

ANNEX G

MAS Notice No.: PSN07

Notice to licensees, exempt payment service providers, persons exempt under section 100 from having in force a licence, operators of designated payment systems and settlement institutions of designated payment systems

Payment Services Act 2019 (Act 2 of 2019)

Issue Date: [To be published]

NOTICE ON CONDUCT

INTRODUCTION

1. This Notice is issued pursuant to section 102(1) of the Payment Services Act 2019 (the “Act”) and applies to—

- (a) a licensee;
- (b) an exempt payment service provider mentioned in section 13(1)(a), (b), (c) or (d) of the Act;
- (c) a person exempt under section 100 from having in force a licence;
- (d) an operator of a designated payment system; and
- (e) a settlement institution of a designated payment system.

DEFINITIONS

2. For the purpose of this Notice –

“Activity A licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing account issuance services;

“Activity B licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing domestic money transfer services;

“Activity C licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing cross-border money transfer services;

“Activity D licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing merchant acquisition services;

“Activity E licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing e-money issuance services;

“Activity F licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing digital payment token (“DPT”) services;

“Activity G licensee” means a licensee that has in force a licence that entitles the person to carry on a business of providing money-changing services;

“business day”, “relevant money” and “safeguarding institution” have the same meanings as in section 23(14);

“relevant payment service” has the same meaning as in section 13(13).

3. 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 Act.

PROVISIONS APPLICABLE TO LICENSEES AND EXEMPT PAYMENT SERVICE PROVIDERS

Record of Transactions

4. An Activity B licensee, Activity C licensee, Activity D licensee, Activity E licensee, Activity F licensee, or Activity G licensee must keep a record in the English language containing all the information set out in Annex A, of all the licensee’s transactions in respect of all payment services the licensee is entitled to carry on a business of providing.

5. An exempt payment service provider carrying on a business of providing domestic money transfer services, cross-border money transfer services, merchant acquisition services, e-money issuance services or DPT services, where such services are relevant payment services, must keep a record in the English language containing all the information set out in Annex A, of all the payment service provider’s transactions in respect of all relevant payment services it provides.

6. For the purposes of paragraphs 4 or 5 where the licensee or exempt payment service provider receives money, in determining the “exchange rate applied to determine the Singapore dollar equivalent” in Annex A, the licensee or exempt payment service provider must use and record the following exchange rates:

- (a) the exchange rate offered by the licensee or exempt payment service provider to the customer for that payment transaction;
- (b) where an exchange rate has not been offered by the licensee or exempt payment service provider to the customer, any exchange rate that is published by the safeguarding institution of that licensee or exempt payment service provider, on the safeguarding institution's website on the date the payment transaction is entered into; or
- (c) where an exchange rate has not been offered by the licensee or exempt payment service provider to the customer and (b) is not available, any exchange rate that has been published by any bank in Singapore on that bank's website on the date the payment transaction is entered into.

7. For the purposes of paragraphs 4 or 5 where a licensee or exempt payment service provider receives DPTs, in determining the "exchange rate applied to determine the Singapore dollar equivalent" in Annex A, the licensee or exempt payment service provider must use and record the exchange rate prevailing on the day the DPT transaction is entered into—

- (a) as published by the licensee or exempt payment service provider, as the case may be, in the course of its business; or
- (b) offered by the licensee or exempt payment service provider, to its customer in relation to the transaction.

8. The licensee or exempt payment service provider must keep the records referred to in paragraphs 4 and 5 respectively for a period of at least five years.

Issuance of Receipts

9. An Activity B licensee, Activity C licensee, Activity E licensee, Activity F licensee or Activity G licensee, or exempt payment service provider carrying on a business of providing domestic money transfer services, cross-border money transfer services, e-money issuance services, DPT services, or money-changing services, where such services are relevant payment services, must issue a receipt, whether in paper or electronic form, to its customer for every transaction it accepts, processes or executes. The receipt must contain the information set out in Annex B.

Transmission of Money

10. An Activity B licensee or exempt payment service provider that carries on a business of providing domestic money transfer services where such domestic money transfer service is a relevant payment service must ensure that a payee receives the money within three

business days of the date that any money is accepted for any domestic money transfer service. Upon successful delivery of the money to the payee, the licensee or exempt payment service provider, as the case may be, must ensure that there is proper documentary evidence to show that the payee has received the money transmitted.

11. An Activity C licensee or exempt payment service provider that carries on a business of providing cross-border money transfer services where such cross-border money transfer service is a relevant payment service must ensure that a payee receives the money within seven business days of the date that the money was accepted for any cross-border money transfer service. Upon successful delivery of the money to the payee, the licensee or exempt payment service provider, as the case may be, must ensure that there is proper documentary evidence to show that the payee has received the money transferred

12. An Activity G licensee or exempt payment service provider that carries on a business of providing money-changing services where such money-changing service is a relevant payment service must ensure that a payee receives the money on the same day money is accepted for the money-changing service (or within such other longer period as may be agreed in writing between the licensee or exempt payment service provider, as the case may be, and the customer from whom money is received). Upon successful delivery of the money to the payee, the licensee or exempt payment service provider, as the case may be, must ensure that there is proper documentary evidence to show that the payee has received the money transmitted.

13. An Activity E licensee or exempt payment service provider that carries on a business of providing e-money issuance services where such e-money issuance service is a relevant payment service, must ensure that e-money is issued by the next business day from the date that money is accepted for any e-money issuance service. Upon issuance of the e-money, the licensee or exempt payment service provider, as the case may be, must ensure that there is proper documentary evidence to show that the e-money was issued.

14. Where the money is not received by the payee within the time period set out in paragraphs 10, 11 and 12, as the case may be, or where the e-money is not issued within the time period set out in paragraph 13, the licensee or exempt payment service provider, as the case may be, must immediately contact the customer from whom money was received for further instructions. The licensee or exempt payment service provider must keep a written record of such instructions.

Display of Exchange Rate and Fees

15. An Activity B licensee, Activity C licensee, Activity E licensee, Activity F licensee, Activity G licensee must display prominently the following information such that a customer

or potential customer would have notice of such information before using any payment service provided by the licensee—

- (a) the exchange rate which an Activity B licensee, Activity C licensee or Activity E licensee is offering for a payment transaction, if any currency conversion is performed by the licensee in providing the domestic money transfer service, cross-border money transfer service or e-money issuance, as the case may be;
- (b) the exchange rate which an Activity G licensee is offering for a money-changing service prior to providing that service to a customer, but need not do so where the transaction is entered into by the licensee with banks, exempt payment service providers mentioned in section 13(1)(a), (b), (c) or (d) of the Act, or other Activity G licensees for purposes of managing the licensee's own foreign exchange risk;
- (c) the exchange rate which an Activity F licensee is offering or in the case where an Activity F licensee is facilitating the exchange of DPTs, the exchange rate that is offered to a customer by the seller of the DPT in respect of any purchase or sale of a DPT; and
- (d) any separate fee that an Activity B licensee, Activity C licensee, Activity E licensee, Activity F licensee or Activity G licensee will charge for the provision of the payment service.

16. An exempt payment service provider must display prominently the following information such that a customer or potential customer would have notice of such information before using any payment service provided by the exempt payment service provider—

- (a) the exchange rate which the exempt payment service provider is offering for a payment transaction, if any currency conversion is performed by the exempt payment service provider in providing a domestic money transfer service, cross-border money transfer service or e-money issuance service, as the case may be, and where such services are relevant payment services;
- (b) the exchange rate which the exempt payment service provider is offering for a money-changing service prior to providing that service to a customer, where such service is a relevant payment service, but need not do so where the transaction is entered into by the exempt payment service provider with banks, exempt payment service providers mentioned in section 13(1)(a), (b), (c) or (d) of the Act, or other Activity G licensees for purposes of managing the licensee's own foreign exchange risk;
- (c) the exchange rate which the exempt payment service provider is offering for a DPT service, or in the case where an exempt payment service provider is facilitating the exchange of DPTs, the exchange rate that is offered to a

customer by the seller of the DPT, where the DPT service is a relevant payment service; and

- (d) any separate fee that an exempt payment service provider will charge for the provision of the payment service.

Exchange rate to be applied where currency in which money is safeguarded is different from the currency received by the licensee or exempt payment service provider

17. Any licensee or exempt payment service provider that is required to comply with section 23 must apply the following exchange rate to determine the amount of money that is required to be safeguarded, where the currency in which the money is safeguarded (“currency A”) is different from the currency received by the licensee or exempt payment service provider from or on account of a customer (“currency B”):

- (a) where the relevant money is in respect of e-money issuance service, the licensee or exempt payment service provider must apply any exchange rate of converting currency B to currency A that is published by the safeguarding institution of that licensee or exempt payment service provider, on the safeguarding institution’s website on each day;
- (b) where the relevant money is in respect of domestic money transfer service, cross-border money transfer service or merchant acquisition service, the licensee or exempt payment service provider must apply:
 - (i) the exchange rate of converting currency B to currency A offered to the customer for that service; or
 - (ii) where (i) is not applicable as no exchange rate has been offered, any exchange rate of converting currency B to currency A that is published by the safeguarding institution of the licensee or exempt payment service provider on the date of execution of the payment transaction.

18. The licensee or exempt payment service provider, as the case may be, must keep a record in the English language of the exchange rate relied on in paragraph 17 for a period of at least five years.

Notification of normal business hours

19. A licensee must notify all its customers and potential customers in writing of its normal business days and hours and any changes to its normal business days and hours by:

- (a) publishing the notification in publicly available material; and

- (b) displaying prominently the notification such that a customer or potential customer would have notice of such information prior to using the payment services provided by the licensee.

PROVISIONS APPLICABLE TO LICENSEES, EXEMPT PAYMENT SERVICE PROVIDERS OR PERSONS EXEMPT UNDER SECTION 100 FROM HAVING IN FORCE A LICENCE

Criteria to determine whether a person is resident in Singapore or outside Singapore

20. For the purposes of the definition of “specified e-money”—

- (a) a person is determined to be resident in Singapore by an issuer of e-money if the following criteria are satisfied:
 - (i) the issuer of e-money has agreed in writing with the person that the person is a Singapore resident; or
 - (ii) if sub-paragraph (i) is not satisfied, the issuer of e-money has determined that the person is resident in Singapore based on evidence of the person’s actual residency in Singapore including the person’s Singapore residential address, Singapore phone number, Singapore business registration or incorporation in Singapore.
- (b) a person is determined to be resident outside Singapore if the criteria in paragraph (a)(i) is not satisfied and the issuer of e-money has determined that the person is resident outside Singapore based on a lack of evidence of the person’s actual residency in Singapore.

21. For the purposes of section 6(5)(b)(ii)—

- (a) a person is determined to be resident in Singapore by a licensee if the following criteria are satisfied:
 - (i) the licensee has agreed in writing with the person that the person is a Singapore resident; or
 - (ii) if sub-paragraph (i) is not satisfied, the licensee has determined that the person is resident in Singapore based on evidence of the person’s actual residency in Singapore including the person’s Singapore residential address, Singapore phone number, Singapore business registration or incorporation in Singapore.
- (b) a person is determined to be resident outside Singapore if the criteria in paragraph (a)(i) is not satisfied and the licensee has determined that the

person is resident outside Singapore based on a lack of evidence of the person's actual residency in Singapore.

22. For the purposes of section 19(2)(a) —
- (a) a payment service user is determined to be resident in Singapore by a licensee or exempt payment service provider, as the case may be, if the following criteria are satisfied:
 - (i) the licensee or exempt payment service provider has agreed in writing with the payment service user that the payment service user is a Singapore resident; or
 - (ii) if sub-paragraph (i) is not satisfied, the licensee or exempt payment service provider has determined that the payment service user is resident in Singapore based on evidence of the payment service user's actual residency in Singapore including the payment service user's Singapore residential address, Singapore phone number, Singapore business registration or incorporation in Singapore.
 - (b) a payment service user is determined to be resident outside Singapore if the criteria in paragraph (a)(i) is not satisfied and the licensee or exempt payment service provider, as the case may be, has determined that the payment service user is resident outside Singapore based on a lack of evidence of the payment service user's actual residency in Singapore.
23. For the purposes of section 19(2)(b)—
- (a) a payment service user is determined to be resident in Singapore by an issuer of e-money if the following criteria are satisfied:
 - (i) the issuer of e-money has agreed in writing with the payment service user that the payment service user is a Singapore resident; or
 - (ii) if sub-paragraph (i) is not satisfied, the issuer of e-money has determined that the payment service user is resident in Singapore based evidence of the payment service user's actual residency in Singapore including the person's Singapore residential address, Singapore phone number, Singapore business registration or incorporation in Singapore.
 - (b) a payment service user is determined to be resident outside Singapore if the criteria in paragraph (a)(i) is not satisfied and the issuer of e-money has determined that the payment service user is resident outside Singapore based

on a lack of evidence of the payment service user's actual residency in Singapore.

24. For the purposes of paragraph (b)(i) of the definition of "personal payment account" in section 24(5) —

- (a) a payment service user is determined to be resident in Singapore by a major payment institution or exempt payment service provider if the following criteria are satisfied:
 - (i) the major payment institution or exempt payment service provider has agreed in writing with the payment service user that the payment service user is a Singapore resident; or
 - (ii) if sub-paragraph (i) is not satisfied, the major payment institution or exempt payment service provider has determined that the payment service user is resident in Singapore based on evidence of the payment service user's actual residency in Singapore including the payment service user's Singapore residential address or Singapore phone number.

- (b) a payment service user is determined to be resident outside Singapore the criteria in paragraph (a)(i) is not satisfied and the licensee or exempt payment service provider has determined that the payment service user is resident outside Singapore based on a lack of evidence of the payment service user's actual residency in Singapore.

25. For the purposes of paragraph (b)(ii) of the definition of "personal payment account" in section 24(5) —

- (a) a payment service user is determined to be resident in Singapore by an issuer of e-money if the following criteria are satisfied:
 - (i) the issuer of e-money has agreed in writing with the payment service user that the payment service user is a Singapore resident; or
 - (ii) if sub-paragraph (i) is not satisfied, the issuer of e-money has determined that the payment service user is resident in Singapore based on evidence of the payment service user's actual residency in Singapore including the payment service user's Singapore residential address or Singapore phone number.

- (b) a payment service user is determined to be resident outside Singapore if the criteria in paragraph (a)(i) is not satisfied and the issuer of e-money has determined that the payment service user resident outside Singapore based

on a lack of evidence of the payment service user's actual residency in Singapore.

26. Where an issuer of e-money, licensee or exempt payment service provider has determined that a person is resident in Singapore in accordance with paragraph 20(a)(ii), 21(a)(ii), 22(a)(ii), 23(a)(ii), 24(a)(ii) or 25(a)(ii), the issuer of e-money, licensee or exempt payment service provider, as the case may be, must keep a written record of the evidence of actual residency that was relied on.

PROVISIONS APPLICABLE TO LICENSEES, OPERATORS OF DESIGNATED PAYMENT SYSTEMS, AND SETTLEMENT INSTITUTION OF DESIGNATED PAYMENT SYSTEMS

Days and hours a place of business or registered office of a licensee, operator of a designated payment system or settlement institution of a designated payment system must be manned

27. For the purposes of sections 14(2) and 47(2) of the Act, a licensee, operator of a designated payment system or settlement institution of a designated payment system (each a "relevant entity") must appoint at least one person to be present at the relevant entity's permanent place of business or registered office, as the case may be, for a minimum of 10 days a month and a minimum of eight hours on each of those days during its normal business hours, unless—

- (a) the relevant entity has notified all its customers in writing and in advance of any planned non-operating days that will prevent the relevant entity from meeting the specified days and hours; or
- (b) there are circumstances beyond the control of the relevant entity that could not reasonably have been foreseen by the relevant entity that prevent the relevant entity from meeting the specified days and hours.

28. The licensee, operator of a designated payment system or settlement institution of a designated payment system must display prominently the notification in paragraph 27(a) such that the customer or potential customer would have notice of such information prior to using the payment services provided by the licensee.

EFFECTIVE DATE

29. This Notice shall take effect on *[date of Act commencement]*.

PARTICULARS TO BE INCLUDED IN THE REGISTER

1. In respect of any payment transaction for domestic money transfer service, the following details:

- (a) date of transaction;
- (b) total amount of money received by the licensee or exempt payment service provider and where the licensee or exempt payment service provider did not receive Singapore dollars, the equivalent amount in Singapore dollars, and the exchange rate applied to determine the Singapore dollar equivalent with a breakdown of the following:
 - (i) amount of money transferred in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee where the currencies are different;
 - (ii) amount of commission and other service charges in Singapore dollars, if any;
- (c) date of receipt of money by payee;

2. In respect of any payment transaction for cross-border money transfer service, the following details:

- (a) date of transaction;
- (b) total amount of money received by the licensee or exempt payment service provider and where the licensee or exempt payment service provider did not receive Singapore dollars, the equivalent amount in Singapore dollars, and the exchange rate applied to determine the Singapore dollar equivalent, with a breakdown of the following:
 - (i) amount of money transferred in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee where the currencies are different;
 - (ii) amount of commission and other service charges in Singapore dollars, if any;
- (c) date of receipt of money by payee;
- (d) in the case of cross-border money transfer services in respect of accepting money in Singapore, whether as principal or agent, for the purpose of transmitting or arranging for the transmission of, the money to any person outside Singapore, the date of transmission to overseas agent or bank and name of overseas agent or bank.

3. In respect of any payment transaction for merchant acquisition service, the following details:

- (a) date of transaction;
- (b) total amount of money received by the licensee or exempt payment service provider and where the licensee or exempt payment service provider did not receive Singapore dollars, the equivalent amount in Singapore dollars, and the exchange rate applied to determine the Singapore dollar equivalent, with a breakdown of the following:
 - (i) amount of money transferred in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee where the currencies are different;
 - (ii) amount of commission and other service charges in Singapore dollars, if any;
- (c) date of receipt of money by the payee;

4. In respect of any e-money issuance, the following details:

- (a) date of transaction;
- (b) total amount of money received by the licensee or exempt payment service provider and where the licensee or exempt payment service provider did not receive Singapore dollars, the equivalent amount in Singapore dollars, and the exchange rate applied to determine the Singapore dollar equivalent, with a breakdown of the following:
 - (i) amount of e-money received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the e-money received by the payee;
 - (ii) amount of commission and other services charges in Singapore dollars, if any;
- (c) date of receipt of e-money by payee;

5. In respect of any transaction for DPT service, the following details:

- (a) date of transaction;
- (b) type of transaction (DPTs bought or sold);
- (c) total amount of money or DPTs received by the licensee or exempt payment service provider and where the licensee or exempt payment service provider did not receive Singapore dollars, the equivalent amount in Singapore dollars,

and the exchange rate applied to determine the Singapore dollar equivalent, with a breakdown of the following:

- (i) amount of money or DPT received by the payee, in the currency or DPT received by the payee, and the exchange rate applied to convert the currency or DPT received by the licensee or exempt payment service provider to the currency or DPT transferred to the payee;
 - (ii) amount of commission and other service charges in Singapore dollars, if any;
- (d) date of receipt of money or DPT by payee.

6. In respect of any transaction for money-changing service, the following details:

- (a) date of transaction;
- (b) type of transaction (foreign currency bought or sold);
- (c) total amount of money received by the licensee or exempt payment service provider and where the licensee or exempt payment service provider did not receive Singapore dollars, the equivalent amount in Singapore dollars, and the exchange rate applied to determine the Singapore dollar equivalent, with a breakdown of the following:
 - (i) amount of money in the currency received by the payee and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee;
 - (ii) amount of commission and other service charges in Singapore dollars, if any;
- (d) in the case where the full amount of a money-changing transaction is not settled immediately, date of receipt of money by the payee.

INFORMATION TO BE SET OUT IN RECEIPTS TO CUSTOMERS

1. In respect of any domestic money transfer payment transaction, the following details:
 - (a) name of licensee or exempt payment service provider;
 - (b) contact details of the licensee or exempt payment service provider such as address, telephone number, email address;
 - (c) date of transaction;
 - (d) total amount of money received by the licensee or exempt payment service provider, amount of money received by the payee in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee, where the currencies are different;
 - (e) amount of commission and other service charges, if any;
 - (f) transaction reference number, or where no transaction reference number is available, all of the following information—
 - (i) name of customer and contact details of the customer such as address, telephone number, email address; and
 - (ii) name of payee and contact details of the payee such as address, telephone number, email address.

2. In respect of any cross money transfer payment transaction, the following details:
 - (a) name of licensee or exempt payment service provider;
 - (b) contact details of the licensee or exempt payment service provider such as address, telephone number, email address;
 - (c) date of transaction;
 - (d) total amount of money received by the licensee or exempt payment service provider, amount of money received by the payee in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee, where the currencies are different;
 - (e) amount of commission and other service charges, if any;
 - (f) transaction reference number, or where no transaction reference number is available, all of the following information—
 - (i) name of customer and contact details of the customer such as address, telephone number, email address; and
 - (ii) name of payee and contact details of the payee such as address, telephone number, email address.

3. In respect of any e-money issuance, the following details:
 - (a) name of licensee or exempt payment service provider;
 - (b) contact details of the licensee or exempt payment service provider such as address, telephone number, email address;
 - (c) date of transaction;
 - (d) total amount of money received by the licensee or exempt payment service provider, amount of money received by the payee in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee, where the currencies are different;
 - (e) amount of commission and other service charges, if any;
 - (f) transaction reference number, or where no transaction reference number is available, all of the following information—
 - (i) name of customer and contact details of the customer such as address, telephone number, email address; and
 - (ii) name of payee and contact details of the payee such as address, telephone number, email address.

4. In respect of any DPT transaction, the following details:
 - (a) name of licensee or exempt payment service provider;
 - (b) contact details of the licensee or exempt payment service provider such as address, telephone number, email address;
 - (c) date of receipt of money or DPT from customer;
 - (d) total amount of money or DPTs received by the licensee or exempt payment service provider, amount of money or DPT received by the payee in the currency or DPT received by the payee, and the exchange rate applied to convert the currency or DPT received by the licensee or exempt payment service provider to the currency or DPT transferred to the payee;
 - (e) amount of commission and other service charges, if any;
 - (f) transaction reference number, or where no transaction reference number is available, all of the following information—
 - (i) name of customer and contact details of the customer such as address, telephone number, email address; and
 - (ii) name of payee and contact details of the payee such as address, telephone number, email address.

5. In respect of any money-changing service transaction, the following details:

- (a) name of licensee or exempt payment service provider;
- (b) contact details of the licensee or exempt payment service provider such as address, telephone number, email address;
- (c) date of transaction;
- (d) total amount of money received by the licensee or exempt payment service provider, amount of money received by the payee in the currency received by the payee, and the exchange rate applied to convert the currency received by the licensee or exempt payment service provider to the currency transferred to the payee, where the currencies are different; and
- (e) amount of commission and other service charges, if any.