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Notification No. B 35 — The Banking (Amendment) Bill is published for general information. It was introduced in Parliament on 4 November 2019.

Banking (Amendment) Bill

Bill No. 35/2019.

Read the first time on 4 November 2019.

A BILL

i n t i t u l e d

An Act to amend the Banking Act (Chapter 19 of the 2008 Revised Edition) and to make consequential amendments to certain other Acts.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Banking (Amendment) Act 2020 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

Amendment of section 2

2.—(1) Section 2(1) of the Banking Act is amended —

(a) by deleting the word “or” at the end of paragraph (a) of the definition of “capital funds”;

(b) by inserting, immediately after the words “outside Singapore” in paragraph (b) of the definition of “capital funds”, the words “or a merchant bank incorporated outside Singapore”;

(c) by inserting the word “or” at the end of paragraph (b) of the definition of “capital funds”, and by inserting immediately thereafter the following paragraph:

“(c) in the case of a merchant bank incorporated in Singapore, the aggregate of its paid-up capital (excluding any amount represented by treasury shares) and its published reserves (excluding any reserves that the Authority may specify by notice in writing), deduction having been made for any loss appearing in the accounts of the merchant bank;”;

(d) by inserting, immediately after the words “a bank” in paragraphs (a) and (b) of the definition of “credit facilities”, the words “or merchant bank”;

(e) by inserting, immediately after the words “customer of the bank” in paragraph (a) of the definition of “credit facilities”, the words “or merchant bank (as the case may be)”;

(f) by inserting, immediately after the definition of “foreign-owned bank incorporated in Singapore”, the following definition:

““foreign-owned merchant bank incorporated in Singapore” means a merchant bank incorporated in Singapore, the parent bank of which is incorporated, formed or established outside Singapore;”;

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(g) by deleting the definition of “licence” and substituting the following definition:

““licence” means —

(a) a bank licence granted or held under section 7 or 79; or

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(b) a merchant bank licence granted under section 55S or treated as having been granted under section 64 of the Banking (Amendment) Act 2020;”;

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(h) by deleting the definition of “merchant bank” and substituting the following definitions:

““merchant bank” means any company —

(a) that holds a valid merchant bank licence granted under section 55S; or

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(b) that is treated as having been granted a merchant bank licence in accordance with section 64 of the Banking (Amendment) Act 2020;

“merchant bank in Singapore” means —

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(a) a merchant bank incorporated in Singapore; or

(b) in the case of a merchant bank incorporated outside Singapore, the branches and offices of the merchant bank located in Singapore;

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