Monetary Authority of Singapore
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Circular No.: MPC 01/2025

28 March 2025

To: Chief Executive Officers
[All Licensed Financial Advisers and Exempt Financial Advisers]

Dear Sir/Madam

ISSUANCE OF RESPONSE TO CONSULTATION PAPER ON PROPOSED LEGISLATIVE AMENDMENTS TO THE REQUIREMENTS FOR ENHANCING PRE AND POST-TRANSACTION SAFEGUARDS FOR RETAIL CLIENTS; AND REVISION OF FAA-N16, FAA-N20, FAA-G14, FAQS ON FAA-N16 AND FAQS ON THE BALANCED SCORECARD FRAMEWORK

On 31 July 2024, MAS issued a consultation paper to seek feedback on the proposed legislative amendments to the requirements for enhancing pre and post-transaction safeguards for retail clients. MAS would like to thank all respondents for their feedback. We have carefully considered the comments received and our response to the consultation feedback is available at this link on the MAS website.

2 The following revised draft Notices, Guidelines and FAQs can also be found on the response to the consultation page on MAS website and will come into effect on 29 December 2025:

a) MAS Notice FAA-N16 on Notice on Recommendations on Investment Products;
b) MAS Notice FAA-N20 on Notice on Requirements for the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework") and Independent Sales Audit Unit;
c) FAA-G14 on Guidelines on the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework"), and Reference Checks;
d) FAQs on FAA-N16; and
e) FAQs on the Balanced Scorecard (BSC) Framework.

MAS strongly encourages financial advisory firms to consider early implementation of the requirements where possible.

3 Please contact your MAS Review Officer if you require any clarification.

Yours faithfully

(Sent via MASNET)

ABIGAIL NG
EXECUTIVE DIRECTOR
MARKETS POLICY & CONSUMER DEPARTMENT