

**DISCLAIMER: THIS VERSION OF THE BILL IS IN DRAFT FORM
AND IS SUBJECT TO CHANGE**

Trust Companies (Amendment) Bill

Bill No. /2014.

Read the first time on

2014.

A BILL

i n t i t u l e d

An Act to amend the Trust Companies Act (Chapter 336 of the 2006 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Trust Companies (Amendment) Act 2014 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 **Amendment of section 2**

2. Section 2 of the Trust Companies Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately after the definition of “financial year”, the following definition:

10 ““foreign-owned licensed trust company incorporated in Singapore” means a licensed trust company —

(a) that is incorporated in Singapore; and

(b) that is a subsidiary of another corporation which is incorporated, formed or established outside Singapore;”;

15

(b) by deleting the definition of “parent supervisory authority” and substituting the following definition:

““parent supervisory authority” means —

(a) in relation to a licensed trust company incorporated, formed or established outside Singapore, the supervisory authority which, under the laws of the country or territory where the licensed trust company is incorporated, formed or established, is responsible for supervising the licensed trust company; or

20

25

(b) in relation to a foreign-owned licensed trust company incorporated in Singapore, the supervisory authority which has consolidated supervision authority over that licensed trust company;”;

30

and

(c) by inserting, immediately after the definition of “securities”, the following definition:

“ “subsidiary” has the same meaning as in section 5 of the Companies Act;”.

5 **Amendment of section 47**

3. Section 47 of the principal Act is amended —

(a) by deleting the words “licensed trust company that is incorporated outside Singapore” in subsection (1) and substituting the words “licensed trust company that is
10 incorporated, formed or established outside Singapore or a foreign-owned licensed trust company incorporated in Singapore”;

(b) by deleting the words “, accounts and transactions of any branch or office of that licensed trust company in
15 Singapore” in subsection (1) and substituting the words “of any branch or office in Singapore of that licensed trust company incorporated, formed or established outside Singapore or of that foreign-owned licensed trust company incorporated in Singapore (as the case may be)”;

(c) by deleting paragraph (a) of subsection (3) and substituting the following paragraph:

“(a) shall afford the parent supervisory authority access to such books of the branch or office of the licensed trust company under inspection or of
25 the licensed trust company under inspection (as the case may be), and provide such information (including information relating to the licensed trust company’s internal control systems) and facilities as may be required to conduct the
30 inspection; and”;

(d) by deleting the words “, accounts and documents” in subsection (3)(b); and

(e) by deleting subsection (4) and substituting the following subsection:

“(4) A parent supervisory authority may, with the prior written approval of the Authority —

5 (a) in the case of a licensed trust company incorporated, formed or established outside Singapore, request the auditors of the head office of the licensed trust company, or appoint any person; or

10 (b) in the case of a foreign-owned licensed trust company incorporated in Singapore, request the auditors of any corporation of which the foreign-owned licensed trust company is a subsidiary, or appoint any person,

15 to conduct the inspection under subsection (1); and in such event the provisions of this section (other than this subsection) shall apply to the auditors or the appointed person, as the case may be, as if a reference to the parent supervisory authority or to an official of the parent supervisory authority includes a reference to the auditors or the person.”; and

20 (f) by deleting the words “, account or document” in subsection (6).

Amendment of Third Schedule

4. The Third Schedule to the principal Act is amended —

25 (a) by inserting, immediately after item 7 in Part I, the following item:

“

<i>First column</i>	<i>Second column</i>	<i>Third column</i>
<i>Purposes for which confidential information may be disclosed</i>	<i>Persons to whom information may be disclosed</i>	<i>Conditions</i>
8. Disclosure is by a licensed trust company incorporated, formed or established outside Singapore, or by a foreign-owned licensed trust company incorporated in Singapore, and is strictly necessary for compliance with a request made by its parent supervisory authority.	The parent supervisory authority of the licensed trust company.	(a) No asset information shall be disclosed to the parent supervisory authority. (b) The parent supervisory authority is prohibited by the laws applicable to it from disclosing the information obtained by it to any person, unless compelled to do so by the laws or courts of the country or territory where the parent supervisory authority is established.

”

(b) by inserting, immediately after the definition of “appointed personal representative” in Part III, the following definition:

5 “asset information” means any information relating to any moneys or other assets of a protected party of a licensed trust company, but does not include any information that is not referable to any named person or group of named persons;”.

Miscellaneous amendments

5. The principal Act is amended —

- 10 (a) by deleting the words “incorporated outside Singapore” in sections 16(2) and 21C(3) and substituting in each case the words “incorporated, formed or established outside Singapore”; and
- 15 (b) by deleting the words “incorporated outside Singapore” in item 2(a) of Part II of the Third Schedule and substituting the words “incorporated, formed or established outside Singapore”.

EXPLANATORY STATEMENT

This Bill seeks to

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.