

Q	Details of Question in Second Consultation	Total Number of Bank Respondents	Agreed with Proposal (%)	No. of Bank Respondents	Disagreed with Proposal (%)	No. of Bank Respondents	Other Response	No. of Bank Respondents	Other Suggestions	No. of Bank Respondents	Additional Query	No. of Bank Respondents	Comments by Audit/Accounting Firms	Respondent	
1a	MAS seeks comments on the proposed implementation period (of 24 months) following the issuance of the revised MAS Notice 610/1003.	40	Agreed with 24 months implementation. (70%)	28	Disagreed with 24 months implementation, requested for longer period as it may not be sufficient when other changes in reporting that are originally based on DBU/ACU concept are affected (e.g. MAS 640, MAS 639). Could also be significant challenge in staff and costing. (20%)	8	What factors would potentially extend the implementation period.	2			Are banks expected to merge DBU/ACU systems or can continue to have segregated DBU and ACU systems.	5			
1b	MAS seeks comments on the proposed 6-month testing period (i.e. 6-month parallel run) following the issuance of the revised MAS Notice 610/1003.	71	Agreed with parallel run in general. (46%)	33	Disagreed with parallel run, of which some expressed concern that their systems may not be able to produce current 610/1003 (based on DBU/ACU concepts) and revised 610/1003. Others expressed significant challenges to cope with additional reporting. (15%)	11	Some asked what parallel run entails e.g. Would both existing and revised 610/1003 be required for submission. What is timing during the month to submit both sets of returns. Would other regulatory reports be subject to testing during parallel run. Would banks be expected to reconcile existing and revised 610/1003. What factors would potentially extend the testing period.	23	Suggestions include: Allow submission of revised 610/1003 in later part of month during parallel run, shorter parallel run period, no need to provide variance explanations on revised 610/1003	18	Would banks be penalised if incorrect reporting identified during parallel run.	2	The concurrent submission of both the existing MAS 610 and the new MAS 610 returns will likely pose a significant operational challenge to most banks.	1	
2	MAS seeks banks' estimates on the expected cost of system modification to support the revisions to MAS Notice 610/1003.	75	Details of submissions will not be published.												
3	MAS seeks comments on the approach of booking only SGD transactions in the DBU in the interim, prior to the implementation of the revised 610/1003. In particular, banks should comment on any operational difficulties they may face in doing so, including the time needed to transfer any existing foreign currency transactions in the DBU to the ACU.	75	Agreed with proposal. Some banks may need time to run off existing non-SGD transactions in DBU. (16%)	12	Disagreed with proposal, citing reasons such as operational difficulties in booking treatment for multi-currency facilities and foreign exchange and other trades involving SGD and foreign currencies, diversion of resources from revision of 610/1003 and additional system changes required. (52%)	39	Banks expressed challenges to comply with prudential requirements e.g. Net Head Office Funds, Asset Maintenance, ACU limit. Some challenges expected for reporting quarterly expenditure and income return to Department of Statistics. (27%)	20			To clarify whether existing currencies in the DBU may continue to be booked in the DBU in the interim, the scope of foreign currency transactions to be transferred to ACU. To explain what 'interim' meant.	4	Changing the current booking structure to just having SGD transactions in the DBU in the interim may introduce additional operational and compliance risks (breaches of ACU limit, capital funds, exposure limits, etc.) for banks. Will MAS consider a gradual relaxation of DBU controls in the interim to encourage banks to book more non-SGD transactions in the DBU instead? Over time, most transactions will be consolidated in the DBU, with minimal residual ACU items left in the ACU to be transferred to the "consolidated" DBU book when the removal of the ACU-DBU divide takes effect.	1	
4	MAS seeks comments on the frequency (half-yearly) of progress updates to MAS.	64	Agreed with proposal for half-yearly updates. (80%)	51	Disagreed with proposal for progress updates	None			Suggestions: Template and guidelines for easier reporting, what deliverables are expected when providing the progress updates to the MAS, active feedback mechanism, share the Q&As/FAQs/Industry progress with the industry, more frequent progress updates (e.g. quarterly) or more frequent progress updates nearer full implementation, or progress updates to be on an informal basis at the 6 month interval and formal update can be provided on yearly basis.	22			A half-yearly update to MAS is reasonable. We suggest that the updates could be furnished via a reporting template at the beginning of each reporting cycle so that banks are made aware of the expected migration path and timeline, and that bank staff members can leverage on the templates (with would require appropriate management sign-offs) to engage relevant stakeholders and sponsors.	1	
5	MAS seeks comments on the proposed industry working group (with ABS)	67	Agreed with proposal. (100%)	67	Disagreed with proposal.	None.			Would MAS consider asking the auditors/consultants to represent banks in the working group.	1	What is MAS' role in the industry working group	1	The industry working group should comprise key stakeholders familiar with the current MAS 610 reporting, as well as representation from other functions such as IT, Credit and Ops. The various functions from different banks could form respective functional work-streams to make the process manageable and more efficient. The workgroup should also comprise the Big 4 and key regulatory reporting application vendors so that all relevant stakeholders have a timely and holistic view of the latest developments.	1	
6	MAS seeks banks' feedback on which aggregated statistics from the revised MAS Notice 610/1003 would be most relevant and useful for the industry.	Please refer to detailed feedback for banks that allowed us to publish their submission.													
7	MAS seeks feedback on whether banks have significant exposures denominated in GBP and CHF.	72	Has significant exposure in one of currencies (6%)	4	No or insignificant exposures (92%)	66	Bank's exposure to any specific currency varies over time based on client demand.	1			Could MAS define the measure to be used to define a significant exposure.	1			
8	MAS seeks comments on whether removing reporting for GBP and CHF exposures would reduce reporting burden significantly.	72	Yes, it would reduce reporting burden significantly (e.g. no need additional checks/controls, and/or reduce cost and time for system modifications and UAT efforts). (60%)	43	No, it would not reduce reporting burden significantly. Nevertheless, some of them prefer not to report if it is not necessary. (36%)	26	Early to assess/confirm until choice of new reporting system that has capabilities to report by currencies is more certain, or it depends on level of process automation.	2	Suggestion: the choice of reporting currency to follow the current practice of reporting for MAS 649, whereby only those currencies' assets constituting >5% of the bank's total assets are required to be individually reported.	1			Information on GBP may be useful in light of Brexit for MAS' monitoring purposes. The information gathered on GBP and CHF could be useful for tracking any significant development in the Eurozone. However, this additional reporting requirement needs to be balanced against the additional reporting efforts.	1	
9	MAS seeks feedback on the collection of data on (i) "Weighted Average Rate for Outstanding Deposits" and (ii) "Weighted Average Rate for New Deposits Collected during the Reporting Period".	21	Agreed with proposals (i) and (ii) (19%)	4	Agreed with proposal (i) in general but expressed difficulty with providing (ii) as data on new deposit not available in bank's systems, significant system enhancement required to add new data field, uncertainty in collecting new data field, limited relevance to some banks. (38%)	8	Clarity sought on meaning of 'new deposits' and other specific queries in reporting form to collect weighted average rate.	7	Other suggestions (i) For MAS to consider exempting non-retail banks from the provision of such data. (ii) Revised 610 already includes data on weighted average rate for outstanding deposits. The trend on the weighted average rate for outstanding deposits can be a good indicator of the weighted average rate for new deposits. Hence, a separate data field on Weighted Average Rate for New Deposits may not be required.	2					
10	MAS seeks feedback from merchant banks on adopting the aggregation principles under MAS Notice DIA-N01 – Deposit Insurance Returns.	6	Agreed with proposal. (33%)	2	Disagreed as the requirement to split the deposit amount for joint accounts is not practicable as the client information on the joint account is maintained under a separate system. (17%)	1	Responses include: Whether the aggregation principle similar to MAS1015 MLA Form 1 on top depositors. On the joint-account split logic, would the MAS consider applying materiality thresholds for Merchant Banks. The requirement to aggregate the shared portion of joint account balances with the individual's own account is already being adopted in MAS1015 (Top 20 individual depositors).	3					This may pose a challenge to some small private banks. However, the information may prove useful for AML client due diligence.	1	