

## **MAS NOTICE 3006**

9 January 2019

NOTICE TO HOLDERS OF MONEY-CHANGER'S LICENCE AND REMITTANCE LICENCE  
MONETARY AUTHORITY OF SINGAPORE ACT, CAP. 186

### **PROHIBITION ON ISSUANCE OF BEARER NEGOTIABLE INSTRUMENTS AND RESTRICTION OF CASH PAYOUT**

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1. This Notice is issued pursuant to section 27B of the Monetary Authority of Singapore Act (Cap. 186) (the "MAS Act") and subject to paragraph 2, applies to all holders of a moneychanger's licence issued under section 7 of the Money-changing and Remittance Businesses Act (Cap. 187) ("MCRB Act") and all holders of a remittance licence issued under section 8 of the MCRB Act (hereinafter "licensees").
2. This Notice shall not apply to any licensee that holds a casino licence under section 49 of the Casino Control Act (Cap. 33A).
3. This Notice shall take effect from 8 July 2019.

#### **Definitions**

4. For the purpose of this Notice —

"bank" has the same meaning as in section 2(1) of the Banking Act (Cap. 19);

"bank in Singapore" has the same meaning as in section 2(1) of the Banking Act;

"bank incorporated outside Singapore" has the same meaning as in section 2(1) of the Banking Act;

"bearer negotiable instrument" means —

- (a) a traveller's cheque; or

(b) any negotiable instrument that is in bearer form, indorsed without any restriction, made out to a fictitious payee or otherwise in such form that title thereto passes upon delivery,

and includes a negotiable instrument that has been signed but with the payee's name omitted;

"cash" means physical currency;

"recipient"—

(a) in relation to a holder of a money-changer's licence, means a person (whether a natural person, legal person or legal arrangement) for whom the holder undertakes a transaction;

(b) in respect of an inward remittance transaction from another country or jurisdiction to Singapore, means a person (whether a natural person, legal person or legal arrangement) to whom a licensee pays out any funds in cash or cash equivalent in Singapore and the person on behalf of whom such funds are paid out in Singapore;  
or

(c) means an FX counterparty;

"FX counterparty", in relation to an FX transaction entered into by the licensee, means the person on whose behalf an FX transaction is conducted;

"FX transaction" means a transaction (not being a money-changing transaction) for the purchase or sale of foreign currency without the use of foreign currency notes.

5. A reference to any threshold or value limit expressed in S\$ shall include a reference to the equivalent amount expressed in any other currency.

6. 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 section 2(1) of the MCRB Act.

### **Prohibition of Issuance of Bearer Negotiable Instruments**

7. No licensee shall make any payment for any sum of money in the form of a bearer negotiable instrument to any recipient or any person appointed to act on behalf of a recipient.

## **Restriction on Cash Payouts by Licensees**

8. No licensee shall, in respect of an inward remittance transaction from another country or jurisdiction to Singapore, or an FX transaction, pay any cash in an amount that is equal to or exceeds S\$20,000 to any recipient or person appointed to act on behalf of a recipient.

9. Where a licensee suspects that two or more inward remittance transactions from another country or jurisdiction to Singapore, or FX transactions, as the case may be, are or may be related, linked or the result of a deliberate restructuring of an otherwise single transaction into smaller transactions in order to evade the measures provided for in paragraph 8, the licensee shall treat the inward remittance transactions or FX transactions, as the case may be, as a single transaction and aggregate their value for the purposes of paragraph 8.

10. A licensee may make any payment of S\$20,000 and above by cheque if all the following conditions are met:

- (a) the cheque is crossed and made payable to a customer who is an account holder with a bank in Singapore;
- (b) the licensee maintains a register of all crossed cheques issued with the corresponding transaction reference numbers.