

SECOND PARLIAMENT OF SINGAPORE

First Session

ORDER PAPER SUPPLEMENT

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88

NOTICES OF AMENDMENTS TO BILLS

IN COMMITTEE

PROHIBITION ON ADVERTISEMENTS RELATING TO SMOKING BILL [Bill No. 46/70]

Clause 4:

Minister for Culture:

In page 2, line 42: after "3", to insert "or 8".

Clause 7:

Minister for Culture:

In page 3, line 31: to leave out "any newspaper" and insert "a newspaper (other than a newspaper specified by the Minister by notification in the *Gazette*)".

New Clause:

Minister for Culture:

"Newspapers published outside Singapore containing advertisements relating to smoking not to be distributed with newspapers published in Singapore.

(1) Notwithstanding any other provision of this Act, no person shall distribute or supply, or cause to be distributed or supplied, whether free of charge or otherwise, any newspaper or printed matter containing any advertisement relating to smoking which is printed or published outside Singapore and is brought into Singapore, if such newspaper or printed matter —

- (a) forms part of, or is supplemental to, any newspaper that is printed or published in Singapore; and
- (b) is supplied or distributed to any purchaser or subscriber of any newspaper that is printed or published in Singapore, whether or not the first-mentioned newspaper or printed matter is supplied or distributed at the same time as, or together with, the newspaper printed or published in Singapore.

(2) Any person who contravenes subsection (1) of this section shall be guilty of an offence under this Act and shall be liable on conviction to a fine not exceeding two thousand dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment, and in the case of a second or subsequent conviction, to a fine not exceeding four thousand dollars or to imprisonment for a term not exceeding one year or to both such fine and imprisonment.”.

Note: It is intended that the new clause be inserted immediately after clause 7.

Consequential amendments:

- (1) Clauses 8 and 9 to be renumbered 9 and 10 respectively.
- (2) **In page 2, line 43:** to leave out “9” and insert “10”.
- (3) Contents page to be amended.

SECURITIES INDUSTRY BILL [Bill No. 51/70]

Clause 2:

Minister for Finance:

- (1) **In page 2, line 42:** after “person”, to insert “not being a stock-broker or his representative”.
- (2) **In page 2, after line 44:** to insert —

Act 42
of 1967.

“(b) any person acting in the capacity of manager or trustee under a unit trust scheme a deed in respect of which is approved by the Registrar or the Minister under Division 5 of Part IV of the Companies Act, 1967;”.

- (3) **In page 3, line 5:** at end, to add —

“or

(e) such other person or class of persons as the Minister may by order declare to be an exempt dealer if the main business carried on by such person or class of persons is a business other than the dealing in securities, and if the dealing in securities is by way of —

- (i) making or offering to make with any person an agreement for or with a view to the underwriting of securities;
 - (ii) making an invitation to persons to subscribe for securities or to purchase securities on the first sale thereof;
 - (iii) issuing any document which is or is deemed to be a prospectus within the meaning of the Companies Act, 1967;
- or

Act 42
of 1967.

(iv) such other way as the Minister may from time to time declare;”.

(4) **In page 3, line 34:** to leave out “funds, stocks, shares” and insert “stocks and shares in a public company or corporation, funds”.

(5) **In page 4, after line 13:** to insert —

““unit trust scheme” means any arrangement made for the purpose, or having the effect of providing facilities for the participation by persons as beneficiaries under a trust, or profits or income arising from the acquisition, holding, management or disposal of securities or any other property.”.

Note: The following consequential amendments are to be made:—

(i) **In page 3, line 1:** paragraph (b) to be re-lettered as (c).

(ii) **In page 3, line 3:** to leave out “or”.

(iii) **In page 3, line 4:** paragraph (c) to be re-lettered as (d).

(iv) **In page 4, line 13:** to leave out the full-stop and insert a semi-colon.

Clause 3:

Minister for Finance:

In page 4, line 31: after “shall”, to insert “be”.

Clause 4:

Minister for Finance:

In page 5, line 3: to leave out “twenty” and insert “ten”.

Clause 5:

Note: **In page 5, line 33:** to leave out “recission” and insert “rescission”.

Clause 10:

Minister for Finance:

(1) **In page 7, line 4:** to leave out “is an individual” and insert “carries on business as a dealer and is a stockbroker”.

(2) **In page 7, line 7:** to leave out “is a corporation” and insert “carries on the business of a dealer as a corporation but is not a member company”.

Clause 13:

Minister for Finance:

In page 7, line 26: to leave out “thirty” and insert “one hundred”.

Clause 16:

Minister for Finance:

In page 8, line 22: to leave out from “(1)” to the end of line 28 and insert —

“Any person who is aggrieved by any decision of the Registrar under this Part may appeal to the Minister and any person who is aggrieved by a decision of a Court

under section 15 of this Act may appeal to the High Court so long as the appeal in each case is made within thirty days of the decision of the Registrar or the Court, as the case may be.

(2) In any appeal under this section the decision of the Minister or the Court, as the case may be, shall be final and shall be given effect to by the Registrar.”.

Clause 24:

Minister for Finance:

In page 11, line 21: to leave out from “(1)” to the end of line 33 and insert —

“A dealer shall within six months of the end of the financial year lodge with the relevant authority an auditor’s report containing information on such matters as are prescribed.

(2) If a dealer fails to comply with the provisions of subsection (1) of this section the relevant authority shall forthwith report the matter to the Minister.

(3) For the purposes of subsection (1) of this section “financial year” in relation to a dealer means the period of twelve months ending on the date on which his accounts were closed for the year ending on the 31st day of December, 1970.”.

Clause 45:

Minister for Finance:

In page 20, line 4: after “in”, to insert “Malaysia or”.

New Clause (A):

Minister for Finance:

“Inspection
of books
and records
of licensee
and others.

(1) For the purpose of ascertaining whether the holder of a licence has complied with the provisions of this Act applicable to him in that capacity, and any conditions or restrictions subject to which the licence was granted or renewed, the Registrar may inspect and make copies of or take extracts from —

(a) any document, record or matter required by or under this Act or the conditions of the licence to be kept by the holder of that licence; and

(b) the books of a dealer, in so far as they relate to the business of the holder of that licence.

(2) The Registrar may require the holder of a dealer’s licence to disclose to him in relation to any purchase or sale of securities the name of the person from or to or through whom the securities were bought or sold and the nature of the instructions given to the dealer in respect of that purchase or sale.

(3) The holder of a licence under this Act, and the servants and agents of that person shall, on being required by the Registrar so to do, produce any document, record or matter referred to in subsection (1) or disclose the information required under subsection (2) of this section.

(4) No person shall obstruct or hinder the Registrar in the exercise of any of his powers under subsection (1), (2) or (5) of this section or obstruct any person in the exercise of any of those powers that he is duly authorised to exercise.

(5) Where the Registrar has reason to suspect that any person has contravened any of the provisions of this Act or has been guilty of any fraud or offence under this or any other Act or law with respect to trading or dealing in securities, the Registrar may make such investigation as he thinks expedient for the due administration of this Act.

(6) Notwithstanding anything in this section, the Minister may, where it appears to him in the public interest so to do, appoint any person as an inspector to investigate any matter concerning trading or dealing in securities.

(7) Except where otherwise expressly provided by or under this or any other Act, and power, authority, duty or function conferred or imposed by or under this or any other Act on the Registrar may be exercised or performed by any person authorised by the Registrar to exercise or perform that power, authority, duty or function.”.

Note: It is intended that this new clause be inserted immediately after clause 71.

New Clause (B):

Minister for Finance:

“Court may
make certain
orders.

(1) Where, on the application of the Registrar, it appears to the High Court that a person has contravened this Act or any conditions of a licence he holds or is about to do an act with respect to dealing or trading in securities that, if done, would be such a contravention, the Court may, without prejudice to any orders it would be entitled to make otherwise than pursuant to this section, make one or more of the following orders:—

(a) in the case of persistent or continuing breaches of this Act or of the conditions of a licence he holds, an order restraining a person from

carrying on a business as a dealer in securities, or as a dealer's representative or from holding himself out as so carrying on business or acting;

- (b) an order restraining a person from acquiring, disposing of or otherwise dealing with any securities specified in the order;
- (c) an order appointing a receiver of the property of a dealer;
- (d) an order declaring a contract relating to securities to be void or voidable;
- (e) for the purpose of securing compliance with any other order under this section, an order directing a person to do or refrain from doing a specified act; or
- (f) any ancillary order deemed to be desirable in consequence of the making of an order under paragraph (a), (b), (c), (d) or (e) of this subsection.

(2) The Court shall, before making an order under subsection (1) of this section, satisfy itself, so far as it can reasonably do so, that the order would not unfairly prejudice any person.

(3) The Court may, before making an order under subsection (1) of this section, direct that notice of the application be given to such persons as it thinks fit or direct that notice of the application be published in such manner as it thinks fit, or both.

(4) Any person who contravenes or fails to comply with an order under subsection (1) of this section that is applicable to him shall be guilty of an offence under this Act and shall be liable on conviction to a fine of three thousand dollars or to imprisonment for a term not exceeding one year or to both such fine and imprisonment.

(5) Subsection (4) of this section does not affect the powers of the Court in relation to the punishment of contempts of the Court.

(6) The Court may rescind, vary or discharge an order made by it under this section or suspend the operation of such an order."

Note: It is intended that this new clause be inserted immediately after new clause (A).

New Clause (C):

Minister for Finance:

“Production
and
inspection
of books
where
offence
suspected.

(1) If, on an application made to a judge of the High Court in chambers by the Registrar, there is shown to be reasonable cause to believe that any person has committed an offence in connection with trading or dealing in securities and that evidence of the commission of the offence is to be found in any books or papers of or under the control of a dealer an order may be made —

(a) authorising the Registrar to inspect those books or papers or any of them and make copies thereof or take extracts therefrom for the purpose of investigating and obtaining evidence of the offence; or

(b) requiring the dealer or such other person as is named in the order to produce those books or papers or any of them to a person named in the order at a place so named.

(2) An order under this section shall not require books or papers to be produced at a place other than the place of business of the person named in the order unless the Court is satisfied that the books or papers are not required in the conduct of the business or that there are special reasons requiring the books or papers to be produced at some other place.”.

Note: It is intended that this new clause be inserted immediately after new clause (B).

Consequential amendments:

- (i) Clauses 72 to 75 to be re-numbered 75 to 78 respectively.
- (ii) **In page 4, line 14:** to leave out “75” and insert “78”.
- (iii) Contents page to be amended.

COMPANIES (AMENDMENT) BILL [Bill No. 52/70]**Clause 4:**

Minister for Finance:

(1) **In page 3, lines 31 and 32:** to leave out “has an interest under the trust” and insert “knows or has reasonable grounds for believing that he has an interest under the trust and the property subject to the trust consists of or includes those shares”.

(2) **In page 3, lines 34 to 41:** to leave out sub-clause (3) and insert —

“(3) Where a right (being a right or an interest described in the definition of “interest” in section 84 of this Act) —

(a) was issued or offered to the public for subscription or purchase, or where the public was invited to subscribe for or purchase such a right, and the right was so subscribed for or purchased; or

(b) was issued for the purpose of an offer to the public by and is held by the management company within the meaning of that section, that right does not constitute an interest in a share.”.

- (3) **In page 4, line 4:** to leave out “likely” and insert “is under an obligation whether formal or informal”.
- (4) **In page 4, line 26:** to leave out “likely” and insert “is under an obligation whether formal or informal”.
- (5) **In page 4, line 29:** to leave out “likely” and insert “is under an obligation whether formal or informal”.
- (6) **In page 4, line 34:** to leave out “likely” and insert “under an obligation whether formal or informal”.
- (7) **In page 4, lines 41 and 42:** to leave out “accustomed or likely” and insert “under an obligation whether formal or informal”.

Clause 6:

Minister for Finance:

- (1) **In page 6, lines 34 and 35:** to leave out “the Stock Exchange of Malaysia and Singapore” and insert —
“a stock exchange as defined in the Securities Industry Act, 1970;”.

Act
of 1970.

- (2) **In page 7, line 34:** after “one-tenth of”, to insert “the aggregate of”.
- (3) **In page 8, line 7:** after “including”, to insert “unless the interest or interests cannot be related to a particular share or shares”.
- (4) **In page 8, after line 36:** to insert —
“(3) For the purposes of subsection (1) of this section where a substantial shareholder in a company acquires or disposes of voting shares in the company there shall be deemed to be a change in the interest or interests of the substantial shareholder in the voting shares in that company.”.
- (5) **In page 9, after line 32:** to insert —

“(4) Nothing in this section affects the operation of section 69B of this Act.”.

Clause 8:

Minister for Finance:

- (1) **In page 14, line 39:** to leave out “second” and insert “first”.
- (2) **In page 14, line 43:** to leave out the full-stop and insert —
“; and
(d) by renumbering the existing subsections (5) and (6) thereof as subsections (4) and (5), respectively.”.

Note: Consequential amendment to be made, in page 14, line 42: to leave out “and”.

Clause 9:

Minister for Finance:

In page 15, line 20: after "officer" where it secondly occurs, to insert "or".

Clause 12:

Minister for Finance:

In page 23, after line 46: to insert —

"(2) The Registrar may where he considers it appropriate make an order in respect of a specified class of companies relieving the directors of a company in that class from compliance with any specified requirements of this Act relating to the form and content of accounts or consolidated accounts or to the form and content of the report required by subsection (6) of section 169 of this Act and the order may be made either conditionally or on condition that the directors of the company comply with such other requirements relating to the form and content of accounts or consolidated accounts or report as the Registrar thinks fit to impose."

Note: Consequential amendments to be made —

- (i) **In page 24, line 1:** to leave out "(2)" and insert "(3)".
- (ii) **In page 24, line 10:** to leave out "(3)" and insert "(4)".

Clause 18:

Minister for Finance:

In page 26, line 29: to leave out from "18." to the end of line 37 and insert —

"Section 364 of the principal Act is hereby amended —

- (a) by deleting the words "a statement false in any material particular knowing it to be false" appearing in the third and fourth lines of subsection (2) thereof and substituting therefor the words "or authorises the making of a statement false or misleading in any material particular knowing it to be false or misleading or wilfully omits or authorises the accession of any matter or thing without which the document is misleading in a material respect"; and
- (b) by inserting immediately after subsection (2) thereof the following new subsection:—

"(3) For the purposes of subsection (2) of this section where a person at a meeting votes in favour of the making of a statement referred to in that subsection he shall be deemed to have authorised the making of that statement."."
