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Contact Details

Hong Kong Office

Tel: +852 2868 9070

Fax: +852 2868 9327

Singapore Office

Tel: +65 6533 8834

Fax: +65 6221 2413

Mainland China Office

Tel: +86 147 1431 1859

Philippa Allen

Group CEO

philippa.allen@complianceasia.com

Alex Duperouzel

Managing Director

alex.duperouzel@complianceasia.com

Welcome to our Regulatory Newsletter for April 2020

Executive Summary

Amid the ongoing COVID-19 pandemic, regulatory authorities across Asia Pacific are taking steps to further support the financial sector in coping with the impact of the virus. In **Australia**, ASIC announced three temporary relief measures with the aim of supporting firms in providing consumers with affordable and timely advice during the pandemic. Furthermore, it has also been announced that the deadline for unlicensed entities to lodge financial reports will be extended by one month to alleviate some of the logistical pressures resulting from the virus. Meanwhile in **New Zealand**, the Reserve Bank published guidelines regarding the reopening of workplaces for those who are unable to work from home, while stressing that those who can work from home must continue to do so. However, these new freedoms are subject to firms implementing measures to ensure adherence to public health guidelines. In **Singapore**, the MAS announced new measures such as raising the leverage limits to provide greater cash flow flexibility and fund-raising abilities in response to the stress placed upon firms by COVID-19.

Other notable developments this month include the CBIRC in **China** announcing the abolition of the capital requirements for foreign financial institutional shareholders in order to encourage greater market access.

Australia



On 8 April 2020, ASIC released feedback on responses to the 'Dear CEO' letter from selected major Australian financial institutions, detailing their preparation for the end of London Interbank Offered Rate (LIBOR) – an initiative supported by the Australian Prudential Regulation Authority (APRA), and the Reserve Bank of Australia (RBA). For further details, please click [here](#).

On 9 April 2020, ASIC announced that it will extend the deadline for unlisted entities to lodge financial reports under Chapters 2M and 7 of the Corporations Act 2001 by one month for balance dates from 31 December 2019 to 31 March 2020. The extended deadlines for lodgement by unlisted entities will assist those entities whose reporting processes takes additional time due to current remote work arrangements, travel restrictions and the impact of COVID-19. For further details, please click [here](#).

On 14 April 2020, ASIC announced that three temporary relief measures would be granted to assist the industry in providing consumers with affordable and timely advice during the COVID-19 pandemic. This forms part of the COVID-19 economic response, the Government introduced measures to allow individuals facing particular financial hardship to access their superannuation early – up to \$10,000 in 2019-2020 and a further \$10,000 in 2020-2021. For further details, please click [here](#).

On 14 April 2020, ASIC published news that it had previously stated it would temporarily change its regulatory work and priorities to allow it and regulated entities to focus on the impact of COVID-19. This will include the deferral of some activities and redeployment of staff to address issues of immediate concern, including maintaining the integrity of markets and protecting vulnerable consumers. For further details, please click [here](#).

On 15 April 2020, ASIC published news that it had updated Information Sheet 230 Exchange traded products: Admission guidelines (INFO 230). INFO 230 provides additional guidance to firms, including licensed Australian exchanges, product issuers and market making execution agents, on better practices for internal market making in non-transparent, actively managed funds that are traded on exchange markets. For further details, please click [here](#).

On 16 April 2020, APRA announced new commencement dates for six prudential and reporting standards that have been finalised but are yet to fully come into effect. It follows last month's announcement that APRA was suspending the majority of its planned policy and supervision initiatives in response to COVID-19. For further details, please click [here](#).

On 17 April 2020, APRA released a new reporting standard to collect data from financial institutions taking part in the Federal Government's Coronavirus SME Guarantee Scheme. Reporting standard ARS 920.0 Australian Government Small and Medium Enterprise (SME) Guarantee Scheme is required to be completed weekly by all lenders that are approved under the scheme. For further details, please click [here](#).

On 20 April 2020, ASIC released the final report on its oversight of corporate finance activity between July to December 2019. Following the release of Report 659 ASIC regulation of corporate finance: July to December 2019 (REP 659), ASIC will shift to providing corporate finance updates through quarterly newsletters. For further details, please click [here](#).

On 21 April 2020, APRA announced that it is launching a new data collection to assess the progress and impact of the Government's temporary early release of the superannuation scheme. Registrable superannuation entity (RSE) licensees will be asked to complete and submit APRA's new Early Release Initiative (ERI) data collection form weekly until further notice. For further details, please click [here](#).

Enforcement

On 2 April 2020, upon an application made by ASIC, the Federal Court of Australia has made orders to wind up Merlin Diamonds Limited on insolvency grounds and appointed Mr. Salvatore Algeri and Mr. Timothy Norman, of Deloitte Financial Advisory Pty Ltd, as joint and several liquidators. For further details, please click [here](#).

On 3 April 2020, ASIC cancelled the Australian financial services (AFS) licence of Queensland-based financial services provider FS Securities (Qld) Pty Ltd (FS Securities). The licence cancellation took effect on 5 March 2020. ASIC found that FS Securities failed to comply with financial services laws and the conditions of its AFS licence including the base level financial requirements. For further details, please click [here](#).

On 6 April 2020, ASIC published news that Charterhill director George Nowak was sentenced to ten years imprisonment after pleading guilty to 17 counts of aggravated deception and one count of dishonest dealings with documents. The offences were in relation to Mr. Nowak's conduct dealing with members of self-managed superannuation funds (SMSFs). For further details, please click [here](#).

On 6 April 2020, ASIC commenced proceedings in the Federal Court of Australia against companies in the Mayfair 101 group, alleging that its advertisements, promoted on Mayfair's websites and in online media, were misleading or deceptive. ASIC is seeking injunctions to restrain the publication of statements of this kind, and pecuniary penalties in relation to the alleged false or misleading representations. For further details, please click [here](#).

On 7 April 2020, ASIC permanently banned former Adelaide financial adviser Mr. James David Gibbs from having any involvement in financial services and credit activities. ASIC pursued the banning orders because he committed serious dishonesty offences in relation to dealing with property and documents. In July 2019, Mr. Gibbs was sentenced to ten years of imprisonment for fraud offences and consequently, ASIC implemented these banning orders. For further details, please click [here](#).

On 7 April 2020, ASIC published news that it had obtained orders to wind up three financial services companies namely Australasia Wealth Services and Management Pty Ltd, Marigold Falconer International Pty Ltd and My Wealth Adviser Pty Ltd. The Federal Court of Australia in Melbourne ordered that these companies be wound up and liquidators to be appointed. For further details, please click [here](#).

On 9 April 2020, the Administrative Appeals Tribunal (AAT) revoked the order staying ASIC's decision to ban Mr. Simon Poidevin from providing financial services. As such, ASIC's original decision to ban Mr. Poidevin for five years came into full operation, effective immediately following the Tribunal's revocation order. The AAT's revocation of the stay order follows Messrs Poidevin's and Rodr's withdrawal of their applications for review on 17 February 2020. For further details, please click [here](#).

On 15 April 2020, ASIC published news that the Federal Court had upheld ASIC's product intervention order on short term credit. In September 2019, Cigno Pty Ltd (Cigno) filed a judicial review application in the Federal Court of Australia seeking to challenge ASIC's product intervention order in respect of short term credit, this was dismissed by the Court. For further details, please click [here](#).

On 16 April 2020, ASIC intervened when the betting agency Sportsbet began offering bets over the S&P/ASX 200 Index following concerns that the bets constituted a financial product that Sportsbet was not licensed to offer. The product was consequently withdrawn. Sportsbet identified to ASIC challenges in implementing its control framework in the current environment, with many staff working remotely. For further details, please click [here](#).

On 16 April 2020, ASIC commenced proceedings in the Federal Court against Youi Pty Ltd (Youi) for alleged breaches of the Insurance Contracts Act 1984, in relation to Youi's duty of utmost good faith in handling a building and contents insurance claim made by a policyholder. For further details, please click [here](#).

On 16 April 2020, the Federal Court made interim orders restraining Mayfair Wealth Partners Pty Ltd and Online Investments Pty Ltd from promoting their debenture products and prohibiting the use of specific words and phrases in their advertising. This follows an application made by ASIC for an interim injunction on 3 April 2020 alleging that the Mayfair 101 group engaged in false, misleading or deceptive conduct. For further details, please click [here](#).

On 22 April 2020, ASIC acted to disqualify, suspend or add conditions to the registration of a number of auditors of self-managed superannuation funds (SMSFs). The actions followed ASIC's concerns about failures to meet independence and auditing standards, failure to comply with Continuing Professional Development (CPD) requirements and otherwise not being a fit and proper person. For further details, please click [here](#).

On 22 April 2020, ASIC announced that its suspension of the Australian financial services (AFS) licence of MyPlanner Professional Services Pty Ltd is on hold until the Administrative Appeals Tribunal (AAT) reviews ASIC's decision. ASIC based the suspension on the grounds of MyPlanner Professional's failure to comply with its general licensee obligations including failures to adequately monitor and supervise authorized representatives. For further details, please click [here](#).

On 24 April 2020, The Federal Court of Australia in Melbourne ordered that Audrn Group Pty Ltd (Audrn) and Optima Lending Solutions Pty Ltd (Optima) be wound up. The Court ordered that Michael Hill and Anthony Connelly of McGrathNicol be appointed as joint and several liquidators of both Audrn and Optima. For further details, please click [here](#).

On 29 April 2020, ASIC released its enforcement update report for the period of 1 July 2019 to 31 December 2019. A copy of the report - outlining key actions taken over the past six months to enforce the law and support ASIC's enforcement objectives can be found on the following link to the news page. For further details, please click [here](#).

On 30 April 2020, ASIC permanently banned Dunlop, ACT-based financial adviser Jane Elizabeth Myers from providing financial services. This was following an ASIC surveillance of Ms. Myers when she was an authorised representative of Spectrum Wealth Advisers Pty Ltd where she was found to have failed to act in the best interests of her clients and provide appropriate advice. For further details, please click [here](#).

Cambodia



On 8 April 2020, The SECC announced that The 32nd ASEAN Capital Markets Forum Chairs' Meeting today in Hanoi finalised actionable recommendations under the Roadmap for ASEAN Sustainable Capital Markets, the concept of which had been endorsed by the 5th ASEAN Finance Ministers and Central Bank Governors' Meeting in April 2019. For further details, please click [Here](#)

On 10 April 2020, Memorandum of Understanding (MOU) on "Consultation on Information Technology System" with Mobile C&C (Cambodia) Co., Ltd, Pathmazing Inc., and WeAlliance Co., Ltd. is signed. This MOU aims at providing advice and supplying modern technology for financial services, fintech and technology-based social infrastructure system. For further details, please click [Here](#)

Enforcement

A media search did not find any enforcements for Cambodia during April.

China



On 3 April 2020, AMAC issued the 'Guidance for Public Fund Manager who also serves as the Investment Manager of Private Asset Management Schemes (for trial implementation)' which is implemented on 1 May 2020. An eligible public fund manager may allocate and manage up to 10 public funds and private asset management schemes in total, subject to the requirements stipulated in the Guidance. Public fund managers should have more than 5 years of experience in managing public equity funds or private asset management schemes and have not been subject to penalties over the past three years. For further details, please click [here](#) (Chinese only)

On 9 April 2020, CBIRC issued a consultation of 'Measures for Regulatory Assessment of Financial Services of Small and Micro Enterprises by Commercial Banks' to set out an assessment system, assessment mechanism and procedures, and explain how the assessment results would be used. The assessment system is divided into four tiers with five elements of assessment covering loan supply, systems and mechanisms development, implementation of key regulatory policies, products and services innovation and supervisory inspections. The assessment should be conducted on an annual basis and the results of assessments will be considered as a key factor for policy trials and incentive mechanisms. For further details, please click [here](#) & [here](#) (Chinese only)

On 14 April 2020, AMAC announced in the 'Notice on Further Supporting Private Fund in Serving the Real Economy' that the transitional period for implementation of 'Registration Notes of Private Investment Funds (2019)' would be extended during efforts to prevent epidemic. Only funds established after 1 April 2020 must comply with the Registration Notes. Previously, AMAC had stated that it would not deal with new record-filing from private funds which fail to comply with the requirements under the Registration Notes starting from 1 April 2020. For further details, please click [here](#) (Chinese only)

On 14 April 2020, CBIRC issued a consultation of 'Implementing Measures for Administrative Licensing for Trust Companies'. Under the draft measures, CBIRC will relax market access of foreign financial institutions by abolishing the requirement where foreign financial institutional shareholder must have US \$1 billion in total assets. Besides, foreign shareholders are required to use their own proprietary funds to make investment. For further details, please click [here](#) & [here](#) (Chinese only)

On 17 April 2020, CSRC issued a consultation of 'Administrative Measures on Securities and Fund Investment Advisory Business'. Personnel are required to apply for approval or register with CSRC in order to advise their clients on securities and funds or publish securities analysis or forecast in China. For entities who intend to apply for engaging in securities and fund investment advisory, they should have net assets of at least RMB 100 million and meet other requirements. Without approval, entities or individuals are not allowed to use the word 'securities investment consulting', 'fund investment consulting', 'investment adviser' or any similar wordings to engage in securities and fund investment advisory after the measures are promulgated. For further details, please click [here](#) (Chinese only)

On 24 April 2020, CBIRC issued a consultation of 'Administrative Measures for the Real-name System for Individual Insurance' to outline the procedures and scope of application for the real-name authentication for individual insurance. Names of insured people and beneficiaries, their identification credentials and types of the insurance must be provided to the insurance company for identity verification when insured people are enrolling in an insurance plan with an insurance period of over seven days and a total premium of more than RMB 200, or a policy

surrender or claim that is worth RMB 10,000 or equivalent. Insurance firms or insurance intermediaries are responsible for the verification of identity. For further details, please click [here](#) & [here](#) (Chinese only)

On 27 April 2020, PBOC announced that it will expand its fintech regulation pilot scheme to Shanghai, Chongqing, Shenzhen, Hangzhou, Suzhou and Xiong'an New Area in order to improve the financial services in China. Previously, PBOC approved the launch of Beijing Fintech Innovation Regulatory Pilot Scheme in December 2019. For further details, please click [here](#)

On 30 April 2020, CSRC issued a consultation on 'Guidance on Infrastructure Mutual Funds (for trial implementation)'. 'Infrastructure Mutual Fund' under the guidance refers to the closed-end fund with more than 80% of fund assets invested into an asset-backed security from infrastructure. The guidance also sets out qualification requirements and responsibilities of fund managers and fund custodians, pricing and sale arrangements for infrastructure mutual funds. For further details, please click [here](#) (Chinese only)

Enforcement

On 3 April 2020, Shanghai office of CBIRC fined Anxin Trust Co. Ltd RMB 14 million for misappropriating investment in trust products. Anxin Trust was also found to guarantee returns and conceal risks when recommending trust products to investors. Yang Xiaobo, the former president of Anxin Trust, was banned from serving as a director or senior executive of any banking institution for life. For further details, please click [here](#) & [here](#) (Chinese only)

On 30 April 2020, AMAC officially revoked the registration of 49 Chinese private fund managers as they failed to contact the AMAC with valid supporting documents within 3 months after Notice of Revocation was issued. Those institutions are not allowed to carry out private fund business without fund manager qualification. For further details, please click [here](#) (Chinese only)

Hong Kong



On 1 April 2020, the SFC followed HKSAR Government's introduction of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) (the "Regulation"), which became effective on 29 March 2020, to promote and maintain social distancing in light of the COVID-19 pandemic, the SFC and The Stock Exchange of Hong Kong Limited (the "Exchange") have consulted the HKSAR Government, which administers the Regulation, to understand how these guidelines impact corporate annual general meetings, extraordinary general meetings and special general meetings. For further details, please click [here](#).

On 9 April 2020, the SFC released a report on its survey of the leveraged foreign exchange trading (LFET) activities of licensed corporations, which the survey found that 98% of active LFET clients were retail investors and more than 99% of turnover in the LFET market was attributable to rolling spot forex contracts. Turnover was relatively low for more complex forex products such as options and forward contracts, which may be difficult for retail investors to understand. All LFET products were traded on an over-the-counter basis. For further details, please click [here](#).

On 21 April 2020, the SFC responded actively to the significant impact of the COVID-19 pandemic on Hong Kong's capital markets, there are guide lines to ensure that Hong Kong's international financial markets will function efficiently, effectively and resiliently throughout this episode of extreme stress. For listed issuers, special guidance issued by the SFC and SEHK enabled the vast majority of companies with 31 December financial year-ends to issue preliminary earnings results in a timely manner. This was followed by guidance concerning listed companies' annual and other shareholders meetings, as well as the publication of annual reports. For further details, please click [here](#).

On 24 April 2020, the SFC required commodity futures brokers to take precautionary measures to manage the risks of trading crude oil futures contracts. Brokers were reminded not to open new positions for clients who do not fully understand these contracts or do not have the financial capability to bear the potential losses. For more details, please click [here](#)

Enforcement

On 3 April 2020, the SFC issued a restriction notice to Agg. Asset Management Limited (Agg) because of doubts over Agg's reliability, integrity, and ability to carry on regulated activities competently, honestly and fairly, and hence, its fitness and properness to remain licensed. For further details, please click [here](#).

On 7 April 2020, the SFC reprimanded and fined HSBC Investment Funds (Hong Kong) Limited (HIFL) and HSBC Global Asset Management (Hong Kong) Limited (HGAML) HK\$3.5 million for breaches of regulatory requirements in relation to cash management for SFC-authorized funds. For further details, please click [here](#).

On 20 April 2020, the SFC reprimanded and fined BOCOM International Securities Limited (BISL) a total of HK\$19.6 million for a range of regulatory breaches, including failures concerning the handling of third party fund deposits and the maintenance and implementation of a margin lending and margin call policy. BISL also failed to put in place adequate and effective controls to identify deposits made into client accounts by third parties, hence failing to ensure compliance with the Guideline on Anti-Money Laundering and Counter-Terrorist Financing and various provisions in the Internal Control Guidelines and the Code of Conduct. For more details, please click [here](#).

On 27 April 2020, the SFC obtained disqualification orders in the Court of First Instance against the former vice chairman and executive director of Long Success International (Holdings) Limited (Long Success), Mr Victor Ng, the company's former non-executive director Mr Zhang Chi, and three former independent non-executive directors who admitted that they were in breach of their fiduciary duties and common law duties to act in the interest of Long Success and/or to exercise due and reasonable skill, care and diligence in the course of acting as directors of the company. For more details, please click [here](#).

On 29 April 2020, the Eastern Magistrates' Court sentenced Mr Yau Ka Fai to 240 hours of community service following his conviction for holding himself out as carrying on a business in asset management without a license from the SFC. For more details, please click [here](#).

India

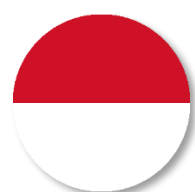


On 27 April 2020, SEBI simplified the KYC process by enabling online KYC, use of Technology/App by registered intermediaries. This is to facilitate investors to submit their Officially Valid Documents (OVD) (proof of identity, proof of address etc), for the purpose of KYC to intermediary's online / digital platform or App, through e-mail or electronic means. SEBI also allowed eSign mechanism for affixing cropped signature on the KYC form and on the copy of OVD of the investor. For further details, please click [here](#)

Enforcement

A media search did not find any enforcements for India during April.

Indonesia



On 21 April 2020, Bank Indonesia issued the Board Member of Governors Regulation No. 22/5/PADG/2020 on auction of government debt securities and/or government Islamic securities in the primary market. This was done to maintain state financial management sustainability as implementation of government regulation in lieu of law number 1 of 2020 on state financial policy and stability of financial systems for the management of Covid-19 and/or encounter the threat to national economy and/or stability of financial systems. For further details, please click [here](#)

Enforcement

A media search did not find any enforcements for Indonesia during April.

Japan



On 1 April 2020, The FSA announced the publication of the finalized amendments to the regulatory notice designating cases for the provision of specific personal information where financial business operators are required when the FSA deems necessary, and designating specific personal information that is to be provided to corporate bond issuers pursuant to the provisions of Article 62 of the "Order on Book-Entry of Company Bonds, Shares, etc. For further details, please click [here](#)

On 1 April 2020, The FSA has finalized the amendments to the "Cabinet Office Order on Financial Instruments Business." The amendments expressly set forth that the delivery of the said document to customers may also be carried out online, with a view to providing material information therein to customers in a more rational and comprehensive manner without compromising the statutory objective of delivering the document. For further details, please click [here](#)

On 8 April, 2020, The FSA updated warnings about entities that are operating money lending businesses without proper registration. The warnings include the updated list of entities that misrepresent their registration using fictitious or stolen registration numbers. For further details, please click [here](#)

On April 9, 2020, The FSA issued a warning against illegal practices by payroll factoring service providers who are operating financial instruments businesses without proper registration. For further details, please click [here](#)

On April 10, 2020, The FSA announced of the publication of the draft "Cabinet Office Order to Amend the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations" and the draft amendments to the "Cabinet Office Order on Financial Instruments Business". The proposal intends to introduce regulatory requirements for the liquidity risk management of open-ended funds, in line with the IOSCO's recommendations for liquidity risk management for open-ended collective investment schemes. For further details, please click [here](#)

On April 10, 2020, The FSA proposed the draft amendments to the regulatory notice designating commodities to be stipulated under the "Financial Instruments and Exchange Act" based on the "Order for Enforcement of the Financial Instruments and Exchange Act." The proposal aims to designate "gasoline" and "diesel" under the said Act as those subject to market derivatives transactions at so-called comprehensive exchanges. For further details, please click [here](#)

On April 15, 2020, The FSA announced Corporate Year-End Closing of Accounts, Auditing and Shareholders meetings in Response to the increasing impact of COVID-19. For further details, please click [here](#)

On April 15, 2020, The FSA has proposed the draft "Cabinet Office Order to Amend the Cabinet Office Order on Financial Instruments Business." For further details, please click [here](#)

On April 16, 2020, The FSA published the updated "FAQ on Financial Instruments Business". The updates mainly pertain to the management of money and/or securities deposited with the Financial Instruments Business Operators by their customers in relation to security-related and/or commodity-related derivatives transactions. For further details, please click [here](#)

On April 24, 2020, The FSA finalized the amendments to the "Comprehensive Guidelines for Supervision of Major Banks, etc." along with the regulatory notice designating documents to be submitted to the FSA and ways to utilize information and communications technology pursuant to the provisions of Article 349 of the "Cabinet Office Order on Financial Instruments Business, etc." For further details, please click [here](#)

Enforcement

On April 3, 2020, The FSA took an administrative action against Eastspring Investments Limited, ordering the suspension of its investment management business in terms of concluding a new contract from April 3 to June 2, 2020 and the improvement of its business operations pursuant to the "Financial Instruments and Exchange Act." This administrative action is based on a recommendation from the SESC as a result of its on-site inspection. For further details, please click [here](#)

On April 23, 2020, The FSA announced that The Kanto Local Finance Bureau took an administrative action against IGM Financial Group Co, Ltd. ordering the revocation of the entity's registration and the improvement of its business operations pursuant to the "Financial Instruments and Exchange Act." This administrative action is based on a recommendation from the SESC as a result of its on-site inspection. For further details, please click [here](#)

Korea



On 1 April 2020, FSC added 9 more innovative financial solutions to the financial regulatory sandbox bringing the total number of 'innovative financial services' to 102 at the one-year anniversary of the launching of the regulatory sandbox program. For further details, please click [here](#)

On 8 April 2020, FSC and the FSS jointly announced the plans to improve the rules on exemption for sanctions on misconduct in financial services. The plans intend to remove financial services workers' concerns about the possibility of sanctions and to promote their active role in offering loans and other financial support to the businesses in need in crisis situations. For further details, please click [here](#)

On 16 April 2020, FSC approved revised rules on misconduct in financial services. The revised rules and regulations include an ex ante provision to ensure that the exemption from sanctions will be applied to the possible mis-selling or misconduct cases that have occurred prior to the adoption of these changes. For further details, please click [here](#)

On 17 April 2020, FATF's 4th round mutual evaluation report on Korea's AML/CFT regime found Korea's legal framework to tackle money laundering and terrorist financing and to confiscate funds involved be sound and strengthened which is delivering good results. For further details, please click [here](#)

On 27 April 2020, FSC and the FSS announced the finalized measures to improve the regulatory framework on private equity funds. While ensuring the autonomy of private equity funds, the measures aim to establish market disciplines and introduce a minimum necessary level of regulations to protect investors and prevent system risks. For further details, please click [here](#)

On 29 April 2020, FSC approved the revisions to the best practice guidelines on the supervision of financial conglomerates and decided to extend its implementation for another year from 1 May 2020 to 30 April 2021. The revisions require financial conglomerates to establish a group-wide internal control system and standards for which a group-wide consultative body can be established to oversee the process. Besides this, financial conglomerates must disclose their group-wide risks every quarter starting with the risk information as of the end of 2019. For further details, please click [here](#)

Enforcement

A media search did not find any enforcements for Korea during April.

Malaysia



On 9 April 2020, The SC announced that in view of the unprecedented and volatile market conditions arising from the Covid-19 pandemic, The SC would remind fund management and unit trust management companies of their obligations to act in the best interest of investors at all times and ensure fair treatment of their clients. For further details, please click [here](#)

On 15 April 2020, The Bursa Malaysia announced that The Bursa Malaysia and SZSE had entered into a MoU to broaden opportunities in investment and facilitate further cross-border collaboration between the two countries. For further details, please click [here](#)

On 23 April 2020, The SC introduced flexibilities in complying with the requirements under Capital Markets and Services Act 2007 and Rules on Take-overs, Mergers and Compulsory Acquisitions during the Movement Control Order period. For further details, please click [here](#)

On 24 April 2020, The SC cautioned the public to be on the alert for any individuals or entities that may try to take advantage of the latest developments of Covid-19 to entrap them into investing in illegal investment schemes. For further details, please click [here](#)

On 28 April 2020, The SC announced that SC and Bursa Malaysia extended the temporary suspension of short-selling to 30 June 2020. For further details, please click [here](#)

On 28 April 2020, The SC granted flexibilities for businesses issuing convertible notes to venture capital (VC) and private equity (PE) firms registered with the SC. For further details, please click [here](#)

Enforcement

A media search did not find any enforcements for Malaysia during April.

Mauritius



On 3 April 2020, the FSC Mauritius released a communique announcing the reopening of the Stock Exchange of Mauritius. For more details, please click [here](#).

On 13 April 2020, the FSC Mauritius released a communique announcing that Mauritius-based funds are eligible for Category I Foreign Portfolio Investor (FPI) registration with the Securities and Exchange Board of India. This registration provides benefits such as exemption from indirect share transfer provisions, higher derivative position limits, lower KYC documentation and the ability to issue or subscribe to Offshore Derivative Instruments backed by Indian securities. For more details, please click [here](#).

On 16 April 2020, the FSC Mauritius released a communique clarifying filing and reporting obligations and deadlines during the COVID-19 curfew period. For a revised list of deadlines, please refer to the communique [here](#).

Enforcement

A media search did not find any enforcements for Mauritius during April.

Myanmar



A media search did not find any relevant articles for Myanmar during April.

Enforcement

A media search did not find any enforcements for Myanmar during April.

New Zealand



On 19 April 2020, the Reserve Bank of New Zealand published news on 'The Financial Sector and Responsible Behaviour' which details the initiatives taken and collective leadership responsibility in response to the COVID-19 situation by the Council of Financial Regulators (COFR). COFR members include the Reserve Bank of New Zealand (RBNZ), the Financial Markets Authority (FMA), the Commerce Commission and the ministry of Business Innovation and employment and the treasury. For further details, please click [here](#).

On 24 April 2020, the Reserve Bank of New Zealand published some guidelines for financial services businesses and staff facing the COVID-19 situation. Under Level 3, financial services businesses and staff who can operate from home must continue to do so. Workplaces can be reopened if the work cannot be done from home and if the workplace can operate consistently within public health guidance and ensure the appropriate protections for staff, and where applicable, customers. For further details, please click [here](#).

Enforcement

On 6 April 2020, The Financial Markets Authority (FMA) issued a formal warning to NZX-accredited broker Tiger Brokers (NZ) Limited for failing to have several adequate anti-money laundering protections in place. The regulator has also privately warned six other businesses for their anti-money laundering practices, mainly due to late auditing of their systems and controls. For further details, please click [here](#).

On 29 April 2020, The Financial Markets Authority (FMA) suspended the derivatives issuer licence of EncoreFX (NZ) Limited after the business was put into voluntary administration by its Canadian parent. While the licence is suspended, EncoreFX would still be permitted to close out any open positions it has with existing retail clients. The administrators have been providing the FMA with regular updates regarding the administration. For further details, please click [here](#).

Philippines



On 30 April 2020, the SEC has approved a new circuit breaker mechanism at the Philippine Stock Exchange (PSE) to protect investors and maintain order in the market while the country battles a pandemic. If the PSEi drops 10%, a 15-minute market halt will be implemented. Trading will be halted longer, for 30 minutes, if the main index declines by 15% and for one hour if the drop widens to 20%. For further details, please click [here](#).

On 22 April 2020, the SEC has identified four more unauthorized investment schemes, including rackets possibly operated by previously flagged groups under new names. In separate advisories issued on April 21, the Commission warned the public against dealing with Viceem Help Worldwide/ Viceem Help by Millionaire Maker Team, Nexus P Capital by GK Marketing Limited and My Profit Robot (MPR). For further details, please click [here](#).

On 15 April 2020, the SEC has warned the public against investing in groups promising quick returns supposedly from cryptocurrencies, artificial intelligence (AI) and other innovations. In separate advisories issued on April 14, the Commission flagged the unauthorized investment-solicitation and taking activities of Delta Crypt Limited, INVEXPERT and The Billion Coin (TBC). For more details, please click [here](#).

On 7 April 2020, the SEC is started giving more support to national efforts to combat the COVID-19 pandemic. The Commission has been proactively responding to the public health emergency that later escalated into a national emergency, in line with the President's directives and the provisions of the Bayanihan to Heal as One Act. For further details, please click [here](#).

Enforcement

A media search did not find any enforcements for Philippines during April.

Russia



On 3 April 2020, the Bank of Russia decided to implement a set of measures aimed at supporting credit institutions in order to preserve their potential for lending to the economy, as well as non-bank financial institutions to ensure their uninterrupted operation and protect the interests of consumers. For further details, please click [here](#)

On 10 April 2020, the Bank of Russia approved additional measures to protect households and support lending to the economy. The measures are supporting remote customer service, insurance companies and non-governmental pension funds, businesses and corporate lending and protecting borrowers' rights and to maintain the sustainable operation of microfinance institutions. For further details, please click [here](#)

On 16 April 2020, the Bank of Russia recommended that financial institutions continue to serve customers through 1 July 2020 even if their passports have expired. For further details, please click [here](#)

On 16 April 2020, the Bank of Russia published news that the timeframes for submitting issue documents and for approving such documents by issuers' authorised management bodies shall not include the non-workdays. That said, should the securities placement be completed on 25 March 2020, the 30-day period for submitting the report on the results of the issue shall expire on 26 May 2020, and not on 24 April 2020. For further details, please click [here](#)

On 17 April 2020, the Bank of Russia approved additional measures to protect households, support lending to the economy, and temporarily ease AML/CTF and foreign exchange control. For further details, please click [here](#)

On 21 April 2020, the Bank of Russia developed new requirements for the disclosure of information by management companies (MC) so as to provide comprehensive information to investors for them to make reasonable decisions both when acquiring units of Unit Investment Funds (UIF) and assessing MCs' performance. The relevant draft ordinance is available on the Bank of Russia's website. For further details, please click [here](#)

On 22 April 2020, the Bank of Russia suggested that representatives of the professional community take part in the discussion of criteria characterising the activity of the markets for shares traded on Russian exchanges. The establishment of criteria and measures of the activity of equity markets will help more efficiently counteract a range of unfair practices. The relevant consultation paper is available on the Bank of Russia's website. For further details, please click [here](#)

On 27 April 2020, the Bank of Russia released its new instruction governing financial market access of investment fund units which can be held by market players other than qualified investors. The document became effective within ten days of its publication. For further details, please click [here](#)

On 28 April 2020, Bank of Russia published news about establishing long-term credit ratings of certain assets eligible for calculating capital of management companies of investment funds, unit investment funds and non-governmental funds and applicants for management company licences. For further details, please click [here](#)

On 29 April 2020, the Bank of Russia proposed measures to prevent the occurrence of a conflict of interest for professional securities market participants which will enhance the protection of investors' rights and interests. The relevant draft ordinance has been published on the Bank of Russia's website to be discussed with the market community. For further details, please click [here](#)

Enforcement

On 28 April 2020, Bank of Russia published news regarding the provisional administration to manage the management company LLC Capital Asset Management (hereinafter, the 'Management Company') appointed by Bank of Russia Order No. OD-2663, dated 21 November 2019, following the cancellation of the Management Company's license to manage investment funds, unit investment funds and non-governmental pension funds, established that the Management Company's officials had performed actions causing damage to investment unit owners. In addition, the provisional administration established signs of withdrawing real estate property items from the mortgage collateral pool. For further details, please click [here](#)

Singapore



On 6 April 2020, The MAS announced that they will commence disclosure of its FX intervention operations in April 2020, instead of July 2020 as previously announced. The disclosure seeks to enhance the market's understanding of the actions that MAS has undertaken to implement its monetary policy stance, while preserving MAS' operational effectiveness. For further details, please click [here](#)

On 8 April 2020, The MAS announced the response to "Shorting on the SGX: Have full transparency on such trades, big or small" on The Business Times. For further details, please click [here](#)

On 16 April 2020, The MOF, the IRAS, and the MAS announced new measures to provide real estate investment trusts listed on the S-REITs with greater flexibility to manage their cash flows and raise funds amid a challenging operating environment due to COVID-19. These comprise of an extension of the deadline for distribution of taxable income by MOF and IRAS, as well as a raising of the leverage limit and deferment of new regulatory requirements by MAS. For further details, please click [here](#)

On 20 April 2020, The MAS announced that it has directed the Manager of EH-REIT, and its Trustee, to take steps to protect the rights and interests of EH-REIT's unitholders. MAS and the SGX RegCo are also looking into possible breaches of relevant laws and regulations as well as listing rules in relation to the issues surrounding EH-REIT. For further details, please click [here](#)

Enforcement

A media search did not find any enforcements for Singapore during April.

Sri Lanka



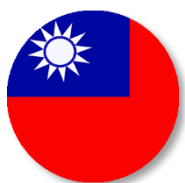
On 12th April 2020, the Central Bank of Sri Lanka released a notice providing flexibility to non-bank financial institutions in supporting businesses and individuals affected by the COVID-19 outbreak. The CBSL has lowered the liquid asset maintenance requirements for time deposits, savings deposits and borrowings, extended the minimum core capital requirement deadline by 1 year, delayed enhanced minimum capital adequacy requirements by a further year, and relaxed deadlines on submission of statutory returns until two weeks of commencement of normal business operations. For more details, please click [here](#).

On 30th April 2020, the SEC Sri Lanka released a directive to licensed stockbrokers/dealers, unit trust managing companies and market intermediaries informing them about regulatory relief measures. The SEC is extending submission deadlines of Unaudited Financial Statements, compliance officers' reports and unit trust returns by 3 weeks, and audited financial statements, annual reports and interim reports for unit trust funds by 2 months from the original deadlines. The SEC is also deferring annual licensing/registration fees by one year upon request, and extending Continuous Professional Development requirements for Investment Advisors for 6 months. For more details please click [here](#).

Enforcement

A media search did not find any relevant articles for Sri Lanka during April.

Taiwan



On 16 April 2020, the FSC announced the recognized exemption standard for fund liquidation for securities investment trust fund due to the economic impact brought by COVID-19. If the securities investment trust funds meet listed requirements, they may apply for exemption from the liquidation requirement; that the unit's net asset value decline by a certain percentage before September 30, 2020. For detailed information please click [here](#). (Chinese only)

On 23 April 2020, the FSC completed amendments made to Article 3 and 4 of the Regulations Governing Transactions Other Than Loans between Insurance Enterprises and Interested Parties and will launch the updated version soon. The amendments clearly specified that the "beneficiary persons" include both natural and legal persons, also explained about exemption requirements from the aforementioned regulation. For detailed information please click [here](#). (Chinese only)

On 23 April 2020, the FSC published a consultation paper regarding the amendments made to Article 6, 9 and 39 of the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises. Cooperating with IFRS 17 fair value assessment of effective contract liabilities have been established with reference to international standard methods, the intended amendments are made to review the applicable conditions for selecting the fair

value model for subsequent measurement of investment real estate in the insurance industry. For detailed information please click [here](#). (Chinese only)

On 28 April 2020, the FSC published a consultation paper regarding the amendments made to Regulations Governing Securities Firms Accepting Orders to Trade Foreign Securities and Directions for the Conduct of Wealth Management Business by Securities Firms. The intended amendments are made to increase the diversity of financial products by loosening regulations for securities firms that meet certain conditions to provide services for high-asset customers entrusted to buy and sell foreign securities or provide wealth management services for high-asset customers by trust. For detailed information please click [here](#). (Chinese only)

On 30 April 2020, the FSC published a consultation paper regarding the amendments made to Article 30 of the Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises. The intended amendments regulate the compliance officer of insurance firms should be full-time, not concurrently holding other positions other than AML & CFT officers. For more detailed information, please click [here](#). (Chinese only)

Enforcement

On 21 April 2020, Capital Investment Trust Corporation was fined NT\$ 1.2 million for breaking Securities Investment Trust and Consulting Act and Regulations Governing Responsible Persons and Associated Persons of Securities Investment Trust Enterprises when one of its ex-fund managers used the securities account of others, using the information known by the position, to conduct transactions in which the interests of the self or others are the same stocks as the funds under his management. The transaction amount was large and not declared in accordance with the regulations. For detailed information please click [here](#). (Chinese only)

On 30 April 2020, HUA NAN SECURITIES was fined NT\$ 1.44 million for breaking the Securities and Exchange Act. The company did not clearly regulate the policy and procedures for loss overruns and significant risk handling and reporting, resulting in failure to report to the board of directors in time and take necessary response measures. The company's internal control system is significantly missing. For detailed information please click [here](#). (Chinese only)

Thailand



On 2 April 2020, SEC proposed regulations concerning the definitions of “executive” and “business in the group” under the Digital Asset Businesses Law to be in line with the definitions of the terms prescribed in the Securities Law. For further details, please click [here](#).

On 2 April 2020, SEC amended the rules on approval of ICO portals to increase flexibility and reduce risks related to investment in the development of work systems of applicants and to further clarify the oversight of IT systems, effective from 1 April 2020. For further details, please click [here](#).

On 3 April 2020, SEC granted a deadline extension for the submission and publication of the annual financial statements of securities companies and derivatives business operators who are affected by the spread of the novel Coronavirus disease (COVID-19). This is to facilitate the cases where it is necessary to postpone the general shareholders’ meeting and subsequently the approval of such financial statements. For further details, please click [here](#).

On 7 April 2020, BOT announced additional measures to assist SMEs affected by COVID-19 outbreak and stabilize the corporate bond market. For further details, please click [here](#).

On 9 April 2020, SEC proposed amendment to the regulations on repurchase and reverse repurchase (repo) agreement to extend the asset classes eligible for such transactions between securities companies and non-institutional investors. For further details, please click [here](#).

On 15 April 2020, SEC announced a relief measure to alleviate the impacts of the spread of the Coronavirus disease (COVID-19) on securities issuers. The measure, which will take effect on 23 April 2020, gives issuers of all types of securities a rate cut on the annual fee due in 2020 and extends the deadline for annual fee payment until the end of the year. For further details, please click [here](#).

On 17 April 2020, SEC invited the public to attend the SEC FinTech Virtual Seminar 2020. The online seminar would be presented in a series of four live sessions on SEC’s Fan Page on Facebook. The first session would kick off on 30 April 2020. For further details, please click [here](#).

On 17 April 2020, the Accounting Professions Supervisory Committee’s meeting on 16 April 2020 approved two accounting guidelines as a temporary support measure to mitigate the impacts of the Coronavirus disease (COVID-19), following the discussion on the matter between SEC and the Federation of Accounting Professions under the

Royal Patronage of His Majesty the King on 13 March 2020. The guidelines would come into force after publication in the Government Gazette. For further details, please click [here](#).

On 17 April 2020, SEC allowed asset management companies to borrow money or enter into a repurchase transaction agreement for fixed income funds and mixed funds that primarily invest in debt securities, to support temporary liquidity management amid the spread of Covid-19. For further details, please click [here](#).

On 17 April 2020, SEC extended the deadlines for completing training requirements and applying for renewal of approval for personnel in the capital market business to mitigate the impacts of the novel Coronavirus disease (COVID-19) outbreak. For further details, please click [here](#).

On 23 April 2020, SEC proposed an amendment to the licensing rules to add two types of securities business license – equity intermediary license and private fund management license – as prescribed by the draft ministerial regulation. For further details, please click [here](#).

On 23 April 2020, SEC advised the shareholders of Eureka Design Public Company Limited to study information and exercise the voting right at the annual general shareholders' meeting regarding the subsidiary's plan to invest in tap water supply projects with the Provincial Waterworks Authority. In this regard, the independent financial advisor views that the shareholders should not approve the projects. For further details, please click [here](#).

On 30 April 2020, SEC launched the latest version of SEC Bond Check mobile application today to provide investors and the public with better user experience and more useful details for decision making. For further details, please click [here](#).

On 30 April 2020, SEC organized a series of online seminars under the theme, "How to Stay Financially Fit during Covid-19" to provide the public with financial and investment knowledge applicable to the current situation. For further details, please click [here](#).

Enforcement

On 1 April 2020, SEC imposed a 10-year revocation of approval as personnel in the capital market business on Mr. Jeremy Lechemere King for performing duties without loyalty as professional and neglecting supervision, subsequently causing deficiencies to the company's work systems in many cases. For further details, please click [here](#).

On 3 April 2020, SEC suspended approval of an investment consultant named Mrs Sarintorn Kongsomboon for three months for failing to give advice or information to investors correctly. In addition, she had not notified or gave relevant information to investors sufficiently for investment decisions. For further details, please click [here](#).

Vietnam



A media search did not find any relevant articles for Myanmar during April.

Enforcement

A media search did not find any enforcements for Vietnam during April.

Suggestions

Please send any comments or suggestions or other information you would like included in the next issue to newsletter@complianceasia.com. In addition, if there are others in your organisation who you believe will benefit from this newsletter, please do let us know.