

NOTE ON CONSULTATION PAPER ON PROPOSED REVISIONS TO FINANCIAL ADVERTISEMENT REGULATIONS: REMOVAL OF EXISTING EXCLUSIONS

Posted on June 5, 2025

Category: [CNPupdates](#)

General disclaimer

This article is provided to you for general information and should not be relied upon as legal advice. The editor and the contributing authors do not guarantee the accuracy of the contents and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents.

Introduction

This note discusses the implications of the Monetary Authority of Singapore's ("**MAS**") consultation paper seeking feedback on proposed amendments to the current regulations on advertisements of financial products and services. The amendments proposed would remove existing exclusions from advertising requirements in relation to product advertisements, altering how financial institutions ("**FIs**"), including fund managers relying on prospectus exemptions in marketing their funds, will need to approach their marketing materials.

Background

Regulations 22 to 22D of the Financial Advisers Regulations ("**FAR**") and Regulations 46 and 46AA to 46AD of the Securities and Futures (Licensing and Conduct of Business) Regulations ("**SF(LCB)R**") (the "**Advertisement Regulations**") set out the requirements for product and non-product advertisements. Product advertisements are subject to more requirements than non-product advertisements.

In April 2023, MAS issued a Consultation Paper on Enhancing Safeguards for Proper Conduct of Digital Prospecting and Marketing Activities, which included proposals to extend the requirements for product advertisements to non-product advertisements. Below is a non-exhaustive summary of the proposed amendments to the Advertisement Regulations.

Product advertisement requirements	Non-product advertisement requirements
Not false or misleading	Not false or misleading
Provides a fair and balanced view of the product	Does not contain any exaggerated statement
Presents information in a clear manner	Presents information in a clear manner
Clearly legible	Clearly legible

General disclaimer

This article is provided to you for general information and should not be relied upon as legal advice. The editor and the contributing authors do not guarantee the accuracy of the contents and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents.

Approved by senior management or delegate and requirement to maintain records of approval for a period of at least 5 years after the date on which the last member of the senior management gave his written reasons and written approval	Approved by senior management or delegate and requirement to maintain records of approval for a period of at least 5 years after the date on which the last member of the senior management gave his written reasons and written approval
States name of FI or representative	States name of FI or representative
Advertisement, including footnotes are in the appropriate font size (<i>see Regulation 46(2)(e)</i>)	
Contains a disclaimer (<i>see Regulation 46(2)(f)</i>)	

(the “**Proposed Advertisement Regulations**”).

Proposed removal of exclusions for FIs

Currently, FIs, including fund managers relying on prospectus exemptions, need not comply with the above Advertisement Regulations related to product advertisements on the basis of the provisions in SF(LCB)R Regulation 46(7)(b) and (d), which provide exclusions for offers made under the prospectus exemptions (including **the commonly relied** upon exemption for offers made to accredited/institutional investors through a restricted scheme and the private placement exemption) (the “**Exclusions**”).

MAS received queries on whether these Exclusions would similarly apply to the requirements on non-product advertisements. In response, MAS has proposed to remove the Exclusions in relation to product advertisements from the Proposed Advertisement Regulations for the reason that the principles of fair dealing and transparency should apply to all forms of solicitation for investment products and services, regardless of the target audience.

Key Implications for FIs

The proposed amendments are intended to come into force concurrently with legislative changes outlined in the Consultation Paper on Enhancing Safeguards for Proper Conduct of Digital Prospecting and Marketing Activities.

General disclaimer

This article is provided to you for general information and should not be relied upon as legal advice. The editor and the contributing authors do not guarantee the accuracy of the contents and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents.

Given MAS's clear direction and the broad scope of these changes, the most prudent course of action for FIs is to:

1. Review policies to comply: Regardless of whether a fund is structured as a VCC, company or a limited partnership, FIs would need to comply with the Proposed Advertisement Regulations. Apart from ensuring that advertisements are clear, legible and state the name of the FI, FIs would need to ensure they are implementing the required approval processes for both product and non-product advertisements.

2. Include Risk Factors in product advertisements: Examples of advertisements which would not meet the advertising requirements set out in the Fourth Schedule of the SF(LCB)R include advertisements which present only benefits but not risks, and advertisements which present historical performance but do not state that past performance is not indicative of future performance.

Consultation Paper on Proposed Revisions to Financial Advertisement Regulations: Removal of Existing Exclusions

“product advertisement” means an advertisement in respect of any capital markets products;

“non-product advertisement” means an advertisement, other than a product advertisement, that is in respect of the provision of any product or service that is regulated by the Securities and Futures Act 2001.

Should you require any further information, please do not hesitate to contact Bill Jamieson:

Tel: +65 6349 8680

E-mail: billjamieson@cnplaw.com

General disclaimer

This article is provided to you for general information and should not be relied upon as legal advice. The editor and the contributing authors do not guarantee the accuracy of the contents and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents.