

**RESPONSE TO
FEEDBACK RECEIVED**

September 2018

**Proposed E-payments
User Protection
Guidelines**

MAS

Monetary Authority of Singapore

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1 Preface

1.1 On 13 February 2018, MAS consulted on the proposed guidelines to protect users of electronic payments (“**e-payments**”). The proposed E-payments User Protection Guidelines (the “**Guidelines**”) aim to encourage wider adoption of e-payments by setting standards on the responsibilities of financial institutions and e-payment users.

1.2 The consultation period closed on 16 March 2018, and MAS thanks all respondents for their contributions. The list of respondents is in **Annex A** and the full submissions are provided in **Annex B**. The annexes may be accessed at this [link](#).

1.3 MAS has carefully considered the feedback received, and has incorporated them where it has agreed with the feedback. Comments that are of wider interest, together with MAS’ responses are set out below.

2 Overview of Feedback

2.1 In the February 2018 Consultation (the “**Consultation**”), MAS consulted on 5 main proposals for the Guidelines:

- (a) Scope and application of the Guidelines
- (b) Liability for losses arising from unauthorised transactions
- (c) Duties of account holders and account users
- (d) Duties of the responsible financial institution
- (e) Specific duties in relation to erroneous transactions

2.2 Proposals (c), (d) and (e) received good support and proposal (a) received moderate support. The industry expressed concerns with proposal (b) which MAS took on-board in our thorough review of that proposal. MAS revised the Guidelines to take into account concerns that the respondents have raised and to accurately reflect MAS’ policies. The finalised Guidelines may be accessed at this [link](#).

2.3 For reference purposes, the proposals are listed below with the original question number and the topic of the question. Each question has been extracted from the Consultation and set out in the relevant part of this response document (the “**Response**”).

2.4 The main changes to the Guidelines are summarised below in the order that the relevant questions appear in the Consultation paper.

(a) Question 1: Scope of application

- The Guidelines will apply to account holders who are individuals and sole proprietors instead of micro-enterprises.
- The liability assignment for losses arising from unauthorised transactions and certain duties of the responsible FI will not apply to credit, debit and charge cards.
- The Guidelines are intended to apply on a business as usual basis for isolated unauthorised transactions or erroneous transactions.

(b) Question 2: Definitions

- The definition of micro-enterprise has been deleted and a definition for sole proprietor has been added.

(c) Question 3: Where the account holder is not liable for any loss.

- The account holder is not liable for any loss if it arises from any action or omission by the responsible FI, provided that the account user took due care of the protected account.

(d) Question 4: Where the account holder's liability is capped.

- The account holder is not liable for any loss from an unauthorised transaction that does not exceed \$1,000 if it arises from any action or omission by any third party, provided that the account user took due care of the protected account.

(e) Question 5: Where the account holder is liable for actual loss

- The account holder is liable for actual loss where any account user's recklessness was the primary cause of the loss.

(f) Question 6: Liability for losses arising from unauthorised transactions

- There are no significant changes to the proposal that this question relates to.

(g) Question 7: Reporting duties of the account holder.

- The account holder should report any unauthorised transactions as soon as practicable after receiving any notification of an unauthorised transaction.
- The account holder should make a police report if the responsible FI so requests.

(h) Question 8: Duty to protect access codes and protected accounts.

- There are no significant changes to the proposal that this question relates to.

(i) Question 9: Information and facilities provided by the responsible FI

- The responsible FI may omit any confidential information from any transaction notification provided that it allows the account holder to identify unauthorised transactions.
- The Guidelines clarify that the responsible FI may provide transaction notifications on a real time or daily batched basis, but need not provide both.

(j) Question 10: Claims investigation and outcomes

- The responsible FI should assess any claim of unauthorised transaction made by any account holder in accordance with the Guidelines.
- The responsible FI should complete assessment and investigation of straightforward claims in 21 business days and otherwise in 45 business days.
- The guidelines clarify that other dispute resolution arrangements between the responsible FI and the account holder continue to apply in situations not covered by the Guidelines or where parties do not agree on the liability assessment.

(k) Question 11: Specific duties in relation to erroneous transactions.

- The Guidelines clarify that the timelines specified for the resolution of erroneous transactions are for straightforward cases.

(l) Question 12: General questions regarding these Guidelines

- There are no changes to the Guidelines resulting from feedback to the general questions.

3 Application of the Guidelines

Question 1. Scope of application. MAS seeks comments on the scope of payment transactions, protected accounts, account users, and responsible FIs selected for protection under these Guidelines, and whether other types of payment transactions, payment accounts, users of payment services, and FIs should also be within the ambit of these Guidelines. MAS also seeks views on whether this set of Guidelines achieves the intended effect of increasing consumer confidence in the use of e-payments and encouraging the wider adoption by the public of e-payments in Singapore.

3.1 On balance, respondents were supportive of the scope of application of the Guidelines but raised concerns regarding its applicability to corporate entities and in relation to credit or debit card transactions. Two respondents also sought clarification on how the Guidelines would apply to payment institutions that will be licensed under the Payment Services Bill.

3.2 Many respondents commented that account holders of protected accounts should only comprise individuals and not include micro-enterprises. They explained that it would be difficult for the responsible FI to determine which businesses are micro-enterprises and which are not on an ongoing basis after on-boarding of such customers. Further, corporate accounts are designed differently from accounts for individuals as corporate account transactions can be quite complex. That being said, some respondents said they are prepared to accept sole proprietors as account holders protected under the Guidelines suggesting that there is more clarity on when a business is a sole proprietor.

3.3 At least six respondents specifically asked that MAS exclude credit and debit cards from the application of the Guidelines on the basis that there are already user protection policies such as the ABS Code of Practice for Banks – Credit Cards and technologies such as 3D Secure in place for liability apportionment and fraud prevention for credit and debit cards issued in Singapore.

MAS' Response

3.4 MAS notes the challenges that responsible FIs face in continuous identification of micro-enterprises and has taken up the suggestion to revise the Guidelines to apply to sole proprietor account holders as well as individuals. MAS' view is that this group of non-corporate e-payment users would benefit from further clarity in liability apportionment for unauthorised transactions and the resolution of erroneous transactions.

3.5 MAS agrees that holders of credit cards, charge cards and debit cards issued in Singapore currently benefit from liability apportionment in the ABS Code of Practice for Banks – Credit Cards, and existing fraud prevention measures in place. As such, the liability apportionment set out in the Guidelines will not apply to transactions on credit cards, charge cards and debit cards issued in Singapore. However, current standards of user protection for holders of credit cards, charge cards and debit cards can be improved. We thus intend to clarify that responsible FIs should provide timely transaction notifications to holders of credit cards, charge cards and debit cards issued in Singapore for better transaction monitoring and to facilitate more timely reporting by cardholders of unauthorised transactions.

3.6 To improve the clarity of the application of the Guidelines further, we have specified that the guidelines are intended to apply on a business as usual basis for isolated unauthorised transactions or erroneous transactions.

3.7 Regarding the application of the guidelines to e-wallet issuers, until the proposed Payment Services Bill is in force, the Guidelines will apply to widely accepted stored value facility holders. When the Payment Services Act commences and the Payment Systems (Oversight) Act is repealed, the Guidelines will apply to licensees which are major payment institutions that issue payment accounts that store e-money.

4 Definitions

Question 2. Definitions. MAS seeks comments on the proposed definitions to be used in these Guidelines, in particular, whether they are sufficiently clear and suitable. If you propose a different definition for the same term that is from another legislation or paper, please cite the full title of the legislation or paper and the specific provision in that legislation or paper where the term is defined. Please also let us have your views on whether these guidelines should also cover accounts that are not protected accounts but are linked to protected accounts¹, and if so, in what way.

4.1 A significant portion of the feedback on definitions were in respect of “account holder”, “protected account” and “unauthorised transaction”. Some respondents also asked that “mistaken transactions” referred to in paragraph 1.2 of the Consultation paper be explained or defined.

4.2 The concerns with “account holder” and “protected account” arose from the same issues as those set out in the feedback to the scope of the Guidelines, i.e. that account holder should not include micro-enterprises and protected accounts should not include credit and debit cards.

4.3 There were some questions in relation to the definitions of “protected account” and “unauthorised transaction”. Respondents noted that “protected account” excludes a payment account that is not capable of having a balance of more than \$500 at any one time, and asked if a protected account would include an accumulation of individual stored value facilities used together by any account holder. Respondents also asked if “electronic transactions” in the definition of “protected account” covers transactions via phone banking systems, internet payment transactions, and mobile payment transactions. With regard to “unauthorised transaction”, respondents asked if this would include transactions made by the account user in the context of phishing or a scam, and sought further clarification on what “knowledge and consent of an account user” is.

MAS’ Response

4.4 With regard to “account holder” and “protected account”, MAS has amended the Guidelines to remove “micro-enterprises” from “account holder” and substituted it with

¹ For example, some transport stored value cards allow automatic top ups from bank accounts linked to the stored value card.

“sole proprietor”. There are no changes to the definition of “protected account”. However, as mentioned in paragraph 3.5 certain parts of the Guidelines will apply to credit cards, charge cards and debit cards. As explained earlier in this Response, the liability assignment in the Guidelines will not apply to credit card, charge card and debit card transactions.

4.5 The term “mistaken transaction” was used in the preface of the Consultation paper to explain the objectives and outline of the Guidelines. It has not been used in the final Guidelines and the term “erroneous transaction” is used instead and has been defined in Section 6 of the Guidelines that set out specific duties in relation to “erroneous transactions”.

4.6 Protected accounts under the Guidelines exclude any type of payment accounts that are not capable of having a balance of more than \$500 at any one time (“**low value payment account**”). Such low value payment accounts are excluded from the Guidelines even if they are used together, including for the same payment transaction. “Electronic transactions” in the definition of “protected account” will cover all types of electronic transactions include transactions via phone banking systems, internet payment transactions, and mobile payment transactions.

4.7 We clarify that “unauthorised transactions” do not include transactions that the account holder authorised as a result of falling victim to a scam or a phishing attack. These types of transactions are considered authorised transactions and fall outside of the scope of the Guidelines. Account holders and responsible FIs should proceed with dispute settlement arrangements as agreed between the parties for such transactions, and there should be no expectation on the part of account holders that the responsible FI will handle such claims in accordance with the Guidelines.

5 Part A: Liability for losses arising from unauthorised transactions

Account holder is not liable for any loss

Question 3. Where the account holder is not liable for any loss. MAS seeks comments on the scope of the “no liability” situations, and whether there are more situations that the Guidelines should cater for under the “no liability” category.

5.1 The concerns raised by respondents in respect of the proposed apportionment of liability in the Consultation paper were fairly homogeneous. Most respondents asked MAS to strike a careful balance between protecting consumers and placing the burden on responsible FIs to indemnify losses of the consumer. The same respondents commented that the losses that the responsible FI is expected to undertake should be commensurate with that FI’s behaviour, for example the responsible FI should not be liable for fraud or negligence of merchants. Respondents also expressed that MAS should not overlook the importance of individuals as a prudential control in safeguarding their payment accounts against unauthorised transactions. The failure to assign liability corresponding to responsibility threatens the financial stability of the e-payments ecosystem.

5.2 We received several comments and questions about the account user or account holder’s standard of behaviour in the feedback to Question 3. As they are more relevant to Questions 7 and 8 that deal with the duties of the account holders and account users, we have summarised and addressed those questions in the response to Questions 7 and 8 below.

MAS’ Response

5.3 MAS has studied the feedback carefully and weighed the duties of the responsible FI against the need to protect the account holder from losses not arising from the account user’s behaviour. The Guidelines have been revised to better reflect the actions of the responsible FI and the account user as well as incentivise good standards to be maintained by both the responsible FI and the account user. A summary of the new liability apportionment framework is as follows.

- (a) The account holder is not liable for any loss if it arises from any action or omission by the responsible FI, provided the loss did not arise from the failure of the account user to take due care of the protected account.
- (b) The account holder is not liable for any loss from an unauthorised transaction that does not exceed \$1,000 if it arises from any action or

omission by any third party, provided the loss did not arise from the failure of the account user to take due care of the protected account.

- (c) The account holder is liable for actual loss where any account user's recklessness was the primary cause of the loss.

5.4 The account holder is not liable for any loss if it arises from any action or omission by the responsible FI, provided the loss did not arise from the failure of the account holder to take due care of the protected account. This liability apportionment recognises that if the unauthorised transaction was a result of the responsible FI's action or omission, the responsible FI should bear the resulting losses. We have also clarified in the Guidelines what "action or omission by the responsible FI" includes.

Account holder is liable for maximum of \$100

Question 4. Where the account holder's liability is capped. MAS seeks comments on the scope of the "limited liability" situations, and whether there are more situations that the Guidelines should cater for under this category. MAS also seeks views on whether the \$100 liability cap is appropriate.

5.5 The primary concern raised by respondents in relation to this part of the Guidelines was it was not reasonable to place the burden of proving the account user's recklessness on the responsible FI. Respondents gave several examples of the challenges that FIs will face when trying to prove that the account user was reckless.

5.6 Another concern raised by many respondents was that the \$100 liability cap does not serve to contain moral hazard by the account user and is disproportionate to the potentially large losses that the responsible FI is exposed to.

5.7 We received several comments and questions about the account user or account holder's standard of behaviour in the feedback to Question 4. As they are more relevant to Questions 7 and 8 that deal with the duties of the account holders and account users, we have summarised and addressed those questions in the response to Questions 7 and 8 below.

MAS' Response

5.8 In response to the feedback received on burden of proof, we have de-linked the liability apportionment for unauthorised transactions from the responsible FI's duty to assess each unauthorised transaction claim. Section 5 of the Guidelines sets out the expected liability apportionment for broad categories of unauthorised transactions, and

section 4 of the Guidelines sets out duties of the responsible FI including to assess each unauthorised transaction claim, including whether the transaction falls within the framework in Section 5.

5.9 To better balance the duties of the responsible FI with protection of the account holder against unauthorised transactions that arise from any action or omission by third parties, the Guidelines have been revised such the account holder is not liable for any loss from an unauthorised transaction that does not exceed \$1,000 if it arises from any action or omission by any third party, provided that the account user took due care of the protected account.

5.10 The \$1,000 threshold was set in recognition that most day-to-day payment transactions performed by individuals are under \$1,000, and that banks require their customers to perform transaction signing for payment transfers above \$1,000 to new payees. This means that there are additional layers of protection for these large value transfers, and that the utility of this part of the Guidelines should be to protect account holders against unauthorised transactions of lower value which do not currently benefit from additional security layers for such lower risk transactions.

Account holder is liable for actual loss

Question 5. Where the account holder is liable for actual loss. MAS seeks comments on the scope of the “actual loss” situations, and whether there are more situations that the Guidelines should cater for under the “actual loss” category, given the intent that these Guidelines should encourage the use of e-payments

5.11 The response to this part of the Guidelines was more muted and centred largely on questions and suggestions about the account user’s standard of behaviour and scope of unauthorised transactions including:

- (a) what comprises reckless behaviour;
- (b) whether scams and phishing related transactions are considered unauthorised transactions;
- (c) when account holders are expected to report unauthorised transactions to the police.

5.12 As explained above, issued relating to the account user's standard of behaviour are addressed in Questions 7 and 8 that deal with the duties of the account holders and account users.

MAS' Response

5.13 The Guidelines have been revised to specify that the account holder is liable for actual loss where any account user's recklessness was the primary cause of the loss. With regard to the questions on reckless behaviour, we have in the Guidelines clarified that recklessness would include the situation where any account holder or account user deliberately did not comply with Section 3. We did not think it was useful to set out an exhaustive list of actions that comprise reckless behaviour so as not to unduly hamper the assessment and analysis of any particular case by the responsible FI. Each case should be assessed on its own merits.

Agreement to reduce account holder's liability

Question 6. Liability for losses arising from unauthorised transactions. MAS seeks comments on the overall scope of this Part of the Guidelines and whether there are other significant factors that MAS should consider for this Part. MAS also seeks comments on whether it would be appropriate for the responsible FI and account holder to go through a dispute resolution process agreed between the responsible FI and the account holder in the unlikely event that paragraphs 4.1, 4.3 and 4.5 do not apply.

5.14 Most respondents were supportive of the proposal to allow responsible FIs the flexibility to reduce the account holder's liability. One respondent suggested that the account holder and the responsible FI be allowed to continue mediation for dispute settlement at FIDReC.

MAS' Response

5.15 This part of the Guidelines has been retained with minimal revisions. A clarification has been added to Section 4 of the Guidelines to explain that where the account holder does not agree with the responsible FI's assessment of liability, or where the responsible FI's has assessed that the claim falls outside of Section 5, the account holder and the responsible FI may proceed to commence other forms of dispute resolution, including mediation at FIDReC where the responsible FI is a FIDReC member.

6 Part B: Duties of account holders and account users

Question 7. Reporting duties of the account holder. MAS seeks comments on the proposed reporting duties of the account holder. In particular, we are interested to know if the reporting duties are sufficient from the point of view of the responsible FI, or if any duty is too onerous for the account holder to take on. We seek views on the respective deadlines proposed in this Part and if your view is that the deadline should be different, please explain in detail with data to support such arguments if possible. We are also interested to hear from you on whether the account holder should report by the next calendar day instead of the next business day, and whether your operations are ready to support receipt of reports every calendar day. If the next business day is a preferable deadline, please let us have your preferred definition of “business day”.

6.1 We noted that the feedback on duties of the account holder and account user was also given in response to earlier questions on liability apportionment, and we have summarised them together with feedback received for Question 7.

6.2 The majority of respondents gave feedback that the account holders should report unauthorised transactions to the relevant responsible FI as soon as practicable instead of by the next business day. They explained that the delay in reporting the unauthorised transaction may result in potentially larger losses from continued unauthorised transactions. A weekend exposure to such unauthorised transactions that need not be reported until the next business day will put responsible FIs at risk of bearing very large losses. Account holders should be encouraged to report the unauthorised transactions in a timely way to responsible FIs to minimise such losses, given that the responsible FIs will be providing timely transaction notifications. In relation to the deadline to report unauthorised transactions, many respondents suggested definitions for “business day” but also reiterated their objection to such a generous deadline to report unauthorised transactions.

6.3 In response to earlier questions on liability apportionment, several respondents also asked that account holders be encouraged to report unauthorised transactions to the police if so required by the responsible FI without crossing the proposed threshold of third or subsequent case of unauthorised transactions.

MAS’ Response

6.4 We have studied the feedback and agree to adopt the key changes proposed by respondents to incentivise better transaction monitoring and reporting by account holders. These include setting the expectations that:

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- (a) account holders should report unauthorised transactions to the responsible FI as soon as practicable (with examples of what “as soon as practicable” mean);
 - (b) account holders should report unauthorised transactions to the police if the responsible FI requests such a report to be made to facilitate its claims investigation process.

6.5 We have taken into account that the expectation to report as soon as practicable should not be unduly burdensome on the account holder, and would exclude such time periods and circumstances where it would not be reasonable to expect the account holder to monitor transaction notifications, such as in the late evening to early morning, or where work or travel commitments do not allow the account holder to access his or her phone. Where the account holder gives an explanation for a delayed report, we expect the responsible FI to give due consideration to such explanation in its assessment of liability apportionment for losses resulting from the unauthorised transaction in question.

Question 8. Duty to protect access codes and protected accounts. MAS seeks comments on the proposed duties of the account user to protect access codes and protected accounts. We seek views on whether any duty is too onerous for the account user, or if there are any other duties that the account user should be encouraged to take on. We also seek views on the respective deadlines proposed in this Part.

6.6 We noted that the feedback on duties of the account holder and account user was also given in response to earlier questions on liability apportionment, and we have summarised them together with feedback received for Question 8.

6.7 Several respondents commented that given the pace of technological development the proposed methods of protecting access code and protected accounts may become outdated quickly. They suggested that better guidance be provided to account users through consumer education outreach.

MAS' Response

6.8 MAS clarified that the purpose of the Guidelines is to define the boundaries of the account user's responsibilities and to set basic guidelines on good security practices for e-payment users. MAS will review the recommended guidance periodically and may

revise the guidance if necessary. Responsible FIs should continue with their consumer education efforts and take measures to counter cyber threats to their systems and applications.

7 Part C: Duties of the responsible financial institution

Question 9. Information and facilities provided by the responsible FI. MAS seeks comments on the proposed transaction notifications, recipient credential information, and reporting channel to be provided by the responsible FI.

Please let us have your views on:

- (a) Whether the proposed information in the transaction notification is appropriate for the purpose of allowing the account holder to monitor payment transactions;
- (b) Whether the proposed onscreen information is suitable to minimise account user's erroneous transactions;
- (c) Whether the proposed characteristics of the reporting channel are suitable in general, and are suitable for your product line; and
- (d) Whether the deadlines proposed are appropriate.

Question 10. Claims investigation and outcomes. MAS seeks comments on the proposed claims investigation process and proposal to credit the protected account while the claims investigation is ongoing. MAS seeks views on whether the deadlines proposed are appropriate and whether the exclusions from the expectation that the protected account should be credited are adequate. Please also let us know if a list of exceptional circumstances for an extended investigation should be set out in the Guidelines

7.1 The main concerns raised by respondents to the proposed duties of the responsible FI were as follows.

- (a) The responsible FI should be not be expected to obtain an acknowledgement from the account holder of the user protection duties and the investigation outcome as such a duty is onerous.
- (b) The responsible FI should be allowed to remove confidential information from transaction notifications.
- (c) The responsible FI should be allowed more than 21 business days to complete investigation of complex cases.

- (d) The responsible FI should be allowed to credit the account holder's account with the total amount of loss only after the responsible FI has assessed that the account holder is not liable for the loss.
- (e) The responsible FI should be allowed to provide transaction notifications through its applications instead of through SMS or email.

7.2 Some respondents also sought clarification on whether the responsible FI is expected to provide both real time and daily batched transaction notifications.

MAS' Response

7.3 In light of the above feedback, MAS has revised the Guidelines to reflect the following.

- (a) The duty of the responsible FI to obtain an acknowledgement from the account holder of the user protection duties and the investigation outcome has been removed. However, the responsible FI is expected to seek (but is not expected to obtain) acknowledgement from the account holder of the investigation outcome for good practice.
- (b) The responsible FI will be allowed to remove confidential information from transaction notifications provided that the transaction notification still allows the account holder to identify unauthorised transactions.
- (c) The Guidelines have been revised to specify that for cases that are not straightforward, responsible FI has up to 45 business days to complete investigation and send its investigation report to the account holder.
- (d) The responsible FI should credit the account holder's protected account with the total loss arising from any unauthorised transaction as soon as the responsible FI has completed its investigation and assessed that the account holder is not liable for any loss arising from the unauthorised transaction.

7.4 We have considered the feedback that responsible FIs should be allowed to provide transaction notifications through its applications instead of through SMS or email, and assessed that it would be onerous for the account holder to monitor several means of communication belonging to different FIs. The responsible FI should therefore provide transaction notifications by SMS or email to the account holder for the account holder to easily monitor his transaction notifications.

7.5 We have clarified in the Guidelines that the responsible FI is expected to provide real time or daily batched transaction notifications but not both.

8 Part D: Specific Duties in relation to erroneous transactions

Question 11. Specific duties in relation to erroneous transactions. MAS seeks comments on the proposed duties of

- the responsible FI of the account holder,
- the responsible FI of the recipient, and
- the account holder

in relation to erroneous transactions. We also seek views on whether the proposed approach that responsible FIs use reasonable efforts to assist the account holder to recover sums paid to the wrong recipient is appropriate.

8.1 Respondents were generally supportive of the overall framework for the processing of erroneous transaction claims. Some respondents sought clarification on the duties of the FIs in respect of erroneous transactions and commented that FIs should not be expected to cover the money sent in error by the account user. Other respondents asked MAS to emphasise in the Guidelines that it is that responsibility of the account holder to check that the recipient credentials are correct before completing the payment transaction.

8.2 Many respondents asked that it be made clear in the Guidelines that the specified timelines are for straightforward cases and that complex cases will take more time to process. Some respondents also sought clarity on the scope of erroneous transactions and whether the expectation is that such transactions only originate from the account user's instructions.

MAS' Response

8.3 In response to the feedback, MAS has revised the Guidelines to clarify that the specified timelines are for straightforward cases and that complex cases will take more time to process. More importantly, the Guidelines now state clearly that FIs are not expected to resolve each erroneous transaction claim but to facilitate effective communication between the account holder and the recipient with the aim to improve the account holder's chances of recovering the payment amount sent through the erroneous transaction.

8.4 MAS encourages all responsible FIs to continue educating customers on good e-payment practices including to check that the recipient credentials are correct before completing the payment transaction.

9 Decision trees

Question 12. General questions regarding these Guidelines. MAS seeks comments on any aspect of the proposed Guidelines that have not been covered in earlier questions. We also seek input from the insurance industry on solutions that insurers may have to offer in respect of the unauthorised transaction claims. Where possible, please share with us relevant data such as cost to the responsible FIs and timeframe for implementation of the proposed solution.

9.1 Most respondents had no general questions regarding the Guidelines. Those who responded summarised concerns or questions raised in respect of other aspects of the Guidelines covered in the earlier parts of this Response, including questions about the scope of mistaken or erroneous transactions and what actions reckless behaviour comprise. Other respondents commented about the utility of the decision trees in Illustrations 1 and 2, expressing that the illustration would be more useful for account holders and account users than for responsible FIs. A few respondents asked that MAS provide sufficient time for responsible FIs to change their systems to align with the Guidelines.

9.2 We noted that many respondents in several parts of their feedback to the Guidelines as a whole were supportive of MAS' initiative to encourage the wider adoption of e-payments by consumers.

MAS' Response

9.3 For easier reading of the Response and the Guidelines, we have in the relevant parts of this Response addressed the questions raised by respondents in their feedback. For example, questions set out in the feedback to Question 12 but relating to scope of mistaken or erroneous transactions have been addressed under the comments to Questions 2 and 11, above.

9.4 MAS clarifies that Section 8 of the Consultation paper was to help account users and responsible FIs understand the proposals set out for the Guidelines. The original Section 8 has been removed from the Guidelines and the decision trees will be used instead in consumer education material.

9.5 In response to request for sufficient lead time for responsible FIs to follow the Guidelines, the Guidelines will take effect four months from the time of publication.

MONETARY AUTHORITY OF SINGAPORE

28 September 2018

