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PAYMENT SERVICES ACT 2019 (ACT 2 OF 2019)

PAYMENT SERVICES (EXEMPTION FOR SPECIFIED PERIOD) REGULATIONS 2019

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In exercise of the powers conferred by section 100(1) 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 2019 and come into operation on 28 January 2020.

Definition

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

Exemption for persons providing account issuance services

3.—(1) A person who, immediately before 28 January 2020, carries on a business of providing an account issuance 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 12-month period immediately after that date if the person has, within 30 days after 28 January 2020, 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 account issuance service.

(2) If, within the 12-month period immediately after 28 January 2020, 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 the account issuance service; or

(b) 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 the account issuance 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(1) ceases on the date on which the application is approved or refused by the Authority, or if the application is withdrawn before that date, the date on which the application is withdrawn.

Exemption for persons providing specified payment services

4.—(1) A person who, immediately before 28 January 2020, carries on a business of providing a specified payment 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 12-month period immediately after that date if the person has, within 30 days after 28 January 2020, 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 payment service.

(2) If, within the 12-month period immediately after 28 January 2020, a person mentioned in paragraph (1) —

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- (a) applies for a licence under section 6(1) of the Act to carry on the business of providing the specified payment service; or
 - (b) 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 the specified payment 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 payment service" means —
 - (a) a domestic money transfer service; or
 - (b) a merchant acquisition service.

Exemption for persons providing cross-border money transfer services

5.—(1) A person (other than a person mentioned in section 122(1), (4), (5) and (7) or 123(1) of the Act) who, immediately before 28 January 2020, carries on a business of providing a 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 12-month period immediately after that date, if —

- (a) the person carries on the business of providing a cross-border money transfer service only in respect of receiving any money from outside Singapore for, or arranging for the receipt of any money from outside Singapore by, a person in Singapore; and
- (b) the person has, within 30 days after 28 January 2020, 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 cross-border money transfer service.

(2) If, within the 12-month period immediately after 28 January 2020, 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 the cross-border money transfer service; or
- (b) 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 the 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.

Exemption for persons providing e-money issuance services

6.—(1) A person (other than a person mentioned in section 122(3), (5), (6) or (7) or 123(3) of the Act) who, immediately before 28 January 2020, carries on a business of providing an e-money issuance 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 12-month period immediately after that date, if —

- (a) the relevant money that is received by the person from, or on account of, all the person's customers in respect of the person's business of providing the e-money issuance service at any time does not exceed \$30 million (or its equivalent in a foreign currency); and
- (b) the person has, within 30 days after 28 January 2020, 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 e-money issuance service.

(2) If, within the 12-month period immediately after 28 January 2020, 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 the e-money issuance service; or
- (b) being a person who is deemed to have been granted a major payment institution licence under section 122(1) or (4) of the Act or a money-changing licence under section 122(2) 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 the e-money issuance 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, “relevant money” has the meaning given by section 23(14) of the Act, except —

- (a) any reference to a major payment institution is read as a reference to the person; and
- (b) any reference to section 23(2) or (4) of the Act is omitted.

Exemption for persons providing digital payment token services

7.—(1) A person who, immediately before 28 January 2020, carries on a business of providing a 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 that date if the person has, within 30 days after 28 January 2020, 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 digital payment token service.

(2) If, within the 6-month period immediately after 28 January 2020, a person mentioned in paragraph (1) —

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

Made on 2 December 2019.

RAVI MENON
Managing Director,
Monetary Authority of Singapore.

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