

Directive 24

18 Dec 1987

Directives to Merchant Banks

Definitions

In Directives 23 to 32, unless the context otherwise requires:

"accounts" means profit and loss accounts and balance sheets and includes notes (other than auditor's reports) attached to or intended to be read with those profit and loss accounts or balance sheets;

"arbitrage transaction" means a purchase or sale of Government securities in one market together with an offsetting sale or purchase of the same securities in a different market at as nearly the same time as practicable for the purpose of taking advantage of a difference in prices in the two markets;

"auditor" means an approved company auditor within the meaning of the Companies Act;

"Authority" means the Monetary Authority of Singapore;

"merchant bank" means a merchant bank that is approved as a Cap. financial institution under Section 28 of the Monetary Authority of 186. Singapore Act;

"book" includes any register, document or other record of information and any account or accounting record, however compiled, recorded or stored whether in written or printed form or microfilm by electronic process or otherwise;

"book-entry securities" means book-entry Government securities and book-entry Treasury bills;

"client" means any person from whom, or on whose behalf, a dealer has received or acquired or holds monies, securities or property for the account of such person in relation to transactions in Government securities, but shall not include the dealer itself;

"company" has the same meaning as is assigned to that expression in the Companies Act;

"corporation" has the same meaning as is assigned to that expression in the Companies Act;

"dealing in securities" means (whether as principal or agent) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into:

- (a) any agreement for or with a view to acquiring, disposing of, subscribing for, or underwriting securities; or
- (b) any agreement the purpose or pretended purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the price of securities;

"dealer" means a Government securities dealer and, unless the context otherwise requires, includes a Primary, Registered and Secondary dealer;

"director" has the same meaning as is assigned to that expression in the Companies Act;

"Government securities" means securities issued or proposed to be issued by the Government and include:

- (a) debentures, stocks, Treasury bills, notes and bonds issued or proposed to be issued by the Government;
- (b) any right or options in respect of any such debentures, stocks, Treasury bills, notes or bonds; and
- (c) book-entry Government securities and book-entry Treasury bills, as defined in the Development Loan Act 1987 and the Local Treasury Bills Act respectively;

"Government securities dealer" means a merchant bank whose business includes dealing in Government securities and which is approved by the Authority to carry out that business as a Primary dealer or as a Registered dealer or as a Secondary dealer;

"Primary dealer" means a Government securities dealer which is designated and approved as a Primary dealer by the Authority;

"Registered dealer" means a Government securities dealer which is designated and approved as a Registered dealer by the Authority;

"repurchase agreement" means an agreement to sell securities with a commitment to repurchase from the same person at a later date securities of the same quantity, issue and maturity;

"reverse repurchase agreement" means an agreement to purchase securities with a commitment to resell to the same person at a later date securities of the same quantity, issue and maturity;

"Rules and Market Practices" means the Rules and Market Practices, including any amendments and modifications thereto, of the Singapore Government securities market as promulgated from time to time by the Market Committee of the Government securities market so long as the Market Committee is recognised as such by the Authority;

"Secondary dealer" means a Government securities dealer which is approved by the Authority as such, other than a Primary or Registered dealer;

"Securities" means Government securities unless the context otherwise requires.

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