

# CONSULTATION PAPER

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## Consultation Paper II on Draft Regulations Pursuant to the Securities and Futures Act

MAS

Monetary Authority of Singapore

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## 1 Preface

1.1 The Securities and Futures (Amendment) Act 2017 (“SF(A) Act”) was passed in Parliament on 9 January 2017 which gave effect to policy proposals aimed at ensuring that the capital markets regulatory framework in Singapore keeps pace with market developments and is aligned to international standards and best practices.

1.2 Given the wide-ranging amendments to the Securities and Futures Act (“SFA”), the Monetary Authority of Singapore (“MAS”) is consulting on draft Regulations to support the implementation of the legislative amendments in two phases. The first consultation paper was published on 28 Apr 2017.

1.3 MAS is also consulting on draft Regulations to implement enhancements to the regulatory requirements on protection of customers’ moneys and assets, and certain other proposals relating to remote clearing members and the base capital requirement for certain capital markets services (“CMS”) licensees.

1.4 The proposed amendments set out in this consultation are –

- (a) Securities and Futures (Licensing and Conduct of Business) Regulations (“SF(LCB)R”); and
- (b) New Securities and Futures (Offers of Investments) (Shares, Debentures and Business Trusts) Regulations 2017 (“SF(OI)(SDBT)R”).

1.5 MAS invites comments from all financial institutions and other interested parties.

**Please note that all submissions received will be published and attributed to the respective respondents unless they expressly request MAS not to do so. As such, if respondents would like (i) their whole submission or part of it, or (ii) their identity, or both, to be kept confidential, please expressly state so in the submission to MAS. In addition, MAS reserves the right not to publish any submission received where MAS considers it not in the public interest to do so, such as where the submission appears to be libellous or offensive.**

1.6 Please submit written comments by 23 Jun 2017 via email to [SFA FAA LegisConsult@mas.gov.sg](mailto:SFA_FAA_LegisConsult@mas.gov.sg). We would appreciate that you use this [template](#) for your submission to ease our collation efforts.

## 2 Defined Terms

ASC	Accounting Standards Council
CCP	Central counterparty
CIS	Collective investment schemes
CMS	Capital markets services
CMS licensee	Holder of a CMS licence
FAA	Financial Advisers Act
Financial Adviser	A licensed financial adviser or an exempt financial adviser under section 23(1)(a), (b), (c), (d) or (e) of the FAA
FRS	Singapore Financial Reporting Standards
IFRS	International Financial Reporting Standards
MAS	Monetary Authority of Singapore
OIS	Offer information statement
OTC	Over-the-counter
Registered BT	Business trust registered under the Business Trusts Act
SF(A) Act	Securities and Futures (Amendment) Act 2017
SFA	Securities and Futures Act
SF(FMR)R	Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations
SF(LCB)R	Securities and Futures (Licensing and Conduct of Business) Regulations
SF(OI)(BT)R	Securities and Futures (Offers of Investments) (Business Trusts) (No. 2) Regulations 2005
SF(OI)(SD)R	Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005

SF(OI)(SDBT)R

Securities and Futures (Offers of Investments)  
(Shares, Debentures and Business Trusts)  
Regulations 2017

### 3 Introduction

3.1 The SF(A) Act was passed by Parliament on 9 January 2017. It provides MAS with legislative powers under the SFA to complete MAS' two-phase review to implement over-the-counter ("OTC") derivatives regulatory reforms. It also introduces amendments aimed at enhancing regulatory safeguards for retail investors, enhancing the credibility and transparency of the capital markets, and strengthening MAS' ability to take enforcement action against market misconduct.

3.2 To support the implementation of these wide-ranging amendments, amendments to subsidiary legislation and other legislative instruments have to be made to reflect key amendments such as:

- (a) Changes to product definitions in Part I of the SFA;
- (b) Repeal and re-enactment of Part II of the SFA to apply the markets regime to OTC derivatives;
- (c) Changes to Part IV of the SFA and the Second Schedule to the SFA to extend the CMS licensing regime to OTC derivatives; and
- (d) Changes to other Parts of the SFA, as well as the Financial Advisers Act ("FAA"), arising from the key changes above.

3.3 MAS intends to operationalise the amendments to the SFA by 2018, and as part of this process, is consulting the public on significant draft regulations in two phases. MAS issued the first consultation paper on other draft regulations on 28 Apr 2017.

3.4 Pursuant to the changes introduced in the SF(A) Act, MAS is seeking comments on the following draft regulations:

- (a) *Amendments to SF(LCB)R*  
The amendments are primarily to introduce certain licensing exemptions, and business conduct requirements for dealing in OTC derivatives contracts, and the enhanced requirements on protection of customers' moneys and assets. MAS is also making consequential amendments to the SF(LCB)R to support the changes to product and regulated activities definitions under the SF(A) Act.
- (b) *New SF(OI)(SDBT)*  
MAS will be amending the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 ("SF(OI)(SD)R") and Securities and Futures (Offers of Investments) (Business Trusts) (No. 2) Regulations

2005 (“SF(OI)(BT)R”) to collapse the requirements under both regulations into a proposed regulation titled “SF(OI)(SDBT)R” to operationalise changes to Part XIII of the SFA. The proposed SF(OI)(SDBT)R will also introduce changes to the provisions on accounting standards for the preparation of financial statements to be included in a prospectus, and new provisions to allow for the incorporation of specific information into a prospectus by reference to a separate document, and to prescribe the form and content of the offer information statement (“OIS”) required for the new prospectus exemption that MAS may grant for an offer of securities by a subsidiary of a listed entity. Enhancements will also be introduced to the prospectus disclosure requirements prescribed in the Schedules of the SF(OI)(SD)R and SF(OI)(BT)R.

3.5 MAS is also seeking comments on other proposals as follows:

- (a) To exempt Remote Clearing Members which clear OTC derivatives contracts on Singapore-based central counterparties (“CCPs”) from the requirement to hold a CMS licence for dealing in capital markets products in respect of OTC derivatives contracts; and
- (b) To remove the \$250,000 minimum base capital requirement category as holders of a CMS licence (“CMS licensees”) which are subject to the \$250,000 requirement should also be able to meet the conditions for the \$50,000 minimum base capital requirement.

3.6 The draft SF(LCB)R and SF(OI)(SDBT)R are set out in Annexes B and C, and key areas are introduced in the following sections.

## **4 Amendments to Securities and Futures (Licensing and Conduct of Business) Regulations and Other Proposals**

### Amendments to SF(LCB)R

#### *Licensing exemptions and Business conduct for intermediaries dealing in OTC derivatives contracts*

4.1 The amendments to the SF(LCB)R include provisions to effect the licensing exemptions which MAS had consulted earlier and responded to on 7 November 2016<sup>1</sup>. As part of the OTC derivatives reforms, MAS had consulted on a regulatory framework for OTC derivatives intermediaries<sup>2</sup> in June 2015<sup>3</sup> (“Jun 2015 consultation”). The proposals included business conduct requirements for OTC derivatives intermediaries, including risk mitigation requirements for OTC derivatives intermediaries that deal in non-centrally cleared OTC derivatives.

4.2 MAS published its response to feedback received<sup>4</sup> on the proposals on 26 May 2017 and is now consulting on amendments to the SF(LCB)R to effect the revised proposals after considering the feedback received.

#### *Changes relating to the marketing of collective investment schemes (“CIS”)*

4.3 In the Jun 2015 Consultation<sup>5</sup>, MAS had proposed to remove the regulated activity of marketing of CIS under the FAA, and expand the scope of the relevant licensing exemption under the SF(LCB)R to allow licensed financial advisers or exempt financial advisers under section 23(1)(a), (b), (c), (d) or (e) of the FAA (“Financial Advisers”) to deal in both listed and unlisted CIS if such dealing is incidental to their financial advisory activities (“SFA dealing exemption”).

4.4 With these changes, dealing in CIS (which includes marketing of CIS) will be regulated only under the SFA. To ensure a level playing field for all entities dealing in CIS, MAS will require Financial Advisers relying on the SFA dealing exemption to comply with

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<sup>1</sup> Refer to MAS’ Consultation Paper (dated 11 February 2015) on Proposed Amendments to the SFA and Response Paper (dated 7 November 2016) on Proposed Amendments to the SFA ([link](#))

<sup>2</sup> i.e. CMS licensees and MAS-licensed banks, merchant banks or finance companies which conduct dealing in OTC derivatives contracts under the SFA

<sup>3</sup> Refer to MAS’ Consultation Paper (dated 3 June 2015) on [Regulatory Framework for Intermediaries Dealing in OTC Derivative Contracts, Execution Related Advice, and Marketing of Collective Investment Scheme](#)

<sup>4</sup> Refer to MAS’ Response Paper (dated 26 May 2017) on [Regulatory Framework for Intermediaries Dealing in OTC Derivative Contracts, Execution Related Advice, and Marketing of Collective Investment Scheme](#)

<sup>5</sup> Refer to footnote 3



the business conduct requirements applicable to dealing in CIS under the SF(LCB)R. MAS will also replicate the business conduct requirements, as well as the licensing exemptions on marketing of CIS under the Financial Advisers Regulations, in the SF(LCB)R.

4.5 MAS published its response to feedback received on the consultation on 26 May 2017<sup>6</sup> and is now consulting on amendments to the SF(LCB)R to effect the revised changes after considering the feedback.

*Consequential amendments to effect the revised product and regulated activities definitions*

4.6 In line with changes to the product definitions, the current regulated activities of “dealing in securities”, “trading in futures contracts” and “leveraged foreign exchange trading”, as well as the new dealing in OTC derivatives activity have been collapsed into a new regulated activity “dealing in capital markets products” under the SF(A) Act. MAS is now consulting on consequential amendments to the SF(LCB)R to support the revised product and regulated activities definitions.

*Enhancement of regulatory requirements on protection of customer’s moneys and assets*

4.7 On 18 July 2016, MAS issued a consultation paper<sup>7</sup> on proposals to enhance the regulatory requirements governing the treatment and handling of customer’s moneys and assets held by CMS licensees and MAS-licensed banks, merchant banks and finance companies which conduct regulated activities under the SFA (“Exempt financial institution” or “EFIs”). MAS published its response to feedback received on the consultation on 26 May 2017<sup>8</sup> and has incorporated the amendments to the SF(LCB)R to effect the revised changes after considering the feedback.

*Other amendments in the SF(LCB)R*

- (a) Record keeping requirements for accredited investors

4.8 MAS proposes to amend regulation 39(2)(a) such that it applies to all types of customers, and is consulting on amendments to the SF(LCB)R to effect this change. Under regulation 39(2)(a), a CMS licensee is required to keep books of every power of attorney

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<sup>6</sup> Refer to footnote 3

<sup>7</sup> Refer to MAS’ Consultation Paper (dated 18 July 2016) on [Enhancements to Regulatory Requirements on Protection of Customer’s Moneys and Assets](#)

<sup>8</sup> Refer to MAS’ Response Paper (dated 26 May 2017) on [Enhancements to Regulatory Requirements on Protection of Customer’s Moneys and Assets](#)

or other document authorising the CMS licensee or its representative to operate the account of the customer on a discretionary basis for each customer, other than a customer who is an accredited investor. Given the importance of having a proper audit trail for the business activities of a CMS licensee, MAS is of the view that the record keeping requirement under regulation 39(2)(a) should be applicable when dealing with all types of customers.

- (b) Limiting the use of title transfer collateral arrangement to customers who are accredited, institutional or expert investors

4.9 A title transfer collateral arrangement is an arrangement by which a customer agrees that full ownership of moneys or assets placed with a CMS licensee as collateral in respect of the customer's existing or future obligations, is to be unconditionally transferred to the CMS licensee. This means that, in the event of the CMS licensee's failure, the customer would be regarded as an unsecured creditor because the title or ownership of his or her moneys or assets would have been transferred to the CMS licensee under the title transfer arrangement. This contrasts with the position of a customer whose money and/or assets are held in a trust account and do not form part of the CMS licensee's bankruptcy estate. Such a customer would, in the case of the failure of the CMS licensee, have a claim on the moneys or assets held in the trust account.

4.10 While it is reasonable to presume that accredited, institutional or expert investors are generally more sophisticated or have access to more resources, and are able to assess the implication of a title transfer arrangement, this would not be a reasonable presumption to make in the case of retail customers (i.e. those who are not accredited, institutional or expert investors). As such, MAS proposes to limit the use of title transfer collateral arrangement to customers who are accredited, institutional or expert investors. This limitation will also apply to EFIs.

- (c) Exemptions for dealing with expert investors

4.11 MAS proposes to broaden the exemptions available to CMS licensees or EFIs when they deal with accredited and/or institutional investors, such that these exemptions will similarly be available to CMS licensees or EFIs when they deal with expert investors. "Expert investors" include persons who may not qualify for accredited investor or institutional investor status but are nonetheless sophisticated or capable of protecting their own interests. A similar widening of the exemptions to include expert investors will also be made in the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations ("SF(FMR)R").

<b>Question 1.</b>	MAS seeks comments on proposed amendments to the SF(LCB)R at Annex B.
<b>Question 2.</b>	MAS seeks comments on the proposal to amend regulation 39(2)(a) of the SF(LCB)R such that CMS licensees have to keep the books or documents required under this regulation when they deal with all types of investors.
<b>Question 3.</b>	MAS seeks comments on the proposal to limit the application of title transfer collateral arrangement to customers who are accredited, institutional or expert investors.
<b>Question 4.</b>	MAS seeks comments on the proposal to broaden the exemptions that are currently available to CMS licensees when they deal with accredited and/or institutional investors, such that these exemptions will similarly be available to CMS licensees when they deal with expert investors.

### Other proposals

#### *Exemption for remote clearing members*

4.12 Following the expansion of the CMS licensing regime to cover OTC derivatives contracts, overseas-based clearing members of Singapore-based CCPs (“Remote Clearing Members”) that clear OTC derivatives contracts will be required to hold a CMS licence for dealing in capital markets products.

4.13 To the extent that these Remote Clearing Members conduct their business outside Singapore and only serve overseas-based customers, the business conduct concerns which they pose are limited. As such, MAS proposes to exempt a Remote Clearing Member which clears OTC derivatives contracts on Singapore-based CCPs from the requirement to hold a CMS licence for dealing in capital markets products provided that the Remote Clearing Member:

- (a) is incorporated outside Singapore;
- (b) does not serve customers resident in Singapore;
- (c) does not carry on business in providing financial services in Singapore;
- (d) carries on business in a jurisdiction where the relevant regulator has an arrangement with the Authority for information exchange and co-operation in respect of OTC derivatives contracts; and

- (e) is registered, licensed, approved or otherwise regulated in respect of clearing of OTC derivatives contracts by the relevant regulator in its home jurisdiction.

4.14 The proposed exemption will be effected via amendments to the Securities and Futures (Exemption from Requirement to Hold Capital Markets Services Licence) Regulations.

*Lowering of base capital requirement for certain CMS licensees*

4.15 Following MAS' response of 8 June 2016<sup>9</sup> to feedback received on a policy consultation issued on 16 February 2015 on facilitating securities-based crowdfunding, MAS had eased the financial requirements for certain CMS licensees whose activities pose lower systemic and business conduct risks. The base capital requirement under the SF(FMR)R was lowered from \$250,000 to \$50,000 for CMS licensees which meet the following criteria:

- (a) deal in securities or trade in futures contracts;
- (b) serve accredited and institutional investors only;
- (c) do not accept, handle or hold customer moneys, assets or positions; and
- (d) do not act as principal against customers.

4.16 In this regard, MAS is now consulting on the proposed removal of the \$250,000 base capital requirement category, given that a CMS licensee which meets the criteria for \$250,000 base capital requirement should also be able to meet the criteria for \$50,000 base capital requirement.

**Question 5.** MAS seeks comments on the proposal to exempt Remote Clearing Members clearing OTC derivatives contracts on Singapore-based CCPs from the requirement to hold a CMS licence, subject to certain conditions.

**Question 6.** MAS seeks comments on the proposal to remove the \$250,000 base capital requirement category.

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<sup>9</sup> Refer to MAS' Response Paper (dated 8 June 2016) on [Facilitating Securities-based Crowdfunding](#)

## **5 New Securities and Futures (Offers of Investments) (Shares, Debentures and Business Trusts) Regulations 2017**

### Amendments consequential to the SF(A) Act

5.1 In the Consultation Paper of 11 February 2015, MAS consulted on the following changes to Part XIII of the SFA:

- (a) extending the prospectus requirements to cash-settled securities-based derivatives contracts;
- (b) providing appropriate exemptions to exempt certain cash-settled securities-based derivatives contracts from the prospectus requirement where the underlying is listed and where disclosure requirements apply to the contracts; and
- (c) collapsing the prospectus requirements for securities and units of business trusts in Division 1 and Division 1A of Part XIII into Division 1 of Part XIII.

5.2 MAS is now consulting on amendments proposed to be made to the SF(OI)(SD)R for the purposes of implementing the above changes. In addition, MAS has combined the requirements under the SF(OI)(SD)R and SF(OI)(BT)R into the proposed SF(OI)(SDBT)R.

<p><b>Question 7.</b> MAS seeks comments on the consequential amendments in the draft SF(OI)(SDBT)R, attached as Annex C, arising from the SF(A) Act.</p>
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### Disclosure of financial information in a prospectus

5.3 Singapore incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore (“Listed Singapore Companies”) will be required by the Accounting Standards Council (“ASC”) to apply a new accounting framework (“New Framework”) that is identical to the International Financial Reporting Standards (“IFRS”), for financial years beginning on or after 1 January 2018.

5.4 ASC’s requirement does not apply to a business trust registered under the Business Trusts Act (“Registered BT”) which is administered by MAS. MAS announced on 19 January 2017 that it will similarly require Registered BTs to prepare financial statements in accordance with the New Framework for financial years beginning on or after 1 January 2018. This will align the accounting treatment of Registered BTs with Listed Singapore Companies.

5.5 To facilitate comparability between, *inter alia*, financial information included in prospectuses at offering (such as annual financial statements) and those available post offering, MAS will be amending the SF(OI)(SD)R and SF(OI)(BT)R to replace references therein to the Singapore Financial Reporting Standards (“FRS”) with references to the New Framework. The amendments are intended to take effect on 1 January 2018. Once the amendments take effect, issuers of listed and unlisted<sup>10</sup> shares, debentures and units in business trusts (“Issuers”) that are currently preparing financial information in FRS and are targeting to make offers shortly after 1 January 2018, may have to restate financial information from the FRS to the New Framework.

5.6 As announced on 19 January 2017, MAS will provide for transitional relief from restating up to three years of historical annual financial statements from FRS to the New Framework for the purpose of inclusion in a prospectus. MAS is now consulting on proposed amendments to the SF(OI)(SD)R and SF(OI)(BT)R to provide for the transitional relief.

5.7 Proposed amendments to the provisions in the SF(OI)(SDBT)R pertaining to:

- (a) audited financial information may be found in the:
  - (i) Fifth Schedule, Part IX, Paragraphs 8 to 8A
  - (ii) Sixth Schedule, Part IX, Paragraphs 8 to 8A
  - (iii) Seventh Schedule, Part VIII, Paragraphs 9 to 9A
  - (iv) Tenth Schedule, Part VIII, Paragraphs 9 to 9A
  - (v) Seventeenth Schedule, Part X, Paragraphs 8 to 8A.
  
- (b) interim financial information may be found in the:
  - (i) Fifth Schedule, Part IX, Paragraphs 20 to 20A
  - (ii) Seventh Schedule, Part VIII, Paragraphs 21 to 21A
  - (iii) Seventeenth Schedule, Part X, Paragraphs 20 to 20A.
  
- (c) pro forma financial information may be found in the:
  - (i) Fifth Schedule, Part IX, Paragraphs 28A and 33
  - (ii) Seventh Schedule, Part VIII, Paragraphs 29A and 34
  - (iii) Seventeenth Schedule, Part X, Paragraphs 28A and 33.

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<sup>10</sup> Our amendments will cover unlisted Registered BT issuers and unlisted companies issuers, when such issuers make public offers of securities that are not exempted from prospectus requirements. These issuers accept public monies and are publicly accountable. Accordingly, they should be held to similar prospectus disclosure standards as listing aspirants.

**Question 8.** MAS seeks comments on the proposed amendments on the disclosure of financial information in a prospectus in the draft SF(OI)(SDBT)R as attached in Annex C.

### Incorporation by reference

5.8 MAS had previously consulted on proposals aimed at improving the quality of information and facilitating better understanding by investors of key information presented in prospectuses. As part of that consultation, MAS proposed allowing information located outside a prospectus to be incorporated into the prospectus by making reference to the information, subject to certain conditions.<sup>11</sup> As set out in MAS' response to the consultation, respondents generally welcomed this proposal.<sup>12</sup>

5.9 Pursuant to that consultation, section 243 of the SFA was amended by the SF(A) Act to allow for certain information to be incorporated in the prospectus by reference to a document lodged with MAS together with the prospectus (the "reference document"). As set out in MAS' response to the consultation, the specific information that can be incorporated into the prospectus by reference will be limited to those that will be prescribed by MAS<sup>13</sup>, and will be subject to conditions or restrictions that may be prescribed by MAS.

5.10 MAS is now consulting on proposed amendments to prescribe the specific information that can be incorporated into a prospectus by reference, and the conditions and restrictions for incorporating information by reference. These amendments are found in the Nineteenth Schedule and Regulation 8A(1) of the SF(OI)(SDBT)R.

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<sup>11</sup> See MAS' policy consultation paper dated 14 October 2013, <http://www.mas.gov.sg/~media/MAS/News%20and%20Publications/Consultation%20Papers/Responses%20to%20Public%20Consultation%20on%20Proposals%20to%20Facilitate%20Better%20Understanding%20of%20Prospectuses.pdf>

<sup>12</sup> See paragraph 3.2 of MAS' Response to Feedback Received – Policy Consultation on Proposals to Facilitate Better Understanding of Prospectuses dated 5 February 2015, [http://www.mas.gov.sg/~media/resource/publications/consult\\_papers/2013/14%20Oct%202013%20Policy%20Consultation%20on%20Proposals%20to%20Facilitate%20Better%20Understanding%20of%20Prospectuses.pdf](http://www.mas.gov.sg/~media/resource/publications/consult_papers/2013/14%20Oct%202013%20Policy%20Consultation%20on%20Proposals%20to%20Facilitate%20Better%20Understanding%20of%20Prospectuses.pdf)

<sup>13</sup> See paragraph 3.8 of MAS' Response to Feedback Received – Policy Consultation on Proposals to Facilitate Better Understanding of Prospectuses dated 5 February 2015 i.e. the information includes (a) information on relevant laws and regulations; (b) information on directorships or equivalent position in the last five years; (c) audit report of historical financial information; (d) expert reports; and (e) constituent documents.

**Question 9.** MAS seeks comments on the proposed amendments to prescribe the specific information that can be incorporated into a prospectus by reference, and the conditions and restrictions for incorporating information by reference, in the draft SF(OI)(SDBT)R as attached in Annex C.

### Offer information statement

5.11 The SF(A) Act amended section 277 of the SFA to provide MAS with the power to declare that an offer of securities by a subsidiary of a listed entity is exempted from the prospectus requirement under Part XIII of the SFA, where the following conditions are met:

- (a) an OIS is issued in lieu of the prospectus;
- (b) the payment obligations of the subsidiary in respect of the offer of securities are fully guaranteed, unconditionally and irrevocably, by the listed entity; and
- (c) MAS is satisfied that it would not be prejudicial to investors if a prospectus is dispensed with.

5.12 Where, upon application by either the subsidiary or the listed entity, a declaration has been made by MAS under section 277 of the SFA, the OIS relating to the offer of securities must comply with such requirements as to form and content as may be prescribed by regulations made under section 341 of the SFA.

5.13 MAS is now consulting on amendments to introduce a new provision to prescribe the form and content of the OIS required. The new provision is in Regulation 30(1A) of the SF(OI)(SDBT)R.

**Question 10.** MAS seeks comments on a new provision to prescribe the form and content of the OIS required for the prospectus exemption for an offer of securities by a subsidiary of a listed entity, in the draft SF(OI)(SDBT)R as attached in Annex C.



### Further enhancements to disclosure requirements

5.14 MAS had previously consulted on enhancements to prospectus disclosure requirements set out in the Schedules of the SF(OI)(SD)R.<sup>14</sup> Based on the feedback from the previous consultation, we have refined the proposed amendments. Separately, we have also received feedback on other areas, and are consequently proposing further enhancements to the Schedules of the SF(OI)(SD)R and SF(OI)BT)R. The proposed amendments and explanatory notes are set out in the Schedules of the SF(OI)(SDBT)R, as attached in Annex C. The proposed disclosure requirements will also be replicated to the Securities and Futures (Offers of Investments) (Shares and Debentures) (Exemption from Subdivisions (2) and (3) of Division 1 of Part XIII for REIT Bonds) Regulations 2011, where relevant.

<p><b>Question 11.</b> MAS seeks comments on the proposed amendments to the disclosure requirements set out in the Schedules of the SF(OI)(SDBT)R, as attached in Annex C.</p>
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<sup>14</sup> The previous consultation is titled "Draft Regulations Pursuant to the Securities and Futures Act" and dated 16 April 2010.

## Annex A

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