

Accounting and Corporate Regulatory Authority (Amendment) Bill

Bill No. /2013.

Read the first time on

2013.

A BILL

i n t i t u l e d

An Act to amend the Accounting and Corporate Regulatory Authority Act (Chapter 2A of the 2005 Revised Edition) and to make consequential and related amendments to certain other written laws.

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

Short title and commencement

1. This Act may be cited as the Accounting and Corporate Regulatory Authority (Amendment) Act 2013 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 5

2. Section 5 of the Accounting and Corporate Regulatory Authority Act (referred to in this Act as the principal Act) is amended —

10 (a) by deleting words “the designated” in subsection (2)(a) and (b) and substituting in each case the words “a designated”; and

(b) by deleting subsection (5) and substituting the following subsection:

15 “(5) In subsection (2), “designated professional accountancy body” means a body specified in the Fourth Schedule.”.

Amendment of section 13

3. Section 13 of the principal Act is amended —

20 (a) by deleting paragraph (b) and substituting the following paragraph:

25 “(b) all fees and charges collected by the Authority or its officers under any written law unless otherwise provided in subsection (2) or any other written law;”; and

(b) by renumbering the section as subsection (1) of that section, and by inserting immediately thereafter the following subsections:

30 “(2) The following sums collected on or after the date of commencement of section 3 of the Accounting and Corporate Regulatory Authority (Amendment) Act 2013

by the Authority or any of its officers under any written law specified in the Second Schedule shall be paid into the Consolidated Fund:

- (a) any penalty for late payment or late filing;
- 5 (b) any financial penalty and interest payable for late payment of the financial penalty;
- (c) any sum payable for the composition of any offence.

10 (3) The Authority may waive, refund or remit, wholly or in part, any fee or charge that is paid or is payable to the Authority under any written law and which forms or would form part of the funds and property of the Authority under subsection (1).”.

New Part VIA

15 **4.** The principal Act is amended by inserting, immediately after section 28, the following Part:

“PART VIA

ELECTRONIC TRANSACTION SYSTEM, REGISTERED FILING AGENTS AND REGISTERED QUALIFIED 20 INDIVIDUALS

Interpretation of this Part

28A. In this Part, unless the context otherwise requires —

- 25 “Chief Executive” includes an officer of the Authority authorised by the Chief Executive to exercise a power, function or duty of the Chief Executive under this Part;
- “company” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);
- “copy”, in relation to a document, includes a representation of the document in an electronic form;

- 5 “document” includes any application, form, report, certification, notice, confirmation, declaration, return or other document (whether in electronic form or otherwise) filed or lodged with, or submitted to, the Registrar;
- “electronic transaction system” means the electronic transaction system established by the Authority under section 28B(1);
- 10 “FATF” means the intergovernmental body known as the Financial Action Task Force;
- “FATF recommendation” means any recommendation relating to the prevention of money laundering and the financing of terrorism adopted by the intergovernmental body known as the FATF;
- 15 “filing agent” means a person who or which, in the course of his or its business, carries out on behalf of any other person any transaction with the Registrar using the electronic transaction system or any other means permitted or directed by the Registrar if the electronic transaction system is unavailable;
- 20 “malfunction”, in relation to the electronic transaction system, includes any defect or breakdown in that system or in any equipment, software or telecommunication networks used in or in connection with that system;
- 25 “qualified individual” means an individual who satisfies such requirements as may be prescribed;
- “registered filing agent” means a filing agent registered by the Chief Executive under section 28F;
- 30 “registered qualified individual” means a qualified individual registered by the Chief Executive under section 28G;
- “Registrar” means the Registrar appointed under a scheduled Act;

“scheduled Act” means any of the written laws specified in the Second Schedule;

“transaction”, in relation to the Registrar, means —

- 5 (a) any filing, lodging, submission, production, delivery, furnishing or sending of any document with or to the Registrar under a scheduled Act;
- (b) any making of any application, submission or request to the Registrar under a scheduled Act;
- 10 (c) any provision of any undertaking or declaration to the Registrar under a scheduled Act; and
- (d) any extraction, retrieval or accessing of any document, record or information maintained by the Registrar under a scheduled Act.

Establishment of electronic transaction system

15 **28B.**—(1) The Authority may establish an electronic transaction system —

- (a) to enable any person to carry out any transaction with the Registrar;
- 20 (b) to enable the Registrar to issue any approval, certificate, notice, determination or other document under a scheduled Act;
- (c) to enable the Authority to provide a service to the public whereby information relating to transactions with the Registrar is supplied to the public (whether in bulk or otherwise); and
- 25 (d) to enable the Authority to provide any other service falling within the Authority’s functions to persons registered or to be registered under a scheduled Act.

(2) The information that may be provided under the service referred to in subsection (1)(c) —

(a) may include —

- 5 (i) copies or extracts of documents filed or lodged with, submitted to, or issued by, the Registrar;
- (ii) information extracted from documents filed or lodged with, submitted to, or issued by, the Registrar; and
- 10 (iii) collations, summaries, reports or analyses of documents filed or lodged with, submitted to, or issued by, the Registrar;

(b) may consist of, or be derived from, documents filed or lodged with, submitted to, or issued by, the Registrar otherwise than through the electronic transaction system; and

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(c) is subject to any restriction relating to confidentiality under a scheduled Act.

(3) Where any transaction with the Registrar can be carried out using the electronic transaction system, the Registrar may refuse to process the transaction unless —

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- (a) the transaction is carried out using that system;
- (b) the transaction is carried out in accordance with this Part including the requirements for the use of the system specified in subsection (4);
- 25 (c) the transaction meets the requirements prescribed in the scheduled Act in respect of which the transaction is made; and
- (d) the fee or penalty payable for the transaction has been paid.

(4) Subject to this Part and any regulations made under section 28J, the Chief Executive may, from time to time, determine the requirements for the use of the electronic transaction system, which may include —

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- (a) terms and conditions of access to, and use of, the electronic transaction system;
 - (b) security and authentication requirements for access to, and use of, the electronic transaction system;
 - 5 (c) retention and production of documents supporting or authenticating transactions; and
 - (d) modes of payment for transactions.
- (5) The fees payable in respect of —
- 10 (a) any transaction with the Registrar or for the issue of any approval, certificate, notice, determination or other document under a scheduled Act referred to in subsection (1)(a) and (b) shall be determined under the scheduled Act in respect of which the transaction was made or the approval, certificate, notice, determination
 - 15 or other document was issued; and
 - (b) any service provided by the Authority referred to in subsection (1)(c) or (d) shall be determined by the Authority.
- (6) The Chief Executive must keep a record, in such form as
- 20 the Chief Executive may determine, of —
- (a) all transactions with the Registrar under the scheduled Acts carried out using the electronic transaction system unless otherwise ordered by an order of the Court; and
 - 25 (b) all approvals, certificates, notices, determinations and other documents issued under the scheduled Acts through the electronic transaction system.

Requirement to use electronic transaction system and agents for use

- 30 **28C.**—(1) A person who wishes to carry out a transaction with the Registrar —

(a) must do so using the electronic transaction system if required by the Registrar under the scheduled Act to which the transaction relates; or

5 (b) may do so using the electronic transaction system if permitted by the Registrar under the scheduled Act to which the transaction relates.

(2) A person may carry out a transaction with the Registrar using the electronic transaction system on behalf of another person only if the first-mentioned person is a registered filing agent.

10 (3) A registered filing agent may carry out a transaction with the Registrar under subsection (2) only if he acts by or through such individuals as may be prescribed under regulations made under section 28J.

15 (4) Subsection (2) does not prevent —

(a) a person responsible for the management of a business from carrying out a transaction with the Registrar on behalf of the person registered under the Business Registration Act (Cap. 32) as carrying on that business;

20 (b) an officer of a company from carrying out a transaction with the Registrar on behalf of the company;

(c) an officer of a company from carrying out a transaction with the Registrar on behalf of a related corporation in such cases as the Registrar approves;

25 (d) an employee or class of employees approved by the Registrar from carrying out a transaction with the Registrar on behalf of the company or a related corporation in such cases as the Registrar approves;

30 (e) an officer or authorised representative of a foreign company from carrying out a transaction with the Registrar on behalf of the foreign company;

- (f) an officer of a limited liability partnership from carrying out a transaction with the Registrar on behalf of the limited liability partnership; and
- (g) a general partner of a limited partnership from carrying out a transaction with the Registrar on behalf of the limited partnership.

(5) For the purposes of subsection (4) —

- (a) a “person responsible for the management of a business” has the same meaning as in section 2(1) of the Business Registration Act (Cap. 32);
- (b) an “officer” of a company, a “foreign company” and a “related corporation” have the same meanings as in section 4(1) of the Companies Act (Cap. 50);
- (c) a “limited liability partnership” and an “officer” of a limited liability partnership have the same meanings as in section 2(1) of the Limited Liability Partnerships Act (Cap. 163A); and
- (d) a “general partner” of a limited partnership has the same meaning as in section 2(1), and a “limited partnership” means a limited partnership registered under section 12, of the Limited Partnerships Act (Cap. 163B).

Evidence of transaction on electronic transaction system

28D.—(1) Notwithstanding any other written law or rule of law —

- (a) a copy of the whole or any part of any original document that is certified by the Registrar to be a true copy of the whole or the relevant part of the original document shall in any proceedings be admissible in evidence as of equal validity with the original document; and

- (b) any document prepared by the Registrar that —
- (i) consists of information reproduced or extracted from any original document; and
 - (ii) contains a statement by the Registrar that the information is a true reproduction or extract of the original document,

is, unless evidence to the contrary is adduced, admissible in evidence in place of and to the same extent as the original documents.

(2) In this section, “original document” means a document filed or lodged with, submitted or issued using the electronic transaction system.

Electronic transaction system malfunction, errors and omissions

28E.—(1) Notwithstanding any other written law or rule of law, the Registrar may —

- (a) correct any error or omission in any register kept by the Registrar under a scheduled Act;
- (b) correct any error or omission in any document filed or lodged with, or submitted to, the Registrar; and
- (c) supply entries or records omitted to be made in any of the registers referred to in paragraph (a),

if the error or omission has occurred or arisen as a result of any malfunction of the electronic transaction system.

(2) The Registrar shall maintain a record of every correction made under subsection (1).

(3) When any error or omission has been corrected under subsection (1), the error or omission shall be deemed not to have occurred.

(4) The Authority and the Authority's officers, employees and agents shall not be liable for any loss or damage, suffered by any person by reason of any error or omission, of whatever nature and however caused, if the error or omission —

- 5 (a) is made in good faith and in the ordinary discharge of the duties of the officers, employees or agents; or
- (b) has occurred or arisen as a result of any malfunction in the electronic transaction system.

Registered filing agents

10 **28F.**—(1) An application by a person to be registered as a registered filing agent under this Part, or for the renewal of such registration, shall —

- (a) contain such information and be made in such manner as the Chief Executive may determine;
- 15 (b) be accompanied by a declaration in such form as the Chief Executive may specify; and
- (c) be accompanied by such application and registration fees as may be prescribed.

20 (2) A person shall not be registered as a registered filing agent, or have his registration renewed unless —

- (a) the person meets at least one of the following criteria:
- (i) the person is a registered qualified individual who will carry out, or supervise the carrying out of, transactions with the Registrar;
- 25 (ii) the person is a partnership, limited liability partnership or limited partnership, in which there is at least one partner who is a registered qualified individual who will be appointed to carry out, or supervise the carrying out of, transactions with
- 30 the Registrar; or

(iii) the person employs or engages a registered qualified individual to carry out, or to supervise the carrying out of, transactions with the Registrar;

5 (b) the person is one of the following:

(i) an individual or a partnership registered as carrying on business under the Business Registration Act (Cap. 32);

10 (ii) a company incorporated under the Companies Act (Cap. 50);

(iii) a limited liability partnership registered under the Limited Liability Partnerships Act (Cap. 163A);
or

15 (iv) a limited partnership registered under the Limited Partnerships Act (Cap. 163B);

(c) if the person is an individual, he has successfully completed such courses and training as may be prescribed; and

20 (d) if the person is not an individual, the directors, partners and persons directly or indirectly taking part in or concerned in the management of which have successfully completed such courses and training as may be prescribed.

25 (3) The Chief Executive may refuse to register or renew the registration of a person as a registered filing agent —

(a) if the applicant is an individual —

30 (i) the applicant has been convicted (whether in Singapore or elsewhere) of any offence involving fraud or dishonesty punishable with imprisonment for 3 months or more; or

(ii) the applicant is an undischarged bankrupt, whether in Singapore or elsewhere;

(b) if the applicant is not an individual —

(i) any director, partner or person directly or indirectly taking part in or concerned in the management of the applicant has been convicted (whether in Singapore or elsewhere) of any offence involving fraud or dishonesty punishable with imprisonment for 3 months or more; or

(ii) any director, partner or person directly or indirectly taking part in or concerned in the management of the applicant is an undischarged bankrupt, whether in Singapore or elsewhere; or

(c) if the Chief Executive is otherwise not satisfied that the applicant is a fit and proper person to be so registered or that any of its directors, partners or any person directly or indirectly taking part in or concerned in the management of the applicant is a fit and proper person.

(4) In determining whether an applicant is a fit and proper person or whether any of its directors, partners or any person directly or indirectly taking part in or concerned in the management of the applicant is a fit and proper person, the Chief Executive may consider such factors as may be prescribed.

(5) The Chief Executive shall refuse to register a person as a registered filing agent if —

(a) that person's previous registration as a registered filing agent had been cancelled because of —

(i) a breach of a prescribed term or condition of registration; or

(ii) a failure to pay a financial penalty imposed because of a breach of a prescribed term or condition of registration; and

(b) less than 2 years has elapsed since the date on which the registration was cancelled.

(6) The registration, or renewal of registration, of a registered filing agent shall be valid for such period as the Chief Executive may specify.

5 (7) An application for the renewal of registration of a registered filing agent must be made not earlier than 60 days before the date of the expiry of registration.

(8) The Chief Executive may impose on any registered filing agent such restrictions pertaining to the use of the electronic transaction system as the Chief Executive thinks fit.

10 (9) Every registered filing agent shall comply with the following:

(a) a condition of registration to undertake such customer due diligence measures when carrying out such activities as may be prescribed;

15 (b) a condition of registration to maintain records on transactions covered by, and on the information obtained through, customer due diligence measures which are undertaken by it; and

20 (c) such other terms and conditions of registration as may be prescribed.

(10) Without prejudice to subsections (13) and (14), the Chief Executive may cancel the registration of a registered filing agent —

(a) if the registered filing agent has ceased to meet —

25 (i) at least one of the criteria specified under subsection (2)(a) for any period exceeding any grace period permitted under subsection (12); or

(ii) at least one of the criteria specified under subsection (2)(b);

30 (b) if there exists any ground on which the Chief Executive would have been entitled to refuse registration or renewal of registration under subsection (3);

(c) if the registered filing agent does not do at least one of the following:

- (i) provide the services of a filing agent;
- (ii) carry out the functions of a filing agent; or

5 (d) if the registered filing agent applies to the Chief Executive for his registration to be cancelled.

(11) The Chief Executive may refuse to cancel the registered filing agent's registration under subsection (10)(d) if the Chief Executive suspects that the registered filing agent has breached any of the terms and conditions prescribed under subsection (9) until —

(a) the Chief Executive has investigated the suspected breach; and

(b) the Chief Executive has determined that —

15 (i) there was no breach; or

(ii) there was a breach and has either —

(A) taken action against the registered filing agent under subsection (13) for the breach; or

20 (B) decided not to take action against the registered filing agent under subsection (13) for the breach.

(12) Where, after registration, a registered filing agent ceases to meet at least one of the criteria specified under subsection (2)(a), the registered filing agent must meet at least one of those criteria within the earlier of the following:

(a) the 60th day after the date on which the registered filing agent ceased to meet at least one of the criteria under subsection (2)(a);

30 (b) the date on which the registered filing agent's registration under this section expires.

(13) Where a registered filing agent has breached any term or condition prescribed under subsection (9), the Chief Executive may —

- (a) cancel the registration of the registered filing agent;
- 5 (b) suspend the registration of the registered filing agent for a period not exceeding 12 months;
- (c) restrict the registered filing agent's use of the electronic transaction system to such extent as the Chief Executive thinks fit; or
- 10 (d) require the registered filing agent to pay, within such period as the Chief Executive may specify, a financial penalty not exceeding \$25,000 for each breach of such a term or condition.

(14) If the registered filing agent fails to pay the financial penalty required by the Chief Executive within the period specified by the Chief Executive under subsection (13)(d), the Chief Executive may —

- (a) cancel the registration of the registered filing agent;
- 20 (b) suspend the registration of the registered filing agent for a period not exceeding 12 months; or
- (c) restrict the registered filing agent's use of the electronic transaction system to such extent as the Chief Executive thinks fit.

(15) The Chief Executive shall, before taking any action under subsection (10)(a) or (13) —

- (a) give, in such manner as the Chief Executive may determine, the registered filing agent notice of the Chief Executive's intention to do so; and
- 30 (b) call upon the registered filing agent to show cause, within such period as the Chief Executive may specify, as to why such action ought not be taken.

Registered qualified individuals

28G.—(1) An application to be registered by the Chief Executive as a registered qualified individual, or for the renewal of registration, shall —

- 5 (a) contain such information and be made in such manner as the Chief Executive may determine;
- (b) be accompanied by a declaration in such form as the Chief Executive may specify; and
- 10 (c) be accompanied by such application and registration fees as may be prescribed.

(2) A person shall not be registered as a registered qualified individual, or have his registration renewed, unless —

- (a) the person is a qualified individual; and
- 15 (b) the person has completed such courses and training as may be prescribed.

(3) The Chief Executive may refuse to register or renew the registration of an individual as a registered qualified individual if —

- 20 (a) the individual has been convicted (whether in Singapore or elsewhere) of any offence involving fraud or dishonesty punishable with imprisonment for 3 months or more;
- (b) the individual is an undischarged bankrupt, whether in Singapore or elsewhere; or
- 25 (c) the Chief Executive is otherwise not satisfied that the individual applicant is a fit and proper person to be so registered.

(4) In determining whether an individual is a fit and proper person under subsection (3)(c), the Chief Executive may
30 consider such factors as may be prescribed.

(5) The Chief Executive shall refuse to register a person as a registered qualified individual if —

(a) that person's previous registration as a registered qualified individual had been cancelled because of —

- 5 (i) a breach of a prescribed term or condition of registration; or
- (ii) a failure to pay a financial penalty imposed because of a breach of a prescribed term or condition of registration; and

10 (b) less than 2 years has elapsed since the date on which the registration was cancelled.

(6) The registration, or renewal of registration, of a registered qualified individual shall be valid for such period as the Chief Executive may specify.

15 (7) An application for the renewal of registration of a registered qualified individual must be made not earlier than 60 days before the date of the expiry of registration.

(8) The Chief Executive may impose on any registered qualified individual such restrictions pertaining to the use by that individual of the electronic transaction system as the Chief Executive thinks fit.

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(9) Every registered qualified individual shall comply with such terms and conditions as may be prescribed.

(10) Without prejudice to subsections (12), (13) and (14), the Chief Executive may cancel the registration of a registered qualified individual —

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(a) if there exists any ground on which the Chief Executive would have been entitled to refuse registration or renewal of registration under subsection (3); or

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(b) if the registered qualified individual applies to the Chief Executive for his registration to be cancelled.

(11) The Chief Executive may refuse to cancel the registered qualified individual's registration under subsection (10)(b) if the Chief Executive suspects that the registered qualified individual has breached any of the terms and conditions prescribed under subsection (9) until —

(a) the Chief Executive has investigated the suspected breach; and

(b) the Chief Executive has determined that —

(i) there was no breach; or

(ii) there was a breach and has either —

(A) taken action against the registered qualified individual under subsection (12) for the breach; or

(B) decided not to take action against the registered qualified individual under subsection (11) for the breach.

(12) Where a registered qualified individual has breached any term or condition prescribed under subsection (9), the Chief Executive may —

(a) cancel the registration of the registered qualified individual;

(b) suspend the registration of the registered qualified individual for a period not exceeding 12 months;

(c) restrict the registered qualified individual's use of the electronic transaction system to such extent as the Chief Executive thinks fit; or

(d) require the registered qualified individual to pay, within such period as the Chief Executive may specify, a financial penalty not exceeding \$10,000 for each breach of such term or condition.

(13) If the registered qualified individual fails to pay the financial penalty required by the Chief Executive within the period specified by the Chief Executive under subsection (12)(d), the Chief Executive may —

- 5 (a) cancel the registration of the registered qualified individual;
- (b) suspend the registration of the registered qualified individual for a period not exceeding 12 months; or
- 10 (c) restrict the registered qualified individual's use of the electronic transaction system to such extent as the Chief Executive thinks fit.

(14) Without prejudice to the generality of subsections (10) (12) and (13), the Chief Executive may cancel or suspend the registration of the registered qualified individual if the Chief Executive is satisfied that the registered qualified individual has, in his capacity as a registered qualified individual, made any declaration, statement or undertaking under any scheduled Act —

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- (a) that is false or misleading; or
- 20 (b) that he was not authorised to make.

(15) The Chief Executive shall, before taking any action under subsection (10), (12) or (14) —

- (a) give the registered qualified individual notice of the Chief Executive's intention to do so, in such manner as may be prescribed; and
- 25 (b) call upon the registered qualified individual to show cause, within such period as the Chief Executive may specify, as to why such action ought not be taken.

Appeal to Minister

28H.—(1) Where the Chief Executive has —

- (a) refused to register an applicant as a registered filing agent, or to renew his registration under section 28F;
or
- (b) refused to register an applicant as a registered qualified individual, or to renew his registration under section 28G,

the Chief Executive must give the applicant written notice of the decision and the applicant may, within 30 days after the date of service of the notice informing the applicant of the Chief Executive's decision to refuse the registration, or to renew the registration, appeal to the Minister against that decision.

(2) Where the Chief Executive has taken any action with respect to a registered filing agent under section 28F(10), (13) or (14), or with respect to a registered qualified individual under section 28G(10), (12), (13) or (14), the Chief Executive must give the registered filing agent or the registered qualified individual, as the case may be, written notice of the action to be taken.

(3) Any —

- (a) registered filing agent who is aggrieved by any action taken by the Chief Executive under section 28F(10), (13) or (14); or
- (b) registered qualified individual who is aggrieved by any action taken by the Chief Executive under section 28G(10), (12), (13) or (14),

may, within 30 days after the date of service of the notice informing the registered filing agent or the registered qualified individual of the action taken, appeal to the Minister against the Chief Executive's decision to take the action.

(4) An appeal under this section is subject to the payment to the Authority of a prescribed charge.

(5) The Minister may determine an appeal under this section by confirming, varying or reversing the decision of the Chief Executive, and may impose such reasonable conditions for the variation or reversal of the Chief Executive's decision as the Minister thinks fit.

(6) The decision of the Minister in any appeal under this section shall be final.

(7) For the purposes of this section, a reference to the Minister shall include a reference to the Minister of State, if any, designated by the Minister to hear an appeal under this section in place of the Minister.

Interest for non-payment and recovery of financial penalty

28I.—(1) A registered filing agent or a registered qualified individual who fails to pay any amount of a financial penalty imposed by the Chief Executive under section 28F or 28G (as the case may be), or by the Minister on an appeal under section 28H, shall be liable to pay interest at the same rate as for a judgment debt on the unpaid amount if the amount of the financial penalty is not paid —

(a) in the case of a registered filing agent —

(i) within the period specified for payment by the Chief Executive under section 28F(13)(d); or

(ii) where there is an appeal to the Minister under section 28H, within the time specified for the payment by the Minister under that section; and

(b) in the case of a registered qualified individual —

(i) within the period specified for payment by the Chief Executive under section 28G(12)(d); or

(ii) where there is an appeal to the Minister under section 28H, within the time specified for the payment by the Minister under that section.

(2) Any financial penalty payable —

- (a) by a registered filing agent under section 28F(13)(d);
- (b) by a registered qualified individual under section 28G(12)(d); or
- 5 (c) pursuant to any decision of the Minister under section 28H(5) to require the registered qualified individual to pay a financial penalty,

and any interest on such amount payable under subsection (1) shall be recoverable by the Authority on behalf of the Government as though the financial penalty and interest were a
10 civil debt due to the Authority.

(3) The liability of a registered filing agent or a registered qualified individual to pay a financial penalty and any interest on the financial penalty under this Part is not affected by his
15 ceasing to be registered as a registered filing agent or registered qualified individual, as the case may be.

(4) In any proceeding for the recovery of any financial penalty by the Authority under subsection (2) —

- 20 (a) a certificate purporting to be under the hand of the Chief Executive certifying the amount of the financial penalty that is imposed by the Chief Executive under section 28F(13)(d) or 28G(12)(d); and
- (b) where there is an appeal to the Minister under section 28H, a certificate purporting to be under the
25 hand of the Minister certifying the amount of financial penalty that is imposed by the Minister on an appeal under section 28H(4),

shall be prima facie evidence of the facts stated therein.

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

Regulations for this Part

28J.—(1) The Minister may make such regulations as are necessary or expedient for carrying out the purposes of this Part.

5 (2) Without prejudice to the generality of subsection (1), such regulations may —

- (a) prescribe the criteria for qualified individuals;
- (b) prescribe the terms and conditions referred to in sections 28F(9) and 28G(9) including —

10 (i) the duties of registered filing agents and registered qualified individuals to —

(A) ensure proper access and use of the electronic transaction system and (where applicable) to supervise agents and employees for such purposes;

15 (B) keep proper records in respect of transactions with the Registrar; and

(C) give the Chief Executive information, access to premises and records, and other reasonable assistance, for purposes of inspection and monitoring for compliance with such prescribed terms and conditions;

20 (ii) requirements in relation to the detection and prevention of money laundering or the financing of terrorism, or for the recording and reporting of transactions suspected of involving money laundering or terrorism financing, including any term or condition necessary or expedient to give effect to any relevant FATF recommendation; and

30 (iii) the duty of registered filing agents and registered qualified individuals to assess, and to report to the Chief Executive on, their compliance with such terms and conditions;

- 5 (c) provide for the application of the terms and conditions prescribed for the purposes of sections 28F(9) and 28G(9) to transactions with the Registrar that are carried out by means other than through the electronic transaction system (whether because of a malfunction of the electronic transaction system or otherwise);
- (d) prescribe —
- 10 (i) the fees payable to the Chief Executive for the purposes of this Part, other than section 28B, and the regulations;
- (ii) the penalties payable for the late filing of any document;
- (iii) the charges payable to the Authority in respect of an appeal to the Minister under this Part;
- 15 (iv) the manner in which such fees, penalties and charges are to be paid; and
- (e) provide that any penalty prescribed for the late filing of any document may be recovered by the Authority on behalf of the Government as though the penalty were a civil debt to the Authority;
- 20 (f) prescribe anything which may be prescribed under this Part; and
- (g) contain such transitional and other supplementary and incidental provisions as appear to the Minister to be appropriate for carrying out the purposes of this Part.”.
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Amendment of section 30

5. Section 30 of the principal Act is amended —

- (a) by deleting the word “name,” wherever it appears in subsections (1) and (2);

- 5 (b) by inserting, immediately after the words “to both” in subsection (2), the words “and, in the case of a continuing offence, to a further fine not exceeding \$250 for every day or part thereof during which the offence continues after conviction”; and
- (c) by deleting the words “Name, symbol” in the section heading and substituting the word “Symbol”.

New sections 30A and 30B

10 **6.** The principal Act is amended by inserting, immediately after section 30, the following sections:

“Use of name, etc., of Authority

30A. —(1) The Authority may conduct its operations under its full name or under the acronym ACRA.

15 (2) A person other than the Authority shall not use the name of the Authority or the acronym ACRA, or a name or acronym so closely resembling the name of the Authority or the acronym ACRA, as to be likely to be mistaken for it —

- (a) in connection with a business, trade, profession or occupation;
- 20 (b) as the name, or as part of the name, of any firm, body corporate or institution; or
- (c) in relation to —
- (i) services or products; or
- (ii) the promotion, by any means, of the supply of
- 25 services or products.

(3) Any person who contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 6 months or to both and, in the case of a continuing

30 offence, to a further fine not exceeding \$250 for every day or part thereof during which the offence continues after conviction.

False statements

30B. Any person who, in relation to any application under this Act —

- 5 (a) makes any false statement which he knows to be false
or does not believe to be true or which he makes
recklessly; or
- (b) intentionally suppresses any material fact,
- 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
10 exceeding 2 years or to both.”.

Amendment of section 31

7. Section 31 of the principal Act is amended —

- 15 (a) by deleting the words “, on declaration of his office and
production to the person against whom he is acting such
identification card as the Chief Executive may direct to be
carried by officers or employees of the Authority” in
subsection (1);
- (b) by deleting the word “or” at the end of subsection (1)(b);
- 20 (c) by deleting the full-stop at the end of paragraph (c) of
subsection (1) and substituting a semi-colon, and by
inserting immediately thereafter the following paragraphs:
- “(d) examine orally any person reasonably believed to
be acquainted with the facts or circumstances of
the case or with such other matter as the officer
or employee may specify, and reduce into
25 writing the answer given or statement made by
that person;

- 5 (e) take such photographs or video recording, as the officer or employee thinks necessary, of the premises in which or in connection with which he reasonably believes an offence has been committed and persons reasonably believed to be acquainted with the facts or circumstances of the case or with such other matter as the officer or employee may specify; and
- 10 (f) require the owner or occupier of any premises in which or in connection with which the officer or employee of the Authority reasonably believes an offence has been committed to give the officer or employee access to such premises without charge for the purpose of investigating that offence.”; and
- 15

(d) by inserting, immediately after subsection (1), the following subsections:

20 “(1A) The person referred to in subsection (1)(d) shall be bound to state truly what he knows of the facts and circumstances with which he is acquainted except that he need not say anything that might expose him to a criminal charge, penalty or forfeiture.

25 (1B) A statement made by the person referred to in subsection (1A) shall be read over to him and shall, after correction, if any, be signed by him.

30 (1C) An officer or employee of the Authority when exercising any power under this Act shall declare his office and shall produce to the person against whom he is acting such identification card as the Chief Executive may direct to be carried by officers or employees of the Authority.

5 (1D) An officer or employee of the Authority may also, in relation to an investigation into a breach of a term or condition of registration of a registered filing agent or a registered qualified individual under Part VIA, exercise the powers under subsection (1) in the same manner as if the breach of the term or condition of registration were an offence under this Act.”; and

(e) by inserting, immediately after the words “subsection (1)” in subsection (2)(b), the words “or (1D)”.

10 **Amendment of section 34**

8. Section 34(1) of the principal Act is amended —

(a) by deleting the word “or” at the end of paragraph (iii); and

(b) by deleting the full-stop at the end of paragraph (iv) and substituting a semi-colon, and by inserting immediately thereafter the following paragraphs:

15 “(v) for the purpose of assisting a public officer, or an officer of another statutory board, who is responsible for administering or enforcing any written law, to administer or enforce that written law;

20 (vi) in connection with any civil proceedings to which the Authority is a party; or

25 (vii) with a view to the institution or otherwise for the purposes of any disciplinary proceedings or investigation in connection therewith under any written law.”.

Amendment of section 36

9. Section 36(1) of the principal Act is amended by deleting “\$1,000.” and substituting the following words:

“the lower of the following:

- (a) one half of the amount of the maximum fine that is prescribed for the offence;
- (b) \$5,000.”.

5 **Amendment of section 37**

10. Section 37 of the principal Act is amended by deleting the words “or Second Schedule” and substituting the words “, Second and Fourth Schedules”.

Amendment of section 38

- 10 **11.** Section 38(2) of the principal Act is amended by inserting, immediately after the words “this Act” in paragraph (c), the words “, other than Part VIA,”.

New Fourth Schedule

- 15 **12.** The principal Act is amended by inserting, immediately after the Third Schedule, the following Schedule:

“FOURTH SCHEDULE

Sections 5(5) and 37

DESIGNATED ENTITIES

- 20 1. Institute of Singapore Chartered Accountants (formerly known as Institute of Certified Public Accountants of Singapore).”.

Savings and transitional provision

- 25 **13.** For a period of 2 years after the date of commencement of any provision of this Act, the Minister may, by regulations, prescribe such provisions of a savings or transitional nature consequent on the enactment of that provision, as he may consider necessary or expedient.

Consequential and related amendments to other written laws

14. The provisions of the Acts specified in the first column of the Schedule are amended in the manner set out in the second column thereof.

5

THE SCHEDULE

Section 14

CONSEQUENTIAL AND RELATED AMENDMENTS TO OTHER WRITTEN LAWS

<i>First column</i>	<i>Second column</i>
1. Accountants Act (Chapter 2, 2005 Ed.) New section 12A	<p>Insert, immediately after section 12, the following section:</p> <p style="text-align: center;">“Electronic transaction system</p> <p>12A.—(1) The Registrar may —</p> <p style="margin-left: 40px;">(a) require or permit any person to carry out any transaction with the Registrar under this Act; and</p> <p style="margin-left: 40px;">(b) issue any approval, certificate, notice, determination or other document pursuant or connected to a transaction referred to in paragraph (a),</p> <p>using the electronic transaction system established under Part VIA of the Accounting and Corporate Regulatory Authority Act (Cap. 2A).</p> <p>(2) In this section, “transaction” in relation to the Registrar, means —</p>

*First column**Second column*

- | | | |
|---|-----|---|
| | (a) | any filing, lodging, submission, production, delivery, furnishing or sending of any document with or to the Registrar; |
| | (b) | any making of any application, submission or request to the Registrar; |
| | (c) | any provision of any undertaking or declaration to the Registrar; and |
| | (d) | any extraction, retrieval or accessing of any document, record or information maintained by the Registrar.”. |
| 2. Business Registration Act (Chapter 32, 2004 Ed.) | | |
| (a) Section 2(1) | | Delete the definition of “prescribed person”. |
| (b) Section 6(4) | | Delete the words “a prescribed person” and substitute the words “a qualified individual registered under section 28G of the Accounting and Corporate Regulatory Authority Act (Cap. 2A)”. |
| (c) Section 18(2) | | Delete the words “(not being a copy or extract referred to in section 20(4))”. |
| (d) Section 19 | | Repeal. |
| (e) Section 20 | | Repeal and substitute the following section: |
| | | “Electronic transaction system |
| | | 20.—(1) The Registrar may — |
| | (a) | require or permit any person to carry out any transaction with the Registrar under this Act; and |
| | (b) | issue any approval, certificate, notice, determination or other document pursuant or |

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connected to a transaction referred to in paragraph (a),

using the electronic transaction system established under Part VIA of the Accounting and Corporate Regulatory Authority Act (Cap. 2A).

(2) In this section, “transaction”, in relation to the Registrar, means —

- (a) any filing, lodging, submission, production, delivery, furnishing or sending of any document with or to the Registrar;
- (b) any making of any application, submission or request to the Registrar;
- (c) any provision of any undertaking or declaration to the Registrar; and
- (d) any extraction, retrieval or accessing of any document, record or information maintained by the Registrar.”.

3. Companies Act
(Chapter 50, 2006 Ed.)

(a) Section 4(1)

(i) Delete the definition of “prescribed person”.

(ii) Insert, immediately after the definition of “registered”, the following definition:

““registered qualified individual” means a qualified individual registered under section 28G of the Accounting and Corporate Regulatory Authority Act (Cap. 2A);”.

(b) Section 12A

Repeal and substitute the following section:

*First column**Second column***“Electronic transaction system****12A.—(1)** The Registrar may —

- (a) require or permit any person to carry out any transaction with the Registrar under this Act; and
- (b) issue any approval, certificate, notice, determination or other document pursuant or connected to a transaction referred to in paragraph (a),

using the electronic transaction system established under Part VIA of the Accounting and Corporate Regulatory Authority Act (Cap. 2A).

(2) In this section, “transaction”, in relation to the Registrar, means —

- (a) any filing, lodging, submission, production, delivery, furnishing or sending of any document with or to the Registrar;
- (b) any making of any application, submission or request to the Registrar;
- (c) any provision of any undertaking or declaration to the Registrar; and
- (d) any extraction, retrieval or accessing of any document, record or information maintained by the Registrar.”.

(c) Sections 16 and 16A Repeal.

<i>First column</i>	<i>Second column</i>
<p>(d) Sections 19(2)(a), 22(2), 30(4)(c)(ii), 61(1)(b)(iii)(B) and (2)(c)(ii), 146(1A)(a) and (b) and 171(1B)</p> <p>4. Limited Liability Partnerships Act (Chapter 163A, 2006 Ed.)</p> <p>(a) Section 2(1)</p> <p>(b) Section 42</p>	<p>Delete the words “prescribed person” wherever they appear and substitute in each case the words “registered qualified individual”.</p> <p>Delete the definition of “prescribed person”.</p> <p>Repeal and substitute the following section:</p> <p style="text-align: center;">“Electronic transaction system</p> <p>42.—(1) The Registrar may —</p> <p style="padding-left: 2em;">(a) require or permit any person to carry out any transaction with the Registrar under this Act; and</p> <p style="padding-left: 2em;">(b) issue any approval, certificate, notice, determination or other document pursuant or connected to a transaction referred to in paragraph (a),</p> <p>using the electronic transaction system established under Part VIA of the Accounting and Corporate Regulatory Authority Act (Cap. 2A).</p> <p>(2) In this section, “transaction”, in relation to the Registrar, means —</p> <p style="padding-left: 2em;">(a) any filing, lodging, submission, production, delivery, furnishing or sending of any document to the Registrar;</p> <p style="padding-left: 2em;">(b) any making of any application, submission or request to the</p>

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Registrar;

- (c) any provision of any undertaking or declaration to the Registrar; and
- (d) any extraction, retrieval or accessing of any document, record or information maintained by the Registrar.”.

5. Limited Partnerships Act
(Chapter 163B, 2010 Ed.)

- (a) Section 2(1) Delete the definition of “prescribed person”.
- (b) Section 22(2) Delete the words “(not being a copy or an extract referred to in section 23(3))”.
- (c) Section 23 Repeal and substitute the following section:

“Electronic transaction system**23.—(1)** The Registrar may —

- (a) require or permit any person to carry out any transaction with the Registrar under this Act; and
- (b) issue any approval, certificate, notice, determination or other document pursuant or connected to a transaction referred to in paragraph (a),

using the electronic transaction system established under Part VIA of the Accounting and Corporate Regulatory Authority Act (Cap. 2A).

(2) In this section, “transaction”, in relation to the Registrar, means —

- (a) any filing, lodging, submission, production,

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|----------------|--|
| (d) Section 25 | <p>delivery, furnishing or sending of any document with or to the Registrar;</p> <p>(b) any making of any application, submission or request to the Registrar;</p> <p>(c) any provision of any undertaking or declaration to the Registrar; and</p> <p>(d) any extraction, retrieval or accessing of any document, record or information maintained by the Registrar.”.</p> <p>Repeal.</p> |
|----------------|--|

EXPLANATORY STATEMENT

This Bill seeks to amend the Accounting and Corporate Regulatory Authority Act (Cap. 2A).

EXPENDITURE OF PUBLIC MONEY

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