

Notice No : SFA04-N13 (Amendment) 2017

Issue Date : 20 October 2017

**NOTICE ON RISK BASED CAPITAL ADEQUACY REQUIREMENTS
FOR HOLDERS OF CAPITAL MARKETS SERVICES LICENCES**

- 1 This Notice is issued pursuant to regulation 2B of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations and amends the Notice on Risk Based Capital Adequacy Requirements for Holders of Capital Markets Services Licences [MAS Notice SFA04-N13] dated 3 April 2013 and last revised on 1 November 2016 (“Notice SFA 04-N13”).
- 2 The Notice SFA 04-N13 is amended as follows:
 - (a) by deleting paragraph 1.1.1 and substituting with the following paragraph:

“1.1.1 This Notice is issued pursuant to regulations 2B, 5A and 6 of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations and applies to all holders of a capital markets services licence other than –

 - (a) a holder of a capital markets services licence for only providing credit rating services; or
 - (b) a venture capital fund manager,(each a “specified person”).”;
 - (b) by deleting the words “holder of a capital markets services licence for only providing credit rating services” wherever they appear in paragraph 1.1.2 and substituting in each case the words “specified person”;
 - (c) by deleting the words “holder of a capital markets services licence for only providing credit rating services” in the definition of “CMSL” in Annex 2A of Part II, and substituting with the words “specified person”;

(d) by inserting, immediately after the definition of “total risk requirement” in Annex 2A of Part II, the following definitions:

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venture capital fund	has the same meaning as in regulation 14(8) of the Securities and Futures (Licensing and Conduct of Business) Regulations (Cap. 289, Rg 10);
venture capital fund manager	means a holder of a capital markets services licence for fund management who does not carry on business in any regulated activity other than the management of portfolios of securities on behalf of venture capital funds.

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