



Monetary Authority of Singapore

**COMPLIANCE TOOLKIT FOR
VENTURE CAPITAL FUND MANAGERS**

- **Approvals, Notifications and Regulatory Submissions
to MAS under the Securities and Futures Act**
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Key Legislative and Regulatory Requirements Covered:	<ol style="list-style-type: none"> 1. Securities and Futures Act (Cap. 289) (SFA). Specifically, the following parts of the SFA: <ul style="list-style-type: none"> • <i>Part IV Holders of Capital Markets Services (CMS) Licence and Representatives</i> • <i>Part IX Supervision and Investigation</i> 2. Securities and Futures (Licensing and Conduct of Business) Regulations (LCBR) (Rg. 10) 3. Securities and Futures (Financial and Margin Requirements for Holders of CMS Licenses) Regulations (FMR) (Rg. 13) 4. Licence conditions imposed on Venture Capital Fund Managers (VCFMs) 5. Guidelines on Licensing, Registration and Conduct of Business for Fund Management Companies 6. Notice on Reporting of Misconduct of Representatives by Holders of CMS Licence and Exempt Financial Institutions
Description of Document:	<p>This Compliance Toolkit aims to provide guidance on:</p> <ul style="list-style-type: none"> • Applications for approvals from MAS; • Notifications to be submitted to MAS; and • Regulatory submissions to MAS, which are applicable to VCFMs <p>This compliance toolkit aims to provide VCFMs with a simple reference on the common applications, forms and submissions pursuant to the SFA that are applicable to VCFMs. However, it is not exhaustive, and VCFMs are expected to be familiar with all legislations and requirements that are applicable to them. For the avoidance of doubt, this toolkit excludes reporting obligations that fall outside the SFA; as well as fund-level requirements.</p> <p>VCFMs are welcomed to provide suggestions on this toolkit through webmaster@mas.gov.sg.</p>
Relevant to:	VCFMs
Method of Submission:	<p>In general, most forms are to be submitted through the Corporate e-Lodgment (CeL) Services.</p> <p>For email submissions to the MAS officer-in-charge (OIC) of the VCFM, VCFMs should encrypt (e.g. password-protect) all information and data which are confidential or sensitive before submitting them to the MAS. The password should be communicated by the VCFM to the MAS OIC through a different channel.</p>
Version Control:	Version 1.0 issued on 2 October 2020 (Last revised on 1 July 2021)

S/N	Requirement	Form to be Submitted	Regulatory Deadline	Mode of Submission	Legislative Reference
Section A: Applications for approvals from MAS					
1	To seek MAS' approval for a grant of CMS licence to carry on business in fund management as a VCFM This applies to entities that intend to carry on business as a VCFM	Form 1V – Application for a CMS Licence for Fund Management to operate as a VCFM	Prior to carrying on business in fund management as a VCFM	CeL	Section 84 of the SFA
2	To seek MAS' approval to acquire or hold, whether directly or indirectly, an interest of 20% or more of the share capital of any corporation; or establish any branch (whether in Singapore or elsewhere). For this condition, "corporation" has the same meaning as in section 2 of the SFA, but excludes a corporation which is incorporated for the purpose of arranging a closed-end fund or a collective investment scheme	No prescribed form	Prior to the acquisition or control of a corporation, or the establishment of any branch	Email	Licence condition or registration condition
3	To seek MAS' approval to reduce paid-up ordinary share capital or paid-up irredeemable and non-cumulative preference share capital	No prescribed form	Prior to reduction of paid-up ordinary share capital or paid-up irredeemable and non-cumulative preference share capital	Email	Regulation 20 of the FMR
4	To seek MAS' approval to disclose inspection reports issued by MAS or a foreign regulatory authority, to a person other than the auditor of the VCFM in connection with the performance of duties of the auditor for that VCFM	No prescribed form	Prior to disclosing the inspection report	Email	Sections 150A and 150C of the SFA

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	This applies to any VCFM subject to inspection by MAS or a foreign regulatory authority				
5	To seek MAS' approval to disclose investigation reports issued by MAS to a person other than the auditor of the VCFM in connection with the performance of duties of the auditor for that VCFM This applies to any VCFM subject to MAS' investigation	No prescribed form	Prior to disclosing the investigation report	Email	Section 152A of the SFA
Section B: Notifications to be submitted to MAS					
Section B1: Notifications in relation to the VCFM					
6	To notify MAS where a VCFM: (a) ceases to carry on business in any or all regulated activities; or (b) has not commenced business in any or all regulated activities by the end of the period of 6 months from the date of the grant of the licence	Form 7 - Notice of Cessation of Business (Accompanied by an audit certification (no prescribed format) that the VCFM has fully discharged all customer obligations)	For cessation of business, within 14 days after the cessation of any or all regulated activities For non-commencement of regulated activity, immediately after the end of 6 months from the date of the grant of the CMS licence	Email	Section 93 of the SFA and Regulation 11 of the LCBR
7	To notify MAS of any matter which may adversely affect a CMS Licensee's financial	No prescribed form	Immediate	Email	Licence condition

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	<p>position to a material extent, including where the VCFM:</p> <p>(a) is or is likely to become insolvent; (b) is or is likely to become unable to meet its obligations; or (c) has suspended or is about to suspend payments</p>				
8	To notify MAS of the execution of an agreement or transaction for the purchase, sale, merger or any other business combination of all or any part of the business in the regulated activity under the SFA for which its CMS licence is granted	No prescribed form	7 days prior to the execution of the agreement or transaction	Email	Licence condition
9	To notify MAS when a VCFM becomes aware that it or any of its officers or representatives has committed any offence, is subject to any disciplinary action, investigation, civil or criminal proceedings, any breach of laws or regulations, business rules or codes of conduct, or is involved in any matter that would affect the ability to meet the fit and proper criteria	No prescribed form	Immediate	Email	Licence condition
10	To notify MAS when a VCFM has fewer than 2 full-time representatives in respect of each relevant regulated activity under the SFA	No prescribed form	As soon as practicable	Email	Licence condition

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11	<p>To notify MAS of any change in:</p> <p>(a) particulars of a VCFM, including but not limited to change in name, principal place of business, contact details, shareholdings and organisational chart of a VCFM;</p> <p>(b) particulars of its CEO, Directors, and shareholders, including resignation and appointments</p>	Form 23A - Notice of Change of Particulars for a VCFM	Within 14 days from the date of change	CeL	Licence condition and Paragraph 5(7I) of the Second Schedule to the LCBR
12	To notify MAS on suspension of fund dealings or activation of gating measures for all CIS that the FMC manages, advises, acts as a representative of, and/or offers	Fund Gating and Suspension Report	Within 3 business days	Via Link: https://go.gov.sg/fgs-report	Guidelines on Liquidity Risk Management Practices for Fund Management Companies (SFA04-G08) and MAS Circular CMI 13/2021 dated 31 May 2021
Section B2: Notifications in relation to financial and margin requirements					
13	To notify MAS when the base capital or net head office funds¹ fall or will fall below the prescribed requirement	No prescribed form	Immediate	Email	Regulation 4 of the FMR

¹ As defined in Regulation 2 of FMR. Currently, VCFMs have a minimum base capital requirement of S\$0, pursuant to the First Schedule of FMR.

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14	In matters relating to preference shares, to notify MAS prior to issuing any preference share	No prescribed form	For issuance, prior to the issuance of the preference share For repayment, 3 months before the proposed date of repurchase or redemption	Email	Regulation 21 of the FMR
Section C: Regulatory submissions to MAS					
15	To submit an annual declaration on changes to key appointments, Assets Under Management, investor types and numbers, fund types, and deals	Form 25A – Annual Declaration by a Registered Fund Management Company or a Venture Capital Fund Manager	Within 1 month after financial year end	CeL	Regulation 14(6) of the LCBR and Paragraph 5(71) of the Second Schedule to the LCBR
16	To report to MAS the following types of misconduct committed by the VCFM's representatives: (a) Acts Involving Fraud, Dishonesty or Other Offences of a Similar Nature; (b) Acts Relating to Market Conduct Provisions under Part XII of the SFA; (c) Failure to Satisfy the Guidelines on Fit and Proper Criteria; (d) Non-compliance with any regulatory requirement relating to the provision of any regulated activity under the SFA;	(a) Report on misconduct of representative (b) Update report (for cases where investigations and/or disciplinary actions are pending)	(a) Upon discovery of the misconduct (b) When there is any significant development in the case	MASNET	Paragraphs 4 to 8 of the Notice on Reporting of Misconduct of Representatives by Holders of CMS Licence and Exempt Financial Institutions

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	(e) A serious breach of the CMS Licensee's internal policy or code of conduct				
17	To submit an annual declaration that there was no misconduct report for the preceding year This applies to VCFMs that have not submitted any Misconduct Report in the preceding calendar year	Declaration of Nil Return of Misconduct of Representatives	Within 14 days after calendar year end	MASNET	Paragraph 9 of the Notice on Reporting of Misconduct of Representatives by Holders of CMS Licence and Exempt Financial Institutions