

CACS Paper 1 – Industry & Product Knowledge

Summary of Updates (March 2019 – Version 2.1)

The updates made to the CACS Paper 1 (January 2019 – Version 1.1) are summarized as follows:

- *Additions / updates / corrections are indicated in blue italics.
Deletions are indicated in strikethrough.
Section and page references relate to the updated study guide.*

Chapter / Section	Page No	Update / Amendment
Chapter 2 – Private Banking Code of Conduct		
2.1 – Private Banking Code of Conduct	27	Footnote 15 - Refer to https://www.abs.org.sg/docs/library/pb-code-of-conduct-01112017.pdf https://www.abs.org.sg/industry-guidelines/private-banking for the full documentation. Some sentences in this chapter are lifted directly from the report.
2.1.4.1 – Know Your Client	31	Footnote 16 - Refer to Addendum 1 of Private Banking – Code of Conduct for Industry Sound Practices relating to the implementation of the new Financial Action Task Force (FATF) recommendations on the designation of serious tax offences as predicate offences to money laundering in Singapore. (https://www.abs.org.sg/docs/library/pb-code-of-conduct-01112017.pdf) (https://www.abs.org.sg/industry-guidelines/private-banking)
Appendix A – Glossary of Defined Terms		
Appendix A – Glossary of Defined Terms	106	<p>Under Regulation 3 of the Securities and Futures (Class of Investors) Regulation 2018, any of the following persons is an accredited investor in relation to a counterparty for the purposes of all the provisions mentioned in paragraph (1), if the person has opted to be treated by the counterparty as an accredited investor for all the consent provisions:</p> <ul style="list-style-type: none"> (a) an individual mentioned in section 4A(1)(a)(i) of the Act; (b) a corporation mentioned in section 4A(1)(a)(ii) of the Act; (c) a trustee mentioned in section 4A(1)(a)(iii) of the Act; (d) a person mentioned in section 4A(1)(a)(iv) of the Act. <p>An individual, corporation, trustee or person (called in this paragraph A) opts to be treated by a counterparty as an accredited investor for all the consent provisions if —</p> <ul style="list-style-type: none"> (a) A is, and has been assessed by the counterparty to be —

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		<p>(i) an individual mentioned in section 4A(1)(a)(i) of the Act;</p> <p>(ii) a corporation mentioned in section 4A(1)(a)(ii) of the Act;</p> <p>(iii) a trustee mentioned in section 4A(1)(a)(iii) of the Act; or</p> <p>(iv) a person mentioned in section 4A(1)(a)(iv) of the Act,</p> <p>as the case may be;</p> <p>(b) the counterparty has provided to A the following statements in writing:</p> <p>(i) a statement that the counterparty has assessed A to be a person mentioned in section 4A(1)(a)(i), (ii), (iii) or (iv) of the Act;</p> <p>(ii) a statement that A may consent to being treated by the counterparty as an accredited investor for the purposes of all of the consent provisions;</p> <p>(iii) a statement that, if A consents in accordance with the statement mentioned in sub paragraph (ii), A may at any time withdraw his or her consent, upon which the counterparty must not (after the period of time specified in the statement) treat A as an accredited investor for the purposes of all of the consent provisions;</p> <p>(iv) the general warning set out in the First Schedule;</p> <p>(v) a clear explanation in plain language of the effect under the applicable consent provisions of A being treated by the counterparty as an accredited investor, in sufficient detail as to enable A to make an informed decision whether to opt to be treated by the counterparty as an accredited investor;</p> <p>(c) A, having been provided with the statements mentioned in sub paragraph (b), has given the counterparty a statement in writing, or signed a statement recorded by the counterparty in writing, the effect of which is that —</p> <p>(i) A knows and understands the consequences of consenting to being treated by the counterparty as an accredited investor for the purposes of all of the consent provisions;</p> <p>(ii) A consents to being treated by the counterparty as an accredited investor for the purposes of all of the</p>

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		<p style="text-align: center;">consent provisions; and</p> <p style="text-align: center;">(iii) A knows that A may at any time withdraw his or her consent given under sub-paragraph (ii), upon which the counterparty must not (after the period of time specified in the statement mentioned in sub-paragraph (b)(iii)) treat A as an accredited investor for the purposes of any consent provision; and</p> <p style="text-align: center;">(d) A—</p> <p style="text-align: center;">(i) has not notified the counterparty that he or she withdraws his or her consent under sub-paragraph (c)(ii);</p> <p style="text-align: center;">(ii) has notified the counterparty that he or she withdraws his or her consent under sub-paragraph (c)(ii), but the period of time specified in the statement mentioned in sub-paragraph (b)(iii) has not passed.</p>