

# **Securities Industry (Amendment) Bill**

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**Bill No: 40/1999**

*Read the first time: 23rd November 1999*

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**Expenditure of Public Money**

**Securities Industry (Amendment) Bill**

**Bill No. 40/1999**

*Read the first time on 23rd November 1999.*

An Act to amend the Securities Industry Act (Chapter 289 of the 1985 Revised Edition) and to make related amendments to the Monetary Authority of Singapore Act (Chapter 186 of the 1985 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.—(1) This Act may be cited as the Securities Industry (Amendment) Act 1999 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) The Minister may appoint different dates for the coming into operation of the different provisions of this Act.

### Amendment of section 2

2. Section 2(1) of the Securities Industry Act (referred to in this Act as the principal Act) is amended —

- (a) by deleting the word “or” at the end of paragraph (v) of the definition of “investment adviser”;
- (b) by inserting, immediately after paragraph (vi) of the definition of “investment adviser”, the following paragraphs:

“(vii ) a person who owns, operates or provides an information service through an electronic, broadcasting or telecommunications medium, where —

- (A) the service is generally available to the public;
- (B) any advice given or analysis or report issued or promulgated is given, issued or promulgated only through that service;
- (C) that person receives no commission or other consideration for giving the advice or for issuing or promulgating the analyses or reports; and
- (D) the advice is given and the analyses and reports are issued or promulgated solely

as incidental to that person's ownership, operation or provision of that service; or

(viii) a person who provides credit rating services, where any analysis or report issued or promulgated by that person —

(A) is issued or promulgated solely as incidental to the conduct of that person's business of providing credit rating services; and

(B) does not contain any specific recommendation with respect to the acquiring of, disposing of, subscribing for, or underwriting of, any securities.”;

(c) by inserting, immediately after the word “means” in the definition of “member company”, the words “, except for the purposes of Part VIII,”;

(d) by inserting, immediately after the definition of “member company”, the following definition:

“ “newspaper” has the same meaning as in the Newspaper and Printing Presses Act (Cap. 206);”;

(e) by deleting the definition of “stockbroker”; and

(f) by deleting paragraph (c) of the definition of “stock market” and substituting the following paragraph:

“(c) information is regularly provided concerning the prices at which, or the consideration for which, particular persons, or particular classes of persons propose, or may reasonably be expected, to sell, purchase or exchange securities,

but excludes an electronic facility which merely provides price or other information on the sale, purchase or exchange of securities (whether or not the facility is part of or operated in conjunction with the provision of any other information not related to the sale, purchase or exchange of securities) and which does not permit users of the facility to channel orders for, execute transactions in, or make a market in, securities;”.

### **Amendment of section 16**

3. Section 16(2) of the principal Act is amended by deleting the words “stockbroker or dealer” in the penultimate and last lines of paragraph (b)(vi) and substituting the words “dealer or a director of a member company”.

### **Amendment of section 21**

4. Section 21 of the principal Act is amended —

- (a) by inserting, immediately after the word “issue” in the 2nd line of subsection (1) and in the marginal note thereto, the word “written”;
- (b) by inserting, immediately before the word “direction” wherever it appears in subsections (1) (last line), (2) (2nd line), (3) and (5) (penultimate line), the word “written”; and
- (c) by inserting, immediately after subsection (2), the following subsection:

“(2A) For the avoidance of doubt, a written direction issued under subsection (1) shall be deemed not to be subsidiary legislation.”.

### **Amendment of section 33**

5. Section 33 of the principal Act is amended by inserting, immediately after subsection (1), the following subsection:

“(1A) Without limiting the generality of subsection (1), the Authority may in granting or renewing a dealer’s licence impose such conditions or restrictions as it thinks fit as to the class or classes of business that a dealer may carry on.”.

### **New section 33A**

6. The principal Act is amended by inserting, immediately after section 33, the following section:

#### **“Authority may issue written notices**

**33A.**—(1) The Authority may, where it appears to the Authority to be necessary or expedient in the public interest or in the interest of the securities industry to do so, by notice in writing direct any holder or class of holders of a dealer’s licence, an investment adviser’s licence or a representative’s licence to comply with such requirements as the Authority may specify in the notice.

(2) For the avoidance of doubt, a notice issued under subsection (1) shall be deemed not to be subsidiary legislation.