

# **Financial Advisers (Amendment) Bill**

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**Bill No: 47/2004**

***Read the first time: 19th October 2004***

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**Financial Advisers (Amendment) Bill**

**Bill No. 47/2004**

*Read the first time on 19th October 2004.*

An Act to amend the Financial Advisers Act (Chapter 110 of the 2002 Revised Edition).

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 may be cited as the Financial Advisers (Amendment) Act 2004 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

### **Amendment of long title**

2. The long title to the Financial Advisers Act (referred to in this Act as the principal Act) is amended by inserting, immediately after the word “representatives”, the words “, and for other purposes relating thereto or connected therewith”.

### **Amendment of section 2**

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

(a) by inserting, immediately after the definition of “advocate and solicitor”, the following definitions:

““approved holding company” has the same meaning as in section 2(1) of the Securities and Futures Act (Cap. 289);

“auditor” means a public accountant who is registered or deemed to be registered under the Accountants Act 2004 (Act 4 of 2004);”;

(b) by deleting the words “or (2)” in the definition of “exempt financial adviser”;

(c) by deleting the definition of “futures contract” and substituting the following definition:

““futures contract” means —

(a) a contract the effect of which is that —

(i) one party agrees to deliver a specified commodity, or a specified quantity of a specified commodity, to another party at a specified future time and at a specified price payable at that time pursuant to terms and conditions set out in the business rules or practices of a futures market; or

(ii) the parties will discharge their

obligations under the contract by settling the difference between the value of a specified quantity of a specified commodity agreed at the time of the making of the contract and at a specified future time, such difference being determined in accordance with the business rules or practices of a futures market at which the contract is made,

and includes a futures option transaction within the meaning of section 2(1) of the Securities and Futures Act (Cap. 289); or

(b) such other contract or class of contracts as the Authority may prescribe;”;

(d) by deleting the definition of “futures exchange” and substituting the following definition:

“ “futures exchange” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(e) by deleting the definition of “recognised trading system provider” and substituting the following definition:

“ “recognised market operator” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(f) by deleting the definition of “securities exchange” and substituting the following definition:

“ “securities exchange” has the same meaning as in section 2(1) of the Securities and Futures Act;”.

## **Amendment of section 7**

4. Section 7 of the principal Act is amended by deleting subsection (1) and substituting the following subsection:

“(1) No person shall act as or hold himself out to be a representative of a

financial adviser unless the following conditions are satisfied:

- (a) that person is an individual;
- (b) where the financial adviser is a licensed financial adviser, that person holds a representative's licence that is related to that financial adviser; and
- (c) where the financial adviser is an exempt financial adviser, that person is a representative of that financial adviser.”.

### **Amendment of section 8**

5. Section 8(1) of the principal Act is amended by deleting the words “prescribed manner” in paragraph (c) and substituting the words “manner specified by the Authority”.

### **Amendment of section 9**

6. Section 9(1) of the principal Act is amended by inserting, immediately after paragraph (d), the following paragraph:

- “(da) any information or document that is furnished by the applicant to the Authority is false or misleading;”.

### **Amendment of section 11**

7. Section 11(1) of the principal Act is amended by inserting, immediately after paragraph (c), the following paragraph:

- “(ca) any information or document that is furnished by the applicant to the Authority is false or misleading;”.

### **Amendment of section 16**

8. Section 16 of the principal Act is amended —

- (a) by deleting the words “prescribed manner” in subsection (2)(a) and substituting the words “manner specified by the Authority”; and
- (b) by inserting, immediately after the words “such conditions” in subsection (3), the words “or restrictions”.

### **Repeal and re-enactment of section 17**

9. Section 17 of the principal Act is repealed and the following section substituted therefor:

**“False statements in relation to application for grant, renewal or variation of**