

**JOINT MOF-ACRA PRESS RELEASE**

**MOF AND ACRA INVITE PUBLIC FEEDBACK ON  
THE DRAFT COMPANIES (AMENDMENT) BILL 2013**

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The Ministry of Finance (MOF) and the Accounting and Corporate Regulatory Authority (ACRA) invite the public to provide feedback on the draft Companies (Amendment) Bill 2013. The public consultation exercise will run from 2 May to 14 June 2013.

**Background**

2. The draft Bill sets out the proposed legislative amendments to the Companies Act arising from recommendations by the Steering Committee for the Review of the Companies Act that were accepted by MOF on 3 October 2012<sup>1</sup>. In arriving at its decision, MOF had evaluated feedback from a public consultation exercise on the Steering Committee's report which was held from June to October 2011. The proposed amendments to the Companies Act are expected to reduce regulatory burden and compliance costs, provide greater flexibility for companies and improve corporate governance.

**Scope of Public Consultation**

3. In drafting the accepted recommendations into legislative amendments, practical considerations, such as operational and implementation issues, were taken into account. The public is invited to comment on the manner in which the recommendations have been reflected in the legislative amendments, as well as any operational and implementation issues that may arise from the amendments.

**Key Amendments in the Draft Bill**

4. A table setting out the amendments corresponding to the Steering Committee's recommendations and specific consultation questions, where applicable, is at Annex A. The table also highlights recommendations that have been modified and the reasons for the modifications. Annex B contains a list of technical amendments, as proposed by MOF and ACRA, which seek to clarify the law with no substantive changes in policy or practice. A copy of the draft Bill is at Annex C.

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<sup>1</sup> A copy of the report setting out MOF's responses to the Steering Committee's recommendations can be downloaded at [http://app.mof.gov.sg/data/cmsresource/SC\\_RCA\\_Final/AnnexA\\_SC\\_RCA.pdf](http://app.mof.gov.sg/data/cmsresource/SC_RCA_Final/AnnexA_SC_RCA.pdf).

5. Some of the key areas where amendments are being made are highlighted below:

- (a) Introduction of multiple proxies to enable indirect investors (such as CPF investors) to participate at shareholders' meetings [R2.10-R2.12, R2.14 and R2.15]
- (b) Removal of the one-share-one-vote restriction on public companies [R3.4]
- (c) Extension of treasury shares regime to a subsidiary that holds shares of its holding companies. [R3.7 and 3.8]
- (d) Issues relating to share buy-backs [R3.22, R3.23 and R3.29]
- (e) Introduction of small company criteria for exemption from statutory audit [R4.1-R4.3]
- (f) Requirement for auditor of a public interest company or its subsidiary to seek ACRA's consent for premature resignation [R4.23-4.25]
- (g) Introduction of procedures for revision of defective accounts [R4.40 and R4.41]
- (h) Issues relating to ACRA registers being the definitive register of members for private companies and the definitive registers of directors, managers, secretaries and auditors[R5.1-R5.5]
- (i) Merger of memorandum and articles of companies into a single constitution document [R5.6 and R5.7]
- (j) Introduction of alternate address policy [R5.11]

### **Public Consultation Details**

6. The public can access the consultation documents on MOF's website ([www.mof.gov.sg](http://www.mof.gov.sg)), ACRA's website ([www.acra.gov.sg](http://www.acra.gov.sg)) and the REACH consultation portal ([www.reach.gov.sg](http://www.reach.gov.sg)). Written comments can be submitted to:

Ministry of Finance  
Economic Programmes Directorate  
100 High Street  
#10-01, The Treasury  
Singapore 179464

Fax: 6337 4134

Email: [mof\\_pccompaniesact@mof.gov.sg](mailto:mof_pccompaniesact@mof.gov.sg) (preferred mode)

7. MOF and ACRA will publish a summary of the comments received together with our responses by the last quarter of 2013. The summary will not disclose the identity of respondents, and will not separately address or acknowledge every comment received.

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MINISTRY OF FINANCE  
ACCOUNTING AND CORPORATE REGULATORY AUTHORITY  
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Documents for download

- Annex A: Summary table on the implementation of Steering Committee's recommendations
- Annex B: Summary table on technical amendments
- Annex C: Draft Companies (Amendment) Bill 2013

Contact for media queries

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