

ANNEX B

TABLE OF PROPOSED PROVISIONS IN THE DRAFT BUSINESS NAMES REGISTRATION BILL

Clause No.	Clause Heading	Description of Clause	Remarks
1	Short title and commencement	To introduce the short title and commencement of a new Bill. This will be called the Business Names Registration Act 2014 (“the Act”).	-
Part I – Preliminary			
2	Interpretation	<p>To define terms used in the Act by amending Section 2 of the Business Registration (BR) Act to:</p> <p>(a) introduce and explain new terms such as “alternate address”, “authorised representative”, “foreign company”, “individual proprietor”, “registered”, “registered business name”;</p> <p>(b) update definitions of existing terms such as “business”, “corporation”, “firm”, “individual”, “register”, “Registrar”;</p> <p>(c) delete definitions of existing terms such as “foreign firm”, “person”, “person responsible for the management of a business”, and “prescribed person”; and</p> <p>(d) enable the Minister for Finance to delegate the power to consider and decide on appeals under the</p>	<p>To update the list of terms used in the Act and their definitions in the context of the current business environment. References to “person”, “person responsible for management of a business”, and “prescribed person” are removed as the Act will rely on the existing definition of “person” in the Interpretation Act. “Foreign firm” will be replaced by “foreign company” in the new Act.</p> <p>To provide flexibility for the Minister to delegate the power to consider and decide on appeals to the Minister of State (Finance).</p>

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		relevant sections to the Minister of State for Finance if he wishes to.	
3	Administration of Act and appointment of Registrar of Business Names, etc.	To set out that the Minister for Finance can appoint the Registrar, Deputy Registrars and Assistant Registrars of Business Names, and the responsibilities of the Authority and the Registrar in administering the Act and collecting fees payable under the Act.	These individuals will now be the Registrar, Deputy Registrar and Assistant Registrar of <u>Business Names</u> (instead of “Businesses” under the BR Act)

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4	Persons not required to be registered under this Act	<p>To set out the classes of individuals/entities exempted from registration under the Act, by amending Section 4 of the BR Act to introduce new classes of individuals/entities exempted from registration, such as:</p> <ul style="list-style-type: none"> (i) any individual proprietor/firm of individuals carrying on business under their full names; (ii) any body of 10 or more persons formed or run for any lawful purpose and not for the pecuniary benefit of its members; (iii) any registered trade union; (iv) any limited partnership (LP) registered under the LP Act, but subject to section 42(3) of that Act; (v) persons exempted from registration by the Minister under regulations made under Clause 40; and (vi) existing businesses exempted under the First Schedule of the BR Act¹; <p>To allow restricted categories of exempted persons to voluntarily register. Exempted persons who choose to voluntarily register are required to comply with the provisions of the Act.</p>	This reflects the current situation on the ground and aims to reduce regulatory burden on business owners without affecting the underlying objective of the Act. It also provides Minister greater flexibility in amending the list of excluded businesses expeditiously without the need to amend primary legislation.
Part II – Registration			
5	Requirement to register	To set out that every person must register their business name before carrying on business in Singapore,	-

¹ The exempted “*individuals*” listed in the First Schedule of the BR Act are: a) licensed hawkers; b) craftsmen working from home; c) taxi drivers; d) trishaw riders; e) sampan man plying his sampan for hire; and f) farmers and prawn/fish pond keepers.

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		regardless of whether they are carrying on business in Singapore through a nominee or trustee. Further, if a person intends to carry on business in Singapore under more than one business name, the person has to file separate registrations for each of those business names.	
6	Manner and particulars of registration	<p>To set out the information that applicants need to provide to ACRA at the point of registration, by amending Section 6 of the BR Act to:</p> <p>(a) retain current information that registrants must provide to ACRA when applying to register except for “any other place where business is carried on”;</p> <p>(b) introduce new provisions on the information relating to authorised representatives to be provided to ACRA; and</p> <p>(c) introduce a new term “identification” and update the definition of “appropriate person”.</p>	This simplifies the process for registration of business name, and provides clarity as to the persons who can apply for registration on behalf of another person carrying on business in Singapore.
7	Registration by nominee or trustee	To set out that any person carrying on business as a nominee or trustee of or for another person shall furnish the particulars mentioned in the First Schedule, in addition to the particulars required under Clause 6. Further, a person must not carry on business in Singapore as a nominee or trustee of a foreign company.	The additional requirements under the BR Act relating to an agent of any foreign firm are being deleted as a person must not carry on business as nominee or trustee of a foreign company under the Act. This is because the foreign company itself has to be first registered under Division 2 of Part XI of the Companies Act (Cap. 50) before it can carry on business in Singapore. If necessary, the registered foreign company can apply to register a

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			business name (different from its corporate name) under the Act. Allowing a nominee or trustee to carry on business for a foreign company may permit a foreign company to carry on business in Singapore without registration.
8	Registration	To set out the process for registration and renewal of registration of the person and the person's business name. Appeals to the Minister may be made under this Clause by a person aggrieved by the refusal of the Registrar to register or renew registration of the person and the person's business name within 30 days after the person is notified of Registrar's refusal, and the Minister's decision shall be final	-
9	When registration must be refused	To set out when the Registrar can refuse registration of a business name by amending Section 9 of the BR Act to extend Registrar's powers to refuse registrations where the person is a foreign company that is not registered under Division 2 of Part XI of the Companies Act (Cap. 50). Any person aggrieved by the refusal of the Registrar to register the person and the person's business name may appeal to the Minister under Clause 8(7).	This provides clarity that a foreign company has to be first registered under Division 2 of Part XI of the Companies Act (Cap. 50), before applying to register a business name different from its corporate name, under the Act.
10	Registration does not confer ownership	To set out that the registration of a person in respect of any business name does not give the person any ownership of the registered business name or assets used for the purposes of the business.	This provides clarity that registration does not confer any property right to the business name or assets on the person registered as carrying on business in Singapore under the business name,

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			since the objective of the Act is to enable third parties to identify the person(s) acting behind a business name as well as to facilitate ACRA's enforcement in situations of non-compliance to the provisions of the Act.
11	General power to cancel registration	<p>To set out the powers of the Registrar to cancel the registration of a person and the person's business name, by amending Section 10 of the BR Act to extend Registrar's powers to cancel registrations to the following situations:</p> <p>(a) when the person that is required to appoint an authorised representative under Clause 30(1):</p> <p style="padding-left: 40px;">(i) fails to appoint an authorised representative within the period that the authorised representative is required to be appointed under Clause 30(3) or 30(4); or</p> <p style="padding-left: 40px;">(ii) fails to appoint a new authorised representative within 30 days after the date the person's sole authorised representative has resigned, retired, died or otherwise ceased to be its authorised representative; and</p> <p>(b) when the Central Provident Fund (CPF) Board, as the enforcement agency for Medisave contributions, informs Registrar that the registrant has not paid up his</p>	<p>New provisions relating to authorised representatives will ensure consistency with similar provisions used in the Companies (Amendment) Bill 2014.</p> <p>The current drafting does not indicate clearly if the BR Act or Section 13A of the CPF Act allows the Registrar to cancel a person's registration on grounds of Medisave non-compliance. The new provisions relating to CPF Medisave contributions do not seek to replace that under Section 13A of the CPF Act but will provide additional powers for ACRA to cancel the registration on the basis of non-payment of Medisave contributions.</p>

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		<p>Medisave contributions. The Registrar may then cancel the registration of the person on grounds of Medisave non-compliance.</p> <p>Subject to Clause 12(3), appeals to the Minister may be made under this Clause by any person aggrieved by the cancellation within 30 days after the date the person is notified of the cancellation or such further period as the Minister may allow in any particular case, and the Minister's decision shall be final.</p>	
12	Supplemental provision to sections 10 and 11	To set out that a certificate issued under the hand of the Minister charged with the responsibility for internal security, which states that he is satisfied that it is against the national security or interest for the person named in the certificate to be registered or to continue to be registered under the Act, shall be conclusive evidence of the matters so stated. In this case, no appeals to the Minister can be made.	-
13	Cancellation for failure to renew registration	To set out the powers of the Registrar to cancel the registration of a person and the person's business name if the registration has not been renewed within the period stated in the written notice issued by the Registrar upon the expiry of the person's registration. It also provides that the person and the person's business name continue to be registered after the person's registration and the person's registered business name have expired unless the registration is cancelled.	

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14	Use of business names	To set out that a person registered under the Act shall not carry on business in Singapore under a business name other than the person's registered business name.	-
15	Restrictions on registration of business names	<p>To set out the parameters of business names that can be registered, the process for reserving the proposed business name with the Registrar, and to allow persons to appeal to the Minister under this Clause against the decisions of the Registrar, by amending Section 13 of the BR Act to:</p> <p>(a) prevent the registration of a person and a person's business name, which is identical to the name registered by another person whose registration has been cancelled or has ceased, unless a period of at least one year has elapsed from the date on which the registration of the second-mentioned person has been cancelled or has ceased;</p> <p>(b) set out the period for which the proposed business name can be reserved with the Registrar (i.e. 60 days), and to allow for an application to the Registrar to extend this period to a further 60 days;</p> <p>(c) set out that the Registrar shall not reserve any business name where the Registrar is satisfied that</p> <p style="padding-left: 40px;">(i) the proposed business is likely to be used for an unlawful purpose or for purposes</p>	<p>To retain the one-year moratorium period in the BR Act so as to minimise the chances of the public not realising that another person has registered an identical defunct business name.</p> <p>To ensure consistency with similar provisions in the Companies (Amendment) Bill 2014.</p>

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		<p>prejudicial to public peace, welfare or good order in Singapore;</p> <p>(ii) it would be contrary to the national security or interest for the person to be registered; or</p> <p>(iii) the application is by or on behalf of a foreign company that is not registered under Division 2 of Part XI of the Companies Act (Cap. 50); and</p> <p>(d) extend the situations for which appeals can be made to the Minister under this Clause, including when the Registrar rejects a person's application to direct another person to change the business name under which the second-mentioned person carries on business.</p>	
16	Change of business name	To set out the process for which a person carrying on business under a registered business name may apply to Registrar to change the business name.	-
17	Change of residential address	To set out that any changes to the individual's residential address must be lodged with the Registrar within 14 days after the date of change.	-
18	Registration of changes in particulars	To set out that any changes in any of the particulars registered with the Registrar must be lodged with the Registrar within 14 days after the date change. A change will include the situation when a person stops	-

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		being a partner of a registered business.	
19	Deceased registrants	To permit the Registrar to make changes to the register because of the death of a registrant on receiving an application from the registrant's personal representative or a person who, in the Registrar's opinion, would be entitled to apply to the court for an order for the administration by the court of the deceased's estate. The person must provide evidence that is acceptable to the Registrar.	To better reflect practices on the ground as many deceased registrants are small businessmen with few assets, whose next-of-kin will not apply for a Grant of Probate or Letter of Administration (LA) for the administration by the court of the deceased's estate. This will remove the need to apply to the courts, thus lowering business costs while improving the accuracy of ACRA's register.
20	Cessation of business	<p>To set out that any registered person who stops carrying on business under a registered business name or intends to do so must lodge a notice with the Registrar, and the penalties for failing to do so. A person who contravenes this Clause shall be guilty of a criminal offence and liable on conviction to a fine not exceeding \$5,000.</p> <p>Furthermore, by amending Section 15 of the BR Act, this Clause further sets out that the Registrar will serve on a registered person a 30-day notice if the Registrar believes that he is not carrying on business under a registered business name, and that the Registrar may cancel the business registration if:</p> <p>(a) the registered person replies that he is not</p>	Notifications will not be sent via registered post as the registrant has the primary duty to confirm his registration. This is also consistent with practices in Australia.

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		<p>carrying on business; or</p> <p>(b) the registered person does not reply within 30 days of the cancellation notice that he is carrying on business.</p>	
21	Restoration of registration	<p>To set out that individuals (i) whose registration or registration of business name has been cancelled under Clause 13 or Clause 20(6) or (ii) who have ceased to be registered under Clause 20(4) will be allowed to apply to the Registrar to restore the registration. This is subject to conditions imposed by the Registrar. Notwithstanding the restoration of registration of the person and the person's business name, the person will still be liable for prosecution or punished for an offence under Clause 32(1)(a).</p>	<p>Businesses generally incur costs if their Unique Entity Number (UEN) changes e.g. re-printing of stationery and other documents which are required to indicate their UEN, re-applying for permits or loans due to changes to UEN. The proposed change will help businesses avoid incurring such costs, and is more business-friendly.</p>
22	Rectification of register	<p>To set out that the High Court may, as a result of evidence produced by a registered person that any particular recorded in ACRA's register is erroneous or defective, direct the Registrar to rectify the register.</p> <p>By amending Section 16 of the BR Act, this Clause further sets out that the Registrar is allowed to rectify the register, if notified by any registered person, errors that are typographical or clerical in nature, or unintended and does not prejudice any person.</p>	<p>To ensure consistency with similar provisions with the Companies (Amendment) Bill 2014. This will lower business costs and improve the accuracy of ACRA's register.</p>

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23	Registrar's powers to rectify or update register	<p>To allow Registrar to rectify or update the register on his own initiative if the Registrar is satisfied that:</p> <p>(a) there is a defect or error in the particulars arising from any grammatical, typographical or similar mistake; or</p> <p>(b) any particular of a person is inconsistent with other information on the register or information obtained from credible third party sources.</p> <p>Before making any rectification or updates to the register, the Registrar must give written notice to the registered person whose documents or particulars are to be rectified or updated. Any written objection to the proposed rectification must be delivered to the Registrar not later than the date specified in the notice, failing which the Registrar may rectify the register.</p>	To ensure consistency with similar provisions with the Companies (Amendment) Bill 2014. This will lower business costs as businesses need not apply to the Courts and also improve the accuracy of ACRA's register.
24	Request for copy of notice of registration, etc.	To allow a person to request for a copy of a notice of registration or a copy of or an extract from any document filed with the Registrar, to be given or certified by the Registrar, upon payment of prescribed fees.	-
25	Electronic transaction system	To set out that transactions with the Registrar under this Act must be carried out using the electronic transaction system established under the new Part VIA of the ACRA (Amendment) Bill 2014.	-

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26	Provision of alternate address	<p>To allow registrants who are individuals to lodge an alternate address with the Registrar which is :</p> <ul style="list-style-type: none"> (a) an address at which the registrant can be located; (b) not a post office box number; (c) not the residential address of the registrant; (d) located in the same jurisdiction as the person's residential address. <p>The registrant must still lodge their residential address with the Registrar. Furthermore, the Registrar is empowered to disclose or make available for public inspection the particulars of a person's usual place of residence if the above requirements are not satisfied, as well as in other situations for which disclosure or public inspection may be made. Appeals to the High Court may be made under Clause 26(14).</p>	To ensure consistency with similar provisions with the Companies (Amendment) Bill 2014, which seeks to address increasing security concerns on disclosing residential addresses in public records.
27	Disability of persons in default	<p>To set out that if a person required to be registered under the Act, (i) carries on business without being registered under the Act in respect of the business name, (ii) carries on business under a business name</p> <ul style="list-style-type: none"> (a) after the registration has been cancelled or has ceased, and has not been restored under Clause 21; or 	-

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		(b) fails to comply with the requirements under Clause 18, he cannot enforce any rights arising out of any contract in relation to the business unless he gets the Court's approval.	
Part III – Miscellaneous			
28	Inspection	To set out that the Registrar may authorise in writing any public officer or employee of the Authority to be an inspector for the purposes of the Act, and that any person who fails to comply with a request made by the Registrar or inspector, or resists or obstructs the Registrar or an inspector in the performance of his duties under the Act shall be guilty of an offence and liable on conviction to a fine not exceeding \$10,000 or to two-year imprisonment or to both, unless the Registrar or inspector fails to declare his office and to produce his authority in writing.	-
29	Power of Registrar to obtain further information	To set out the powers of the Registrar to obtain information that the Registrar considers necessary for the purposes of carrying out his duties under the Act.	-
30	Authorised representative	To set out the obligations of the individual proprietor, partners or foreign company if the individual proprietor or all partners of any firm, or all the officers of a foreign company reside outside Singapore, by amending Section 25 of the BR Act to:	The term “authorised representative” is more appropriate than “local manager” as the authorised representative’s responsibility is to ensure compliance with the provisions of the Act. These new provisions relating to authorised

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		<p>(a) replace the term “local manager” with “authorised representative”, where at least one authorised representative has to be appointed, and the authorised representative will be personally responsible for all the individual proprietor’s/firm’s/company’s obligations;</p> <p>(b) require the appointment of the authorised representative (i) at the time of registration, (ii) at the date when business commences if this is after the registration date, or (iii) within 30 days after the individual proprietor, last partner of the firm or last officer of a foreign company ceases to reside in Singapore (if this occurs after registration);</p> <p>(c) require the individual proprietor, partners or foreign company to lodge notices with Registrar on the appointment of the authorised representative within 14 days after the date of appointment;</p> <p>(d) require the individual proprietor, partners or foreign company to lodge a notice with Registrar within 14 days after the date on which the authorised representative has ceased to be its authorised representative;</p> <p>(e) require the individual proprietor, partners or</p>	<p>representatives are more detailed. They include giving such registrants residing outside Singapore more time to appoint authorised representatives following earlier feedback on this issue.</p>

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		<p>foreign company to appoint a new authorised representative within 30 days after the date on which its sole authorised representative ceased to be its authorised representative;</p> <p>(f) allow a former sole authorised representative to lodge a notice with the Registrar that he has ceased to be the authorised representative if the individual proprietor, partners or foreign company fails to appoint a new authorised representative; and</p> <p>(g) state that failure to comply with this Clause is an offence and the person is liable on conviction of a fine not exceeding \$1,000.</p>	
31	Restriction on undischarged bankrupt carrying on business	To impose restrictions on undischarged bankrupt persons from carrying on business in Singapore, unless Court's approval or the Official Assignee's written permission is obtained. A person who contravenes this Clause shall be guilty of a criminal offence and liable on conviction to a fine not exceeding \$10,000 or two-year imprisonment or both.	-
32	Offences and penalties	<p>To set out the offences and penalties under the Act, including additional situations which constitute an offence and increase the penalties by amending Section 27 of the BR Act to:</p> <p>(a) make it an offence for persons to carry on business after they have notified Registrar that they</p>	The increase in penalties is to align the penalties to those for similar offences under other ACRA-administered Acts (e.g. Companies Act).

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		<p>have ceased business; and</p> <p>(b) increase the penalties for certain offences under this Clause to a fine not exceeding \$10,000 or two-year imprisonment or both.</p>	
33	Evidence of carrying on business under a business name	To set out circumstances where a person will be presumed to be carrying on business.	-
34	Composition of offences	To empower the Registrar to compound any offence that is prescribed as a compoundable offence by collecting from the person a sum not exceeding the lower of one half of the amount of the maximum fine that is prescribed for the offence or \$5,000, after which no further proceedings shall be taken against that person in respect of the offence.	-
35	Destruction or transfer of old records	To empower the Registrar to destroy or give to the National Archives of Singapore any document lodged with the Registrar which in the Registrar's opinion is no longer necessary or desirable for retention and which has been microfilmed or converted to electronic form.	-
36	Enforcement of duty to make returns	To set out that the Registrar may apply to the courts to make an order to any person who defaults in complying with any provision of the Act which requires any filing, lodgement or submission of any document to the Registrar, or request of the Registrar with regards to the document to be submitted.	-

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37	Offences by bodies corporate, etc.	To set out the liability of any officer in respect of offences committed by bodies corporate, partnerships and unincorporated associations.	-
38	Authority and its employees not liable to suit	To set out that the Registrar or any officer or employee of the Authority shall be free from any liability arising from any error or inaccuracy in any document made or issued under the provisions of the Act.	-
39	Service of documents, etc.	To set out how documents may be served on any person under the Act.	-
40	Power to make regulations	To empower the Minister to make regulations for the purposes of the Act.	-
41	Saving for other written law	To set out that the Act shall not limit or in any way affect any other written law.	-
42	Repeal	To provide for the repeal of the BR Act.	-
43	Savings and transitional	To prescribe savings and transitional provisions, including provisions relating to local managers under the BR Act to be appointed and treated as authorised representatives under the Act.	-
44	Consequential amendments to other written laws	To set out consequential amendments to be made to the ACRA Act and Companies Act, and other Acts listed in the Second Schedule.	-
Schedules			
First Schedule – Additional particulars		This schedule sets out the additional particulars that are required to be lodged with the Registrar, where the person carries on business as nominee or trustee of another person.	-

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Second	Schedule – Consequential amendments to other written laws	This schedule sets out consequential amendments to be made to written laws, other than the ACRA Act and Companies Act.	-