# RESPONSE TO CONSULTATION PAPER

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| **Consultation Topic:** | Consultation Paper on Enhancements to Regulatory Requirements on Protection of Customer’s Moneys and Assets |
| **Name1/Organisation:**  1if responding in a personal capacity |  |
| **Contact number for any clarifications:** |  |
| **Email address for any clarifications:** |  |
| **Confidentiality** | |
| I wish to keep the following confidential: | *(Please indicate any parts of your submission you would like to be kept confidential, or if you would like your identity to be kept confidential. Your contact information will not be published.)* |

**General comments:**

<Please fill in your response to each question in the blank space below the question.>

**Question 1: MAS seeks comments on the proposal to expand the definition of customer moneys to include contractual rights arising from transactions entered into by the CMS licensee on behalf of a customer (e.g. futures contracts) or with a customer (e.g. contract for differences).**

**Question 2: MAS seeks comments on the proposals to:**

**(a) require CMS licensees to conduct due diligence for the selection and appointment of deposit-taking financial institutions with whom they maintain customer’s trust accounts; and**

**(b) require CMS licensees to carry out periodic reviews to assess whether the deposit-taking financial institutions and custodians with whom they maintain customer’s trust accounts and custody accounts remain suitable**

**Question 3: MAS seeks comments on the proposal to extend the applicability of Regulations 18 and 28 under the LCB Regulations to situations where customers’ moneys and assets are placed with overseas financial institutions.**

**Question 4: MAS seeks comments on the proposal to require CMS licensees to maintain information systems and controls that can promptly produce, both in normal times and in the event of resolution or insolvency, salient information pertaining to their customer’s moneys and assets.**

**Question 5: MAS seeks comments on the proposed disclosure requirements as set out in paragraphs 3.14 and 3.15.**

**Question 6: MAS seeks comments on the proposal to extend the daily computation requirement under Regulation 37 of the LCB Regulations to all CMS licensees holding customer’s moneys and assets.**

**Question 7: MAS seeks views on the proposals to:**

**(a) require CMS licensees to provide risk disclosure to, and obtain consent from, their customers prior to lending, mortgaging, pledging, charging or re-hypothecating the customer’s assets; and**

**(b) allow CMS licensees to provide the relevant risk disclosure in, and obtain the requisite consent through, the agreement governing the customer’s account.**

**Question 8: MAS seeks comments on the proposal to require CMS licensees to respond reasonably promptly to customers requesting for their statements of accounts.**

**Question 9: MAS seeks feedback on whether Regulations 16(1)(b) and 26(2) should be dis-applied in the case of retail customers.**

**Question 10: MAS seeks views on the proposals to:**

**(a) dis-apply the LCB Money Rules to EFIs; and**

**(b) extend the proposed enhancements in paragraphs 3.4 to 3.23 (including Regulations 39(1) and (2), and Regulation 40 of the LCB Regulations) in respect of customer’s assets to EFIs.**