

**FINANCIAL ADVISERS  
(AMENDMENT) REGULATIONS 2013**

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

**No. S 000 -**

**FINANCIAL ADVISERS ACT  
(CHAPTER 110)  
FINANCIAL ADVISERS  
(AMENDMENT) REGULATIONS 2013**

In exercise of the powers conferred by sections 57, 89 and 104 of the Financial Advisers Act, the Monetary Authority of Singapore hereby makes the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Financial Advisers (Amendment) Regulations 2013 and shall come into operation on 2013.

**Deletion and substitution of regulation 14**

2. Regulation 14 of the principal Regulations is deleted and the following regulations substituted therefor:

**“Duties of licensed financial adviser**

**14.**—(1) A licensed financial adviser shall, in the manner that is commensurate with the nature, scale and complexity of its business —

- (a) implement effective written policies on all operational areas of the financial adviser, including the financial policies, accounting and internal controls, and comply with all laws and rules governing the operations of the financial adviser;
- (b) put in place compliance function and arrangements including specifying the roles and responsibilities of officers and employees of the financial adviser in helping to ensure its compliance with all applicable laws, codes of conduct and standards of good practice in order to protect investors and reduce its risk of incurring legal or regulatory sanctions that may be imposed by the Authority or any other public authority, financial loss, or reputational damage;
- (c) identify, address and monitor the risks associated with the business activities of the financial adviser;
- (d) ensure that the business activities of the financial adviser are subject to compliance checks;
- (e) set out in writing the limits of the discretionary powers of each officer, committee, sub-committee or other group of persons of the financial adviser empowered to commit the

financial adviser to any financial undertaking or to expose the financial adviser to any reputational risk;

- (f) keep a written record of the steps taken by it to monitor compliance with its policies, the limits on discretionary powers and its accounting and operating procedures;
- (g) ensure the accuracy, correctness and completeness of any report, return or statement submitted by the financial adviser to the Authority; and
- (h) ensure effective controls and segregation of duties to mitigate potential conflicts of interest that may arise from the operations of the financial adviser.

(2) Any licensed financial adviser which contravenes paragraph (1) shall be guilty of an offence.

**Criteria for determining if chief executive officer or director of capital markets services licence has breached duties**

**14A.** For the purposes of section 57(2) of the Act and without prejudice to any other matter that the Authority may consider relevant, the Authority shall, in determining whether a chief executive officer or a director of a licensed financial adviser has failed to discharge the duties or functions of his office, have regard to whether the chief executive officer or director has ensured compliance by the financial adviser with each of the duties specified in regulation 14.”.

**Amendment of 41**

**3.** Regulation 41 of the principal Regulations is amended by deleting the words “or 33(5)” in sub-paragraph (b) and substituting the words “23G(4), 33(5) or 36(8)”.

**Amendment of Second Schedule**

**4.** The Second Schedule to the principal Regulations is amended by deleting items 1 and 4 and substituting the following items therefor:

| <i>No.</i> | <i>First column<br/>Provision of Act</i> | <i>Second column<br/>Matter</i>   | <i>Third column<br/>Amount</i> | <i>Fourth column<br/>Manner and time<br/>of payment</i>  |
|------------|--|---|--------------------------------|--|
| “1.        | Section 8(1)                             | Application for grant of a financial adviser’s licence  | \$500                          | By cheque or in the manner specified by the Authority at the time of application   |
| 4.         | Section 23H(1)                           | Lodgment of documents under section 23F of the Act for appointment of appointed or provisional representative | \$100                          | (a) Where principal is an applicant for financial adviser’s licence, by cheque or in the manner specified by the Authority at the time of lodgment.<br>(b) Where principal is a licensed financial adviser, and —<br>(i) it has no GIRO arrangement with the Authority, by cheque or in the manner specified by the Authority, by the date specified in the fee advice; or<br>(ii) it has GIRO arrangement with the Authority, by GIRO by the 16th day of the month following that in which lodgment is made.” |