers.

- 6.24 A direct life insurer shall, during the course of business relations with a customer, observe the conduct of the customer's life policy and scrutinise transactions undertaken in the course of business relations, to ensure that the transactions are consistent with the direct life insurer's knowledge of the customer, its business and risk profile and where appropriate, the source of funds.
- 6.25 A direct life insurer shall pay special attention to all complex, unusually large or unusual patterns of transactions, undertaken in the course of business relations, that have no apparent or visible economic or lawful purpose.
- 6.26 For the purposes of ongoing monitoring, a direct life insurer shall put in place and implement adequate systems and processes, commensurate with the size and complexity of the direct life insurer, to -
- (a) monitor its business relations with customers; and
 - (b) detect and report suspicious, complex, unusually large or unusual patterns of transactions.
- 6.27 A direct life insurer shall, to the extent possible, inquire into the background and purpose of the transactions in paragraph 6.25 and document its findings with a view to making this information available to the relevant authorities should the need arise.
- 6.28 A direct life insurer shall ensure that the CDD data, documents and information obtained in respect of customers, natural persons appointed to act on behalf of the customers, connected parties of the customers and beneficial owners of the customers, are relevant and kept up-to-date by undertaking reviews of existing CDD data, documents and information, particularly for higher risk categories of customers.
- 6.29 Where there are any reasonable grounds for suspicion that existing business relations with a customer are connected with money laundering or terrorism financing, and where the direct life insurer considers it appropriate to retain the customer -
- (a) the direct life insurer shall substantiate and document the reasons for retaining the customer; and
 - (b) the customer's business relations with the direct life insurer shall be subject to commensurate risk mitigation measures, including enhanced ongoing monitoring.
- 6.30 Where the direct life insurer assesses the customer or the business relations with the customer referred to in paragraph 6.29 to be of higher risk, the direct life insurer shall perform enhanced CDD measures, which shall include obtaining the approval of the direct life insurer's senior management to retain the customer.

CDD Measures for Non-Face-to-Face Business Relations

- 6.31 A direct life insurer shall develop policies and procedures to address any specific risks associated with non-face-to-face business relations with a customer or transactions undertaken in the course of non-face-to-face business relations for a customer.
- 6.32 A direct life insurer shall implement the policies and procedures referred to in paragraph 6.31 when establishing business relations with a customer and when conducting ongoing due diligence.
- 6.33 Where there is no face-to-face contact, the direct life insurer shall perform CDD measures that are at least as **stringent robust** as those that would be required to be performed if there was face-to-face contact.

Reliance by Acquiring Direct Life Insurer on Measures Already Performed

- 6.34 When a direct life insurer (“acquiring direct life insurer”) acquires, either in whole or in part, the business of another financial institution (whether in Singapore or elsewhere), the acquiring direct life insurer shall perform the measures as required by paragraphs 6, 7 and 8, on the customers acquired with the business at the time of acquisition except where the acquiring direct life insurer has -
- (a) acquired at the same time all corresponding customer records (including CDD information) and has no doubt or concerns about the veracity or adequacy of the information so acquired; and
 - (b) conducted due diligence enquiries that have not raised any doubt on the part of the acquiring direct life insurer as to the adequacy of AML/CFT measures previously adopted in relation to the business or part thereof now acquired by the acquiring direct life insurer, and document such enquiries.

Timing for Verification

- 6.35 Subject to paragraphs 6.36 and 6.37, a direct life insurer shall complete verification of the identity of a customer as required by paragraph 6.8, natural persons appointed to act on behalf of the customer as required by paragraph 6.11(b) and beneficial owners of the customer as required by paragraph 6.16 before the direct life insurer establishes business relations with the customer.
- 6.36 A direct life insurer may establish business relations with a customer before completing the verification of the identity of the customer as required by paragraph 6.8, natural persons appointed to act on behalf of the customer as required by paragraph 6.11(b) and beneficial owners of the customer as required by paragraph 6.16 if -

- (a) the deferral of completion of the verification is essential in order not to interrupt the normal conduct of business operations; and
 - (b) the risks of money laundering and terrorism financing can be effectively managed by the direct life insurer.
- 6.37 Where the direct life insurer establishes business relations with a customer before verifying the identity of the customer as required by paragraph 6.8, natural persons appointed to act on behalf of the customer as required by paragraph 6.11(b), and beneficial owners of the customer as required by paragraph 6.16, the direct life insurer shall -
- (a) develop and implement internal risk management policies and procedures concerning the conditions under which such business relations may be established prior to verification; and
 - (b) complete such verification as soon as is reasonably practicable.
- 6.38 A direct life insurer shall verify the identity of -
- (a) beneficiaries; and
 - (b) the beneficial owners of beneficiaries referred to in paragraph 6.14,
- at the time of payout.

Where Measures are not Completed

- 6.39 Where the direct life insurer is unable to complete the measures as required by paragraphs 6, 7 and 8, it shall not commence or continue business relations with any customer, including making any payment to a payee or beneficiary. The direct life insurer shall consider if the circumstances are suspicious so as to warrant the filing of an STR.
- 6.40 For the purposes of paragraph 6.39, completion of the measures means the situation where the direct life insurer has obtained, screened and verified (including by delayed verification as allowed under paragraphs 6.36 and 6.37) all necessary CDD information **required** under paragraphs 6, 7 and 8, and where the direct life insurer has received satisfactory responses to all inquiries in relation to such necessary CDD information.

Jointly-Owned Policy

- 6.41 In the case of a jointly-owned policy, a direct life insurer shall perform CDD measures on all of the policy owners as if each of them were individual customers of the direct life insurer.

Existing Customers

6.42 A direct life insurer shall perform the measures as required by paragraphs 6, 7 and 8 in relation to its existing customers, based on its own assessment of materiality and risk, taking into account any previous measures applied, the time when the measures were last applied to such existing customers and the adequacy of data, documents or information obtained.

Screening

6.43 A direct life insurer shall screen a customer, natural persons appointed to act on behalf of the customer, connected parties of the customer and beneficial owners of the customer against relevant money laundering and terrorism financing information sources, as well as lists and information provided by the Authority or other relevant authorities in Singapore for the purposes of determining if there are any money laundering or terrorism financing risks in relation to the customer.

6.44 A direct life insurer shall screen the persons referred to in paragraph 6.43 -

- (a) when, or as soon as reasonably practicable after, the direct life insurer establishes business relations with a customer;
- (b) on a periodic basis after the direct life insurer establishes business relations with the customer; and
- (c) when there are any changes or updates to -
 - (i) the lists and information provided by the Authority or other relevant authorities in Singapore to the direct life insurer; or
 - (ii) the natural persons appointed to act on behalf of a customer, connected parties of a customer or beneficial owners of a customer.

6.45 A direct life insurer shall screen, at the time of payout, each -

- (a) payee;
- (b) beneficiary; and
- (c) beneficial owner of a beneficiary referred to in paragraph 6.14,

against relevant money laundering and terrorism financing information sources, as well as lists and information provided by the Authority or other relevant authorities in Singapore for the purposes of determining if there are any money laundering or terrorism financing risks in relation to any such persons.

6.46 The results of screening and assessment by the direct life insurer shall be documented.

7 SIMPLIFIED CUSTOMER DUE DILIGENCE

7.1 Subject to paragraph 7.4, a direct life insurer may perform simplified CDD measures in relation to a customer, any beneficiary, any natural person appointed to act on behalf of the customer, any beneficial owner of the customer (other than any beneficial owner that the direct life insurer is exempted from making inquiries about under paragraph 6.19) and any beneficial owner of a beneficiary referred to in paragraph 6.14 if it is satisfied that the risks of money laundering and terrorism financing are low.

[MAS Notice 314 (Amendment) 2015]

7.2 The assessment of low risks shall be supported by an adequate analysis of risks by the direct life insurer.

7.3 The simplified CDD measures shall be commensurate with the level of risk, based on the risk factors identified by the direct life insurer.

7.4 A direct life insurer shall not perform simplified CDD measures -

- (a) where a customer or any beneficial owner of the customer is from or in a country or jurisdiction in relation to which the FATF has called for countermeasures;
- (b) where a customer or any beneficial owner of the customer is from or in a country or jurisdiction known to have inadequate AML/CFT measures, as determined by the direct life insurer for itself, or notified to direct life insurers generally by the Authority or other foreign regulatory authorities; or
- (c) where the direct life insurer suspects that money laundering or terrorism financing is involved.

7.5 Subject to paragraphs 7.2, 7.3 and 7.4, a direct life insurer may perform simplified CDD measures in relation to a customer that is a financial institution set out in Appendix 2.

7.6 Where the direct life insurer performs simplified CDD measures in relation to a customer, any beneficiary, any natural person appointed to act on behalf of the customer, any beneficial owner of the customer and any beneficial owner of a beneficiary referred to in paragraph 6.14, it shall document -

- (a) the details of its risk assessment; and
- (b) the nature of the simplified CDD measures.

7.7 For avoidance of doubt, the term “CDD measures” in paragraph 7 means the measures required by paragraph 6.

[MAS Notice 314 (Amendment) 2015]

8 ENHANCED CUSTOMER DUE DILIGENCE

Politically Exposed Persons

8.1 For the purposes of paragraph 8 -

“close associate” means a natural person who is closely connected to a politically exposed person, either socially or professionally;

“domestic politically exposed person” means a natural person who is or has been entrusted domestically with prominent public functions;

“family member” means a parent, step-parent, child, step-child, adopted child, spouse, sibling, step-sibling and adopted sibling of the politically exposed person;

“foreign politically exposed person” means a natural person who is or has been entrusted with prominent public functions in a foreign country;

“international organisation” means an entity established by formal political agreements between member countries that have the status of international treaties, whose existence is recognised by law in member countries and which is not treated as a resident institutional unit of the country in which it is located;

“international organisation politically exposed person” means a natural person who is or has been entrusted with prominent public functions in an international organisation;

“politically exposed person” means a domestic politically exposed person, foreign politically exposed person or international organisation politically exposed person; and

“prominent public functions” includes the roles held by a head of state, a head of government, government ministers, senior civil or public servants, senior judicial or military officials, senior executives of state owned corporations, senior political party officials, members of the legislature and senior management of international organisations.

8.2 A direct life insurer shall implement appropriate internal risk management systems, policies, procedures and controls to determine if a customer, any beneficiary, any natural person appointed to act on behalf of the customer, any connected party of the customer, any beneficial owner of the customer or any beneficial owner of a beneficiary referred to in

paragraph 6.14 is a politically exposed person, or a family member or close associate of a politically exposed person.

8.3 A direct life insurer shall, in addition to performing CDD measures (specified in paragraph 6), perform at least the following enhanced CDD measures where a customer, any beneficiary, any beneficial owner of the customer or any beneficial owner of a beneficiary referred to in paragraph 6.14 is determined by the direct life insurer to be a politically exposed person, or a family member or close associate of a politically exposed person under paragraph 8.2:

- (a) obtain approval from the direct life insurer's senior management to establish or continue business relations with the customer, including making any payment to a beneficiary;
- (b) establish, by appropriate and reasonable means, the source of wealth and source of funds of the customer and any beneficial owner of the customer; and
- (c) conduct, during the course of business relations with the customer, enhanced monitoring of business relations with the customer. In particular, the direct life insurer shall increase the degree and nature of monitoring of the business relations with, and transactions undertaken in the course of business relations for, the customer, in order to determine whether they appear unusual or suspicious.

8.4 A direct life insurer may adopt a risk-based approach in determining whether to perform enhanced CDD measures or the extent of enhanced CDD measures to be performed for -

- (a) domestic politically exposed persons, their family members and close associates;
- (b) international organisation politically exposed persons, their family members and close associates; or
- (c) politically exposed persons who have stepped down from their prominent public functions, taking into consideration the level of influence such persons may continue to exercise after stepping down from their prominent public functions, their family members and close associates,

except in cases where their business relations or transactions with the direct life insurer present a higher risk for money laundering or terrorism financing.

Other Higher Risk Categories

8.5 A direct life insurer shall implement appropriate internal risk management systems, policies, procedures and controls to determine if business relations with, or transactions undertaken in the course of business relations for, any customer present a higher risk for money

laundering or terrorism financing.

8.6 For the purposes of paragraph 8.5, circumstances where a customer presents or may present a higher risk for money laundering or terrorism financing include but are not limited to the following:

- (a) where a customer, any beneficiary, any beneficial owner of the customer or any beneficial owner of a beneficiary referred to in paragraph 6.14 is from or in a country or jurisdiction in relation to which the FATF has called for countermeasures, the direct life insurer shall treat any business relations with, or transactions undertaken in the course of business relations for, any such customer as presenting a higher risk for money laundering or terrorism financing; ~~and~~
- (b) where a customer, any beneficiary, any beneficial owner of the customer or any beneficial owner of a beneficiary referred to in paragraph 6.14 is from or in a country or jurisdiction known to have inadequate AML/CFT measures, as determined by the direct life insurer for itself, or notified to direct life insurers generally by the Authority or other foreign regulatory authorities, the direct life insurer shall assess whether any such customer presents a higher risk for money laundering or terrorism financing; ~~and~~
- (c) ~~where a customer is a legal person for which the direct life insurer is not able to establish if it has any –~~
 - ~~(i) ongoing, apparent or visible operation or business activity;~~
 - ~~(ii) economic or business purpose for its corporate structure or arrangement; or~~
 - ~~(iii) substantive financial activity in its interactions with the direct life insurer,~~~~the direct life insurer shall assess whether any such customer presents a higher risk for money laundering or terrorism financing.~~

[MAS Notice 314 (Amendment) 2015]
[MAS Notice 314 (Amendment No.2) 2021]

8.7 A direct life insurer shall perform the appropriate enhanced CDD measures in paragraph 8.3 for business relations with, or transactions undertaken in the course of business relations for, any customer -

- (a) who the direct life insurer determines under paragraph 8.5; or
- (b) the Authority or other relevant authorities in Singapore notify to the direct life insurer,

as presenting a higher risk for money laundering or terrorism financing.

- 8.7A For avoidance of doubt, in determining whether the business relations with, or transactions undertaken in the course of business relations for, any customer present a higher risk for money laundering or terrorism financing under paragraphs 8.5 and 8.7, the direct life insurer shall include each beneficiary as a relevant risk factor.

[MAS Notice 314 (Amendment) 2015]

- 8.8 A direct life insurer shall, in taking enhanced CDD measures to manage and mitigate any higher risks that have been identified by the direct life insurer, or notified to it by the Authority or other relevant authorities in Singapore, ensure that the enhanced CDD measures take into account the requirements of any laws, regulations or directions administered by the Authority, including but not limited to the regulations or directions issued by the Authority under section 27A of the MAS Act.

9 RELIANCE ON THIRD PARTIES

- 9.1 For the purposes of paragraph 9, “third party” means -

- (a) a financial institution set out in Appendix 2;
- (b) a financial institution which is subject to and supervised by a foreign authority for compliance with AML/CFT requirements consistent with standards set by the FATF (other than a holder of a ~~money-changer’s licence or a holder of a remittance licence~~ **payment services licence under the Payment Services Act 2019 (No. 2 of 2019)**, or equivalent licences);
- (c) in relation to a direct life insurer incorporated in Singapore, its branches, subsidiaries, parent entity, the branches and subsidiaries of the parent entity, and other related corporations; or
- (d) in relation to a direct life insurer incorporated outside Singapore, its head office, its parent entity, the branches and subsidiaries of the head office, the branches and subsidiaries of the parent entity, and other related corporations.

- 9.2 Subject to paragraph 9.3, a direct life insurer may rely on a third party to perform the measures as required by paragraphs 6, 7 and 8 if the following requirements are met:

- (a) the direct life insurer is satisfied that the third party it intends to rely upon is subject to and supervised for compliance with AML/CFT requirements consistent with standards set by the FATF, and has adequate AML/CFT measures in place to comply with those requirements;

- (b) the direct life insurer takes appropriate steps to identify, assess and understand the money laundering and terrorism financing risks particular to the countries or jurisdictions that the third party operates in;
 - (c) the third party is not one which direct life insurers have been specifically precluded by the Authority from relying upon; and
 - (d) the third party is able and willing to provide, without delay, upon the direct life insurer's request, any data, documents or information obtained by the third party with respect to the measures applied on the direct life insurer's customer, which the direct life insurer would be required or would want to obtain.
- 9.3 No direct life insurer shall rely on a third party to conduct ongoing monitoring of business relations with customers.
- 9.4 Where a direct life insurer relies on a third party to perform the measures as required by paragraphs 6, 7 and 8, it shall -
- (a) document the basis for its satisfaction that the requirements in paragraphs 9.2(a) and (b) have been met, except where the third party is a financial institution set out in Appendix 2; and
 - (b) immediately obtain from the third party the CDD information which the third party had obtained.
- 9.5 For the avoidance of doubt, notwithstanding the reliance upon a third party, the direct life insurer shall remain responsible for its AML/CFT obligations in this Notice.

10 RECORD KEEPING

- 10.1 A direct life insurer shall, in relation to all data, documents and information that the direct life insurer is required to obtain or produce to meet the requirements under this Notice, prepare, maintain and retain records of such data, documents and information.
- 10.2 A direct life insurer shall perform the measures as required by paragraph 10.1 such that-
- (a) all requirements imposed by law (including this Notice) are met;
 - (b) any individual transaction undertaken by the direct life insurer in the course of business relations can be reconstructed (including the amount and type of currency involved) so as to provide, if necessary, evidence for prosecution of criminal activity;

- (c) the Authority or other relevant authorities in Singapore and the internal and external auditors of the direct life insurer are able to review the direct life insurer's business relations, transactions undertaken in the course of business relations, records and CDD information and assess the level of compliance with this Notice; and
 - (d) the direct life insurer can satisfy, within a reasonable time or any more specific time period imposed by law or by the requesting authority, any enquiry or order from the relevant authorities in Singapore for information.
- 10.3 Subject to paragraph 10.5 and any other requirements imposed by law, a direct life insurer shall, for the purposes of record retention under paragraphs 10.1 and 10.2, and when setting its record retention policies, comply with the following record retention periods:
- (a) for CDD information relating to the business relations and transactions undertaken in the course of business relations, as well as policy files, business correspondence and results of any analysis undertaken, a period of at least 5 years following the termination of such business relations; and
 - (b) for data, documents and information relating to a transaction undertaken in the course of business relations, including any information needed to explain and reconstruct the transaction, a period of at least 5 years following the completion of the transaction.
- 10.4 A direct life insurer may retain data, documents and information as originals or copies, in paper or electronic form or on microfilm, provided that they are admissible as evidence in a Singapore court of law.
- 10.5 A direct life insurer shall retain records of data, documents and information on all its business relations with, or transactions undertaken in the course of business relations for, a customer pertaining to a matter which is under investigation or which has been the subject of an STR, in accordance with any request or order from STRO or other relevant authorities in Singapore.

11 PERSONAL DATA

- 11.1 For the purposes of paragraph 11, "individual" means a natural person, whether living or deceased.
- 11.2 Subject to paragraph 11.3 and for the purposes of complying with this Notice, a direct life insurer shall not be required to provide an individual customer, an individual beneficiary, an individual appointed to act on behalf of has the a customer, an individual connected party of a customer, an individual beneficial owner of a customer, an individual beneficial owner of a beneficiary referred to in paragraph 6.14 or an individual payee, with -

- (a) any access to personal data about the individual that is in the possession or under the control of the direct life insurer;
- (b) any information about the ways in which the personal data of the individual under subparagraph (a) has been or may have been used or disclosed by the direct life insurer; and
- (c) any right to correct an error or omission of the personal data about the individual that is in the possession or under the control of the direct life insurer.

11.3 A direct life insurer shall, as soon as reasonably practicable, upon the request of an individual customer, an individual appointed to act on behalf of a customer, an individual connected party of a customer, an individual beneficial owner of a customer or an individual payee, provide the requesting individual with the right to -

- (a) access the following types of personal data of that individual, that is in the possession or under the control of the direct life insurer:
 - (i) his full name, including any alias;
 - (ii) his unique identification number (such as an identity card number, birth certificate number or passport number);
 - (iii) his residential address;
 - (iv) his date of birth;
 - (v) his nationality;
 - (vi) subject to sections 21(2) and (3) read with the Fifth Schedule to the Personal Data Protection Act 2012 (Act 26 of 2012), any other personal data of the respective individual provided by that individual to the direct life insurer; and
- (b) subject to section 22(7) read with the Sixth Schedule to the Personal Data Protection Act, correct an error or omission in relation to the types of personal data set out in subparagraphs (a)(i) to (vi), provided the direct life insurer is satisfied that there are reasonable grounds for such request.

11.4 For the purposes of complying with this Notice, a direct life insurer may, whether directly or through a third party, collect, use and disclose personal data of an individual customer, an individual beneficiary, an individual appointed to act on behalf of a customer, an individual connected party of a customer, an individual beneficial owner of a customer, an individual beneficial owner of a beneficiary referred to in paragraph 6.14 or an individual payee, without

the respective individual's consent.

12 SUSPICIOUS TRANSACTIONS REPORTING

- 12.1 A direct life insurer shall keep in mind the provisions in the CDSA⁴ and in the TSOFA that provide for the reporting to the authorities of transactions suspected of being connected with money laundering or terrorism financing and implement appropriate internal policies, procedures and controls for meeting its obligations under the law, including the following:
- (a) establish a single reference point within the organisation to whom all officers, employees and agents are instructed to promptly refer all transactions suspected of being connected with money laundering or terrorism financing, for possible referral to STRO via STRs; and
 - (b) keep records of all transactions referred to STRO, together with all internal findings and analysis done in relation to them.
- 12.2 A direct life insurer shall promptly submit reports on suspicious transactions (including attempted transactions), regardless of the amount of the transaction, to STRO, and extend a copy to the Authority for information.
- 12.3 A direct life insurer shall consider if the circumstances are suspicious so as to warrant the filing of an STR and document the basis for its determination, including where -
- (a) the direct life insurer is for any reason unable to complete the measures as required by paragraphs 6, 7 and 8; or
 - (b) the customer is reluctant, unable or unwilling to provide any information requested by the direct life insurer, or decides to withdraw a pending application to establish business relations or a pending transaction, or to terminate existing business relations.
- 12.4 Where a direct life insurer forms a suspicion of money laundering or terrorism financing, and reasonably believes that performing any of the measures as required by paragraphs 6, 7 or 8 will tip-off a customer, a beneficiary, a natural person appointed to act on behalf of the customer, a connected party of the customer, a beneficial owner of the customer, a beneficial owner of a beneficiary referred to in paragraph 6.14 or a payee, the direct life insurer may stop performing those measures. The direct life insurer shall document the basis for its assessment and file an STR.
- 12.5 For avoidance of doubt, where any beneficiary, or beneficial owner of a beneficiary referred

⁴ Please note in particular section 48 of the CDSA on tipping-off.

to in paragraph 6.14, is a politically exposed person, or a family member or close associate of a politically exposed person and where higher risks are identified, the direct life insurer shall consider filing an STR.

[MAS Notice 314 (Amendment) 2015]

- 12.6 For the purposes of paragraph 12.5, the terms “close associate”, “family member” and “politically exposed person” have the same meanings as defined in paragraph 8.1.

[MAS Notice 314 (Amendment) 2015]

13 INTERNAL POLICIES, COMPLIANCE, AUDIT AND TRAINING

- 13.1 A direct life insurer shall develop and implement adequate internal policies, procedures and controls, taking into consideration its money laundering and terrorism financing risks and the size of its business, to help prevent money laundering and terrorism financing and communicate these to its employees and agents.

- 13.2 The policies, procedures and controls shall meet all **the** requirements of this Notice.

Group Policy

- 13.3 For the purposes of paragraphs 13.4 to 13.9, a reference to “direct life insurer” means a direct life insurer incorporated in Singapore.

- 13.4 A direct life insurer shall develop a group policy on AML/CFT to meet all **the** requirements of this Notice and extend this to all of its branches and subsidiaries in its financial group.

- 13.5 Where a direct life insurer has a branch or subsidiary in a host country or jurisdiction -

- (a) in relation to which the FATF has called for countermeasures; or
- (b) known to have inadequate AML/CFT measures, as determined by the direct life insurer for itself, **or** notified to direct life insurers generally by the Authority or other foreign regulatory authorities,

the direct life insurer shall ensure that its group policy on AML/CFT is strictly observed by the management of that branch or subsidiary.

- 13.6 Subject to the direct life insurer putting in place adequate safeguards to protect the confidentiality and use of any information that is shared, the direct life insurer shall develop and implement group policies and procedures for its branches and subsidiaries within the financial group, to share information required for the purposes of CDD and for money

laundering and terrorism financing risk management, to the extent permitted by the law of the countries or jurisdictions that its branches and subsidiaries are in.

13.7 Such policies and procedures shall include the provision, to the direct life insurer's group-level compliance, audit, and AML/CFT functions, of customer, account, and transaction information from its branches and subsidiaries within the financial group, when necessary for money laundering and terrorism financing risk management purposes.

13.7A For the purposes of paragraph 13.7, the information to be shared within the direct life insurer's financial group shall include any information and analysis of transactions or activities that appear unusual.⁵

[MAS Notice 314 (Amendment No.2) 2021]

13.8 Where the AML/CFT requirements in the host country or jurisdiction differ from those in Singapore, the direct life insurer shall require that the overseas branch or subsidiary apply the higher of the two standards, to the extent that the law of the host country or jurisdiction so permits.

13.9 Where the law of the host country or jurisdiction conflicts with Singapore law such that the overseas branch or subsidiary is unable to fully observe the higher standard, the direct life insurer shall apply additional appropriate measures to manage the money laundering and terrorism financing risks, report this to the Authority and comply with such further directions as may be given by the Authority.

Compliance

13.10 A direct life insurer shall develop appropriate compliance management arrangements, including at least, the appointment of an AML/CFT compliance officer at the management level.

13.11 A direct life insurer shall ensure that the AML/CFT compliance officer, as well as any other persons appointed to assist him, is suitably qualified, and has adequate resources and timely access to all customer records and other relevant information which he requires to discharge his functions.

Audit

13.12 A direct life insurer shall maintain an audit function that is adequately resourced and independent, and that is able to regularly assess the effectiveness of the direct life insurer's internal policies, procedures and controls, and its compliance with regulatory requirements.

⁵ Subject to section 48 of the CDSA on tipping-off, information shared may include an STR, the underlying information of the STR, or the fact that STR was filed.

[MAS Notice 314 (Amendment No.2) 2021]

Officer, Employee and Agent Hiring

13.13 A direct life insurer shall have in place screening procedures to ensure high standards when hiring employees and appointing officers and agents.

Training

13.14 A direct life insurer shall take all appropriate steps to ensure that its officers, employees and agents (whether in Singapore or elsewhere) are regularly and appropriately trained on –

- (a) AML/CFT laws and regulations, and in particular, CDD measures, and detecting and reporting of suspicious transactions;
- (b) prevailing techniques, methods and trends in money laundering and terrorism financing; and
- (c) the direct life insurer's internal AML/CFT policies, procedures and controls, ~~on AML/CFT~~ and the roles and responsibilities of officers, employees and agents in combating money laundering and terrorism financing.

[MAS Notice 314 (Amendment No.2) 2021]

Endnotes on History of Amendments

1. MAS Notice 314 dated 2 July 2007.
 - (a) MAS Notice 314 (Amendment) 2009 dated 3 July 2009 with effect from 2 December 2009.
 - (b) MAS Notice 314 (Amendment) 2013 with effect from 23 January 2013.
 - (c) MAS Notice 314 (Amendment) 2014 with effect from 1 July 2014.
2. MAS Notice 314 dated 2 July 2007 cancelled with effect from 24 May 2015.
3. MAS Notice 314 dated 24 April 2015 with effect from 24 May 2015.
 - (a) MAS Notice 314 (Amendment) 2015 with effect from 30 November 2015
 - (b) MAS Notice 314 (Amendment) 2021 with effect from 1 July 2021.
 - (c) MAS Notice 314 (Amendment No.2) 2021 with effect from DD MM 2021.

Appendix 1

1. Financial institutions that are licensed, approved, registered (including a fund management company registered under paragraph 5(1)(i) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg. 10)) or regulated by the Authority but does not include a person (other than a person referred to in paragraphs 2 and 3) who is exempted from licensing, approval or regulation by the Authority under any Act administered by the Authority, including a private trust company exempted from licensing under section 15 of the Trust Companies Act (Cap. 336) read with regulation 4 of the Trust Companies (Exemption) Regulations (Rg. 1).

[MAS Notice 314 (Amendment) 2021]

2. Persons exempted under section 23(1)(f) of the Financial Advisers Act (Cap. 110) read with regulation 27(1)(d) of the Financial Advisers Regulations (Rg. 2).
3. Persons exempted under section 99(1)(h) of the Securities and Futures Act (Cap. 289) read with paragraph 7(1)(b) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations.

Note: For the avoidance of doubt, the financial institutions set out in Appendix 2 fall within Appendix 1.

Appendix 2

1. Banks in Singapore licensed under the Banking Act (Cap.19).

[MAS Notice 314 (Amendment) 2021]

2. Merchant banks in Singapore licensed under the Banking Act.

[MAS Notice 314 (Amendment) 2021]

3. Finance companies licensed under section 6 of the Finance Companies Act (Cap. 108).

4. Financial advisers licensed under section 6 of the Financial Advisers Act (Cap. 110) except those which only provide advice by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product.

5. Holders of a capital markets services licence under section 82 of the Securities and Futures Act (Cap. 289).

6. Fund management companies registered under paragraph 5(1)(i) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg. 10).

7. Persons exempted under section 23(1)(f) of the Financial Advisers Act read with regulation 27(1)(d) of the Financial Advisers Regulations (Rg. 2) except those which only provide advice by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product.

8. Persons exempted under section 99(1)(h) of the Securities and Futures Act read with paragraph 7(1)(b) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations.

9. Approved trustees approved under section 289 of the Securities and Futures Act.

10. Trust companies licensed under section 5 of the Trust Companies Act (Cap. 336).

11. Direct life insurers licensed under section 8 of the Insurance Act (Cap. 142).

12. Insurance brokers registered under the Insurance Act which, by virtue of such registration, are exempted under section 23(1)(c) of the Financial Advisers Act except those which only provide advice by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product.