

**DRAFT AMENDMENTS TO  
FORM 26 UNDER THE FINANCIAL ADVISERS ACT AND  
FINANCIAL ADVISERS REGULATIONS ON NOTICE OF  
COMMENCEMENT OF BUSINESS / ADDITIONAL FINANCIAL  
ADVISORY SERVICES(S) LODGED PURSUANT TO  
REGULATION 37(1) BY PERSONS EXEMPT FROM HOLDING A  
FINANCIAL ADVISER'S LICENCE UNDER SECTION 23(1)(a),  
(b), (c), (d) and (e)**

**Disclaimer:** This version of the Form is in draft form and is subject to change.

FINANCIAL ADVISERS ACT  
(Cap. 110)

FINANCIAL ADVISERS REGULATIONS (Rg 2)

**NOTICE OF COMMENCEMENT  
OF BUSINESS / ADDITIONAL FINANCIAL  
ADVISORY SERVICE(S) LODGED PURSUANT TO  
REGULATION 37(1) BY PERSONS EXEMPT FROM  
HOLDING A FINANCIAL ADVISER'S LICENCE  
UNDER SECTION 23(1)(a), (b), (c), (d), AND (e)**

FORM

**26**

*Explanatory Notes*

- (1) Please read the explanatory notes and questions carefully before completing and lodging the notification form with the Monetary Authority of Singapore (“the Authority”).
- (2) For lodgments in relation to the commencement of business as an exempt financial adviser, all questions must be answered. If a question is not applicable, please mark “N.A.” in the space provided. Should there be insufficient space for your answers, please attach annex(es) which should be identified as such and signed by the signatories to this notification.
- (3) For notice of commencement of additional financial advisory service(s), questions 1, 7, 9 and 10 of Section I, [questions 11 and 12 of Section II](#), as well as Section III, are to be completed in relation to the additional financial advisory service(s).
- (4) Where there is an asterisk (\*), please delete whichever is inapplicable.
- (5) Please tick (✓) in the relevant boxes where appropriate.
- (6) In this Form –
  - (a) “exempt financial institution” refers to a person exempt from holding a financial adviser’s licence under section 23(1)(a), (b), (c), (d) or (e) of the Financial Advisers Act (Cap. 110) [“the Act”];
  - (b) “key officer” means:
    - (i) a director or equivalent person; or
    - (ii) a chief executive officer or equivalent person.

FOR OFFICIAL USE ONLY

Notification received on:

Remarks:

## I INFORMATION ON EXEMPT FINANCIAL INSTITUTION

1. Name of exempt financial institution : \_\_\_\_\_
2. Principal address where the business operates : \_\_\_\_\_
3. Telephone number/fax number : \_\_\_\_\_
4. URL of webpage (if any) : \_\_\_\_\_
5. E-mail address : \_\_\_\_\_
6. Financial year end : \_\_\_\_\_
7. Please indicate whether this notification is for:
  - Lodgment in relation to commencement of business as an exempt financial adviser;  
or
  - Commencement of additional regulated activity(s)
8. Please indicate the status of the exempt financial institution:
  - a bank licensed under the Banking Act (Cap.19)
  - a merchant bank approved as a financial institution and approved to carry on a business of providing any financial advisory service under the Monetary Authority of Singapore Act (Cap.186)
  - a company or co-operative society licensed or registered under the Insurance Act (Cap.142)
  - a holder of a capital markets services licence under the Securities and Futures Act (Cap. 289)
  - a finance company which has been granted an exemption from section 25(2) of the Finance Companies Act (Cap.108) to carry on a business of providing any financial advisory service
9. The abovementioned company will commence provision of the following financial advisory service(s) with effect from \_\_\_\_\_ (dd/mm/yy). [For notification of commencement of additional financial advisory service(s), please only indicate the type of additional financial advisory service(s) that will be provided:]
  - Advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning the following investment product(s), other than advising others by issuing or promulgating research analyses or research reports

or advising on corporate finance within the meaning of the Securities and Futures Act (Cap. 289):

- Securities (other than collective investment schemes)
- Collective investment schemes
- Futures contracts
- Contracts or arrangements for the purposes of foreign exchange trading
- Contracts or arrangements for the purposes of leveraged foreign exchange trading
- Life policies
- Structured deposits

Advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning the following investment product(s):

- Securities (other than collective investment schemes)
- Collective investment schemes
- Futures contracts
- Contracts or arrangements for the purposes of foreign exchange trading
- Contracts or arrangements for the purposes of leveraged foreign exchange trading
- Life policies
- Structured deposits

Marketing of any collective investment scheme

Arranging of any contract of insurance in respect of life policies, other than a contract of reinsurance

10. Please provide details on the exempt financial institution and financial advisory service provided including -
- (a) size of operation in terms of staff strength, volume of business and annual revenues;
  - (b) geographical scope of operation;
  - (c) organisation chart detailing key officers and reporting lines for its business of providing financial advisory services; and
  - (d) area(s) of potential conflict of interest and an explanation in detail of how such conflict(s) will be resolved or mitigated.

**II ADDITIONAL INFORMATION ON REGISTERED INSURANCE BROKER EXEMPT FROM HOLDING A FINANCIAL ADVISER'S LICENCE UNDER SECTION 23(1)(c)**

**Questions 11 and 12 must be completed by an insurance broker registered under the Insurance Act (Cap. 142) and exempt from holding a financial adviser's licence under section 23(1)(c) ("registered insurance broker")**

11. In reference to paragraph 9, please indicate if the registered insurance broker will be commencing the provision of restricted financial advisory services. [For notification of commencement of additional financial advisory service(s), please only indicate if the additional financial advisory service(s) that will be provided is restricted financial advisory services:]

Yes, the registered insurance broker will be commencing the provision of restricted financial advisory services.

No, the registered insurance broker will be commencing the provision of any financial advisory services.

12. If the answer to paragraph 11 is "No, the registered insurance broker will be commencing the provision of any financial advisory services.", in relation to a registered insurance broker providing any or all types of financial advisory services:

(a) please provide the name of the chief executive officer or head of the financial advisory unit<sup>1</sup> who has a minimum of 10 years of relevant working experience in respect of the financial advisory service that the registered insurance broker is seeking to provide, of which at least 5 years in a managerial capacity –

Name of chief executive officer / head of the financial advisory unit\*:

13. For the purposes of questions 11 and 12:

(1) "restricted financial advisory services" refers to –

(a) the provision of any or all of the following types of financial advisory services by the registered insurance broker –

(i) advising others (other than in the manner specified in sub-paragraph (ii)), either directly or through publications or writings, and whether in electronic, print or other form, concerning any group life policies or incidental individual life policies, other than a contract of reinsurance;

(ii) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any group life policies or incidental individual life policies, other than a contract of reinsurance; or

(iii) arranging of any contract of insurance in respect of any group life policies or incidental individual life policies, other than a contract of reinsurance;

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<sup>1</sup> Where the chief executive officer of a registered insurance broker does not have a minimum of 10 years of relevant working experience in respect of the financial advisory service that the registered insurance broker is seeking to provide, of which at least 5 years in a managerial capacity, the registered insurance broker shall ensure that the person it employs or appoints as the head of the financial advisory unit meets these requirements.

- (b) if applicable, the revenue of the registered insurance broker earned from carrying on a business concerning or in respect of incidental individual life policies in a financial year does not at any time exceed \$200,000; and
- (c) the revenue of the registered insurance broker earned from carrying on a business of providing the types of financial advisory services referred to in paragraph (1)(a) in a financial year does not at any time exceed 25% of the total revenue of the registered insurance broker from its business as an insurance broker and of providing financial advisory services in its immediate preceding financial year.
- (2) For the purposes of paragraph 1(c), in the case where the registered insurance broker does not have an immediately preceding financial year, the revenue of the registered insurance broker earned from carrying on a business of providing the types of financial advisory services referred to in paragraph 1(a) in a financial year shall not at any time exceed 25% of the applicable minimum financial requirements under regulation 17B of the Financial Advisers Regulations (Rg 2).
- (3) The terms “corporate client”, “general business”, “group life policy”, “incidental individual life policy” and “revenue” have the same respective meanings as in regulation 17A(3) of the Financial Advisers Regulations (Rg. 2).
- (4) The terms “chief executive officer” and “head of the financial advisory unit” have the same respective meanings as in the Notice on Requirements for Registered Insurance Brokers Exempt from Holding a Financial Advisers’ Licence under Section 23(1)(c) of the Financial Advisers Act (FAA-Nxx).

**III. DECLARATION**

1. I am aware that section 86(1), (3) and (4) of the Act provides as follows:

“ANY PERSON WHO FURNISHES THE AUTHORITY WITH ANY INFORMATION UNDER OR FOR THE PURPOSES OF ANY PROVISION OF THIS ACT SHALL USE DUE CARE TO ENSURE THAT THE INFORMATION IS NOT FALSE OR MISLEADING IN ANY MATERIAL PARTICULAR.

ANY PERSON WHO –

(a) SIGNS ANY DOCUMENT LODGED WITH THE AUTHORITY;  
OR

(b) LODGES WITH THE AUTHORITY ANY DOCUMENT BY ELECTRONIC MEANS USING ANY IDENTIFICATION OR IDENTIFYING CODE, PASSWORD OR OTHER AUTHENTICATION METHOD OR PROCEDURE ASSIGNED TO HIM BY THE AUTHORITY,

SHALL USE DUE CARE TO ENSURE THAT THE DOCUMENT IS NOT FALSE OR MISLEADING IN ANY MATERIAL PARTICULAR.

ANY PERSON WHO CONTRAVENES SECTION 86(1) or (3) SHALL BE GUILTY OF AN OFFENCE AND SHALL BE LIABLE ON CONVICTION TO A FINE NOT EXCEEDING \$ 25,000 OR TO IMPRISONMENT FOR A TERM NOT EXCEEDING 2 YEARS OR TO BOTH.”

2. I am aware that under section 23(10) of the Act, the Authority may withdraw the exemption granted to any person under section 23 of the Act if the exempt financial institution contravenes any provision of the Act.

3. I declare that all information given in this Form and in the attached annexes (if any) is true and correct.

Signature : \_\_\_\_\_

Name of Director/Secretary/ Chief  
Executive Officer/Principal Officer\* : \_\_\_\_\_

Date : \_\_\_\_\_

(dd/mm/yy)