

## **Banking Regulations**

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## Legislative History

BANKING ACT  
(CHAPTER 19, SECTIONS 4A, 4B, 30(1)(*d*), 32(5), 33(2)(*d*), 35(1) AND (2)(*e*), 47(10)  
AND 78(1) AND (3))

BANKING REGULATIONS

Rg 5

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PART I

PRELIMINARY

### Citation

1. These Regulations may be cited as the Banking Regulations.

### Definitions

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

“credit derivative” means any swap, option or other financial derivative the purpose of which is to secure a profit or avoid a loss by reference to the performance by a third party of certain specified obligations or to the change in creditworthiness of the third party;

“customer”, in relation to a merchant bank, includes the Authority or any monetary authority or central bank of any other country or territory, but does not include any company which carries on merchant banking business, investment banking business or banking business, or such other financial institution as may be designated by the Authority by notice in writing;

“customer information”, in relation to a merchant bank, means —

- (a) any information relating to, or any particulars of, an account of a customer of the merchant bank, whether the account is in respect of a loan, investment or any other type of transaction, but does not include any information that is not referable to any named customer or group of named customers; or
- (b) deposit information;

“deposit information”, in relation to a merchant bank, means any information relating to —

- (a) any deposit of a customer of the merchant bank;
- (b) funds of a customer under management by the merchant bank; or
- (c) any safe deposit box maintained by, or any safe custody arrangements made by, a customer with the merchant bank,

but does not include any information that is not referable to any named person or group of named persons;

“funds of a customer under management” means any funds or assets of a customer (whether of the merchant bank or any financial institution) placed with that merchant bank for the purpose of management or investment;

“liabilities”, in relation to the policies of an insurance fund maintained by an insurer, means such liabilities and expenses of the insurer as are attributable to the business to which the insurance fund relates, but excludes any levy payable by that insurer under section 46 of the Insurance Act (Cap. 142);

“market day”, in relation to a share traded on a securities exchange, means any day which the securities exchange is open for trading of shares;

“merchant bank” means a merchant bank approved as a financial institution under section 28 of the Monetary Authority of Singapore Act (Cap. 186);

“NCD” means negotiable certificate of deposit;

“overseas bank” means a company incorporated, formed or established outside Singapore which carries on banking business only outside Singapore and is not licensed under the Act;

“place of booking”, in relation to a bond or an NCD issue, means the jurisdiction in which the branch or office of the issuer which is issuing the bond or NCD, as the case may be, is located;

“prohibited business” has the same meaning as in section 32(7) of the Act;

“property corporation” means any body corporate where —

- (a) more than 50% of the total turnover of the body corporate is derived from property-related activities; or
- (b) more than 50% of the total assets of the body corporate comprises interests in or rights over immovable property situate in Singapore, other than such immovable property or any part thereof which is used —
  - (i) as premises for the conduct of any business carried on by the body corporate;
  - (ii) for the business of a hotel or hostel; or
  - (iii) for community, charity or educational purposes;

“property-related activities” means —

- (a) the construction of or the causing of the construction of any building on, over or under land in Singapore for the purpose of sale by the person carrying out or causing such construction, of any right or interest in the land which would be appurtenant to such building, other than a building or part thereof constructed for use —
  - (i) for the business of a hotel or hostel; or
  - (ii) for community, charity or educational purposes;
- (b) the acquisition or holding of any interest in or right over immovable property situate in Singapore for the purposes of rental, or for the purposes of securing a profit from its sale, other than such immovable property or part thereof —
  - (i) used or to be used by the person acquiring or holding the immovable property for occupation by himself or members of his family or as premises for any business carried on by him;
  - (ii) used or to be used for the business of a hotel or hostel; or
  - (iii) used or to be used for community, charity or educational purposes;