

**DRAFT AMENDMENTS TO THE SECURITIES AND FUTURES
(LICENSING AND CONDUCT OF BUSINESS) REGULATIONS**

DISCLAIMER: This version of the amendments is in draft form and subject to change. It is also subject to review by the Attorney-General's Chambers.

PART I
PRELIMINARY

Definitions

2. In these Regulations, unless the context otherwise requires –

[...]

“Venture Capital Fund Manager” has the meaning given to that expression in paragraph (1) of regulation 53A.

PART VI
MISCELLANEOUS

[...]

Exemptions for Venture Capital Fund Manager, related exemption and matters

53A. –(1) A Venture Capital Fund Manager is a corporation which carries on business in fund management in Singapore, on behalf of qualified investors, by managing an arrangement referred to in paragraph (a) of the definition of “collective investment scheme” in section 2(1) of the Act which has all of the following characteristics:

- (a) all or most of the units that are issued under the arrangement cannot be redeemable at the election of the holders of the units and cannot be continuously available for subscription or redemption;
- (b) the arrangement only invests in securities that are –
 - (i) not listed on any securities exchange or overseas securities exchange;
 - (ii) issued by an entity or a trust which, at the date of the arrangement’s first acquisition of securities, had been formed, constituted, incorporated, or existing, as the case may be under the laws of Singapore or a foreign jurisdiction for not more than 5 years; and
 - (iii) directly acquired from the entity or trust mentioned in sub-paragraph (b)(ii) by the arrangement, or the Venture Capital Fund Manager on behalf of the arrangement, as the case may be;

(2) Sections 96, 97A to 97I of Division I of Part IV of the Act, Division 2 of Part IV of the Act, and Divisions 2 and 3 of Part V of the Act do not apply to a Venture Capital Fund Manager.

(3) Regulations 3A to 3C, 4, 4A, 5, 9A, 11B, 12, 13, 13A to 13C of Part II of these Regulations and Parts III to V of these Regulations do not apply to a Venture Capital Fund Manager.

(4) The Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations (Cap. 289 Rg. 13) do not apply to a Venture Capital Fund Manager.

(5) A Venture Capital Fund Manager must lodge with the Authority a notice of change of its particulars in Form [X] not later than 14 days after the date of the change.

(6) A representative of a Venture Capital Fund Manager is exempted from section 99B(1) of the Act in so far as –

(a) the scope of the regulated activity of fund management carried out by the representative is within or the same as the scope of the regulated activity of fund management carried out by the Venture Capital Fund Manager; and

(b) the manner in which the representative carries out the regulated activity of fund management is the same as the manner in which the Venture Capital Fund Manager carries out the regulated activity of fund management.

(7) A Venture Capital Fund Manager must lodge with the Authority an annual declaration in Form [Y] within one month after the end of each of its financial years.