



## Alternative Investment Management Association Singapore Branch

### PRESS RELEASE FOR IMMEDIATE RELEASE

AIMA Singapore responds to the latest MAS consultation paper on proposed revisions to fund management regulatory regime

*Singapore- 29 April 2010:* The Singapore Branch of the Alternative Investment Management Association (“AIMA”), the industry trade association for hedge funds, is currently in the process of engaging its Singapore members, in response to the latest Monetary Authority of Singapore (“MAS”) consultation paper on the proposal to regulate the fund management companies.

The latest MAS consultation paper sets out the proposed regulatory framework governing fund management companies (“FMCs”). There are three proposed categories of FMCs under the new regulatory regime:

- **Notified FMCs** - FMCs whose assets under management (“AUM”) are not more than S\$250 million and who serve not more than 30 qualified investors;
- **Licensed A/I FMCs** - Licensed FMCs who serve only accredited and/or institutional investors; and
- **Licensed Retail FMCs** - Licensed FMCs who serve retail (i.e. non-accredited and non-institutional) investors.

This proposed 3-tier regime for fund managers will affect local hedge fund managers. Currently, local hedge fund managers operate under the Exempt Fund Manager (“EFM”) framework.

The MAS have called for responses to the paper by 31 May 2010 and, following consultation with its members, AIMA Singapore will be submitting comments to the MAS.

Michael Coleman, the Chairman of the Singapore branch of AIMA, commented: “We are pleased to note that the latest consultation paper has seen MAS considering many of the views and comments that AIMA had raised in earlier dialogue sessions.”

Michael added: “Our member managers will be impacted by the proposed changes particularly in the areas of capitalization and executive staffing. We are happy to see that MAS has, with the Notified FMC category, recognized the needs of start up and smaller managers not to be overburdened by regulatory costs.”

Michael also welcomes the transitional arrangement proposed by MAS: “Our members had expressed concerns around the need for and likely shape of a transitional regime. The announcement provides clarity on this issue and it is anticipated there will be an



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aggregate of 18 months' time for our members to meet the new requirements. This will help to mitigate any potential major disruption to the continued operation of our members."

- Ends -

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### Editors' Notes:

#### About AIMA

As the only truly representative global hedge fund association, AIMA, the Alternative Investment Management Association, has more than 1,100 corporate members worldwide, based in 40 countries.

AIMA Singapore has 63 corporate members and actively serves as a unified voice for the local industry, working closely with regulators and interested parties in order to promote the responsible use of alternative investment instruments. The branch was formed to support the strong growth in the alternative investment industry in Singapore

Members include leading hedge fund managers, fund of hedge funds managers, prime brokers, legal and accounting firms and fund administrators. They all benefit from AIMA's active influence in policy development, its leadership in industry initiatives, including education and sound practice manuals and its excellent reputation with regulators worldwide.

AIMA is a dynamic organization that reflects its members' interests and provides them with a vibrant global network. AIMA is committed to developing industry skills and education standards and is a co-founder of the Chartered Alternative Investment Analyst designation (CAIA) - the industry's first and only specialized educational standard for alternative investment specialists. For further information, please visit AIMA's website, [www.aima.org](http://www.aima.org).