

FHC-N615

29 June 2022

NOTICE TO FINANCIAL HOLDING COMPANIES
FINANCIAL HOLDING COMPANIES ACT 2013

APPOINTMENT OF AUDITORS

1 This Notice is issued pursuant to sections 39 and 60 of the Financial Holding Companies Act 2013 [“the Act”] and applies to all designated financial holding companies that have a subsidiary that is a bank incorporated in Singapore (referred to in this notice as “designated FHC with bank subsidiary” or “DFHC (Bank)”).

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

3 For the purposes of section 39(1) of the Act, the Authority will not grant its approval to a DFHC (Bank) for the reappointment of an auditor who has been appointed for a period of 10 or more consecutive financial years following the last conduct of a public tender, unless the auditor is selected following the conduct of a new public tender.

4 Every DFHC (Bank) shall have a robust process to consider the appointment, reappointment and removal of an auditor, regardless of whether there is a need to conduct a public tender under paragraph 3. A DFHC (Bank) must take into consideration, amongst others, the knowledge, independence, competence and effectiveness of an auditor in determining his appointment, reappointment or removal, as the case may be.

Effective Date

5 This Notice takes effect on 1 July 2022.