

MAS Regulatory Updates for 2025: Key Changes Impacting Licensed Financial Advisers and Exempted Financial Advisers



In 2025, the Monetary Authority of Singapore (MAS) introduced a wide range of regulatory enhancements aimed at strengthening advisory standards, improving investor protection, and elevating governance expectations across the financial advisory sector.

These updates affect Licensed Financial Advisers (LFAs), Exempt Financial Advisers (EFAs), and Specified Financial Advisers (SFAs), with new requirements spanning AML/CFT controls, digital advertising conduct, pre- and post-transaction safeguards, remuneration frameworks, and cross-border arrangements.

The following table provides a consolidated, easy-to-navigate summary of the key regulatory developments issued throughout 2025, enabling firms to quickly identify obligations, understand effective dates, and assess the impact on their compliance frameworks.

2025 MAS Regulatory Updates

Date	Update/Regulation	Type	Applies To	Key Changes
24 Jan 2025	Application for Approval to Obtain Effective Control	Approval Requirement	LFAs	Potential acquirers intending to hold 20% or more shareholding interest in an LFA must obtain prior MAS approval . Approval is sought via submission of the prescribed form on MAS Tx .
24 Jan 2025	Guidelines on Outsourcing	Guidelines	All FIs except banks	MAS emphasized the Board's responsibility over outsourcing controls, including oversight of risk evaluations on outsourced service providers (OSPs). Firms must ensure regular monitoring , reporting of key risks to Senior Management, and refinements to SLAs with OSPs.
28 Mar 2025	Enhancing Pre- & Post-Transaction Safeguards	Legislative Amendments	LFAs & EFAs	Strengthens safeguards for retail investors. Pre-transaction checks are now legally binding under FAA-N16. FAs must assess and document Selected Client (SC) / vulnerable client status during KYC. Call-backs must confirm client understanding and verify Trusted Individual involvement. FAs must maintain 5-year records of all checks. Clients served by reps under heightened monitoring must receive vulnerable-client safeguards. Effective 29 Dec 2025.
1 Apr 2025	LT A&H Advisory & Sales Processes	Information Paper	FIs distributing LT A&H	MAS outlines expectations following a thematic review of 5 FIs. Key areas include: rep training , competency checks, robust fact finding , clear explanation of product features and limitations, safeguards for vulnerable customers, proper explanation of Integrated Shield Plans , and stronger post sales monitoring . Senior management oversight and fair dealing remain critical.
8 May 2025	FAQs on Exempt Persons	FAQ	Exempt Persons	MAS clarified the submission mode for Form 22, Form 30, and Form 20.

30 May 2025	FAQs on FAA & Regulations	FAQ	Representatives	MAS clarified why representatives cannot call themselves “Financial Advisers” . Restricting the term helps investors distinguish between licensed and unregulated entities.
30 Jun 2025	FAA N06 AML/ CFT Updates	Notice	LFAs & EFAs	Mandatory inclusion of Proliferation Financing (PF) in ML/TF assessments. STR filing timelines tightened to 5 business days , or 1 day for sanctions related cases. Expanded CDD requirements for customers and beneficial owners. Mandatory screening against sanctions lists and watchlists. Enhanced expectations for Source of Wealth and Source of Funds verification. Expanded identification requirements for trust structures .
30 Jun 2025	Cross Border Arrangements (CBA)	Notices	SFAs, LFAs, EFAs	FAA N24 applies to CBAs via related corporations ; FAA N25 applies to CBAs via overseas branches/offices . FAs must maintain a CBA framework , ensure clear allocation of responsibilities, conduct periodic compliance reviews, maintain consistent CDD standards , retain records for 5 years , and file STRs for suspicious activity involving CBA clients.
15 Aug 2025	FA Appeals Regulations	Regulation	All FAs	Introduces a formal framework for appeals against MAS decisions. Appeals begin with a Notice of Appeal (Form 1) . Cases are reviewed by an Appeal Advisory Committee , with the Minister making the final decision.
25 Sept 2025	Digital Advertising Conduct Standards	Guidelines	LFAs & EFAs	Effective 25 Mar 2026 . Requires strong governance and oversight of digital marketing. FAs must evaluate platforms, manage format related risks, train digital marketers, maintain visibility over all advertisements, and enforce disciplinary measures for misconduct. Includes five Market Conduct Safeguards covering platform evaluation, disclosure clarity, marketer selection/training, advertising registers, and disciplinary controls.
29 Dec 2025	FAA G14 Updates	Guidelines	LFAs & EFAs	Enhances oversight of representatives. Requires mandatory pre transaction checks , robust post transaction supervisory controls , enhanced reference checks (including last four BSC grades), clearer guidance on infractions, and stronger senior management oversight to ensure remuneration does not incentivize mis selling.
9 Dec 2025	FAA N16 Investment Product Recommendations	Notice	LFAs & EFAs	Reinforces the reasonable basis requirement for recommendations. Mandates comprehensive KYC, needs analysis, suitability assessment, and safeguards for Specified Investment Products (CKA) . Requires enhanced safeguards for Selected Clients , including documentation and Trusted Individual involvement. Strong documentation and record keeping obligations.

29 Dec 2025	FAA N20 BSC & ISA Unit	Notice	LFAs & EFAs	Requires establishment of a Balanced Scorecard (BSC) framework incorporating sales and non sales factors. Representatives receive BSC grades (A–E) affecting remuneration and monitoring. Supervisors are accountable for reps’ infractions. Requires an Independent Sales Audit (ISA) unit reporting to Senior Management. Includes post transaction audits, governance expectations, and regulatory reporting timelines.
9 Dec 2025	FAQs on BSC Framework	FAQ	LFAs & EFAs	Clarifies that A&H policies not classified as investment or life policies are excluded from BSC scope. Confirms that if ISA unit incorporates client survey questions into pre transaction callbacks , the survey is considered completed.

The breadth and depth of MAS regulatory developments introduced in 2025 underscore the increasing expectations placed on financial advisory firms, particularly in the areas of governance, advisory conduct, AML/CFT controls, digital marketing oversight, and safeguards for retail and vulnerable clients. As these requirements continue to evolve, LFAs, EFAs, and SFAs face growing pressure to maintain robust compliance frameworks, ensure consistent implementation across their advisory processes, and demonstrate strong senior management oversight.

How Waystone Can Help

Waystone’s [APAC Compliance Solutions](#) team is well-versed in the FAA regulatory landscape and supports firms across the region in meeting their obligations with confidence. We help clients interpret new MAS requirements, assess the impact on their existing controls, and implement practical enhancements aligned with supervisory expectations. Our specialists stay closely attuned to regulatory and enforcement trends, enabling us to anticipate areas of supervisory focus and guide firms through emerging risks or investor-driven queries.

To discuss how Waystone can help strengthen your compliance framework or address any of the updates outlined above, please reach out to your usual Waystone representative or contact us below.

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