

Monetary Authority of Singapore (Dispute Resolution Schemes) Regulations 2007

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FIRST SCHEDULE Approved Dispute Resolution Schemes

SECOND SCHEDULE Part I

MONETARY AUTHORITY OF SINGAPORE ACT
(CHAPTER 186)

MONETARY AUTHORITY OF SINGAPORE (DISPUTE RESOLUTION SCHEMES)
REGULATIONS 2007

In exercise of the powers conferred by section 28A(2) and (6) of the Monetary Authority of Singapore Act, the Monetary Authority of Singapore hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Monetary Authority of Singapore (Dispute Resolution Schemes) Regulations 2007 and shall come into operation on 22nd August 2007.

Definitions

2. In these Regulations, unless the context otherwise requires —

“company” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“complainant” means a consumer who refers a dispute to the operator of a scheme;

“corporation” has the same meaning as in section 4(1) of the Companies Act;

“financial year” has the same meaning as in section 4(1) of the Companies Act;

“membership fee” means the annual amount payable to the operator of a scheme by a member of the scheme for the purposes of funding the scheme;

“operator” means the company which administers a scheme;

“related corporation” has the same meaning as in section 4(1) of the Companies Act;

“scheme” means a dispute resolution scheme which is for the time being approved by the Authority under section 28A(1) of the Act;

“substantial shareholder” has the same meaning as in section 81 of the Companies Act;

“terms of reference” means the terms which define the scope, application, operations and procedures of a dispute resolution scheme.

Application for approval of dispute resolution scheme

3.—(1) An application for the approval of a dispute resolution scheme under section 28A(1) of the Act shall be made in writing to the Authority by the person who intends to administer the scheme as its operator.

(2) The application shall be accompanied by the terms of reference of the scheme.

(3) The applicant shall furnish to the Authority such information and documents as the Authority may require for the purpose of the application.

(4) The Authority may refuse the application if —

- (a) the applicant is not a company;
- (b) the applicant is a financial institution or an association of financial institutions;
- (c) the terms of reference do not comply with the requirements of regulation 6;
- (d) the applicant has not furnished the Authority with such information or documents as may be required under paragraph (3);
- (e) the applicant has furnished to the Authority any false or misleading information or document;
- (f) the Authority has reason to believe that the applicant —
 - (i) will not administer the scheme efficiently, honestly or fairly; or
 - (ii) may not act in the interests of the members of the scheme or consumers; or
- (g) the Authority is of the opinion that it would be contrary to the public interest to approve the scheme.

Members of approved dispute resolution schemes

4.—(1) The list of dispute resolution schemes approved by the Authority under section 28A(1) of the Act is set out in the First Schedule.

(2) Every financial institution described in Part I of the Second Schedule shall be a member of at least one of the schemes specified in the First Schedule.

Cancellation or suspension of approval of scheme

5.—(1) The Authority may cancel the approval of a scheme if —

- (a) there exists a ground on which the Authority may refuse an application

under regulation 3(4);

- (b) the operator of the scheme has contravened these Regulations or any condition imposed by the Authority when approving the scheme under section 28A(1) of the Act;
 - (c) it appears to the Authority that the operator is administering the scheme in a manner that is, or is likely to be, detrimental to the members of the scheme or consumers, or is contrary to the public interest;
 - (d) it appears to the Authority that the operator has not acted efficiently, honestly or fairly in the administration of the scheme;
 - (e) the operator fails or ceases to administer the scheme; or
 - (f) any information or document that is furnished by the operator to the Authority is false or misleading.
- (2) The Authority may, if it considers it desirable to do so —
- (a) suspend the approval of a scheme for a specific period instead of cancelling it under paragraph (1); and
 - (b) at any time extend or revoke the suspension.

Terms of reference of scheme

6.—(1) Subject to paragraph (2), an operator shall administer a scheme in accordance with its terms of reference which have been approved by the Authority at the time of its approval of the scheme under section 28A(1) of the Act.

(2) The operator shall not amend the terms of reference without the prior approval of the Authority.

(3) The operator shall publish the terms of reference, and any amendment to the terms, in such manner as the Authority may specify.

(4) The terms of reference shall include the following:

- (a) the types of disputes that may be referred by a complainant to the operator;
- (b) the procedure for referring a dispute to the operator;
- (c) the time period within which a dispute must be referred to the operator, which shall be no later than 6 months after attempts by the complainant and the relevant member of the scheme to resolve the dispute have failed;
- (d) the procedure for the receipt, processing and resolution of a dispute;
- (e) the fees payable by the complainant and the relevant member of the

- scheme in respect of each dispute of theirs referred to the operator;
- (f) the circumstances in which a dispute would be dismissed by the operator without referring the complainant and the relevant member of the scheme for mediation under the scheme;
 - (g) the circumstances in which a dispute would be adjudicated under the scheme;
 - (h) the types of awards that may be made by an adjudicator under the scheme; and
 - (i) the procedure for the notification of the outcome of the adjudication of a dispute to the complainant and the relevant member of the scheme.
- (5) The operator shall not amend any fee referred to in paragraph (4)(e) except —
- (a) on consultation with the members of the scheme; and
 - (b) with the approval of the board of directors of the operator.

Estimates of income and expenditure of scheme

7.—(1) The operator of a scheme shall submit to the Authority no later than 2 months before the commencement of each financial year of the operator —

- (a) its annual estimates of income and expenditure of the scheme for that financial year; and
- (b) the resolution of its board of directors approving the estimates.

(2) The operator may adopt the estimates submitted to the Authority if the Authority does not object to or seek any clarification on the estimates in writing within 14 days after the submission of the estimates.

(3) If the Authority seeks any clarification on the estimates within the period specified in paragraph (2) —

- (a) the Authority may at any time thereafter seek such further clarifications on the estimates as the Authority may require or object to the estimates; and
- (b) the operator shall only adopt the estimates if notified by the Authority that it does not object to the estimates.

(4) If the Authority objects to the estimates, the operator shall submit to the Authority new estimates within such time as may be specified by the Authority.

(5) The operator shall —