

14 MARCH 2022

NOTICE TO FINANCIAL INSTITUTIONS
MONETARY AUTHORITY OF SINGAPORE ACT 1970

FINANCIAL MEASURES IN RELATION TO RUSSIA - NON-PROHIBITED PAYMENTS AND TRANSACTIONS

1 INTRODUCTION

1.1 This Notice is issued pursuant to section 27(1) of the Monetary Authority of Singapore Act 1970 (the “MAS Act”) and applies to all financial institutions. This Notice sets out categories of payments and transactions which are excluded from the scope of the financial measures in MAS Notice SNR-N01 (the “Financial Measures Notice”).

1.2 This Notice shall take effect from 14 March 2022.

2 DEFINITIONS

2.1 For the purposes of this Notice —

“Designated Banks” has the same meaning as defined in the Financial Measures Notice;

“Designated Entities” has the same meaning as defined in the Financial Measures Notice; and

“financial institution” has the same meaning as defined in the Financial Measures Notice.

2.2 The expressions used in this Notice shall, except where defined in this Notice or where the context otherwise requires, have the same meanings as in the MAS Act.

3 PAYMENTS FOR BASIC EXPENSES AND REASONABLE FEES FOR CERTAIN SERVICES

Paragraph 3 of the Financial Measures Notice shall not apply to a financial institution¹ in relation to the processing or facilitating of any payment or transfer of funds, financial assets or economic resources, where such payment or transfer is:

- (a) necessary for the payment of basic expenses of any Designated Bank or Designated Entity, including (i) insurance premiums, (ii) reasonable fees for the provision of property management services or technology-related services, (iii)

¹ For the avoidance of doubt, a person may receive payments made in accordance with this paragraph 3, and a financial institution may process payments in accordance with this paragraph 3.

remuneration, allowances or Central Provident Fund contributions of employees, (iv) tax, (v) rent or storage services, (vi) mortgage payments, (vii) utility or telecommunication charges, and (viii) expenses that are necessary for the Designated Bank's or the Designated Entity's (as the case may be) compliance with its regulatory requirements; or

- (b) exclusively for the payment of —
 - (i) fees or service charges imposed for the routine holding or maintenance of frozen funds, financial assets or economic resources; or
 - (ii) reasonable professional fees and associated expenses for the provision of audit, tax, legal or payroll services.

4 SPECIFIED TRANSACTIONS

4.1 Paragraph 3 of the Financial Measures Notice shall not apply to a financial institution in relation to specified transactions involving one or more of the Designated Banks.

4.2 For the purposes of paragraph 4.1, the “specified transactions”² are:

- (a) any transaction to facilitate a person's withdrawal of funds, financial assets or economic resources pursuant to the termination of existing business relations between the person and the Designated Bank, for the benefit of the person, where such person is not a Designated Bank; and
- (b) any transaction in relation to any funds, financial assets or economic resources which are necessary for the performance of the functions of the Embassy of the Russian Federation in Singapore.

5 RECORD KEEPING REQUIREMENTS

Any financial institution that does anything within the scope of paragraph 3 or 4 must keep accurate, complete and readable records, on paper or electronically, of any activity permitted under this Notice.

6 GENERAL

Save as permitted under this Notice or other directions issued by the Monetary Authority of Singapore, this Notice does not authorise any financial institution to do any act which the financial institution knows, or has reasonable grounds to suspect, will result in funds, financial assets or economic resources being dealt with or made available in breach of the Financial Measures Notice.

² For the avoidance of doubt, a person may receive payments made in accordance with paragraph 4.1 read with paragraph 4.2, and a financial institution may process payments and undertake transactions in accordance with paragraph 4.1 read with paragraph 4.2.