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Notification No. B 53 — The Currency (Amendment) Bill is published for general information. It was introduced in Parliament on 20 November 2018.

Currency (Amendment) Bill

Bill No. 53/2018.

Read the first time on 20 November 2018.

A BILL

intituled

An Act to amend the Currency Act (Chapter 69 of the 2002 Revised Edition) and to make related amendments to the Private Security Industry Act (Chapter 250A of the 2008 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Currency (Amendment) Act 2019 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

5 **Amendment of section 2**

2. Section 2 of the Currency Act is amended by inserting, immediately after the definition of “currency”, the following definition:

10 ““intelligent banknote neutralisation system” or “IBNS” means a security system which is designed to deter unauthorised access to currency notes by mutilating, destroying or permanently damaging the currency notes, such as by the application of a staining or degradation agent to the currency notes or otherwise;”.

15 **Amendment of section 13**

3. Section 13 of the Currency Act is amended —

(a) by deleting subsection (3) and substituting the following subsection:

20 “(3) Coins of a denomination issued by the Authority, if the coins have not been illegally dealt with, are legal tender up to their face value for the payment of an amount not exceeding 20 times the face value of a coin of that denomination.”; and

25 (b) by inserting, immediately after subsection (6), the following subsection:

30 “(6A) For the purposes of this Act, a currency note is also deemed to have been illegally dealt with if the currency note has been mutilated, destroyed or permanently damaged (whether by the application of a staining or degradation agent to the currency notes or otherwise) as a result of the activation of an IBNS.”.

Amendment of section 23

4. Section 23 of the Currency Act is amended —

(a) by deleting the word “Any” in subsection (1) and substituting the words “Subject to subsections (1A) and (1B), any”;

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(b) by inserting, immediately after subsection (1), the following subsections:

“(1A) To avoid doubt, a licensed security service provider who sells any IBNS or who employs an IBNS in carrying out cash-in-transit services is not, by reason only of such sale or employment, liable to be convicted of an offence under —

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(a) subsection (1)(a) for any mutilation or destruction of a currency note; or

(b) subsection (1)(c) for any printing or stamping, or by any like means any writing or impressing, of any mark, word, letter or figure on a currency note,

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that is caused by the activation of the IBNS.

(1B) An applicant for a security service provider’s licence to sell any IBNS, or to employ an IBNS in carrying out cash-in-transit services, is not liable to be convicted of an offence under —

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(a) subsection (1)(a) for any mutilation or destruction of a currency note; or

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(b) subsection (1)(c) for any printing or stamping, or by any like means any writing or impressing, of any mark, word, letter or figure on a currency note,

that is caused by the activation of the IBNS in any trial or demonstration of the applicant’s IBNS that is required by a licensing officer for the purpose of deciding the application.”; and

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(c) by inserting, immediately after subsection (2), the following subsection:

“(3) In this section —

“licensed security service provider” means a holder of a security service provider’s licence under the Private Security Industry Act (Cap. 250A) —

(a) to sell any IBNS; or

(b) to employ an IBNS in carrying out cash-in-transit services;

“licensing officer” means a licensing officer as defined in section 2 of the Private Security Industry Act;

“security service provider’s licence” means a security service provider’s licence granted under the Private Security Industry Act.”.

Related amendments to Private Security Industry Act

5. The Private Security Industry Act (Cap. 250A) is amended —

(a) by inserting, immediately after paragraph (e) of section 18(1), the following paragraphs:

“(ea) selling any intelligent banknote neutralisation system;

(eb) employing an intelligent banknote neutralisation system in carrying out cash-in-transit services;”;

(b) by inserting, immediately after subsection (2) of section 18, the following subsection:

“(3) In this section, “intelligent banknote neutralisation system” means a security system which is designed to deter unauthorised access to currency notes by mutilating, destroying or permanently damaging the currency notes, such as

by the application of a staining or degradation agent to the currency notes or otherwise.”; and

- (c) by inserting, immediately after the words “or evidence” in section 21(2), the words “, or any trial or demonstration of any security service, or of any equipment to be employed in carrying out any security service, proposed to be provided by the applicant,”.

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EXPLANATORY STATEMENT

This Bill seeks to amend the Currency Act (Cap. 69) to establish new limits to the amounts to which coins of a particular denomination are legal tender, and to provide certain exceptions to the offence of mutilation, destruction, etc., of currency notes.

The Bill also makes related amendments to the Private Security Industry Act (Cap. 250A).

Clause 1 relates to the short title and commencement.

Clause 2 amends section 2 (Interpretation) by introducing a new definition for the term “intelligent banknote neutralisation system” or “IBNS” (which term is used in sections 13 and 23 as amended by the Bill).

Clause 3 amends section 13 (Authority to have sole right to issue currency; legal tender) —

- (a) to delete and substitute subsection (3) to provide that coins (if not illegally dealt with) are legal tender up to their face value for the payment of an amount not exceeding 20 times the face value of a coin of that denomination; and
- (b) to insert a new subsection (6A) to provide that a currency note that is mutilated, destroyed or permanently damaged by an IBNS as a result of its activation is deemed to have been illegally dealt with.

Clause 4 amends section 23 (Mutilating, destroying or defacing currency notes and coins) by inserting the following new subsections:

- (a) a new subsection (1A) which provides that a security service provider licensed under the Private Security Industry Act to sell any IBNS, or to employ an IBNS in carrying out cash-in-transit services, is not, by reason only of the sale or the employment of the IBNS, liable to be convicted of an offence under subsection (1)(a) for the mutilation or

destruction of a currency note, or of an offence under subsection (1)(c) for the printing or stamping, or by any like means the writing or impressing, of any mark, word, letter or figure on a currency note, that is caused by an activation of the IBNS;

- (b) a new subsection (1B) which provides that an applicant for a security service provider's licence under the Private Security Industry Act to sell any IBNS, or to employ an IBNS in carrying out cash-in-transit services, is not liable to be convicted of an offence under subsection (1)(a) for the mutilation or destruction of a currency note, or of an offence under subsection (1)(c) for the printing or stamping, or by any like means the writing or impressing, of any mark, word, letter or figure on a currency note, that is caused by an activation of the IBNS in any trial or demonstration of the applicant's IBNS required by a licensing officer under that Act for the purpose of deciding the application.

Clause 5 makes related amendments to the Private Security Industry Act by introducing new paragraphs (ea) and (eb) in section 18(1) so that a person who sells any intelligent banknote neutralisation system or employs an intelligent banknote neutralisation system in carrying out cash-in-transit services is said to provide a security service under that Act.

Clause 5 also amends section 21(2) of the Private Security Industry Act by providing that an applicant for a security service provider's licence must, at the request of the licensing officer, provide a trial or demonstration of the security service, or any equipment to be employed in carrying out any security service, proposed to be provided by the applicant.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
