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### VARIABLE CAPITAL COMPANIES ACT 2018 (ACT 44 OF 2018)

#### VARIABLE CAPITAL COMPANIES (SANCTIONS AND FREEZING OF ASSETS OF PERSONS) REGULATIONS 2020

##### ARRANGEMENT OF REGULATIONS

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In exercise of the powers conferred by section 83(1)(b) of the Variable Capital Companies Act 2018, the Monetary Authority of Singapore makes the following Regulations:

#### **Citation and commencement**

1. These Regulations are the Variable Capital Companies (Sanctions and Freezing of Assets of Persons) Regulations 2020 and come into operation on 14 January 2020.

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**Purpose**

2. The purpose of these Regulations is to assist in giving effect to the following Resolutions of the Security Council of the United Nations:

- (a) Resolution 1591 (2005) in relation to Sudan;
- (b) Resolution 1596 (2005) in relation to the Democratic Republic of the Congo;
- (c) Resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017) in relation to the Democratic People's Republic of Korea;
- (d) Resolution 1844 (2008) in relation to Somalia;
- (e) Resolutions 1970 (2011), 1973 (2011), 2009 (2011) and 2146 (2014) in relation to Libya;
- (f) Resolution 2140 (2014) in relation to Yemen;
- (g) Resolution 2206 (2015) in relation to South Sudan;
- (h) Resolution 2231 (2015) in relation to Iran.

**Application**

3. These Regulations apply to every VCC, including a branch outside Singapore of any VCC incorporated in Singapore.

**Definition**

4. In these Regulations, "financial institution" has the meaning given by section 27A(6) of the MAS Act.

**Application of regulations made under section 27A(1)(b) of MAS Act in these Regulations**

5.—(1) These Regulations apply the provisions (specified in these Regulations) of the following Regulations made under section 27A(1)(b) of the MAS Act (called in this regulation the MAS Regulations) subject to the modifications set out in these Regulations:

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- (a) the Monetary Authority of Singapore (Freezing of Assets of Persons — Sudan) Regulations 2006 (G.N. No. S 553/2006) (called in these Regulations the Sudan Regulations);
  - (b) the Monetary Authority of Singapore (Freezing of Assets of Persons — Democratic Republic of the Congo) Regulations 2006 (G.N. No. S 155/2006) (called in these Regulations the Congo Regulations);
  - (c) the Monetary Authority of Singapore (Sanctions and Freezing of Assets of Persons — Democratic People’s Republic of Korea) Regulations 2016 (G.N. No. S 275/2016) (called in these Regulations the DPRK Regulations);
  - (d) the Monetary Authority of Singapore (Sanctions and Freezing of Assets of Persons — Somalia) Regulations 2010 (G.N. No. S 706/2010) (called in these Regulations the Somalia Regulations);
  - (e) the Monetary Authority of Singapore (Sanctions and Freezing of Assets of Persons — Libya) Regulations 2011 (G.N. No. S 381/2011) (called in these Regulations the Libya Regulations);
  - (f) the Monetary Authority of Singapore (Freezing of Assets of Persons — Yemen) Regulations 2015 (G.N. No. S 109/2015) (called in these Regulations the Yemen Regulations);
  - (g) the Monetary Authority of Singapore (Freezing of Assets of Persons — South Sudan) Regulations 2015 (G.N. No. S 776/2015) (called in these Regulations the South Sudan Regulations);
  - (h) the Monetary Authority of Singapore (Sanctions and Freezing of Assets of Persons — Iran) Regulations 2016 (G.N. No. S 276/2016) (called in these Regulations the Iran Regulations).
- (2) Where a provision of the MAS Regulations (called in this regulation an incorporated provision) is incorporated by reference in

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these Regulations, whether with or without modifications, then, in addition to any specific modifications set out in these Regulations —

- (a) the incorporated provision applies with the necessary modifications;
- (b) a reference in the incorporated provision to another incorporated provision is to that other provision as applied by these Regulations;
- (c) a reference in the incorporated provision to a financial institution is to a VCC; and
- (d) a reference in the incorporated provision to a class of financial institutions is to a class of VCCs.

### **Application of provisions of Sudan Regulations**

6. Regulations 4, 5 and 6 of the Sudan Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, except that a reference in regulations 4(2)(a) and (c) and 5(1) of those Regulations to 20th September 2006 is to 14 January 2020.

### **Application of provisions of Congo Regulations**

7. Regulations 4, 5 and 6 of the Congo Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, except that a reference in regulations 4(2)(a) and (c) and 5(1) of those Regulations to 10th March 2006 is to 14 January 2020.

### **Application of provisions of DPRK Regulations**

8.—(1) Regulations 4, 5, 6, 7, 7A, 7AA, 7B, 8, 8A, 9, 9A, 10, 11 and 12 of the DPRK Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, subject to the following modifications:

- (a) a reference in regulation 4(1) of the DPRK Regulations to 4 May 2018 is to 14 January 2020;
- (b) a reference in regulation 4(2)(a) and (c) of the DPRK Regulations to 17 June 2016 is to 14 January 2020;

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- (c) a reference in regulation 4(3)(a) and (c) of the DPRK Regulations to 31 August 2017 is to 14 January 2020;
  - (d) the words “(including but not limited to the granting of export credits, guarantees, insurance, re-insurance, or the clearing or settlement of any transactions)” in regulation 5(1)(a) of the DPRK Regulations are omitted;
  - (e) regulations 5(4), 8(2)(d) and 9(5) of the DPRK Regulations are omitted;
  - (f) the words “(including but not limited to the granting of export credits, guarantees, insurance or re-insurance)” in regulations 6(1)(a), 7(1)(b), 7A(1)(b), 7AA(1)(b) and 7B(1)(b) of the DPRK Regulations are omitted;
  - (g) the reference in regulations 11 and 12 of the DPRK Regulations to regulation 10A is omitted.
- (2) Except with the prior written approval of the Authority, a VCC must not on or after 14 January 2020 establish or maintain business relations —
- (a) with any Democratic People’s Republic of Korea’s diplomatic or consular officer or any of the officer’s family members, or any person acting on behalf of any such persons; or
  - (b) for the carrying out of any activity of the Democratic People’s Republic of Korea’s diplomatic and consular missions.
- (3) A VCC must not knowingly do anything that —
- (a) causes, assists or promotes; or
  - (b) is intended to cause, assist or promote,
- any act or thing prohibited by paragraph (2).
- (4) Every VCC that —
- (a) has any fact or information about any transaction, proposed transaction, act or thing prohibited by paragraph (2);

- (b) has possession, custody or control in Singapore of any funds, other financial assets or economic resources owned or controlled, directly or indirectly, by any designated person or prohibited entity; or
- (c) has information about any transaction or proposed transaction in respect of any funds, other financial assets or economic resources owned or controlled, directly or indirectly, by any designated person or prohibited entity,

must immediately inform the Authority of that fact or information, and provide any further information relating to the funds, financial assets, economic resources, transaction, proposed transaction, act or thing, that the Authority may require.

(5) In this regulation, “designated person” and “prohibited entity” have the meanings given by regulation 4(1) of the DPRK Regulations.

### **Application of provisions of Somalia Regulations**

9. Regulations 4, 5, 6 and 7 of the Somalia Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, except that a reference in regulations 4(2)(a) and (c) and 5(1) of those Regulations to 3rd December 2010 is to 14 January 2020.

### **Application of provisions of Libya Regulations**

10.—(1) Regulations 4, 5, 6, 6A, 7 and 8 of, and the Schedule to, the Libya Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, subject to the following modifications:

- (a) a reference in regulations 4(2)(a) and (c) and 5(1) of the Libya Regulations to 8th July 2011 is to 14 January 2020;
- (b) a reference in regulation 5(2B)(b) of the Libya Regulations to section 41C of the MAS Act is to section 95 of the Act;
- (c) the following provision applies in place of regulation 5(4) of the Libya Regulations:

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“Where any fund, financial asset or other economic resource owned or controlled (directly or indirectly) by any designated person has been frozen or made unavailable to or for the benefit of a designated person by a VCC under this regulation —

- (a) any interest or other earning due on the fund, financial asset or economic resource; or
- (b) any payment that becomes due before 14 January 2020 under any contract, agreement or obligation in relation to the fund, financial asset or economic resource,

is also subject to this regulation.”;

- (d) the words “(including but not limited to the granting of export credits, guarantees or insurance)” in regulation 6A(1)(a) of the Libya Regulations are omitted;
- (e) a reference in regulation 6A(2) of the Libya Regulations to 17 April 2015 is to 14 January 2020.

(2) In this regulation, “designated person” has the meaning given by regulation 4(1) of the Libya Regulations.

### **Application of provisions of Yemen Regulations**

**11.—**(1) Regulations 4, 5 and 6 of the Yemen Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, subject to the following modifications:

- (a) a reference in regulations 4(2)(a) and (c) and 5(1) of the Yemen Regulations to 6 March 2015 is to 14 January 2020;
- (b) the following provision applies in place of regulation 5(4) of the Yemen Regulations:

“Where any fund, financial asset or other economic resource owned or controlled (directly or indirectly) by any designated person has been frozen or made unavailable to or for the benefit of a designated person by a VCC under this regulation —

- (a) any interest or other earning due on the fund, financial asset or economic resource; or
- (b) any payment due under any contract, agreement or obligation that arose before 14 January 2020, in relation to the fund, financial assets or economic resource,

is also subject to this regulation.”.

(2) In this regulation, “designated person” has the meaning given by regulation 4(1) of the Yemen Regulations.

### **Application of provisions of South Sudan Regulations**

**12.**—(1) Regulations 4, 5 and 6 of the South Sudan Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, subject to the following modifications:

- (a) a reference in regulations 4(2)(a) and (c) and 5(1) of the South Sudan Regulations to 22 December 2015 is to 14 January 2020;
- (b) the following provision applies in place of regulation 5(4) of the South Sudan Regulations:

“Where any fund, financial asset or other economic resource owned or controlled (directly or indirectly) by any designated person has been frozen or made unavailable to or for the benefit of a designated person by a VCC under this regulation —

- (a) any interest or other earning due on the fund, financial asset or economic resource; or
- (b) any payment due under any contract, agreement or obligation that arose before 14 January 2020, in relation to the fund, financial assets or economic resource,

is also subject to this regulation.”.



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(2) In this regulation, “designated person” has the meaning given by regulation 4(1) of the South Sudan Regulations.

### **Application of provisions of Iran Regulations**

**13.**—(1) Regulations 4, 5, 6 and 7 of, and the Schedule to, the Iran Regulations apply to or in relation to a VCC as they apply to or in relation to a financial institution, subject to the following modifications:

- (a) a reference in regulation 4(2)(a) and (c) of the Iran Regulations to 17 June 2016 is to 14 January 2020;
- (b) the following provision applies in place of regulation 5(4) of the Iran Regulations:

“Where any fund, financial asset or other economic resource owned or controlled (directly or indirectly) by any designated person has been frozen or made unavailable to or for the benefit of a designated person by a VCC under this regulation —

- (a) any interest or other earning due on the fund, financial asset or economic resource; or
- (b) any payment due under any contract, agreement or obligation that arose before 14 January 2020, in relation to the fund, financial assets or economic resource,

is also subject to this regulation.”;

- (c) the words “including insurance or reinsurance” in regulations 6(1)(b) and 7(b) of the Iran Regulations are omitted.

(2) In this regulation, “designated person” has the meaning given by regulation 4(1) of the Iran Regulations.

Made on 10 January 2020.

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

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