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SECURITIES AND FUTURES ACT
(CHAPTER 289)

SECURITIES AND FUTURES (LICENSING
AND CONDUCT OF BUSINESS)
(AMENDMENT) REGULATIONS 2016

In exercise of the powers conferred by sections 100 and 341 of the Securities and Futures Act, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Securities and Futures (Licensing and Conduct of Business) (Amendment) Regulations 2016 and come into operation on 1 November 2016.

Amendment of regulation 7

2. Regulation 7 of the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg 10) is amended by deleting paragraphs (1), (2) and (2A) and substituting the following paragraphs:

“(1) Subject to paragraph (2), an application for a capital markets services licence to carry on business in dealing in securities must be accompanied by a deposit of \$100,000 to be lodged in the manner determined by the Authority.

(2) The deposit mentioned in paragraph (1) is not required in the case of an applicant —

(a) that is a member of a securities exchange; or

(b) that is a person which —

(i) does not carry any customer’s positions in securities, margins or accounts in that person’s own books;

(ii) deals in securities only with accredited investors or institutional investors;

- (iii) does not accept money or assets from any customer as settlement of, or as a margin for, or to guarantee or secure, any contract for the purchase or sale of securities by that customer; and
- (iv) does not enter into any transaction with any customer to deal in securities as principal.

(2A) The deposit mentioned in paragraph (1) must be maintained for the entire duration of the licence.

(2B) The deposit mentioned in paragraph (1) must be lodged with the Authority —

- (a) by making payment through any electronic funds transfer system as the Authority may designate from time to time;
- (b) in the form of a banker's guarantee issued by a bank licensed under the Banking Act (Cap. 19); or
- (c) in cash.”.

Amendment of Third Schedule

3. The Third Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations is amended —

- (a) by deleting the words “By cheque or in” in the fourth column of item 1 and substituting the word “In”;
- (b) by deleting the words “by cheque” in paragraph (a) in the fourth column of items 2, 5, 6, 7 and 8 and substituting in each case the words “in the manner specified by the Authority,”;
- (c) by deleting the words “19th December of the preceding year” in paragraph (b) in the fourth column of item 2 and substituting the words “the date specified by the Authority in the fee advice”;
- (d) by deleting the words “by cheque or” in paragraphs (a) and (b)(i) in the fourth column of item 4;
- (e) by deleting paragraph (b) in the fourth column of item 6 and substituting the following paragraph:
 - “(b) Where principal has a GIRO arrangement with the Authority, by GIRO by the date specified by the Authority in the fee advice.”; and

(f) by deleting the words “By cheque at time of inspection” in the fourth column of item 10 and substituting the following paragraphs:

- “(a) Where the person has no GIRO arrangement with the Authority, in the manner specified by the Authority, by the date specified in the fee advice.
- (b) Where the principal has a GIRO arrangement with the Authority, by GIRO by the 16th day of the month following that in which the request for inspection of and extraction from record is made.”.

[G.N. Nos. S 373/2005; S 275/2008; S 374/2008; S 709/2010; S 418/2011; S 18/2012; S 385/2012; S 503/2012; S 170/2013; S 171/2013]

Made on 19 October 2016.

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