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**BANKING ACT
(CHAPTER 19)**

**BANKING
(AMENDMENT) REGULATIONS 2021**

In exercise of the powers conferred by sections 76A(1) and 78 of the Banking Act, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Banking (Amendment) Regulations 2021 and come into operation on 1 July 2021.

Amendment of regulation 2

2. Regulation 2 of the Banking Regulations (Rg 5) is amended —

- (a) by deleting the definitions of “customer”, “customer information”, “deposit information” and “funds of a customer under management”;
- (b) by deleting the words “section 46 of the Insurance Act (Cap. 142)” in the definition of “liabilities” and substituting the words “section 37 of the Deposit Insurance and Policy Owners’ Protection Schemes Act (Cap. 77B)”; and
- (c) by deleting the words “of shares” in the definition of “market day”.

Amendment of regulation 3

3. Regulation 3(1) of the Banking Regulations is amended by deleting the word “registered” wherever it appears in sub-paragraph (c) and substituting in each case the word “licensed”.

New Part IIAA

4. The Banking Regulations are amended by inserting, immediately after regulation 6, the following Part:

“PART IIAA

USE OF BANK NAME, LOGO OR TRADE MARK

Exemptions from section 5A of Act

6AA.—(1) A person who, in the course of any profession, vocation, trade or business, uses the name, logo or trade mark of a bank incorporated in Singapore (other than a foreign-owned bank incorporated in Singapore) is exempt from section 5A(1) of the Act if —

- (a) the person uses the bank’s name, logo or trade mark in connection with an event that is —
 - (i) organised by the person; and
 - (ii) sponsored by the bank; and
- (b) the bank permits the person to use the bank’s name, logo or trade mark in connection with the event.

(2) A bank incorporated in Singapore (other than a foreign-owned bank incorporated in Singapore) that causes or knowingly permits a person to use the bank’s name, logo or trade mark in the course of the person’s profession, vocation, trade or business is exempt from section 5A(2) of the Act if —

- (a) the bank causes or permits the person to use the bank’s name, logo or trade mark only in connection with an event that is —
 - (i) organised by the person; and
 - (ii) sponsored by the bank; and
- (b) the board of directors of the bank approves the person’s use of the bank’s name, logo or trade mark in connection with the event.

(3) A person who, in the course of any profession, vocation, trade or business, uses the name, logo or trade mark of a

foreign-owned bank incorporated in Singapore is exempt from section 5A(1) of the Act if —

- (a) the bank permits the person to use the bank’s name, logo or trade mark;
- (b) the bank has not entered into any partnership, joint venture or other arrangement with the person to carry on any business prescribed by regulation 23G or 23I; and
- (c) the person is not an entity in which the bank acquired or holds a major stake for which the bank is exempt from section 32 of the Act under regulation 7B.

(4) A foreign-owned bank incorporated in Singapore that causes or knowingly permits a person to use the bank’s name, logo or trade mark in the course of the person’s profession, vocation, trade or business is exempt from section 5A(2) of the Act if —

- (a) the bank has not entered into any partnership, joint venture or other arrangement with the person to carry on any business prescribed by regulation 23G or 23I; and
- (b) the person is not an entity in which the bank acquired or holds a major stake for which the bank is exempt from section 32 of the Act under regulation 7B.”.

Amendment of regulation 6B

5. Regulation 6B of the Banking Regulations is amended —

- (a) by deleting the words “bank in Singapore” in paragraph (1) and substituting the words “bank incorporated in Singapore or bank incorporated outside Singapore”;
- (b) by inserting, immediately before the definition of “closing date” in paragraph (2), the following definitions:
 - ““approved exchange”, “overseas exchange” and “securities” have the meanings given by

section 2(1) of the Securities and Futures Act (Cap. 289);”;

- (c) by deleting the definitions of “overseas securities exchange”, “relevant securities” and “securities” and “securities exchange” in paragraph (2) and substituting the following definition:

““relevant specified products” has the meaning given by regulation 2 of the Securities and Futures (Market Conduct) (Exemptions) Regulations 2006;”;

- (d) by deleting the words “a securities exchange” in paragraphs (a) and (b) of the definition of “specified period” in paragraph (2) and substituting in each case the words “an approved exchange”;
- (e) by deleting the words “an overseas securities exchange” in paragraph (b) of the definition of “specified period” in paragraph (2) and substituting the words “an overseas exchange”;
- (f) by deleting the words “relevant securities” in the definition of “stabilising action” in paragraph (2) and substituting the words “relevant specified products”;
- (g) by deleting the words “securities exchange” in paragraph (b) of the definition of “stabilising bank” in paragraph (2) and substituting the words “approved exchange”; and
- (h) by deleting the words “relevant securities” in paragraph (b) of the definition of “stabilising bank” in paragraph (2) and substituting the words “relevant specified products”.

New regulation 6C

6. The Banking Regulations are amended by inserting, immediately after regulation 6B in Part IIB, the following regulation:

“Exclusion from operation of section 31 of Act for investment in certain businesses

6C. Section 31 of the Act does not apply in respect of any equity investment in a single company acquired or held, by a bank incorporated in Singapore or a bank incorporated outside Singapore, for the purposes of carrying on any business prescribed in regulation 23G(1).”.

Amendment of regulation 7

7. Regulation 7 of the Banking Regulations is amended —

- (a) by deleting the word “company” wherever it appears in paragraph (1)(a) and (b) and substituting in each case the word “entity”;
- (b) by deleting the words “to a company” in paragraph (2) and substituting the words “to an entity”;
- (c) by deleting the words “a company or within a class of companies” in paragraph (2)(d) and substituting the words “an entity, or an entity within a class of entities”; and
- (d) by deleting the word “companies” in the regulation heading and substituting the word “entities”.

New regulation 7B

8. The Banking Regulations are amended by inserting, immediately after regulation 7A in Part III, the following regulation:

“Exclusion of entity carrying on business under section 30(1)(a), (b) or (c) of Act, etc., from section 32 of Act

7B.—(1) Subject to paragraphs (2), (3) and (4), section 32 of the Act does not apply to an entity that carries on —

- (a) a business prescribed in regulation 23G(1) or 23H(1);
or
- (b) a business of investing in any entity that carries on a business prescribed in regulation 23G(1) or 23H(1).

(2) In each case mentioned in the following sub-paragraphs, paragraph (1) applies only if the corresponding condition is satisfied:

- (a) in a case where the entity carries on a business mentioned in paragraph (1)(a) and other businesses — each of such other businesses is a business mentioned in section 30(1)(a), (b) or (c) of the Act, or a business prescribed for the purposes of section 30(1)(d) of the Act that is similar in economic substance and risk to a business mentioned in section 30(1)(a), (b) or (c) of the Act;
- (b) in a case where the entity carries on a business mentioned in paragraph (1)(b) and other businesses —
 - (i) at least one of such other businesses is a business prescribed in regulation 23G(1) or 23H(1); and
 - (ii) each of such other businesses is a business mentioned in sub-paragraph (a).

(3) In addition to the condition mentioned in paragraph (2), paragraph (1) applies only if —

- (a) the aggregate non-financial business size of the bank concerned, after acquiring or holding a major stake in the entity, does not exceed —
 - (i) in the case of a bank incorporated in Singapore —
 - (A) 10% of its capital funds; and
 - (B) 10% of the capital funds of its bank group;or
 - (ii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore — 1.5% of the assets that are reflected as assets in the balance sheet of

those branches and offices (less net inter-bank lending);

- (b) the bank puts in place risk management and governance policies and procedures that are commensurate with the risks posed by all the businesses carried on by the entity;
- (c) the policies and procedures mentioned in sub-paragraph (b) have been approved by —
 - (i) in the case of a bank incorporated in Singapore — the board of directors of the bank;
 - (ii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the head office of which has never carried on a materially similar business before — the board of directors of the bank; or
 - (iii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the head office of which has carried on or is carrying on a materially similar business — by an authorised person of the bank;
- (d) the bank notifies the Authority of the following matters:
 - (i) a description of all the businesses carried on by the entity;
 - (ii) any regulation or licensing requirement that the entity is or will be subject to, whether in Singapore or elsewhere;
 - (iii) the nature and extent of the major stake in the entity acquired or held by the bank;

- (iv) the date on which the major stake in the entity is acquired by the bank, or (if applicable) the date on which the entity is incorporated, formed or established by the bank,

at least 14 days before the earliest of the following:

- (v) any public announcement that the bank intends to acquire the major stake in the entity, or (if applicable) incorporate, form or establish the entity;
 - (vi) the entry of the bank into any agreement to acquire the major stake in the entity, or (if applicable) incorporate, form or establish the entity;
 - (vii) the date on which the major stake in the entity is acquired by the bank, or (if applicable) the date on which the entity is incorporated, formed or established by the bank;
- (e) the bank notifies the Authority of any change to the matters in relation to which information had been provided in the notification mentioned in sub-paragraph (d), before making the change or as soon as the bank becomes aware of the change;
 - (f) the bank obtains prior approval from the Authority for the issuance by the bank of any guarantee, indemnity, letter of comfort or any other letter that imposes similar obligations on the bank as a guarantee or indemnity, or similar expectations on the bank as a letter of comfort, in respect of any business carried on by the entity;
 - (g) where the entity is or is to be a subsidiary of the bank —
 - (i) the bank has an agreement with the entity to allow the Authority and any person appointed by the Authority, at any time, to obtain any

information from the entity and to inspect the books of the entity; and

- (ii) where the entity is regulated by a regulatory authority in a foreign country or territory, the bank is satisfied, from its own due diligence or based on professional advice, that the Authority and any person appointed by the Authority are not prohibited from obtaining any information from, or inspecting the books of, the entity; and

- (h) where the entity is a related corporation of the bank, the entity does not use the bank's name, logo or trade mark in the course of the business.

(4) A bank in Singapore must, starting on the date of its acquisition of a major stake in any entity and during the period in which it holds such major stake —

- (a) submit a report to the Authority within 30 days after the last day of every quarter, or a later date approved by the Authority in writing, containing the information specified in the Second Schedule; and
- (b) provide any other information that the Authority may require, in relation to any entity in which the bank acquired or holds a major stake under this regulation.

(5) The Authority may —

- (a) having regard to the specific circumstances of a bank in Singapore, including whether the risk management and governance policies and procedures of the bank in Singapore are sufficiently robust to effectively monitor and manage the risks of the entity; or
- (b) if any condition or requirement imposed on a bank in Singapore is not satisfied by the bank at any time,

issue to the bank a written declaration that paragraph (1) does not apply to the bank in relation to any entity specified in the declaration on or after a specified date.

(6) Where a written declaration is issued under paragraph (5), paragraph (1) does not apply to the bank in Singapore on or after the specified date with respect to the specified entity.

(7) In this regulation —

“aggregate non-financial business size”, “authorised person”, “capital funds”, “net inter-bank lending” and “quarter” have the meanings given to those terms by regulation 23G(7);

“regulatory authority”, in relation to a foreign country or territory, means an authority of the foreign country or territory exercising any function that corresponds to a regulatory function of the Authority under the Act, the Monetary Authority of Singapore Act (Cap. 186) or any of the written laws set out in the Schedule to that Act.”.

Amendment of regulation 9

9. Regulation 9 of the Banking Regulations is amended —

- (a) by deleting the words “10 days” and substituting the words “14 days”; and
- (b) by renumbering the regulation as paragraph (1) of that regulation, and by inserting immediately thereafter the following paragraph:

“(2) If the last day for submission under paragraph (1) is not a business day, the bank may submit the return on the next following business day.”.

Deletion of Part V

10. Part V of the Banking Regulations is deleted.

Amendment of regulation 11

11. Regulation 11 of the Banking Regulations is amended by inserting, immediately after the words “section 33(1)”, the words “or (1A)”.

Amendment of regulation 12

12. Regulation 12(3) of the Banking Regulations is amended by deleting the word “registered” in sub-paragraph (i) and substituting the word “licensed”.

Amendment of regulation 13

13. Regulation 13(3) of the Banking Regulations is amended by deleting the word “registered” in sub-paragraph (i) and substituting the word “licensed”.

Amendment of regulation 16

14. Regulation 16(5) of the Banking Regulations is amended by deleting the word “registered” in sub-paragraph (i) and substituting the word “licensed”.

Amendment of regulation 20

15. Regulation 20 of the Banking Regulations is amended —

(a) by deleting the words “Commodity Trading Act (Cap. 48A)” in the definition of “asset” and substituting the words “Securities and Futures Act”;

(b) by inserting, immediately after the definition of “asset”, the following definition:

““bank group”, in relation to a bank incorporated in Singapore, means a group of entities comprising —

(a) the bank;

(b) every subsidiary of the bank;

(c) every branch of the bank; and

(d) every other entity that is treated as part of the bank’s group of entities for accounting purposes according to the Accounting Standards;”;

(c) by deleting the definition of “major stake entity” and substituting the following definition:

““major stake entity”, in relation to a bank in Singapore, means —

- (a) in the case of a bank incorporated in Singapore — any entity in which the bank holds, directly or indirectly, a major stake; and
- (b) in the case of branches and offices located within Singapore of a bank incorporated outside Singapore — any entity in which the bank incorporated outside Singapore holds, directly or indirectly, a major stake that is reflected as an investment in the balance sheet of those branches and offices;”.

Amendment of regulation 21

16. Regulation 21 of the Banking Regulations is amended —

(a) by deleting sub-paragraphs (i) and (ii) of paragraph (a) and substituting the following sub-paragraphs:

- “(i) any investment property that has been acquired or is held by —
 - (A) in the case of a bank incorporated in Singapore, any entity in its bank group; or
 - (B) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the bank incorporated outside Singapore, where the investment property is reflected as an asset in the

balance sheet of those branches and offices;

(ii) any foreclosed property that has been acquired or is held by —

(A) in the case of a bank incorporated in Singapore, any entity in its bank group; or

(B) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the bank incorporated outside Singapore, where the foreclosed property is reflected as an asset in the balance sheet of those branches and offices; or”;

(b) by deleting the words “by any major stake entity of the bank” in paragraph (a)(iii)(B) and substituting the words “in the case of a bank incorporated in Singapore, by any entity in its bank group”; and

(c) by deleting the regulation heading and substituting the following regulation heading:

“Prescribed business relating to property management and property enhancement”.

Amendment of regulation 23F

17. Regulation 23F of the Banking Regulations is amended —

(a) by deleting the words “banking group” in paragraph (4)(a)(ii) and substituting the words “bank group”;

(b) by deleting the words “where the bank is incorporated outside Singapore, to 10% of its capital funds” in paragraph (4)(b) and substituting the words “where the

bank consists of the branches and offices located within Singapore of a bank incorporated outside Singapore, to 1.5% of the assets that are reflected as assets in the balance sheet of those branches and offices (less net inter-bank lending)”;

- (c) by deleting the words “Subject to paragraph (5), the” in paragraph (4) and substituting the word “The”;
- (d) by deleting paragraph (5);
- (e) by deleting the definitions of “Asian Currency Unit” and “banking group” in paragraph (6);
- (f) by inserting the word “or” at the end of paragraph (a) of the definition of “capital funds” in paragraph (6);
- (g) by deleting the words “banking group” wherever they appear in paragraph (b) of the definition of “capital funds” in paragraph (6) and substituting in each case the words “bank group”;
- (h) by deleting the words “banking group’s” in paragraph (b) of the definition of “capital funds” in paragraph (6) and substituting the words “bank group’s”;
- (i) by deleting the word “or” at the end of paragraph (b) of the definition of “capital funds” in paragraph (6);
- (j) by deleting paragraph (c) of the definition of “capital funds” in paragraph (6); and
- (k) by inserting, immediately after the definition of “capital funds” in paragraph (6), the following definition:

““net inter-bank lending”, in relation to the branches and offices located within Singapore of a bank incorporated outside Singapore, means the total lending by those branches and offices to —

- (a) other branches and offices located outside Singapore of the bank incorporated outside Singapore; and

(b) other banks and merchant banks,
less the total borrowing by those branches and
offices from —

(c) other branches and offices of the bank
located outside Singapore; and

(d) other banks and merchant banks.”.

**Deletion and substitution of regulation 23G and new
regulations 23H and 23I**

18. Regulation 23G of the Banking Regulations is deleted and the following regulations substituted therefor:

“Prescribed related or complementary business

23G.—(1) For the purposes of section 30(1)(d) of the Act and subject to paragraphs (2) to (6), the following businesses are prescribed as businesses that any bank in Singapore may carry on, or enter into any partnership, joint venture or other arrangement with any person to carry on:

- (a) any business of operating an online location where consumer goods or services are sold to consumers by persons other than the bank;
- (b) any business of selling consumer goods or services on an online location;
- (c) any business of buying, selling or trading any commodity;
- (d) any business of providing financing under an Islamic financing arrangement endorsed by any Shari’ah council or body, or by any committee formed for the purpose of providing guidance on compliance with Shari’ah law;
- (e) any business of providing sales services (including customer prospecting, customer engagement and after-sales services), marketing services or administrative services to any regulated financial institution which is a related corporation of the bank;

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- (f) any business of providing advice on the social impact or environmental impact of a person's investments or activities;
 - (g) any business of selling software (including accounting software and risk analytics software) originally developed or commissioned by the bank for a core financial business of the bank;
 - (h) any business of referring potential buyers to a seller of goods or services, where the bank is not involved in the supply of goods or services;
 - (i) any business of leasing any building or part of a building;
 - (j) any business which is incidental to a business mentioned in sub-paragraphs (a) to (i).

(2) A bank in Singapore may carry on any business prescribed in paragraph (1) only if —

- (a) the business is related or complementary to a core financial business of the bank;
- (b) the bank puts in place risk management and governance policies and procedures that are commensurate with the risks posed by the business;
- (c) the policies and procedures mentioned in sub-paragraph (b) have been approved by —
 - (i) in the case of a bank incorporated in Singapore — the board of directors of the bank;
 - (ii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the head office of which has never carried on a materially similar business before — the board of directors of the bank; or
 - (iii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the head office of which has carried

on or is carrying on a materially similar business — by an authorised person of the bank;

(d) the bank notifies the Authority, in accordance with paragraph (3), of the following matters:

- (i) a description of the business;
 - (ii) any regulation or licensing requirement that the business is or will be subject to, whether in Singapore or elsewhere;
 - (iii) the nature of the bank's investment in the business and the amount of such investment;
 - (iv) the date on which the bank intends to start carrying on the business;
 - (v) any partnership, joint venture or other arrangement into which the bank has entered to carry on the business;
- (e) the bank notifies the Authority of any change to the matters in relation to which information had been provided in the notification mentioned in sub-paragraph (d), before making the change or as soon as the bank becomes aware of the change;
- (f) the bank obtains prior approval from the Authority for the issuance of any guarantee, indemnity, letter of comfort or any other letter that imposes similar obligations on the bank as a guarantee or indemnity, or similar expectations on the bank as a letter of comfort, in respect of the business; and
- (g) in the case of a bank that enters into any partnership, joint venture or other arrangement with a related corporation of the bank to carry on a business prescribed in paragraph (1), the related corporation of the bank does not use the bank's name, logo or trade mark in the course of the business.

(3) The notification under paragraph (2)(d) must be submitted at least 14 days before the earliest of the following:

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- (a) any public announcement that the bank intends to carry on, or enter into any partnership, joint venture or other arrangement with any person to carry on, the business;
 - (b) the entry of the bank into any partnership, joint venture or arrangement with any person to carry on the business;
 - (c) the date on which the bank starts carrying on the business, or the date on which any partnership, joint venture or other arrangement entered into by the bank to carry on the business comes into effect.
 - (4) In addition to the conditions in paragraph (2), a bank in Singapore may carry on any business under paragraph (1) only if its aggregate non-financial business size does not exceed —
 - (a) in the case of a bank incorporated in Singapore —
 - (i) 10% of its capital funds; and
 - (ii) 10% of the capital funds of its bank group; or
 - (b) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore — 1.5% of the assets that are reflected as assets in the balance sheet of those branches and offices (less net inter-bank lending).
 - (5) A bank in Singapore must —
 - (a) submit a report to the Authority within 30 days after the end of every quarter or any other time as may be approved in writing by the Authority, containing the information specified in the Second Schedule; and
 - (b) provide any other information that the Authority may require in relation to any business prescribed in paragraph (1) that is carried on by the bank.
 - (6) A bank in Singapore that carries on any business prescribed in paragraph (1) must comply with any other conditions or restrictions that the Authority may impose, from

time to time, by written notice in relation to its carrying on of such business.

(7) In this regulation, unless the context otherwise requires —

“aggregate non-financial business size”, in relation to a bank in Singapore, means the total balance sheet asset value or total exposures (whichever is higher), or any other measure that the Authority may specify by written notice, of —

- (a) all businesses prescribed in paragraph (1) carried on by the bank;
- (b) all businesses prescribed in regulation 23I(1) carried on by the bank;
- (c) all businesses carried on by any major stake entity of the bank that is acquired or held by the bank in accordance with regulation 7B;
- (d) all businesses prescribed in paragraph (1) carried on by any major stake entity of the bank, where —
 - (i) the bank has obtained the prior approval of the Authority under section 32 of the Act to acquire or hold a major stake in the entity; and
 - (ii) the approval under sub-paragraph (i) is subject to conditions that include the bank having to treat the balance sheet asset value or exposures (whichever is higher) of such businesses as part of its aggregate non-financial business size;
- (e) all businesses for which the Authority has granted approval to the bank under section 30(1)(e) of the Act and the approval is subject to conditions that include the bank having to treat the balance sheet asset value or exposures (whichever is higher) of such

businesses as part of its aggregate non-financial business size; and

(f) all businesses carried on by any major stake entity of the bank, other than a business mentioned in section 30(1)(a), (b), (c) or (d) of the Act, where —

(i) the bank has obtained the approval of the Authority under section 32 of the Act to acquire or hold a major stake in the entity; and

(ii) the approval under sub-paragraph (i) is subject to conditions that include the bank having to treat the balance sheet asset value or exposures (whichever is higher) of such businesses as part of its aggregate non-financial business size;

“authorised person”, in relation to the branches and offices located within Singapore of a bank incorporated outside Singapore, means one or more persons, or a committee of persons, authorised by the board of directors of the bank to approve the risk management and governance policies and procedures of the business carried on by those branches and offices;

“capital funds” means —

(a) in relation to a bank incorporated in Singapore — the capital of the bank that is used for the purposes of calculating its capital adequacy requirements under section 10 of the Act; or

(b) in relation to the bank group of a bank incorporated in Singapore — the capital of the bank group that is used for the purposes of calculating the bank group’s capital adequacy requirements under section 10 of the Act;

“commodity” has the meaning given by section 2(1) of the Securities and Futures Act;

“consumer goods or services” means goods or services which are ordinarily supplied for private use or consumption;

“core financial business”, in relation to a bank, means a core business activity that the bank carries out based on its particular business model which is either —

(a) a business mentioned in section 30(1)(a), (b) or (c) of the Act; or

(b) a business prescribed under section 30(1)(d) of the Act that is similar to any of the businesses mentioned in section 30(1)(a), (b) and (c) of the Act in terms of economic substance and risk;

“net inter-bank lending”, in relation to the branches and offices located within Singapore of a bank incorporated outside Singapore, means the total lending by those branches and offices to —

(a) other branches and offices located outside Singapore of the bank incorporated outside Singapore; and

(b) other banks and merchant banks,

less the total borrowing by those branches and offices from —

(c) other branches and offices of the bank located outside Singapore; and

(d) other banks and merchant banks;

“quarter” means a period of 3 months beginning on 1 January, 1 April, 1 July or 1 October of any year.

Prescribed related or complementary business that is non-revenue generating, etc.

23H.—(1) For the purposes of section 30(1)(d) and subject to paragraph (2), any business that is related or complementary to a core financial business of a bank in Singapore is prescribed as a business that the bank may carry on, or enter into any partnership, joint venture or other arrangement with any person to carry on, if —

- (a) the business is one from which the bank in Singapore does not receive or intend to receive any revenue;
- (b) the business is one that has no asset value recorded on the balance sheet of the bank in Singapore; and
- (c) the business is one that does not result in any exposure for the bank in Singapore.

(2) A bank in Singapore that carries on any business prescribed in paragraph (1) must comply with any other conditions or restrictions that the Authority may impose, from time to time, by written notice in relation to its carrying on of such business.

(3) In this regulation, “core financial business” has the meaning given by regulation 23G(7).

Saving provision for businesses carried on before 1 July 2021

23I.—(1) For the purposes of section 30(1)(d) of the Act and subject to paragraphs (2) to (5), any business prescribed by regulation 23G(1) in force immediately before 1 July 2021, and carried on immediately before that date —

- (a) by a bank in Singapore; or
- (b) by a partnership, joint venture or other arrangement that a bank in Singapore has entered into with another person,

is prescribed as a business that that bank may —

- (c) carry on; or

- (d) enter into a partnership, joint venture or other arrangement with another person to carry on.

(2) A bank in Singapore may carry on any business prescribed in paragraph (1) only if —

- (a) the business is related or complementary to any of the core financial business which is carried on by the bank;
- (b) the bank puts in place risk management and governance policies and procedures that are commensurate with the risks posed by the business;
- (c) the policies and procedures mentioned in sub-paragraph (b) have been approved by —
 - (i) in the case of a bank incorporated in Singapore — the board of directors of the bank;
 - (ii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the head office of which has never carried on a materially similar business before — the board of directors of the bank; or
 - (iii) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore, the head office of which has carried on or is carrying on a materially similar business — by an authorised person of the bank;
- (d) the bank notifies the Authority of any change to the business or the partnership, joint venture or arrangement under which the bank carries on the business, before making the change;
- (e) the bank obtains prior approval from the Authority for the issuance of any guarantee, indemnity, letter of comfort or any other letter that imposes similar obligations on the bank as a guarantee or indemnity, or similar expectations on the bank as a letter of comfort, in respect of the business; and

- (f) in the case of a bank that enters into any partnership, joint venture or other arrangement with a related corporation of the bank to carry on a business prescribed in paragraph (1), the related corporation of the bank does not use the bank's name, logo or trade mark in the course of the business.

(3) A bank in Singapore may carry on any business under paragraph (1) only if its aggregate non-financial business size does not exceed —

- (a) in the case of a bank incorporated in Singapore —
 - (i) 10% of its capital funds; and
 - (ii) 10% of the capital funds of its bank group; or
- (b) in the case of the branches and offices located within Singapore of a bank incorporated outside Singapore — 1.5% of the assets that are reflected as assets in the balance sheet of those branches and offices (less net inter-bank lending).

(4) A bank in Singapore that carries on any business prescribed in paragraph (1) must —

- (a) submit a report to the Authority within 30 days after the end of every quarter or any other time as may be approved in writing by the Authority, containing the information specified in the Second Schedule; and
- (b) provide any other information that the Authority may require in relation to any business prescribed in paragraph (1) that is carried on by the bank.

(5) A bank in Singapore that carries on any business prescribed in paragraph (1) must comply with any other conditions or restrictions that the Authority may impose, from time to time, by written notice in relation to its carrying on of such business.

(6) In this regulation, “aggregate non-financial business size”, “authorised person”, “capital funds”, “net inter-bank lending” and “quarter” have the meanings given by regulation 23G(7).”.

Deletion of regulation 24

19. Regulation 24 of the Banking Regulations is deleted.

Amendment of regulation 29

20. Regulation 29 of the Banking Regulations is amended by deleting the words “ “deposit liabilities of a bank” ” and substituting the words “ “deposit liabilities”, in relation to a bank,”.

Amendment of regulation 30

21. Regulation 30 of the Banking Regulations is amended by deleting the words “ “deposit liabilities of a bank” ” and substituting the words “ “deposit liabilities”, in relation to a bank,”.

Amendment of regulation 36

22. Regulation 36 of the Banking Regulations is amended —

- (a) by inserting, immediately after “28(7),” in paragraph (b), the words “47(4) or (6),”; and
- (b) by deleting the full-stop at the end of paragraph (c) and substituting a semi-colon, and by inserting immediately thereafter the following paragraphs:
 - “(d) any offence (other than a continuing offence) under section 55Z(5)(a), section 28(7) (as applied by section 55ZD(2)), section 47(4) or (6) (as applied by section 55ZI), section 50(7) or (8) (as applied by section 55ZJ(1)), section 52(2)(a) (as applied by section 55ZJ(1)) or section 55N(2)(a) (as applied by section 55ZK(1)) of the Act;
 - (e) any offence under section 66(1) of the Act, where the non-compliance by the merchant bank mentioned in that provision constitutes a compoundable offence under paragraph (a) or (d).”.

Deletion of First to Fourth Schedules and substitution of First and Second Schedules

23. The First to Fourth Schedules to the Banking Regulations are deleted and the following Schedules substituted therefor:

“FIRST SCHEDULE

Regulation 9

QUARTERLY REPORTING FOR SECTION 35 OF BANKING ACT

Name of Bank: _____

Property sector exposure ratio as at _____ (month and year)

All figures to nearest S\$'000

Item	Numerator	
1.	Property sector exposure from credit facilities to property corporations	
2.	Property sector exposure from credit facilities to corporations other than property corporations	
3.	Property sector exposure from credit facilities to individuals	
4.	Property sector exposure from debt instruments	
5.	Property sector exposure from guarantees to borrowers	
6.	Property sector exposure from performance bonds and qualifying certificate guarantees	
7.	Other property sector exposure from contingent liabilities	
	Total of property sector exposure numerator (A)	
	Denominator	
8.	Total non-bank loans	
9.	Total non-bank debt instruments	
10.	Total contingent liabilities (items 5 + 6 + 7)	
	Total property sector exposure denominator (B)	

	Property sector exposure ratio (A divided by B)	%
	Other Figures	
11.	Owner-occupied housing loans	

SECOND SCHEDULE

Regulations 7B(4)(a), 23G(5)(a) and
23I(4)(a)

INFORMATION FOR QUARTERLY REPORTS TO BE SUBMITTED BY BANK IN SINGAPORE TO AUTHORITY

1. The quarterly reports to be submitted by a bank in Singapore to the Authority must contain the following information in relation to that quarter:

- (a) balance sheet asset value, revenue numbers, and exposures of each of the following businesses:
 - (i) each business prescribed by regulation 23G(1) carried on by the bank;
 - (ii) each business prescribed by regulation 23I(1) carried on by the bank;
 - (iii) each business carried on by any major stake entity of the bank mentioned in regulation 7B(1);
 - (iv) each business prescribed in regulation 23G(1) carried on by any major stake entity of the bank, where —
 - (A) the bank has obtained the approval of the Authority under section 32 of the Act to acquire or hold a major stake in the entity; and
 - (B) the approval granted by the Authority mentioned in sub-paragraph (A) is subject to conditions that include the bank having to treat the balance sheet asset value or exposures (whichever is higher) of the business as part of its aggregate non-financial business size;
 - (v) each business for which the Authority has granted approval to the bank under section 30(1)(e) of the Act and the approval is subject to conditions that include the bank having to treat the balance sheet asset value or exposures

(whichever is higher) of the business as part of its aggregate non-financial business size;

(vi) each business carried on by any major stake entity of the bank, other than a business mentioned in section 30(1)(a), (b), (c) or (d) of the Act, where —

(A) the bank has obtained the approval of the Authority under section 32 of the Act to acquire or hold a major stake in the entity; and

(B) the approval granted by the Authority mentioned in sub-paragraph (A) is subject to conditions that include the bank having to treat the balance sheet asset value or exposures (whichever is higher) of the business as part of its aggregate non-financial business size;

(b) the aggregate non-financial business size, as defined in regulation 23G(7), of the bank;

(c) the bank's utilisation of the regulatory limits prescribed in regulation 23G(4).

2. In this Schedule, "major stake entity" has the meaning given by regulation 20."

*[G.N. Nos. S 622/2005; S 170/2006; S 325/2006;
S 238/2007; S 401/2008; S 18/2009; S 203/2009;
S 360/2009; S 214/2010; S 370/2010; S 56/2011;
S 661/2013; S 741/2013; S 393/2015; S 444/2016;
S 511/2019; S 840/2019; S 810/2020]*

Made on 29 June 2021.

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Monetary Authority of Singapore.*

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