

UPDATES TO THE GUIDELINES ON LICENSING AND CONDUCT OF BUSINESS GUIDELINES FOR FUND MANAGEMENT

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Category: [CNPupdates](#)

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MAS has recently updated the Guidelines on Licensing and Conduct of Business Guidelines for Fund Management ("**Guidelines**") as of 3 September 2025. We have summarised the update below and its implications.

Amendment 1: Definition of Managed Assets.

The MAS has clarified what constitutes "Managed Assets" by:

1. Defining the meaning of "contracted to" the Fund Management Company ("FMC"):

- a) If an asset is "contracted to" an FMC, it would fall under Managed Assets. "Contracted to" means the assets are the subject matter of a contract for fund management between the FMC and its customer. Whether such assets are under discretionary or non-discretionary authority is not critical.
- b) If an asset is sub-contracted to another party who carries out fund management, such assets constitute Managed Assets.

2. Clarifying exclusions and how Managed Assets are calculated:

- a) The calculation **excludes** monies committed by customers but not drawn down.
- b) The value of assets under an FMC's management shall be calculated net of liabilities.

Please see below for a detailed comparison.

Former Definition (10 Dec 2024)

New Definition (3 Sep 2025)

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Amendment 2: Requirements for Executive Directors

The new requirement on executive directors is that **all executive directors** must possess sufficient managerial and relevant experience for his/her intended role and responsibilities in the FMC.

Please see below for a detailed comparison.

Former Requirement (10 Dec 2024)

Executive Directors are involved full-time in the day-to-day operations of the company and should be resident in Singapore.
There should be at least one Executive Director who has 5 years of experience in portfolio management that is relevant to the investment activities of the FMC and the asset classes and markets that it will invest in.

New Requirement (3 Sep 2025)

Each “**Executive Director**” should:
(i) be involved full-time in the day-to-day operations of the FMC; and
(ii) be resident in Singapore.
While an FMC may have multiple Executive Directors, there should be at least one Executive Director who has 5 years of experience in portfolio management that is relevant to the investment activities of the FMC and the asset classes and markets that it will invest in.
Every Executive Director must possess sufficient managerial and relevant experience for his/her intended role and responsibilities in the FMC.

Amendment 3: Requirements for venture capital fund management personnel

MAS has amended the Guidelines to separate the role of CEO and Director, such that only 1 director would need to be an Executive Director, who is employed full-time in the day-to-day operations of the FMC. MAS has also explicitly confirmed that an individual can hold multiple roles in an FMC.

Requirement Area	Previous Guideline	Updated Guideline
CEO Role	Not explicitly separated; CEO role was bundled with the requirement to have one "full-time and resident" director.	The CEO must be full-time and a Singapore resident.
Director Requirement and Executive Director Definition	At least two directors, with at least one required to be "full-time and Singapore-based."	At least two directors, with one needing to be an Executive Director (see amendment 2 above).

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Concurrent Positions	Implied flexibility that individuals could hold multiple roles.	Explicitly Confirmed by MAS that individuals can hold multiple positions concurrently (e.g., CEO, Executive Director, and Representative).
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Further Comments

We foresee 2 implications from these updates to the Guidelines:

1.AUM Reporting: For transitioned A/I LFMCs (“**Licensed Fund Management Companies**”) which were previously Registered Fund Management Companies (“**RFMC**”), assets under management (“**AUM**”) reporting is necessary to monitor the S\$250 million cap imposed by MAS as a condition of their new licence.

2.Risk Management Framework: For all LFMCs, the total AUM determines the expected scale and complexity of their risk management systems, as MAS requires these arrangements to be commensurate with the size of the business.

Our firm is well-equipped to assist FMCs in navigating these regulatory changes. We will continue to monitor developments and provide further updates as they become available.

Please do not hesitate to reach out if you require assistance in understanding the implications of these proposed amendments for your business and ensuring compliance.

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