

# Fund Management Licensing and Registration in Singapore

Source: [Fund Managers \(mas.gov.sg\)](https://mas.gov.sg)

## Who needs to apply?

If your company wishes to conduct fund management activities regulated under the [Securities and Futures Act 2001 \(SFA\)](#), it must apply to be either a:

- Licensed fund management company (LFMC) that holds a capital markets services (CMS) licence; or
- Registered fund management company (RFMC).

If your company solely manages venture capital funds, it may apply to be an LFMC that operates under the simplified venture capital fund manager (VCFM) regime.

Individuals performing key functions in a fund management company, such as portfolio construction and allocation, research and advisory, business development and marketing or client servicing are required to be [representatives](#).

## When is licensing or registration required?

A company needs to be licensed or registered for fund management if it raises and manages monies for third-party investors in collective investment schemes, or segregated accounts, that invest in capital markets products, such as equities, fixed-income assets and financial derivatives.

Depending on the size of the company's expected assets under management, target clientele and investment strategy, it can operate as a:

- **Registered Fund Management Company (RFMC)**, which can have up to 30 accredited and institutional investors, and S\$250 million of assets under management (AUM), or
- Capital markets services (CMS) licence holder for fund management (licensed fund management company, or LFMC). An LFMC has no restriction on the number of investors or AUM, and can be further categorised into:

- **Retail LPMC** – Carries on business in fund management with all types of investors, including retail investors.
- **Accredited/Institutional LPMC (AI LPMC)** – Carries on business in fund management with accredited and institutional investors only.
- **Venture Capital Fund Manager (VCFM)** – Manages venture capital funds only. These funds have to meet certain fund eligibility criteria such as being mainly invested in start-ups (see [Guidelines on Licensing, Registration and Conduct of Business for Fund Management Companies](#) for details of the specific criteria). VCFMs are restricted to serving only accredited and institutional investors.

For additional information on key differences in requirements for the various categories of fund managers and how you can apply for registration or licensing, please refer to the [Fund Management licensing and registration](#) page.

Individuals performing regulated activity in a fund manager, such as portfolio construction and allocation, research and advisory, business development and marketing or client servicing are required to be [representatives](#).

### Who is eligible to be a representative?

The individual to be appointed must meet the following criteria:

- Be at least 21 years old.
- Satisfy the minimum academic qualification and examination requirements as set out in [Notice SFA 04-N09 Minimum Entry and Examination Requirements for Representatives of Holders of Capital Markets Services Licence and Exempt Financial Institutions](#).
- Satisfy the fit and proper criteria set out in [FSG-G01 Guidelines on Fit and Proper Criteria](#).

### What licensing exemptions are available?

Depending on the types of investor and investment assets, a company may be eligible for an exemption from licensing or registration to conduct fund management. Examples of such companies are those that:

- Manage assets for related corporations or related family members;

- Manage a pool of immovable assets for accredited and institutional investors; or
- Manage a pool of non-capital markets product assets for accredited and institutional investors.

You can find more information on exemptions under [section 99 of the SFA](#) and paragraph 5 of the [Second Schedule to the Securities and Futures \(Licensing and Conduct of Business\) Regulations](#).

### **What are the business conduct requirements?**

A fund manager is required to put in place business conduct policies, procedures and controls which are commensurate with the nature, scale and complexity of its business. The fund manager is also subject to conduct requirements such as segregation of customers' money and assets, independent valuation of its assets under management, and mitigation of conflicts of interest. All fund managers must comply with MAS' requirements on anti-money laundering and countering terrorism financing.

For more information on applicable requirements, please refer to:

- [Guidelines on Licensing, Registration and Conduct of Business for Fund Management Companies](#); and
- [Compliance Toolkit for Approvals, Notifications and Other Regulatory Submissions to MAS for Fund Managers](#).

### **Jenga Reminder:**

MAS will stop accepting new RFMC registration applications from January 1, 2024. Existing RFMCs wishing to continue operations must submit the application form for a CMS license before the RFMC system is abolished, within the specified time, to transition to an A/I LFMC. When transitioning from RFMC to A/I LFMC, MAS will retain the S\$250 million asset management restriction for the related companies. After transitioning to A/I LFMC, if they plan to expand their asset management scale, they can apply to MAS to raise this limit.

For details, please consult Jenga.



✉ info@jenga.io  
 ☎ +65 8889 5318 / 8889 8419 / 8889 6998  
 🌐 www.jenga.io / www.jengacorp.com  
 📍 3 Fraser Street, DUO Tower, #04-23A, Singapore 189352