

**PART IV: DRAFT FINANCIAL ADVISERS
(AMENDMENT NO. 2) REGULATIONS 2007**

DISCLAIMER: This version of the Bill is in draft form and subject to change. It is also subject to review by the Attorney-General's Chambers.

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No. S 000 –

FINANCIAL ADVISERS ACT
(CHAPTER 110)
FINANCIAL ADVISERS (AMENDMENT NO. 2)
REGULATIONS 2007

In exercise of the powers conferred by sections 23(1)(f) and 104 of the Financial Advisers Act, the Monetary Authority of Singapore hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Financial Advisers (Amendment No. 2) Regulations 2007 and shall come into operation on 2007.

New regulation 32C

2. The Financial Advisers Regulations (Rg 2) are amended by inserting, immediately after regulation 32B, the following regulation:

‘Exemption for foreign research houses

32C.—(1) A foreign research house shall be exempt under section 23(1)(f) of the Act from holding a financial adviser’s licence in respect of it advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product effected under an arrangement between the foreign research house (on the one hand) and a financial adviser in Singapore (on the other hand), subject to the following conditions:

- (a) the financial adviser in Singapore is licensed under the Act or exempt under section 23 (other than subsections (1)(ea) and (1)(f)) of the Act to provide the financial advisory service of advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product;

- (b) the foreign research house is, licensed, registered, approved, authorised or otherwise supervised by the regulatory authority in the jurisdiction in which it operates, in accordance with the law of that jurisdiction;
- (c) the research analysis or research report contains a statement to the effect that recipients of the analysis or report are to contact the financial adviser in Singapore in respect of any matters arising from, or in connection with, the analysis or report; and
- (d) where the research analysis or research report is issued or promulgated to a person who is not an accredited investor, expert investor or institutional investor, the analysis or report shall contain a statement to the effect that the financial adviser in Singapore will accept legal responsibility for the contents of the analysis or report without any disclaimer limiting or otherwise curtailing such legal responsibility.

(2) In this regulation —

“foreign research house” means a foreign company (within the meaning of section 4(1) of the Companies Act (Cap. 50)) which carries on a business of providing the financial advisory services of advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product.

Made this day of 2007.

HENG SWEE KEAT
Managing Director,
Monetary Authority of Singapore.

[CMID Ref; AGC Ref]