

No. S000

**PAYMENT SERVICES ACT 2019
(ACT 2 OF 2019)**

**PAYMENT SERVICES
(EXEMPTION FOR SPECIFIED PERIOD)
REGULATIONS 2023**

ARRANGEMENT OF REGULATIONS

Regulation

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In exercise of the powers conferred by section 100 of the Payment Services Act 2019, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Payment Services (Exemption for Specified Period) Regulations 2023 and come into operation on 2023.

Definitions

2. In these Regulations —
“appointed day” means the date of commencement of the Payment Services (Amendment) Act 2021;

“Authority’s Internet website” means the website at <https://www.mas.gov.sg>.

Exemption for persons providing specified domestic money transfer services

3.—(1) A person (other than a person mentioned in regulation 4(1) of the Payment Services (Exemption for Specified Period) Regulations 2019 who was carrying on a business of providing a domestic money transfer service before 28 January 2020) who, immediately before the appointed day, carries on a business of providing a domestic money transfer service only in respect of a specified domestic money transfer service, is exempt from sections 5(1) and 6(4) and (5) of the Act in respect of that business until the expiry of the 6-month period immediately after the appointed day if —

(a) after the appointed day, the person carries on a business of providing a domestic money transfer service only in respect of a specified domestic money transfer service; and

(b) the person has, within 30 days after the appointed day, notified the Authority in the form and manner specified on the Authority’s Internet website, of the date on which the person had commenced the business of providing the specified domestic money transfer service.

(2) If, within the 6-month period immediately after the appointed day, a person mentioned in paragraph (1) —

(a) applies for a licence under section 6(1) of the Act to carry on the business of providing a domestic money transfer service;

(b) being a person who has in force a major payment institution licence, a standard payment institution licence or a money-changing licence granted under section 6 of the Act to carry on a business of providing any payment service other than a domestic money transfer service, applies to vary its licence under section 7(1)(a) of the Act to be entitled to carry on the business of providing a domestic money transfer service; or

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- (c) being a person who is deemed to have been granted a major payment institution licence or a money-changing licence under section 122 of the Act, applies to vary its licence under section 7(1)(a) of the Act to be entitled to carry on the business of providing a domestic money transfer service,

the person's exemption under paragraph (1) ceases on the date on which the application is approved or refused by the Authority, or if the application is withdrawn before that date, the date on which the application is withdrawn.

(3) In this regulation, "specified domestic money transfer service" means the service of accepting money for the purpose of executing or arranging for the execution of, any of the payment transactions mentioned in paragraphs (a) to (d) of the definition of "domestic money transfer service", each of which is between a payer in Singapore and a payee in Singapore, where either the payer or payee is a financial institution, but not where both the payer and payee are financial institutions.

Exemption for persons providing specified cross-border money transfer services

4.—(1) A person (other than a person mentioned in section 122(1), (4), (5) and (7) or 123(1) of the Act or a person mentioned in regulation 5(1) of the Payment Services (Exemption for Specified Period) Regulations 2019) who, immediately before the appointed day, carries on a business of providing a cross-border money transfer service only in respect of a specified cross-border money transfer service, is exempt from sections 5(1) and 6(4) and (5) of the Act in respect of that business until the expiry of the 6-month period immediately after the appointed day, if —

- (a) after the appointed day, the person carries on a business of providing a cross-border money transfer service only in respect of a specified cross-border money transfer service; and
- (b) the person has, within 30 days after the appointed day, notified the Authority in the form and manner specified on the Authority's Internet website, of the date on

which the person had commenced the business of providing the specified cross-border money transfer service.

(2) If, within the 6-month period immediately after the appointed day, a person mentioned in paragraph (1) —

- (a) applies for a licence under section 6(1) of the Act to carry on the business of providing a cross-border money transfer service;
- (b) being a person who has in force a major payment institution licence, a standard payment institution licence or a money-changing licence granted under section 6 of the Act to carry on a business of providing any payment service other than a cross-border money transfer service, applies to vary its licence under section 7(1)(a) of the Act to be entitled to carry on the business of providing a cross-border money transfer service; or
- (c) being a person who is deemed to have been granted a money-changing licence under section 122(2) of the Act or a major payment institution licence under section 122(3) or (6) of the Act, applies to vary its licence under section 7(1)(a) of the Act to be entitled to carry on the business of providing a cross-border money transfer service,

the person's exemption under paragraph (1) ceases on the date on which the application is approved or refused by the Authority, or if the application is withdrawn before that date, the date on which the application is withdrawn.

(3) In this regulation, “specified cross-border money transfer service” means any service of arranging for the transmission of money from any country or territory to another country or territory, whether as principal or agent, where such service is not a service referred to in paragraphs (a) or (b) of the definition of “cross-border money transfer service”.

Exemption for persons providing specified digital payment token services

5.—(1) A person (other than a person mentioned in regulation 7(1) of the Payment Services (Exemption for Specified Period) Regulations 2019) who, immediately before the appointed day, carries on a business of providing a digital payment token service only in respect of a specified digital payment token service, is exempt from sections 5(1) and 6(4) and (5) of the Act in respect of that business until the expiry of the 6-month period immediately after the appointed day if—

(a) after the appointed day, the person carries on business of providing a digital payment token service only in respect of a specified digital payment token service that the person was providing before the appointed day; and

(b) the person has, within 30 days after the appointed day, notified the Authority in the form and manner specified on the Authority's Internet website, of the date on which the person had commenced the business of providing the specified digital payment token service.

(2) If, within the 6-month period immediately after the appointed day, a person mentioned in paragraph (1) —

(a) applies for a licence under section 6(1) of the Act to carry on the business of providing a digital payment token service;

(b) being a person who has in force a major payment institution licence, a standard payment institution licence or a money-changing licence granted under section 6 of the Act to carry on a business of providing any payment service other than a digital payment token service, applies to vary its licence under section 7(1)(a) of the Act to be entitled to carry on the business of providing a digital payment token service; or

(c) being a person who is deemed to have been granted a major payment institution licence or a money-changing licence under section 122 of the Act, applies to vary its licence under section 7(1)(a) of the Act to be entitled to carry on the business of providing a digital payment token service,

the person's exemption under paragraph (1) ceases on the date on which the application is approved or refused by the Authority, or if the application is withdrawn before that date, the date on which the application is withdrawn.

(3) In this regulation, "specified digital payment token service" means —

- (a) any service of accepting (whether as principal or agent) digital payment tokens from one digital payment token account (whether in Singapore or elsewhere), for the purposes of transmitting, or arranging for the transmission of, the digital payment tokens to another digital payment token account (whether in Singapore or elsewhere);
- (b) any service of arranging (whether as principal or agent) for the transmission of digital payment tokens from one digital payment token account (whether in Singapore or elsewhere) to another digital payment token account (whether in Singapore or elsewhere);
- (c) any service of inducing or attempting to induce any person to enter into or to offer to enter into any agreement for or with a view to buying or selling any digital payment token in exchange for any money or any other digital payment token (whether of the same or a different type);
- (d) any service of safeguarding a digital payment token, where the service provider has control over the digital payment token;
- (e) any service of carrying out for a customer an instruction relating to a digital payment token, where the service provider has control over the digital payment token;
- (f) any service of safeguarding a digital payment token instrument, where the service provider has control over one or more digital payment tokens associated with the digital payment token instrument; or
- (g) any service of carrying out for a customer an instruction relating to one or more digital payment tokens associated with a digital payment token instrument, where the service

provider has control over the digital payment token instrument.

Made on 2023.

RAVI MENON
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[insert file reference]