
First published in the *Government Gazette*, Electronic Edition, on 8 September 2023 at 5 pm.

No. S 622

FINANCIAL ADVISERS ACT 2001

FINANCIAL ADVISERS (EXEMPTION FOR CROSS-BORDER ARRANGEMENTS) (FOREIGN RELATED CORPORATIONS) (AMENDMENT NO. 2) REGULATIONS 2023

In exercise of the powers conferred by section 130(1) of the Financial Advisers Act 2001, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Financial Advisers (Exemption for Cross-Border Arrangements) (Foreign Related Corporations) (Amendment No. 2) Regulations 2023 and come into operation on 9 October 2023.

Amendment of regulation 2

2. In the Financial Advisers (Exemption for Cross-Border Arrangements) (Foreign Related Corporations) Regulations 2021 (G.N. No. S 764/2021) (called in these Regulations the principal Regulations), in regulation 2(1), delete the definition of “accredited investor”.

Amendment of regulation 6

3. In the principal Regulations, in regulation 6 —
- (a) in paragraph (1)(e), replace “any customer” with “every customer”;
 - (b) in paragraph (1)(e)(ii)(B), replace “specified financial service” with “specified financial adviser”; and
 - (c) replace paragraph (2) with —

“(2) In this regulation —

“accredited investor” means any of the following persons in relation to a counterparty, if the person has opted, under regulation 3(2) of the Securities and Futures (Classes of Investors) Regulations 2018 (G.N. No. S 665/2018), to be treated by the counterparty as an accredited investor for all the consent provisions:

- (a) an individual mentioned in section 4A(1)(a)(i) of the Securities and Futures Act 2001;
- (b) a corporation mentioned in section 4A(1)(a)(ii) of the Securities and Futures Act 2001;
- (c) a trustee mentioned in section 4A(1)(a)(iii) of the Securities and Futures Act 2001;
- (d) a person mentioned in section 4A(1)(a)(iv) of the Securities and Futures Act 2001;

“consent provision” and “counterparty” have the meanings given by regulation 3(9) of the Securities and Futures (Classes of Investors) Regulations 2018;

“specified financial advisory service” means the financial advisory service in respect of which the FRC of the specified financial adviser is exempt under regulation 4(2) or 5(2), as the case may be.”.

Saving provision for accredited investor with respect to FRC of specified financial adviser

4.—(1) A person (called in this regulation the customer) who was an accredited investor with respect to an FRC of a specified financial adviser for the purposes of regulation 6(1)(e)(i) of the principal Regulations immediately before 9 October 2023 continues (despite regulations 2 and 3) to be an accredited investor with respect to the FRC under that regulation on or after that date, if —

- (a) where the FRC had provided any financial advisory service mentioned in paragraph 1 of the Second Schedule to the Act to the customer before 9 October 2023 in the course of carrying on the qualifying business in respect of which the FRC was exempt under regulation 4(2) or 5(2) of those Regulations immediately before that date — the conditions in paragraph (2) are satisfied; or
- (b) where the FRC had provided the financial advisory service mentioned in paragraph 3 of the Second Schedule to the Act to the customer before 9 October 2023 in the course of carrying on the qualifying business in respect of which the FRC was exempt under regulation 4(2) or 5(2) of those Regulations immediately before that date — the conditions in paragraph (3) are satisfied.

(2) For the purposes of paragraph (1)(a), the conditions are that, on or after 9 October 2023 —

- (a) the FRC provides any financial advisory service mentioned in paragraph 1 of the Second Schedule to the Act to the customer in the course of carrying on the qualifying business mentioned in that paragraph, where the provision of the financial advisory service is —
 - (i) under an agreement entered into between the customer and the FRC before 9 October 2023; and
 - (ii) in respect of an investment product that the FRC had previously advised the customer before that date; and
- (b) apart from sub-paragraph (a), the FRC does not provide any financial advisory service mentioned in paragraph 1 of

the Second Schedule to the Act to the customer in the course of the qualifying business.

(3) For the purposes of paragraph (1)(b), the conditions are that, on or after 9 October 2023 —

(a) the FRC provides the financial advisory service mentioned in paragraph 3 of the Second Schedule to the Act to the customer in the course of carrying on the qualifying business mentioned in that paragraph, where the provision of the financial advisory service is pursuant to an instruction given by the customer to the FRC before 9 October 2023; and

(b) apart from sub-paragraph (a), the FRC does not provide the financial advisory service mentioned in paragraph 3 of the Second Schedule to the Act to the customer in the course of the qualifying business.

(4) In this regulation —

“FRC” and “specified financial adviser” have the meanings given by regulation 2(1) of the principal Regulations;

“qualifying business” has the meaning given by regulation 2(2) of the principal Regulations.

[G.N. No. S 224/2023]

Made on 7 September 2023.

RAVI MENON
Managing Director,
Monetary Authority of Singapore.

[CMI 13/2023; AG/LEGIS/SL/110/2020/7 Vol. 1]