
First published in the *Government Gazette*, Electronic Edition, on 8 June 2018 at 5 pm.

No. S 386

FINANCIAL ADVISERS ACT
(CHAPTER 110)

FINANCIAL ADVISERS
(AMENDMENT NO. 2) REGULATIONS 2018

In exercise of the powers conferred by sections 100(1) and 104(1) of the Financial Advisers Act, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Financial Advisers (Amendment No. 2) Regulations 2018 and come into operation on 10 December 2018.

Amendment of regulation 18B

2. Regulation 18B of the Financial Advisers Regulations (Rg 2) (called in these Regulations the principal Regulations) is amended —

- (a) by deleting the words “a person who is not a member of the senior management” in paragraph (4)(a) and substituting the words “a person who may or may not be a member of the senior management”;
- (b) by deleting the words “a committee comprising persons who are not members of the senior management (referred to in this regulation as the designated committee)” in paragraph (4)(b) and substituting the words “a committee (referred to in this regulation as the designated committee) comprising at least 2 persons, each of whom may or may not be a member of the senior management,”;

(c) by deleting paragraph (7) and substituting the following paragraphs:

“(7) Where a financial adviser complies with paragraph (3) with respect to a new product to be sold or marketed by the financial adviser, the financial adviser must maintain records of the following items for a period of at least 5 years after the date on which the last member of the senior management of the financial adviser gave his approval mentioned in paragraph (3)(b) in respect of the new product:

- (a) any due diligence exercise carried out under paragraph (1) in respect of the new product;
- (b) the approval mentioned in paragraph (3)(b) of all the members of the senior management of the financial adviser.

(7A) Where the senior management of the financial adviser appoints a designated person under paragraph (4)(a) in respect of a new product to be sold or marketed by the financial adviser, and the designated person fulfils the requirements mentioned in paragraph (3)(a) and (b), the financial adviser must maintain records of the following items for a period of at least 5 years after the date on which the designated person gave his approval mentioned in paragraph (3)(b) in respect of the new product:

- (a) any due diligence exercise carried out under paragraph (1) in respect of the new product;
- (b) the unanimous consent of the members of the senior management to designate the designated person, as mentioned in paragraph (4);
- (c) the approval mentioned in paragraph (3)(b) of the designated person.

(7B) Where the senior management of the financial adviser appoints a designated committee under

paragraph (4)(b) in respect of a new product to be sold or marketed by the financial adviser, and all the members of the designated committee fulfil the requirements mentioned in paragraph (3)(a) and (b), the financial adviser must maintain records of the following items for a period of at least 5 years after the date on which the last member of the designated committee of the financial adviser gave his approval mentioned in paragraph (3)(b) in respect of the new product:

- (a) any due diligence exercise carried out under paragraph (1) in respect of the new product;
 - (b) the unanimous consent of the members of the senior management to designate the designated committee, as mentioned in paragraph (4);
 - (c) the approval mentioned in paragraph (3)(b) of all the members of the designated committee.”; and
- (d) by deleting the definition of “member of the senior management” in paragraph (9) and substituting the following definition:
- ““member of the senior management”, in relation to a financial adviser, means a person for the time being holding the office of —
- (a) chief executive officer or an equivalent person of the financial adviser; or
 - (b) executive director or an equivalent person of the financial adviser,
- and includes a person carrying out the duties of any such officer if the office is vacant;”.

Amendment of regulation 22

3. Regulation 22(7) of the principal Regulations is amended by deleting sub-paragraphs (xiii) and (xiv) of sub-paragraph (c).

Amendment of regulation 34A

4. Regulation 34A(1) of the principal Regulations is amended by deleting the words “, 34 or 36” in sub-paragraph (d)(vii) and substituting the words “or 34”.

Deletion of regulation 36

5. Regulation 36 of the principal Regulations is deleted.

*[G.N. Nos. S 76/2004; S 692/2004; S 362/2005; S 58/2007;
S 274/2008; S 716/2010; S 433/2011; S 383/2012;
S 166/2013; S 169/2015; S 394/2015; S 815/2015;
S 521/2016; S 113/2017; S 586/2017; S 385/2018]*

Made on 6 June 2018.

RAVI MENON
*Managing Director,
Monetary Authority of Singapore.*

[CMI FA 01/2016; AG/LEGIS/SL/110/2015/2 Vol. 3]