

## **MAS NOTICE FHC-N601**

29 June 2022

### **NOTICE TO DESIGNATED FINANCIAL HOLDING COMPANIES FINANCIAL HOLDING COMPANIES ACT 2013**

#### **CAPITAL FUNDS**

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1. This Notice is issued pursuant to sections 2(1) and 60(1) of the Financial Holding Companies Act 2013 [“the Act”].

#### **Definition**

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

#### **Definition of Capital Funds**

3. For the purposes of the definition of “capital funds” in section 2(1) of the Act, the following reserves are to be excluded as “capital funds”:
  - (a) revaluation reserves;
  - (b) unrealised fair value gains or losses on equity securities held at fair value through other comprehensive income;
  - (c) unrealised fair value gains or losses on debt securities and loans held at fair value through other comprehensive income; and
  - (d) cumulative fair value gains or losses on cashflow hedges of financial instruments that are measured at amortised cost.

#### **Effective Date**

4. This Notice takes effect on 1 July 2022.