

**ANNEX 3: DRAFT SECURITIES AND FUTURES (LICENSING AND
CONDUCT OF BUSINESS) (AMENDMENT) REGULATIONS 2007
COMPARATIVE TABLE**

COMPARATIVE TABLE OF PROVISIONS

AMENDMENTS TO THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS

Existing Provision

Regulation 14(5)(b)(iii):

~~(iii) where the person is an entity, its directors or equivalent persons are fit and proper persons for office.~~

Proposed Amendment

(iii) where the person is an entity –

(A) its directors or equivalent persons are fit and proper persons for office; and

(B) its substantial shareholders are fit and proper persons.

(C) persons (other than a person referred to in subparagraph (A) or (B)) who exercise, or have the power to exercise, control or influence over the entity are fit and proper persons.



Regulation 55:

Existing Provision

Proposed Amendment

Offences

~~55. Any person who contravenes regulation 3A(3), 4, 5, 10(1A), 11 or 14 (4) or any provision of Part III, IV (except regulation 42) or V, or requirements under, or a direction issued by the Authority under regulation 51, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.~~

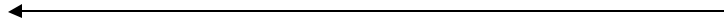
55.—Any person who contravenes regulations 3A(3), 4, 5, 10(1A), 11 or 14 (4), any provision of Part III, IV (except regulation 42) or V, paragraph 4(6), 5(7) or 7(6) of the Second Schedule, or a direction issued by the Authority under regulation 51, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

Regulation 59

59.- Any person who, immediately before the appointed date, was a person exempted under paragraph 4(1)(c) or 7(1)(b) of the Second Schedule to these Regulations from the requirement to hold a capital markets services licence to carry on business in leveraged foreign exchange trading or advising on corporate finance, as the case may be, shall be exempted from the requirement under the Act to hold a capital markets services licence to carry on business in such activity —
(a) for a period of 6 months from the appointed date; or

Existing Provision

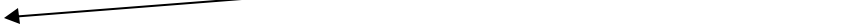
Proposed Amendment



(b) if, before the expiry of the period of 6 months, he applies for a capital markets services licence for that activity or for activities which include that activity, until the date on which the licence is granted to him, or on which his application is refused or withdrawn,
whichever is the later.

Paragraph 4(1)(c) of Second Schedule

~~(c) a person who carries on business in leveraged foreign exchange trading with accredited investors.~~



(c) a person resident in Singapore who carries on business in leveraged foreign exchange trading in Singapore with accredited investors.

Existing Provision

Paragraph 5(3) of Second Schedule

~~(3) In this paragraph, each of the following persons and schemes shall be considered as one qualified investor:~~

- ~~(a) an accredited investor other than one who is a participant in a collective investment scheme referred to in sub-paragraph (b) or (c);~~
- ~~(b) a collective investment scheme the units of which are the subject of an offer or invitation made in Singapore only to accredited investors for subscription or purchase;~~
- ~~(c) any other collective investment scheme the units of which are not the subject of an offer or invitation made in Singapore to the public for subscription or purchase;~~
- ~~(d) any other persons that the Authority may from time to time, by a guideline issued by the Authority, determine.~~

Proposed Amendment

(3) In this paragraph, each of the following persons, schemes and funds shall be considered as one qualified investor:

(a) an accredited investor other than –

(i) one who is a participant in a collective investment scheme referred to in sub-paragraph (b);

(ii) one who is a holder of a unit or shareholder of a closed-end fund referred to in sub-paragraph (c);

(iii) one which is a corporation referred to in section 4A(1)(a)(ii) of the Act or an entity referred to in regulation 2(b) of the Securities and Futures (Prescribed Specific Classes of Investors) Regulations 2005 where such corporation or entity, as the case may be, –

(A) is related to or controlled by the person referred to in sub-paragraph (1)(d) or a key officer or substantial shareholder of such person; and

(B) is, after [date of commencement of amendment], the subject of an offer or invitation made for subscription or purchase in shares or debentures,

to persons who are not accredited investors; or

(iv) one which is a collective investment scheme or closed-end fund and which is, after [date of commencement of amendment], the subject of an offer or invitation made to

Existing Provision

Proposed Amendment

persons who are not accredited investors;

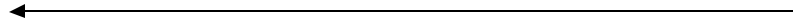
(b) a collective investment scheme the units of which are the subject of an offer or invitation made –

(i) in Singapore only to accredited investors for subscription or purchase; or

(ii) elsewhere, where after [date of commencement of amendment] such offer or invitation is made only to accredited investors for subscription or purchase;

(c) a closed-end fund whose holder of a unit or units and shareholders are accredited investors only;

(d) any other persons that the Authority may from time to time, by a guideline issued by the Authority, determine.



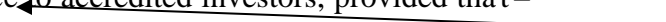
Paragraph 7(1)(b) of Second Schedule of SFR(LCB)R

(b) a person who carries on business in giving advice on corporate finance to accredited investors, provided that –

(i) such advice is not specifically given for the making of any offer of securities to the public by the accredited investor to whom the advice was given; and

resident in Singapore

in Singapore



Existing Provision

(ii) where the accredited investor is -
(A) a public company;
(B) listed on a securities exchange; or
(C) a subsidiary of a corporation listed on a securities exchange,
such advice is not circulated to the shareholders (other than shareholders who are accredited investors) of (in the case of sub-paragraph (A) or (B)) the accredited investor or (in the case of sub -paragraph (C)) the listed corporation, or is otherwise made known to the public;

Proposed Amendment