

MAS NOTICE 615

17 July 2018

NOTICE TO BANKS
BANKING ACT, CAP 19

(MAS Notice 615 dated 27 March 2002 and last revised on 19 March 2007 is cancelled with effect from 18 July 2018)

APPOINTMENT OF AUDITORS

1 This Notice is issued pursuant to sections 55 and 58 of the Banking Act (Cap. 19) [the “Act”] and applies to all banks in Singapore.

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 58(1) of the Act, a bank is required to submit annually for the Authority's approval, the name of the auditor they propose to appoint or reappoint in respect of each financial year.

4 Subject to paragraphs 5 to 7, for the purposes of section 58(1) of the Act, the Authority will not grant its approval to a bank incorporated and headquartered in Singapore 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.

5 Paragraph 4 shall not apply to a bank incorporated and headquartered in Singapore that is a subsidiary of another bank incorporated and headquartered in Singapore.

6 In the case of a bank incorporated and headquartered in Singapore that has appointed the same auditor for a period of more than 10 consecutive financial years as of 31 December 2017, paragraph 4 shall not apply to the bank's reappointment of its auditor for each of the financial year preceding the financial year ending 31 December 2020.

7 In the case of a bank incorporated and headquartered in Singapore that has appointed the same auditor for a period of 10 consecutive financial years or less as of 31 December 2017, paragraph 4 shall not apply to the bank's reappointment of its auditor for each of the financial year preceding the financial year ending 31 December 2022.

8 Every 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 4. A bank shall take into consideration, amongst others, the knowledge, independence and competence and effectiveness of an auditor in determining his appointment, reappointment or removal, as the case may be.

Effective Date

9 This Notice shall take effect on 18 July 2018.

10 MAS Notice 615 dated 27 March 2002 and last revised on 19 March 2007 is cancelled with effect from 18 July 2018.

***Notes on History of Amendments**

1. MAS Notice 615 dated 27 March 2002 and last revised on 19 March 2007 is cancelled with effect from 18 July 2018.

2. MAS Notice 615 dated 1 November 1983 is cancelled with effect from 28 March 2002.