



The Monetary Authority of Singapore

**PAYMENT SYSTEMS (OVERSIGHT)
ACT
(ACT 1 OF 2006)**

NOTICE ON RESPONSIBILITIES OF APPROVED BANKS

Notice No: PSOA-N01
Issue Date: 28 August 2006

NOTICE ON RESPONSIBILITIES OF APPROVED BANKS

1. This Notice is issued pursuant to section 36 of the Payment Systems (Oversight) Act 2006 (Act No. 1 of 2006) (“the Act”).

APPLICABILITY OF THIS NOTICE

2. This Notice applies to all approved banks under section 35(1) of the Act.

3. The expressions used in this Notice shall have the same meanings as in the Act.

OBLIGATIONS OF THE APPROVED BANK

4. Under section 35(1) of the Act, the Authority may approve a bank as an approved bank in respect of a stored value facility if the Authority is satisfied that the bank has undertaken to be fully liable for the stored value of that stored value facility.

5. In undertaking to be fully liable for the stored value in respect of a stored value facility, an approved bank shall comply with the following:

(a) The approved bank shall be fully liable to the user for the stored value in respect of the stored value facility, including giving refunds upon request by the user of the stored value facility within a reasonable amount of time.

(b) The approved bank shall ensure that the user’s legal right of recourse against the bank is contractually provided for.

(c) The approved bank shall ensure that adequate notice is given to the users of the stored value facility of its liability for the stored value.

CONTRAVENTION OF REQUIREMENTS IMPOSED

6. Contravention of any requirement imposed under this Notice is an offence and attracts the penalty specified in section 52 of the Act.

EFFECTIVE DATE

7. This Notice shall take immediate effect.