

Corporate Service Providers Bill

Bill No. /2024.

Read the first time on .

A BILL

i n t i t u l e d

An Act to regulate persons who carry on a business of providing corporate services, and qualified individuals who carry out or supervise the provision of corporate services, so as to detect or prevent money laundering, the financing of the proliferation of weapons of mass destruction and terrorism financing, and to make consequential and related amendments to the Accounting and Corporate Regulatory Authority Act 2004 and the Companies Act 1967.

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

PART 1

PRELIMINARY

Short title and commencement

- 5 **1.** This Act is the Corporate Service Providers Act 2024 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

General interpretation

- 2.—(1) In this Act, unless the context otherwise requires —
- 10 “accounting corporation”, “accounting firm” and “accounting limited liability partnership” have the meanings given by section 2(1) of the Accountants Act 2004;
- “accounting entity” means —
- 15 (a) an accounting corporation;
- (b) an accounting firm;
- (c) an accounting limited liability partnership; or
- (d) a public accountant who is registered under section 8 of the Business Names Registration Act 2014 as the sole proprietor of a business in providing public accountancy services;
- 20 “ACRA Act” means the Accounting and Corporate Regulatory Authority Act 2004;
- “ACRA Fifth Schedule Act” means any of the written laws specified in the first column of the Fifth Schedule to the
- 25 ACRA Act;
- “ACRA Registrar” means —
- (a) in relation to an ACRA Second Schedule Act — the Registrar as defined in that Act; or

(b) in relation to an ACRA Fifth Schedule Act — the person specified in the second column of the Fifth Schedule to the ACRA Act opposite that Act as specified in the first column of that Schedule;

5 “ACRA Second Schedule Act” means any of the written laws specified in the Second Schedule to the ACRA Act;

“ACRA transaction”, in relation to an ACRA Registrar of an ACRA Second Schedule Act or ACRA Fifth Schedule Act, means —

10 (a) the filing or lodging of any document with the ACRA Registrar, or the submission, production, delivery, providing or sending of any document to the ACRA Registrar, under the ACRA Second Schedule Act or ACRA Fifth Schedule Act, as the case may be;

15 (b) the making of any application, submission or request to the ACRA Registrar under the ACRA Second Schedule Act or ACRA Fifth Schedule Act, as the case may be;

(c) the provision of any undertaking or declaration to the ACRA Registrar under the ACRA Second Schedule Act or ACRA Fifth Schedule Act, as the case may be; or

20 (d) the extraction, retrieval or accessing of any document, record or information maintained by the ACRA Registrar under the ACRA Second Schedule Act or ACRA Fifth Schedule Act, as the case may be;

25 “Assistant Registrar” means an Assistant Registrar of Corporate Service Providers appointed under section 5(2)(b);

“Authority” means the Accounting and Corporate Regulatory Authority established under section 3 of the ACRA Act;

30 “company” and “corporation” have the meanings given by section 4(1) of the Companies Act 1967;

“corporate service” means any of the following services:

(a) forming on behalf of another person, a corporation or other legal person;

- (b) acting, or arranging for another person to act —
- (i) as a director or secretary of a corporation;
 - (ii) as a partner of a partnership; or
 - (iii) in a similar capacity in relation to other legal persons;
- (c) providing a registered office, business address, correspondence or administrative address or other related services for a corporation, partnership or any other legal person;
- (d) acting, or arranging for another person to act, as a nominee shareholder on behalf of any corporation, other than a corporation whose securities are listed on an approved exchange within the meaning of section 2(1) of the Securities and Futures Act 2001;
- (e) carrying out any designated activity in relation to the provision of any accounting service;
- (f) carrying out an ACRA transaction with an ACRA Registrar using the electronic transaction system —
- (i) on behalf of another person; or
 - (ii) for one or more companies as a secretary of each of those companies;

“corporate service provider” means a person that carries on a business of providing any corporate service;

“deemed registered corporate service provider” means an accounting entity that is treated under section 7(2) as registered under section 8 as a registered corporate service provider;

“deemed registered qualified individual” means a key appointment holder of a deemed registered corporate service provider who is treated under section 14(3) as registered under section 10 as a registered qualified individual;

“Deputy Registrar” means a Deputy Registrar of Corporate Service Providers appointed under section 5(2)(b);

“designated activity” means the preparation to carry out or the carrying out of transactions for a customer concerning any of the following activities:

- (a) buying or selling of real estate;
- 5 (b) managing of client money, securities or other assets;
- (c) management of bank, savings or securities accounts;
- (d) organisation of contributions for the creation, operation or management of corporations;
- 10 (e) creation, operation or management of legal persons or legal arrangements, or buying and selling of business entities;

“director” has the meaning given by section 4(1) of the Companies Act 1967;

15 “electronic transaction system” means the electronic transaction system established by the Authority under section 27(1) of the Accounting and Corporate Regulatory Authority Act 2004;

“FATF” means the intergovernmental body known as the Financial Action Task Force;

20 “FATF recommendation” means any recommendation relating to the prevention of money laundering and terrorism financing adopted by the FATF;

“key appointment holder”, in relation to any person (*X*), means any of the following persons:

- (a) where *X* is a sole proprietorship — the sole proprietor;
- 25 (b) where *X* is a partnership or limited partnership — a partner of the partnership or limited partnership;
- (c) where *X* is a company —
 - (i) a member of the board of directors; or
 - (ii) an individual for the time being holding the office of chairperson or chief executive officer of the company;
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(d) where *X* is a limited liability partnership — a partner or manager of the limited liability partnership;

5 (e) any person, other than a person mentioned in paragraph (a), (b), (c) or (d), by whatever name called, who is principally responsible for the management and conduct of *X*'s business activities in providing corporate services;

“legal arrangement” means an express trust or other similar legal arrangement;

10 “legal person” means a person other than a natural person that can establish a permanent business relationship with another person or otherwise own property;

15 “limited liability partnership” means a limited liability partnership registered under the Limited Liability Partnerships Act 2005;

“limited partnership” means a limited partnership registered under the Limited Partnerships Act 2008;

20 “nominee director” means a director who is accustomed or under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of any other person;

“nominee shareholder”, in relation to a corporation, means a shareholder who satisfies either or both of the following:

25 (a) the shareholder is accustomed or under an obligation whether formal or informal to vote, in respect of shares in the corporation of which the shareholder is the registered holder, in accordance with the directions, instructions or wishes of any other person;

30 (b) the shareholder receives dividends, in respect of shares in the corporation of which the shareholder is the registered holder, on behalf of any other person;

“proliferation financing” means the financing of the proliferation of weapons of mass destruction;

“public accountant” has the meaning given by section 2(1) of the Accountants Act 2004;

“qualified individual” means an individual who satisfies such criteria as may be prescribed for this definition;

5 “registered corporate service provider” means a corporate service provider that is registered under this Act, and includes —

(a) a deemed registered corporate service provider; and

(b) a person who is treated under section 39(3) as registered under section 8 as a registered corporate service provider;

10 “registered person” means a registered corporate service provider or registered qualified individual;

“registered qualified individual” means a qualified individual that is registered under this Act, and includes —

15 (a) a deemed registered qualified individual; and

(b) a person who is treated under section 40(1) as registered under section 10 as a registered qualified individual;

20 “Registrar” means the Registrar of Corporate Service Providers appointed under section 5(2)(a) and includes any Deputy Registrar or Assistant Registrar;

“registration” means registration of a registered corporate service provider or registered qualified individual, as the case may be;

“regulations” means any regulations made under section 35;

25 “sub-fund” has the meaning given by section 2(1) of the Variable Capital Companies Act 2018;

“umbrella VCC” and “variable capital company” have the meanings given by section 2(1) of the Variable Capital Companies Act 2018.

30 (2) For the purposes of the definitions of “corporate service”, “designated activity” and “nominee shareholder”, “corporation”, “legal person” and “partnership” include corporations, legal persons

and partnerships (respectively) formed, established or incorporated outside Singapore.

(3) For the purposes of this Act —

- 5 (a) a registered corporate service provider is not regarded as being registered to carry on a business in Singapore of providing any corporate service during the period the registered corporate service provider's registration is suspended under section 19(2) or (3); and
- 10 (b) a registered qualified individual is not regarded as being registered for the purpose of this Act, during the period the registered qualified individual's registration is suspended under section 21(2) or (3).

Meaning of “accounting service”

3.—(1) In this Act —

15 “accounting service” means any of the following services:

- (a) financial accounting service;
- (b) internal audit service;
- (c) management accounting service;
- (d) taxation service;

20 “financial accounting service” means any of the following services:

- 25 (a) preparing and maintaining accounting and other records of an entity which will sufficiently explain the transactions and financial position of an entity and enable true and fair profit and loss accounts and balance sheets (and any documents attached to the profit and loss accounts and balance sheets) to be prepared from time to time;
- 30 (b) preparing the general purpose financial statements, special purpose financial statements or summary financial statements of an entity or any part of those statements;

“internal audit service” means any of the following services:

- (a) evaluating the effectiveness of an entity’s processes relating to its governance, risk management or internal control;
- 5 (b) improving an entity’s processes relating to its governance, risk management or internal control;

“management accounting service” means any of the following services:

- 10 (a) measuring, evaluating or reporting on any information relating to the economic performance of an entity;
- (b) drawing and expressing a conclusion relating to the measurement or evaluation of, or reporting on, any information relating to the economic performance of an entity;

15 “taxation service” means any of the following services:

- (a) ensuring compliance by an entity with any written law relating to taxation in the course of preparing any tax return for an entity;
- 20 (b) making tax calculations for the purpose of preparing accounting entries in an entity’s financial statements;
- (c) providing advice relating to taxation and tax planning;
- (d) providing assistance in resolving any dispute relating to taxation.

25 (2) In subsection (1), a service is not a financial accounting service, an internal audit service, a management accounting service or a taxation service, unless its performance requires the application of an accounting or related skill.

(3) In subsection (1) —

“entity” means —

- 30 (a) a company or association or body of persons, corporate or unincorporate;

- (b) a variable capital company, or an umbrella VCC in respect of a sub-fund;
- (c) a sole proprietor;
- (d) a trust or its trustee (when acting in that capacity), as the case may be; or
- (e) any other business or corporate structure, as may be prescribed.

“general purpose financial statements”, “special purpose financial statements” and “summary financial statement” have the meanings given by the part entitled “Glossary” in the Singapore Standards on Auditing;

“Singapore Standards on Auditing” means the standards by that name issued by the Institute of Singapore Chartered Accountants as published on its website.

Purpose of Act

4. The purpose of this Act is to regulate corporate service providers, and qualified individuals who carry out or supervise the provision of corporate services, so as to prevent money laundering, proliferation financing and terrorism financing.

Administration of Act and appointment of Registrar of Corporate Service Providers, etc.

5.—(1) The Authority is responsible for the administration of this Act, subject to the general or special directions of the Minister.

(2) The Minister may, after consultation with the Authority, and for the proper administration of this Act —

- (a) appoint an officer of the Authority to be the Registrar of Corporate Service Providers; and
- (b) from among the officers of the Authority, public officers and officers of any other statutory board, appoint any number of Deputy Registrars and Assistant Registrars of Corporate Service Providers as the Minister considers necessary.

(3) The Authority may give to the Registrar such directions, not inconsistent with the provisions of this Act, as to the exercise of the Registrar's powers, functions or duties under this Act, and the Registrar must give effect to such directions.

5 (4) Subject to the general direction and control of the Registrar and to any restriction and limitation that may be prescribed, anything by this Act authorised or required to be done or signed by the Registrar may be done or signed by any such Deputy or Assistant Registrar and is as valid and effectual as if done or signed by the Registrar.

10 (5) No person dealing with any Deputy or Assistant Registrar needs to be concerned to see or inquire whether any restriction or limitation has been prescribed, and every act or omission of a Deputy or Assistant Registrar so far as it affects any such person is as valid and effectual as if done or omitted by the Registrar.

15 **Registers**

6. The Registrar must keep and maintain —

- (a) a register of registered corporate service providers; and
- (b) a register of registered qualified individuals.

PART 2

20

REGULATION OF PROVISION OF CORPORATE SERVICES

No provision of corporate services without registration

25 **7.—**(1) A person must not carry on a business in Singapore of providing any corporate service unless the person is a registered corporate service provider for that type of corporate service.

(2) An accounting entity which carries on a business in Singapore of the corporate service of carrying out any designated activity in relation to the provision of any accounting service, is treated as registered under section 8 as a registered corporate service provider for that type of corporate service for the purposes of this Act, and
30 continues to be so treated until the accounting entity's deemed

registration is suspended or cancelled under section 18(2) or 19(2) or (3).

(3) Despite anything in the Accountants Act 2004, an accounting entity is not authorised to carry out any designated activity in relation to the provision of any accounting service if its deemed registration as a registered corporate service provider is suspended or cancelled under section 18(2) or 19(2) or (3).

(4) A person who contravenes subsection (1) is guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part of a day during which the offence continues after conviction.

Division 1 — Registration of corporate service providers

Registration and renewal of corporate service providers

8.—(1) An application for registration, or renewal of registration, of a registered corporate service provider must be —

- (a) in the form and manner specified by the Registrar;
- (b) accompanied by the documents and information required by the Registrar; and
- (c) accompanied by the prescribed fee (if prescribed).

(2) An application for renewal of registration must be made not earlier than 60 days before the date of expiry of the registration.

- (3) The Registrar may —
 - (a) grant the registration or renewal, with such conditions and for the period specified by the Registrar; or
 - (b) refuse the registration or renewal.

(4) An applicant may be registered as a registered corporate service provider for one or more types of corporate services.

- (5) The Registrar may impose different conditions in respect of —
 - (a) different classes of registered corporate service providers; or

(b) registered corporate service providers under different circumstances.

(6) Without limiting subsection (3)(a), the Registrar may impose on any registered corporate service provider any restriction pertaining to the use by that corporate service provider of the electronic transaction system as the Registrar thinks fit.

Criteria for registration or renewal of registration of corporate service providers

9.—(1) The Registrar must refuse to register, or to renew the registration of, a corporate service provider —

(a) unless the applicant is one of the following:

(i) an individual, or a partnership, registered under the Business Names Registration Act 2014;

(ii) a company;

(iii) a limited liability partnership;

(iv) a limited partnership;

(b) unless the applicant meets at least one of the following criteria:

(i) the applicant (being an individual) is a registered qualified individual;

(ii) at least one partner of the applicant (being a partnership, limited liability partnership or limited partnership) is a registered qualified individual;

(iii) the applicant employs, engages or appoints at least one registered qualified individual to carry out or supervise the provision of corporate services by the applicant;

(c) if the Registrar is satisfied that any key appointment holder of the applicant is not a fit and proper person;

(d) if the applicant is an individual who has not successfully completed a prescribed course or training;

(e) if the applicant is not an individual, any key appointment holder of the applicant has not successfully completed a prescribed course or training; or

5 (f) if the applicant has had a previous registration as a registered corporate service provider cancelled under section 19(2) or (3) less than 2 years before the date of the applicant's application for registration as a registered corporate service provider.

10 (2) In determining for the purposes of subsection (1)(c) whether a person is a fit and proper person, the Registrar may consider such factors as may be prescribed.

Division 2 — Registration of qualified individuals

Registration and renewal of qualified individuals

15 **10.**—(1) An application for registration, or for renewal of registration, of a qualified individual must be —

(a) in the form and manner specified by the Registrar;

(b) accompanied by the documents and information required by the Registrar; and

(c) accompanied by the prescribed fee (if prescribed).

20 (2) An application for renewal of registration must be made not earlier than 60 days before the date of expiry of the registration.

(3) The Registrar may —

(a) grant the registration or renewal, with such conditions and for such period as the Registrar specifies; or

25 (b) refuse the registration or renewal.

(4) The Registrar may impose different conditions in respect of —

(a) different classes of registered qualified individuals; or

(b) registered qualified individuals under different circumstances.

30 (5) Without limiting subsection (3)(a), the Registrar may impose on any registered qualified individual any restriction pertaining to the

use by that individual of the electronic transaction system as the Registrar thinks fit.

Criteria for registration or renewal of registration of qualified individual

5 **11.**—(1) The Registrar must refuse to register, or to renew the registration of, a qualified individual —

(a) if the applicant is not or (in the case of an application to renew the registration of a qualified individual) ceases to be a qualified individual, or has not successfully completed a prescribed course or training;

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(b) if the Registrar is satisfied that the applicant is not a fit and proper person; or

(c) if the applicant has had a previous registration as a registered qualified individual cancelled under section 21(2) or (3) less than 2 years before the date of his or her application for registration as a registered qualified individual.

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(2) In determining for the purposes of subsection (1)(b) whether an applicant is a fit and proper person, the Registrar may consider such factors as may be prescribed.

20 *Division 3 — Provisions applicable to registered persons (other than a deemed corporate service provider or deemed registered qualified individual)*

Obligation to notify Registrar

25 **12.**—(1) A registered person (other than a deemed corporate service provider or deemed registered qualified individual) must notify the Registrar of each of the following changes within 14 days after the occurrence of the change and in the manner specified by the Registrar:

(a) any change in any particulars furnished in the person's application for the registration, or renewal of registration, under section 8(1) or 10(1), as the case may be;

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(b) any change in any particulars furnished under paragraph (a).

(2) A registered person who contravenes subsection (1) is guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

Modification, etc., of conditions of registration

5 **13.**—(1) The Registrar may at any time modify, remove or add conditions of the registration of a registered person (other than a deemed registered corporate service provider or deemed registered qualified individual) in accordance with this section without compensating the registered person.

10 (2) Before modifying or adding any condition, the Registrar must give written notice to the registered person —

 (a) stating that the Registrar intends to make the modification or addition in the manner specified in the notice; and

 (b) specifying the time (being at least 14 days after the date of service of the notice on the registered person) within which
15 the registered person may make written representations to the Registrar with respect to the proposed modification or addition.

 (3) On receiving any written representation mentioned in subsection (2)(b), the Registrar must consider that representation and may —

 (a) reject the representation;

 (b) amend the proposed modification or addition in any manner that the Registrar thinks fit having regard to the
25 representation; or

 (c) withdraw the proposed modification or addition.

(4) Where —

 (a) the Registrar rejects any written representation under subsection (3)(a);

 (b) the Registrar amends any proposed modification or addition
30 under subsection (3)(b); or

(c) no representation is received by the Registrar within the time specified in subsection (2)(b), or any representation made under that provision is subsequently withdrawn, and the registered person has not given immediate effect to the modification or addition,

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the Registrar must issue a direction in writing to the registered person requiring the registered person to give effect to the modification or addition as specified in the notice under subsection (2) or as amended by the Registrar under subsection (3)(b) (as the case may be), within the time specified by the Registrar.

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(5) However, where the Registrar considers that it is impracticable or undesirable, in the circumstances of the particular case, for him or her to give notice under subsection (2) before modifying or adding any condition of the registration of a registered person because of any act, omission or thing that is of such a serious nature that the integrity of the business of the relevant corporate service provider is adversely affected, the Registrar may, without compensating the registered person, and by giving notice to that registered person, modify or add any condition of the registration of the registered person with immediate effect.

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(6) In subsection (5), “relevant corporate service provider” means —

(a) where the registered person mentioned in that provision is a registered qualified individual — the registered corporate service provider of which the registered person is —

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(i) the sole proprietor — if the corporate service provider is a sole proprietorship;

(ii) a partner — if the corporate service provider is a partnership, limited liability partnership or limited partnership; or

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(iii) employed, engaged or appointed for carrying out or supervising the carrying out of the provision of corporate services by the registered corporate service provider; or

- (b) where the registered person mentioned in that provision is a registered corporate service provider — the registered corporate service provider.

Division 4 — Appointment of registered qualified individuals by deemed registered corporate service providers, etc.

Appointment of registered qualified individuals by deemed registered corporate service providers

14.—(1) A deemed registered corporate service provider (X) must provide to the Registrar, in the form and manner specified by the Registrar and by the date in subsection (2), prescribed particulars of every registered qualified individual employed, engaged or appointed for the purpose of carrying out, or supervising the carrying out of, any designated activity in relation to the provision of any accounting service by X.

(2) The date mentioned in subsection (1) is —

(a) where X provides the corporate service immediately before the appointed day — the last day of the prescribed period after the appointed day; or

(b) in any other case — the date on which X starts to provide the corporate service mentioned in subsection (1).

(3) If, by the date in subsection (2), X fails to provide the particulars of at least one registered qualified individual in accordance with subsection (1) to the Registrar, then every key appointment holder of the deemed registered corporate service provider who is a public accountant —

(a) is treated as registered under section 10 as a registered qualified individual (but only for the purpose mentioned in subsection (1)) starting on the date mentioned in subsection (2); and

(b) continues to be so treated until his or her deemed registration is suspended or cancelled under section 20(2) or 21(2) or (3).

(4) X may at any time provide the prescribed particulars of any registered qualified individual whom X employs, engages or appoints

for the purpose mentioned in subsection (1), within the prescribed time after the date of his or her employment, engagement or appointment.

5 (5) In this section, the appointed day is the date of commencement of this section.

PART 3

DUTIES AND RESPONSIBILITIES OF REGISTERED CORPORATE SERVICE PROVIDERS

10 **General requirement on provision of corporate services**

15.—(1) A registered corporate service provider must ensure that the provision of any corporate service by the registered corporate service provider is carried out by or under the supervision of one or more registered qualified individuals.

15 (2) Regulations may be made under section 35 requiring, in a case where a corporate service is to be carried out under the supervision of a registered qualified individual, that it is to be carried out only by persons of such description as may be prescribed.

20 (3) Regulations made for the purposes of subsection (2) may provide for different descriptions of persons for the provision of different types of corporate services.

Arranging for person to act as nominee director

25 **16.**—(1) A registered corporate service provider must not arrange for a person to act as a nominee director of a company, unless the registered corporate service provider is satisfied that the person is a fit and proper person.

(2) In determining for the purposes of subsection (1) whether a person is a fit and proper person, the registered corporate service provider must —

30 (a) take reasonable steps to satisfy himself, herself or itself that the person is not disqualified from acting as a director of a company under any written law; and

(b) consider such factors as may be prescribed.

(3) A registered corporate service provider who fails to comply with subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000.

5 **Prevention of money laundering, proliferation financing and terrorism financing**

17.—(1) A registered corporate service provider must perform customer due diligence measures in each of the following circumstances:

- 10 (a) before providing any corporate service to a customer;
- (b) where the registered corporate service provider has reason to suspect money laundering, proliferation financing or terrorism financing;
- 15 (c) where the registered corporate service provider has reason to doubt the veracity or adequacy of information obtained from earlier customer due diligence measures;
- (d) under other circumstances prescribed for the purposes of this section.

20 (2) A registered corporate service provider must not proceed to provide any corporate service to any person if there exist prescribed circumstances.

(3) Unless subsection (2) applies, a registered corporate service provider may choose not to perform or to complete any customer due diligence measures, if —

- 25 (a) the registered corporate service provider has reason to suspect that the transaction for which the corporate service is intended to be provided relates to money laundering, proliferation financing or terrorism financing; and
- 30 (b) the registered corporate service provider has reason to believe that performing the measures will tip off the customer or any other person.

(4) Where, in relation to any customer, a registered corporate service provider is for any reason unable or chooses not to complete

performing any customer due diligence measure, the corporate service provider must —

- (a) decline to provide any corporate service to the customer;
- 5 (b) terminate any on-going provision of any corporate service to the customer;
- (c) determine whether to make a disclosure under section 45 of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 or section 8 or 10 of the Terrorism (Suppression of Financing) Act 2002;
- 10 (d) record the basis of the determination under paragraph (c); and
- (e) carry out any other prescribed measures.

(5) A registered corporate service provider must keep, in the prescribed manner and for the prescribed period, all records that the registered corporate service provider obtains through the customer due diligence measures.

(6) A registered corporate service provider must comply with any other requirement prescribed for the purpose of —

- 20 (a) detecting or preventing money laundering, proliferation financing and terrorism financing;
- (b) recording and reporting transactions suspected by the registered corporate service provider to involve money laundering, proliferation financing or terrorism financing;
- (c) giving effect to any FATF recommendation; or
- 25 (d) requiring the registered corporate service provider to assess, and to report to the Registrar on, its, his or her compliance with a requirement mentioned in paragraph (a), (b) or (c).

(7) A registered corporate service provider who fails to comply with subsection (1), (2), (4), (5) or (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000.

(8) In this section —

“appointed day” means the date of commencement of this section;

“customer due diligence measures” means the prescribed measures for —

- 5 (a) identifying a customer of the registered corporate service provider and the customer’s agent (if any), and verifying their identities;
- (b) identifying every beneficial owner of its, his or her customer and verifying the identity of the beneficial owner;
- 10 (c) obtaining information on the purpose and intended nature of the business relationship between the registered corporate service provider and its, his or her customer; and
- 15 (d) any other measures for detecting or preventing money laundering, proliferation financing and terrorism financing.

PART 4

20 REGULATORY ACTIONS

Division 1 — Regulatory actions against registered corporate service providers

Cancellation of registration of registered corporate service provider

25 **18.**—(1) The Registrar may cancel the registration of a registered corporate service provider (not being a deemed registered corporate service provider) (X) —

- (a) if X ceases to meet one of the criteria specified under section 9(1)(a);

- (b) if the Registrar is satisfied that *X* or (if *X* is not an individual) any key appointment holder of *X* is not a fit and proper person;
- (c) if *X*'s registration is obtained through fraud or misrepresentation;
- (d) if *X* does not carry on a business of providing any corporate service; or
- (e) if *X* applies to the Registrar for *X*'s registration to be cancelled.
- (2) The Registrar may cancel the registration of a deemed registered corporate service provider (*Y*) —
- (a) if *Y* ceases to be an accounting entity;
- (b) if the Registrar is satisfied that *Y* or (if *Y* is not an individual) any key appointment holder of *Y* is not a fit and proper person;
- (c) if *Y* does not carry on a business in Singapore of carrying out any designated activity in relation to the provision of any accounting service by *Y*; or
- (d) if *Y* applies to the Registrar for the registration to be cancelled.
- (3) The Registrar may refuse to cancel a registration under subsection (1)(e) or (2)(d) until the requirements in subsection (4) are met, if the Registrar suspects —
- (a) in relation to *X*, that *X* has contravened or failed to comply with —
- (i) any of the conditions of the registration; or
- (ii) any requirement under this Act or the regulations, the contravention of or non-compliance with which is not an offence under this Act; or
- (b) in relation to *Y*, that *Y* has contravened or failed to comply with any requirement under this Act or the regulations, the contravention of or non-compliance with which is not an offence under this Act.

(4) For the purposes of subsection (3), the requirements to be met are —

- (a) the Registrar has investigated the suspected contravention or non-compliance; and
- 5 (b) the Registrar has determined —
 - (i) that there was no contravention or non-compliance;
 - (ii) that there was a contravention or non-compliance and has taken regulatory action under section 19 for it; or
 - 10 (iii) that there was a contravention or non-compliance and has decided not to take regulatory action under section 19 for it.

Regulatory action for contravention of Act, etc., by registered corporate service provider

15 **19.**—(1) This section applies where the Registrar is satisfied that a registered corporate service provider (*Z*) is contravening or is not complying with, or has contravened or failed to comply with —

- (a) if *Z* is not a deemed registered corporate service provider —
 - (i) any of the conditions of its registration; or
 - 20 (ii) any requirement under this Act or the regulations the contravention of or non-compliance with which is not an offence under this Act; or
- (b) if *Z* is a deemed registered corporate service provider — any requirement under this Act or the regulations the contravention of or non-compliance with which is not an offence under this Act.
- 25 (2) Where this section applies, the Registrar may —
 - (a) cancel *Z*'s registration;
 - (b) suspend *Z*'s registration for a period not exceeding 12 months;
 - 30 (c) restrict *Z*'s use of the electronic transaction system to the extent the Registrar thinks fit;

(d) direct *Z* to pay, within a period specified in the direction, a financial penalty of an amount the Registrar thinks fit, but not exceeding \$25,000 for each contravention or non-compliance that is the subject of the regulatory action; or

5 (e) censure *Z*.

(3) If *Z* has been directed to pay a financial penalty under subsection (2)(d) and fails to pay the financial penalty within the period specified in the direction, the Registrar may (without affecting section 28) —

10 (a) cancel *Z*'s registration;

(b) suspend *Z*'s registration for a period not exceeding 12 months; or

(c) restrict *Z*'s use of the electronic transaction system to the extent the Registrar thinks fit.

15 *Division 2 — Regulatory actions against registered qualified individuals*

Cancellation of registration of registered qualified individual

20 **20.**—(1) The Registrar may cancel the registration of a registered qualified individual (not being a deemed registered qualified individual) (*X*) —

(a) if *X* ceases to be a qualified individual;

(b) if *X*'s registration is obtained through fraud or misrepresentation;

25 (c) if the Registrar is satisfied that *X* is not a fit and proper person; or

(d) if *X* applies to the Registrar for the registration to be cancelled.

(2) The Registrar may cancel the registration of a deemed registered qualified individual (*Y*) —

- (a) if *Y* ceases to be a key appointment holder of the deemed registered corporate service provider of which *Y* is deemed as a registered qualified individual;
- (b) if the registration of the deemed registered corporate service provider is cancelled under section 18(2) or 19(2) or (3);
- (c) if the Registrar is satisfied that *Y* is not a fit and proper person; or
- (d) if *Y* applies for his or her registration to be cancelled.
- (3) The Registrar may refuse to cancel a registration under subsection (1)(d) or (2)(d) until the requirements in subsection (4) are met, if the Registrar suspects —
- (a) in relation to *X*, that *X* has contravened or failed to comply with —
- (i) any of the conditions of the registration; or
- (ii) any requirement under this Act or the regulations, the contravention of or non-compliance with which is not an offence under this Act; or
- (b) in relation to *Y*, that *Y* has contravened or failed to comply with any requirement under this Act or the regulations, the contravention of or non-compliance with which is not an offence under this Act.
- (4) For the purposes of subsection (3), the requirements to be met are —
- (a) the Registrar has investigated the suspected contravention or non-compliance; and
- (b) the Registrar has determined —
- (i) that there was no contravention or non-compliance;
- (ii) that there was a contravention or non-compliance and has taken regulatory action under section 21 for the contravention or non-compliance; or

- (iii) that there was a contravention or non-compliance and has decided not to take regulatory action under section 21 for the contravention or non-compliance.

Regulatory action for contravention of Act, etc., by registered qualified individual

21.—(1) This section applies where the Registrar is satisfied that a registered qualified individual (*Z*) is contravening or not complying with, or has contravened or failed to comply with —

(a) if *Z* is a not a deemed registered qualified individual —

(i) any of the conditions of *Z*'s registration;

(ii) any requirement under this Act or the regulations the contravention of or non-compliance with which is not an offence under this Act; or

(iii) the Registrar is satisfied that *Z* has made any declaration, statement or undertaking under any ACRA Second Schedule Act or ACRA Fifth Schedule Act —

(A) that is false or misleading; or

(B) that *Z* was not authorised to make; or

(b) if *Z* is a deemed registered qualified individual — any requirement under this Act or the regulations the contravention of or non-compliance with which is not an offence under this Act.

(2) Where this section applies, the Registrar may —

(a) cancel *Z*'s registration;

(b) suspend *Z*'s registration for a period not exceeding 12 months;

(c) direct *Z* to pay, within a period specified in the direction, a financial penalty of such amount as the Registrar thinks fit, but not exceeding \$10,000 for each contravention or non-compliance that is the subject of the regulatory action;

(d) censure *Z*; or

(e) restrict *Z*'s use of the electronic transaction system to the extent the Registrar thinks fit.

(3) If *Z* has been directed to pay a financial penalty under subsection (2)(c) and fails to pay the financial penalty within the period specified in the direction, the Registrar may (without affecting section 28) —

(a) cancel *Z*'s registration;

(b) suspend *Z*'s registration for a period not exceeding 12 months; or

(c) restrict *Z*'s use of the electronic transaction system to the extent the Registrar thinks fit.

Division 3 — Proceedings for regulatory action

Proceedings for regulatory action

22.—(1) Before exercising any powers under section 18(1)(a), (b), (c) or (d) or (2)(a), (b) or (c), 19(2) or (3), 20(1)(a), (b) or (c) or (2)(a), (b) or (c) or 21(2) or (3), the Registrar must give written notice to the registered person concerned —

(a) stating that the Registrar intends to take regulatory action against the registered person;

(b) specifying the type of action in section 18(1)(a), (b), (c) or (d) or (2)(a), (b) or (c), 19(2) or (3), 20(1)(a), (b) or (c) or (2)(a), (b) or (c) or 21(2) or (3) that the Registrar proposes to take, and (if applicable) each contravention or non-compliance that is the subject of the action; and

(c) specifying the time (being not less than 14 days after the date of service of notice on the registered person) within which written representations may be made to the Registrar with respect to the proposed action.

(2) The Registrar may, after considering any written representation under subsection (1)(c), decide to take such regulatory action in section 18(1)(a), (b), (c) or (d) or (2)(a), (b) or (c), 19(2) or (3), 20(1)(a), (b) or (c) or (2)(a), (b) or (c) or 21(2) or (3) as the Registrar considers appropriate.

(3) Where the Registrar has made any decision under subsection (2) against any registered person, the Registrar must serve on the registered person concerned a notice of its decision.

5 (4) Any cancellation or suspension of any registration under section 18(1)(a), (b), (c) or (d) or (2)(a), (b) or (c), 19(2) or (3), 20(1)(a), (b) or (c) or (2)(a), (b) or (c) or 21(2) or (3) does not affect —

- (a) the enforcement by any person of any right or claim against the registered person; or
- 10 (b) the enforcement by the registered person of any right or claim against any person.

PART 5

APPEALS

15 **Appeal to Minister**

23.—(1) A person aggrieved by any of the following decisions may appeal to the Minister within the prescribed period:

- (a) the Registrar's refusal to grant or renew registration of a registered corporate service provider under section 8;
- 20 (b) the Registrar's refusal to grant or renew registration of a registered qualified individual under section 10;
- (c) a modification or addition of a condition of registration under section 13;
- 25 (d) any regulatory action under section 18(1)(a), (b), (c) or (d) or (2)(a), (b) or (c), 19(2) or (3), 20(1)(a), (b) or (c) or (2)(a), (b) or (c) or 21(2) or (3);
- (e) the Registrar's refusal to cancel the registration of a registered person on an application made by the registered person under section 18(1)(e) or (2)(d) or 20(1)(d) or (2)(d).

(2) An appeal under this section must be in writing and specify the grounds on which it is made, and must be made within 30 days after the date the decision appealed against is given to the appellant.

(3) After considering an appeal, the Minister may —

- 5 (a) reject the appeal and confirm the appealable decision;
 (b) allow the appeal and reverse the appealable decision; or
 (c) vary the appealable decision,

and may impose any condition for the variation or reversal of the appeal decision that the Minister thinks fit.

10 (4) The Minister's decision on an appeal is final.

(5) Every appellant must be notified of the Minister's decision under subsection (4).

15 (6) An appeal against an appealable decision does not affect the operation of the decision appealed against or prevent the taking of action to implement the decision and, unless otherwise directed by the Minister under this subsection, the decision appealed against must be complied with until the determination of the appeal.

Designation of others to hear appeals

20 **24.** The Minister may designate a Second Minister, Minister of State or Parliamentary Secretary to hear and determine, in the Minister's place, any appeals or a specific appeal under section 23; and any reference in that section to the Minister includes a reference to the Second Minister, Minister of State or Parliamentary Secretary so designated for that appeal.

25

PART 6

GENERAL OFFENCE

Providing false information to Registrar

30 **25.** A person who, in any application for registration or renewal of registration under section 8(1) or 10(1) or in compliance or purported compliance with any requirement under this Act —

- (a) provides to the Registrar any document or information that the person knows or has reason to believe is materially false or misleading;
- 5 (b) omits to provide any information to the Registrar for the purposes of this Act, knowing or having reason to believe that such omission will create a materially false or misleading impression;
- (c) intentionally alters, suppresses or destroys any document or information which the person has been required to produce or provide; or
- 10 (d) in producing any document or providing any information so required, makes any statement which the person knows or ought reasonably to know is, or is reckless as to whether it is, false or misleading in a material particular,
- 15 shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

PART 7

GENERAL

20 **Protection from personal liability**

26. No liability shall lie personally against the Registrar, a Deputy Registrar or an Assistant Registrar who, acting in good faith and with reasonable care, does or omits to do anything in the execution or purported execution of this Act.

25 **Composition of offences**

27.—(1) The Registrar may compound any offence under this Act that is prescribed as a compoundable offence by collecting from a person reasonably suspected of having committed the offence a sum not exceeding the lower of the following:

- 30 (a) one half of the amount of the maximum fine that is prescribed for the offence;

(b) \$20,000.

(2) On payment of the sum of money, no further proceedings are to be taken against that person in respect of the offence.

5 (3) All sums collected under this section must be paid into the Consolidated Fund.

Interest for non-payment and recovery of financial penalty

10 **28.**—(1) A registered corporate service provider or registered qualified individual (*X*) who fails to pay any amount of a financial penalty imposed under section 19(2) or 21(2) (as the case may be) within the period specified for payment by the Registrar or, where there is an appeal to the Minister under section 23, within any time specified for payment by the Minister, is liable to pay interest at the same rate as for a judgment debt on the unpaid amount.

15 (2) *X*'s liability to pay a financial penalty and any interest on the financial penalty is not affected by *X* ceasing to be a registered corporate service provider or registered qualified individual.

(3) In any proceeding for the recovery of any financial penalty under this Part —

20 (a) a certificate purporting to be under the hand of the Registrar certifying the amount of the financial penalty that is imposed, and the period specified for payment; or

25 (b) where there is an appeal to the Minister under section 23, a certificate purporting to be under the hand of the Minister certifying the amount of financial penalty that is imposed, and the period specified for payment,

is prima facie evidence of the facts stated in the certificate.

(4) The Minister, or an officer authorised by the Minister, may waive, remit or refund in whole or in part any financial penalty imposed or interest on the penalty.

Offences by corporations

29.—(1) Where, in a proceeding for an offence under this Act, it is necessary to prove the state of mind of a corporation in relation to a particular conduct, evidence that —

- 5 (a) an officer, employee or agent of the corporation engaged in that conduct within the scope of his or her actual or apparent authority; and
- (b) the officer, employee or agent had that state of mind,
- is evidence that the corporation had that state of mind.

10 (2) Where a corporation commits an offence under this Act, a person —

- (a) who is —
- (i) an officer of the corporation; or
- (ii) an individual involved in the management of the corporation and in a position to influence the conduct of the corporation in relation to the commission of the offence; and
- 15 (b) who —
- (i) consented or connived, or conspired with others, to effect the commission of the offence;
- 20 (ii) is in any other way, whether by act or omission, knowingly concerned in, or is party to, the commission of the offence by the corporation; or
- 25 (iii) knew or ought reasonably to have known that the offence by the corporation (or an offence of the same type) would be or is being committed, and failed to take all reasonable steps to prevent or stop the commission of that offence,

shall be guilty of that same offence as is the corporation, and shall be liable on conviction to be punished accordingly.

30

(3) A person mentioned in subsection (2) may rely on a defence that would be available to the corporation if it were charged with the

offence with which the person is charged and, in doing so, the person bears the same burden of proof that the corporation would bear.

(4) To avoid doubt, this section does not affect the application of —

(a) Chapters 5 and 5A of the Penal Code 1871; or

5 (b) the Evidence Act 1893 or any other law or practice regarding the admissibility of evidence.

(5) To avoid doubt, subsection (2) also does not affect the liability of the corporation for an offence under this Act, and applies whether or not the corporation is convicted of the offence.

10 (6) In this section —

“corporation” includes a limited liability partnership;

“officer”, in relation to a corporation, means any director, partner, chief executive, manager, secretary or other similar officer of the corporation, and includes —

15 (a) any person purporting to act in any such capacity; and

(b) for a corporation whose affairs are managed by its members, any of those members as if the member were a director of the corporation;

20 “reasonable steps”, in relation to the commission of an offence, includes, but is not limited to, any action (if any) of the following kinds as is reasonable in all the circumstances:

(a) action towards —

(i) assessing the corporation’s compliance with the provision creating the offence; and

25 (ii) ensuring that the corporation arranged regular professional assessments of its compliance with the provision;

30 (b) action towards ensuring that the corporation’s employees, agents and contractors are provided with information, training, instruction and supervision appropriate to them to enable them to comply with the

provision creating the offence so far as the provision is relevant to them;

(c) action towards ensuring that —

(i) the equipment and other resources; and

5 (ii) the structures, work systems and other processes, relevant to compliance with the provision creating the offence are appropriate in all the circumstances;

(d) action towards creating and maintaining a corporate culture that does not direct, encourage, tolerate or lead to non-compliance with the provision creating the offence;

“state of mind” of a person includes —

(a) the knowledge, intention, opinion, belief or purpose of the person; and

15 (b) the person’s reasons for the intention, opinion, belief or purpose.

(7) The Minister may make rules to provide for the application of any provision of this section, with such modifications as the Minister considers appropriate, to any corporation formed or recognised under the law of a territory outside Singapore.

Offences by unincorporated associations or partnerships

30.—(1) Where, in a proceeding for an offence under this Act, it is necessary to prove the state of mind of an unincorporated association or a partnership in relation to a particular conduct, evidence that —

25 (a) an employee or agent of the unincorporated association or partnership engaged in that conduct within the scope of his or her actual or apparent authority; and

(b) the employee or agent had that state of mind,

is evidence that the unincorporated association or partnership had that state of mind.

(2) Where an unincorporated association or a partnership commits an offence under this Act, a person —

(a) who is —

- 5 (i) an officer of the unincorporated association or a member of its governing body;
- (ii) a partner in the partnership; or
- 10 (iii) an individual involved in the management of the unincorporated association or partnership and in a position to influence the conduct of the unincorporated association or partnership (as the case may be) in relation to the commission of the offence; and

(b) who —

- 15 (i) consented or connived, or conspired with others, to effect the commission of the offence;
- (ii) is in any other way, whether by act or omission, knowingly concerned in, or is party to, the commission of the offence by the unincorporated association or partnership; or
- 20 (iii) knew or ought reasonably to have known that the offence by the unincorporated association or partnership (or an offence of the same type) would be or is being committed, and failed to take all reasonable steps to prevent or stop the commission of that
- 25 offence,

shall be guilty of the same offence as is the unincorporated association or partnership (as the case may be), and shall be liable on conviction to be punished accordingly.

30 (3) A person mentioned in subsection (2) may rely on a defence that would be available to the unincorporated association or partnership if it were charged with the offence with which the person is charged and, in doing so, the person bears the same burden of proof that the unincorporated association or partnership would bear.

(4) To avoid doubt, this section does not affect the application of —

(a) Chapters 5 and 5A of the Penal Code 1871; or

(b) the Evidence Act 1893 or any other law or practice regarding the admissibility of evidence.

5 (5) To avoid doubt, subsection (2) also does not affect the liability of an unincorporated association or a partnership for an offence under this Act, and applies whether or not the unincorporated association or partnership is convicted of the offence.

(6) In this section —

10 “officer”, in relation to an unincorporated association (other than a partnership), means the president, the secretary, or any member of the committee of the unincorporated association, and includes —

15 (a) any person holding a position analogous to that of president, secretary or member of a committee of the unincorporated association; and

(b) any person purporting to act in any such capacity;

“partner” includes a person purporting to act as a partner;

20 “reasonable steps” has the meaning given by section 29(6) except that any reference to the corporation is a reference to the unincorporated association or a partnership mentioned in subsection (2);

“state of mind” has the meaning given by section 29(6).

25 (7) The Minister may make rules to provide for the application of any provision of this section, with such modifications as the Minister considers appropriate, to any unincorporated association or partnership formed or recognised under the law of a territory outside Singapore.

Jurisdiction of courts

30 **31.** Despite the Criminal Procedure Code 2010, a District Court has jurisdiction to try any offence under this Act and has power to impose the full punishment for any such offence.

Power to publish or disclose information

32.—(1) Where the Registrar considers it necessary or expedient in the interest of the public, the Registrar may publish or otherwise disclose information relating to —

- 5 (a) whether a person is a registered corporate service provider or registered qualified individual;
- (b) a condition of registration imposed on a registered person under this Act;
- (c) any regulatory action taken against a registered person under
10 this Act or any ACRA Second Schedule Act;
- (d) any determination of the Minister in respect of a registered person under this Act or any ACRA Second Schedule Act;
- (e) any regulatory action or civil or criminal proceedings against
15 a registered person under the law of a foreign country or territory for a contravention of any law relating to the prevention of money laundering, proliferation financing or terrorism financing.

(2) To avoid doubt, this section is not intended to prevent the disclosure or sharing of information by the Registrar as permitted or
20 required by or under any Act or other law (apart from this Act).

Service of documents

33.—(1) A document that is permitted or required by this Act to be served on a person may be served as described in this section.

(2) A document permitted or required by this Act to be served on
25 an individual may be served —

- (a) by giving it to the individual personally;
- (b) by sending it by prepaid registered post to the address specified by the individual for the service of documents or, if no address is so specified, the individual's residential address
30 or business address;

- (c) by leaving it at the individual's residential address with an adult apparently resident there, or at the individual's business address with an adult apparently employed there;
 - 5 (d) by affixing a copy of the document in a conspicuous place at the individual's residential address or business address;
 - (e) by sending it by fax to the fax number last known to the person giving or serving the document as the fax number for the service of documents on the individual; or
 - (f) by sending it by email to the individual's last email address.
- 10 (3) A document permitted or required by this Act to be served on a partnership (other than a limited liability partnership) may be served —
- (a) by giving it to any partner or other similar officer of the partnership;
 - 15 (b) by leaving it at, or by sending it by prepaid registered post to, the partnership's business address;
 - (c) by sending it by fax to the fax number used at the partnership's business address; or
 - (d) by sending it by email to the partnership's last email address.
- 20 (4) A document permitted or required by this Act to be served on a body corporate (including a limited liability partnership) or an unincorporated association may be served —
- 25 (a) by giving it to the secretary or other similar officer of the body corporate or unincorporated association, or the limited liability partnership's manager;
 - (b) by leaving it at, or by sending it by prepaid registered post to, the registered office or principal office in Singapore of the body corporate or unincorporated association;
 - 30 (c) by sending it by fax to the fax number used at the registered office or principal office in Singapore of the body corporate or unincorporated association; or
 - (d) by sending it by email to the last email address of the body corporate or unincorporated association.

(5) Service of a document under this section takes effect —

(a) if the document is sent by fax and a notification of successful transmission is received, on the day of transmission;

5 (b) if the document is sent by email, at the time that the email becomes capable of being retrieved by the person to whom it is sent; and

(c) if the document is sent by prepaid registered post, 2 days after the day the document was posted (even if it is returned undelivered).

10 (6) However, service of any document under this Act on a person by email may be effected only with the person’s prior express consent to service in that way.

(7) This section does not apply to documents to be served in proceedings in court.

15 (8) In this section —

“business address” means —

(a) in the case of an individual, the individual’s usual or last known place of business, or place of employment, in Singapore; or

20 (b) in the case of a partnership (other than a limited liability partnership), the partnership’s principal or last known place of business in Singapore;

25 “last email address” means the last email address given by the addressee concerned to the person giving or serving the document as the email address for the service of documents under this Act;

“residential address” means an individual’s usual or last known place of residence in Singapore.

Exemption

30 **34.** The Minister may, by order in the *Gazette*, exempt any person or class of persons, or any activity, from all or any provision of this

Act, subject to any condition or restriction that may be specified in the order.

Regulations

5 **35.**—(1) The Minister may make regulations for carrying out the purposes and provisions of this Act.

(2) Without limiting subsection (1), the Minister may make regulations for or with respect to all or any of the following matters:

- (a) the registration of registered corporate service providers;
- (b) the registration of registered qualified individuals;
- 10 (c) prescribe the criteria for qualified individuals;
- (d) prescribe the duties and responsibilities of registered corporate service providers and registered qualified individuals in respect of the provision of corporate services, including —
 - 15 (i) the duty to ensure proper access and use of the electronic transaction system and (where applicable) supervise agents and employees of the registered corporate service providers for such purposes;
 - 20 (ii) the duty to keep proper records in respect of every ACRA transaction with an ACRA Registrar, including where the ACRA transaction is carried out other than through the electronic transaction system; and
 - 25 (iii) the duty to give the Registrar information, access to premises and records, and other reasonable assistance, for the purposes of inspection and monitoring for compliance with such prescribed duties; and
 - (iv) the duty to assess, and to report to the Registrar on, their compliance with their duties and responsibilities;
- 30 (e) the manner in which any information may be published under section 32:

- (f) the fees to be paid in respect of any application under this Act and otherwise in connection with the administration of this Act, and the waiver, reduction or refund of the fees;
- (g) the manner in which fees and penalties are to be paid.
- 5 (3) Regulations made under this section may —
- (a) provide that any contravention of any provision of the regulations shall be an offence punishable with a fine not exceeding \$50,000 or with imprisonment for a term not exceeding 3 years or with both;
- 10 (b) prescribe the offences under this Act that may be compounded; and
- (c) provide for such saving, transitional, and other consequential, incidental and supplemental provisions as are necessary or expedient for the purposes of this Act.
- 15 (4) Regulations made under subsection (2)(d) may provide for different duties and responsibilities for the provision of different types of corporate services.

PART 8

20 AMENDMENTS TO OTHER ACTS AND FINAL PROVISIONS

Amendments of Accounting and Corporate Regulatory Authority Act 2004

36. In the Accounting and Corporate Regulatory Authority Act 2004 —

- 25 (a) in Part 6A, in the Part heading, delete “, REGISTERED FILING AGENTS AND REGISTERED QUALIFIED INDIVIDUALS”;
- (b) in section 26, delete the definitions of “FATF”, “FATF recommendation”, “filing agent” and “qualified individual”;
- 30 (c) in section 26, replace the definitions of “registered filing agent” and “registered qualified individual” with —

““registered corporate service provider” has the meaning given by section 2(1) of the Corporate Service Providers Act 2024;”;

(d) in section 27(1)(d), replace “; and” at the end with a full-stop;

5 (e) in section 27(1), delete paragraph (e);

(f) in section 28(2), replace “registered filing agent” with “registered corporate service provider”;

(g) in section 28, after subsection (2), insert —

10 “(2A) A person who carries on a business of acting as a secretary of one or more companies may carry out a transaction with the Registrar using the electronic transaction system for any such company in the person’s capacity as a secretary of the company if and only if the person is a registered corporate service provider.”;

15 (h) in section 28, delete subsection (3);

(i) in section 28(4), after “Subsection (2)”, insert “or (2A)”;

(j) delete sections 31, 32, 33 and 34;

(k) in section 35(2), delete paragraph (a);

(l) in section 35(2), replace paragraph (b) with —

20 “(b) prescribe the persons to whom, and the transactions to which, the requirement under section 28(2) or (2A) does not apply;”;

(m) in section 35(2), delete paragraphs (c), (d), (e) and (f);

25 (n) in section 35(2)(h), delete “, other than a contravention of a term or condition mentioned in section 31(9) or 32(9),”;

(o) in section 39, replace subsection (5) with —

“(5) An officer or employee of the Authority may also, in relation to an investigation into —

30 (a) a breach of a condition of registration of a registered corporate service provider or registered

qualified individual under the Corporate Service Providers Act 2024; or

(b) a contravention of or a failure to comply with any provision of that Act, the contravention of or non-compliance with which is not an offence under that Act,

exercise the powers under subsection (1) in the same manner as if the breach, contravention or non-compliance were an offence under this Act.”; and

(p) in the Second Schedule, after item 6, insert —

“7. Corporate Service Providers Act 2024.”.

Amendment of Companies Act 1967

37. In the Companies Act 1967, after section 145, insert —

“Acting as nominee director

145A.—(1) Subject to subsection (2), a person must not, on or after the date of commencement of section 37 of the Corporate Service Providers Act 2024, act as a nominee director of a company by way of business, unless —

(a) the person is a registered corporate service provider; or

(b) his or her so acting is arranged by a registered corporate service provider.

(2) Subsection (1) does not apply to a person when acting as a nominee director of his or her affiliated company.

(3) A person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000, and in the case of a continuing offence, to a further fine not exceeding \$1,000 for every day or part of a day during which the offence continues after conviction.

(4) In this section —

“affiliated company”, in relation to a person, means —

(a) a company that employs the person; or

(b) a company that is related to a corporation that employs the person;

5 “nominee director” means a director who is accustomed or under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of any other person;

“registered corporate service provider” has the meaning given by section 2(1) of the Corporate Service Providers Act 2024.

10

PART 9

SAVING AND TRANSITIONAL PROVISIONS

Interpretation of this Part

38. In sections 40 and 41 —

15 “ACRA Act” means the Accounting and Corporate Regulatory Act 2004;

“ACRA RQI” means a qualified individual registered by the Chief Executive under section 32 of the old ACRA Act;

20 “Chief Executive” has the meaning given by section 2(1) of the ACRA Act;

“old ACRA Act” means the ACRA Act, as in force immediately before the section 37 commencement date;

“registered filing agent” means a filing agent registered by the Chief Executive under section 31 of the old ACRA Act;

25 “section 7 commencement date” means the date of commencement of section 7;

“section 10 commencement date” means the date of commencement of section 10;

30 “section 37 commencement date” means the date of commencement of section 37.

Saving and transitional provisions for registered corporate service providers, etc.

39.—(1) Despite anything in the Act, every person who —

- 5 (a) immediately before the section 7 commencement date, was carrying on a business as a corporate service provider;
- (b) was not required to be registered as a registered filing agent under section 31 of the ACRA Act as in force immediately before that date; and
- 10 (c) on or after that date, would be required under section 7(1) to be registered as a registered corporate service provider to carry on the business as a corporate service provider,

may continue carrying on the business on or after the section 7 commencement date for the period mentioned in subsection (2).

(2) For the purposes of subsection (1), the period is —

- 15 (a) 6 months after the section 7 commencement date; or
- (b) if the person has applied for registration as a registered corporate service provider before the expiry of the 6-month period mentioned in paragraph (a), a period ending on the earlier of the following:
 - 20 (i) the date on which the Registrar grants the registration;
 - (ii) the date on which the application for registration is finally refused or withdrawn.

(3) Despite anything in this Act, a person who, immediately before the section 7 commencement date, was a registered filing agent under section 31 of the ACRA Act as in force immediately before that date is, on or after that date, treated as registered under section 8 as a registered corporate service provider until the expiry of the period of his, her or its registration as a registered filing agent .

(4) For the purposes of subsection (3), where the registration of the person under section 31 of ACRA Act is subject to any terms and conditions, then the deemed registration of the person as a registered corporate service provider is subject to the same terms and conditions as if those terms and conditions were imposed under section 8(3).

(5) Where —

(a) an application is made by a person for registration as a registered filing agent before the section 37 commencement date; and

5 (b) the application is pending immediately before that date,
the application is treated, on or after that date, as an application made by the person to the Registrar under section 8 for registration as a registered corporate service provider for carrying out the corporate service in paragraph (f) of the definition of “corporate services” in
10 section 2(1).

(6) Where —

(a) before the section 37 commencement date, the Chief Executive gave notice under section 31(15) of the old ACRA Act to a registered filing agent of the Chief Executive’s
15 intention to take any action under section 31(10)(a), (b) or (c), (13) or (14) of that Act in respect of the registered filing agent; and

(b) the Chief Executive has not made a decision in respect of the matter before that date,
20 the Chief Executive may continue to make a decision in respect of the taking of the action under section 31(10)(a), (b) or (c), (13) or (14) of the old ACRA Act and take the action, as if section 37 had not been enacted.

(7) Subject to subsection (8), where —

25 (a) the Chief Executive has taken or made a decision to take an action against a registered filing agent in accordance with —

(i) section 31(10)(a), (b) or (c), (13) or (14) of the old ACRA Act before the section 37 commencement date;
or

30 (ii) subsection (6) on or after the section 37 commencement date; and

(b) the registered filing agent is a registered corporate service provider under this Act,

the action continues in force as if it were taken under section 18(1)(a), (b), (c) or (d) or 19(2) or (3).

(8) Where —

- 5 (a) the Chief Executive suspends the registration of a registered filing agent —
- (i) in accordance with section 31(13) or (14) of the old ACRA Act before the section 37 commencement date; or
- 10 (ii) in accordance with subsection (6) on or after the section 37 commencement date; and
- (b) the registered filing agent is a registered corporate service provider under this Act,

the following applies:

- 15 (c) the suspension of the registration is treated as a suspension imposed under section 19(2) or (3);
- (d) the suspension continues for the period determined by the Chief Executive, unless the suspension is earlier revoked by the Registrar under this Act.

(9) Where —

- 20 (a) on or after the section 37 commencement date, the Registrar discovers or is informed of any breach or alleged breach of a term or condition of registration of a registered filing agent that occurred or is alleged to have occurred before the section 37 commencement date; and
- 25 (b) the registered filing agent is a registered corporate service provider under this Act,

the Registrar may commence an investigation and take regulatory action in respect of the breach or alleged breach under this Act, and for this purpose the breach or alleged breach is treated as a breach or
30 alleged breach of a condition of registration of the registered corporate service provider under this Act.

(10) Where —

(a) an appeal has been made by a registered filing agent to the Minister under section 33 of the old ACRA Act before the section 37 commencement date; and

5 (b) the appeal has not been dealt with or disposed of immediately before that date,

the appeal may be dealt with and disposed of by the Minister in accordance with section 33 of the old ACRA Act, as if section 37 has not been enacted.

10 **Savings and transitional provisions for registered qualified individuals, etc.**

15 **40.**—(1) Despite anything in this Act, a person who, immediately before the section 10 commencement date, was an ACRA RQI under section 32 of the ACRA Act as in force immediately before that date is, on or after that date, treated as registered under section 10 as a registered qualified individual until the expiry of the period of his or her registration as an ACRA RQI.

20 (2) For the purposes of subsection (1), where the registration of the person as an ACRA RQI under section 32 of ACRA Act is subject to any terms and conditions, then the deemed registration of the person as a registered qualified individual is subject to the same terms and conditions as if those terms and conditions were imposed under section 10(3).

(3) Where —

25 (a) an application is made by an individual for registration as an ACRA RQI before the section 37 commencement date; and

(b) the application is pending immediately before that date,

the application is treated, on or after that date, as an application made by the individual to the Registrar under section 10 for registration as a registered qualified individual.

30 (4) Where —

(a) before the section 37 commencement date, the Chief Executive gave notice under section 32(15) of the old ACRA Act to an ACRA RQI of the Chief Executive's intention to

take any action under section 32(10)(a) or (b), (12), (13) or (14) of that Act in respect of the ACRA RQI; and

(b) the Chief Executive has not made a decision in respect of the matter before that date,

5 the Chief Executive may continue to make a decision in respect of the taking of the action under section 32(10)(a) or (b), (12), (13) or (14) of the old ACRA Act and take the action, as if section 37 had not been enacted.

(5) Subject to subsection (6), where —

10 (a) the Chief Executive has taken or made a decision to take an action against an ACRA RQI in accordance with —

(i) section 32(10)(a) or (b), (12), (13) or (14) of the old ACRA Act before the section 37 commencement date; or

15 (ii) subsection (4) on or after the section 37 commencement date; and

(b) the ACRA RQI is a registered qualified individual under this Act,

20 the action continues in force as if it were taken under section 20(1)(a), (b) or (c) or 22(2) or (3).

(6) Where —

(a) the Chief Executive suspends the registration of an ACRA RQI —

25 (i) in accordance with section 32(12), (13) or (14) of the old ACRA Act, before the section 37 commencement date; or

(ii) in accordance with subsection (4) on or after the section 37 commencement date; and

30 (b) the ACRA RQI is a registered qualified individual under this Act,

the following applies:

(c) the suspension of the registration is treated as a suspension imposed under section 21(2) or (3);

(d) the suspension continues for the period determined by the Chief Executive, unless the suspension is earlier revoked by the Registrar under this Act.

(7) Where —

(a) on or after the section 37 commencement date, the Registrar discovers or is informed of any breach or alleged breach of a term or condition of registration of an ACRA RQI that occurred or is alleged to have occurred before that date; and

(b) the ACRA RQI is a registered qualified individual under this Act,

the Registrar may commence an investigation and take regulatory action in respect of the breach or alleged breach under this Act, and for this purpose the breach or alleged breach is treated as a breach or alleged breach of a condition of registration of the registered qualified individual under this Act.

(8) Where —

(a) an appeal has been made by an ACRA RQI to the Minister under section 33 of the old ACRA Act before the section 37 commencement date; and

(b) the appeal has not been dealt with or disposed of immediately before that date,

the appeal may be dealt with and disposed of by the Minister in accordance with section 33 of the old ACRA Act, as if section 37 has not been enacted.

Saving and transitional provisions

41.—(1) For a period of 2 years after the date of commencement of any provision of this Act, the Minister may, by regulations, prescribe additional provisions of a saving or transitional nature consequent on the enactment of the provision as the Minister may consider necessary or expedient.

(2) To avoid doubt, nothing in this Part affects section 16 of the Interpretation Act 1965.

EXPLANATORY STATEMENT

This Bill seeks to establish a registration framework to regulate persons who carry on a business of providing corporate services, and qualified individuals who carry out or supervise the provision of corporate services, so as to detect or prevent money laundering, the financing of the proliferation of weapons of mass destruction and terrorism financing, and to make consequential and related amendments to the Accounting and Corporate Regulatory Authority Act 2004 and the Companies Act 1967.

A “corporate service” means any of the following services:

- (a) forming on behalf of another person, a corporation or other legal person;
- (b) acting, or arranging for another person to act —
 - (i) as a director or secretary of a corporation;
 - (ii) as a partner of a partnership; or
 - (iii) in a similar capacity in relation to other legal persons;
- (c) providing a registered office, business address, correspondence or administrative address or other related services for a corporation, partnership or any other legal person;
- (d) acting, or arranging for another person to act, as a nominee shareholder on behalf of any corporation, other than a corporation whose securities are listed on an approved exchange within the meaning of section 2(1) of the Securities and Futures Act 2001;
- (e) carrying out any designated activity in relation to the provision of any accounting service;
- (f) carrying out an ACRA transaction with an ACRA Registrar using the electronic transaction system —
 - (i) on behalf of another person; or
 - (ii) for one or more companies as a secretary of each of those companies.

The Bill also empowers the Minister to make regulations to (among other things) prescribe the duties and responsibilities of registered corporate service providers and registered qualified individuals in respect of the provision of corporate services.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
