



THE STATUTES OF THE REPUBLIC OF SINGAPORE

MONEY-CHANGING AND REMITTANCE BUSINESSES ACT

(CHAPTER 187)

Act

20 of 1979

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Amended by

19 of 1996

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Money-changing and Remittance Businesses Act

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An Act for the licensing of persons who carry on money-changing business and companies which carry on remittance business and for matters connected therewith.

[12th October 1979]

Short title

1. This Act may be cited as the Money-changing and Remittance Businesses Act.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“Authority” means the Monetary Authority of Singapore established under section 3 of the Monetary Authority of Singapore Act (Cap. 186);

“company” means any company incorporated under any written law for the time being in force relating to companies and includes any company incorporated outside Singapore;

“licence” means a money-changer’s licence or a remittance licence, as the case may be, granted under this Act;

“licensee” means the holder of a money-changer’s licence or a remittance licence, as the case may be;

“limited liability partnership” has the same meaning as in section 2 (1) of the Limited Liability Partnerships Act (Cap. 163A);

“money-changer’s licence” means a licence granted under this Act authorising the holder thereof to carry on money-changing business;

“money-changing business” means the business of buying or selling foreign currency notes;

“partner” and “manager”, in relation to a limited liability partnership, have the respective meanings assigned to them in section 2 (1) of the Limited Liability Partnerships Act (Cap. 163A);

“place of business” means each place or location in Singapore used by a licensee for carrying on money-changing business or remittance business, whether within a single building, at a single business address, or otherwise;

“remittance business” means the business of accepting moneys for the purpose of transmitting them to persons resident in another country or a territory outside Singapore;

“remittance licence” means a licence granted under this Act authorising the holder thereof to carry on remittance business;

“substantial shareholder” has the same meaning as in section 81 of the Companies Act (Cap. 50).

[19/96; 5/2005; 25/2005]

(2) For the purposes of this Act, a person shall be deemed to be carrying on —

- (a) money-changing business if he offers to buy or sell any foreign currency notes; and
- (b) remittance business if he offers to transmit money on behalf of any person to another person resident in another country.

[19/96]

(3) In this Act, a reference to a document or record shall include a reference to any or part of any —

- (a) document or record kept on any magnetic, optical, chemical or other medium;
- (b) map, plan, graph, picture or drawing; and
- (c) film (including a microfilm and microfiche), negative, disc, tape, sound track or any other device in which one or more visual images, sounds or other data are embodied so as to be capable (with or without the aid of some other equipment) of being reproduced therefrom.

[19/96]

Scope of this Act

3. This Act shall not be construed as requiring any person who accepts foreign currency notes from a customer or client in payment for

goods sold or services rendered by him to obtain a money-changer's licence.

Authority responsible for administration of this Act

4. The Authority shall be responsible for the administration of this Act and may authorise any of its officers to exercise any powers and perform any duties or functions of the Authority under this Act.

No person to carry on money-changing business without licence

5.—(1) No person shall carry on or advertise that he carries on money-changing business unless he is in possession of a valid money-changer's licence.

[19/96]

(2) Any person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a fine not exceeding \$10,000 for every day during which the offence continues after conviction.

[19/96; 25/2005]

No person to carry on remittance business without licence

6.—(1) No person shall carry on or advertise that he carries on remittance business unless he is in possession of a valid remittance licence.

[19/96]

(2) Any person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a fine not exceeding \$10,000 for every day during which the offence continues after conviction.

[19/96; 25/2005]

Application for or renewal of money-changer's licence

7.—(1) Any person who desires to obtain or renew a money-changer's licence shall submit an application to the Authority in such form, and shall furnish the Authority with such information, as the Authority may require.

[25/2005]

(2) An application made to the Authority for the grant or renewal of a money-changer's licence shall be accompanied by a non-refundable

application fee of a prescribed amount, which shall be paid in the manner specified by the Authority.

[25/2005]

(3) Upon receiving an application for a money-changer's licence under subsection (1), the Authority shall consider the application and may —

(a) grant a money-changer's licence with or without conditions;
or

(b) refuse to grant a money-changer's licence.

[25/2005]

(4) In considering any application for a money-changer's licence, the Authority may require to be satisfied as to —

(a) the good character of the applicant or, if the applicant is a company, the general character of the management of the company;

(b) the financial condition of the applicant; and

(c) whether the public interest will be served by the granting of the money-changer's licence.

[25/2005]

(5) The Authority may at any time vary or revoke any of the existing conditions of a money-changer's licence or impose new conditions.

[25/2005]

(6) An application for the renewal of a money-changer's licence shall be made not later than one month, or such other period as the Authority may prescribe, before the expiry of the money-changer's licence.

[25/2005]

(7) The Authority may renew the money-changer's licence of a person even though he does not submit an application for the renewal of his money-changer's licence within the time required by subsection (6), if the person pays a late renewal fee not exceeding \$50 for every day or part thereof that the application for renewal is late, subject to a maximum of \$1,500.

[25/2005]

(8) Where a person submits an application for the renewal of his money-changer's licence, whether or not within the time required by subsection (6), his money-changer's licence shall continue in force until the date on which the licence is renewed or the application for its renewal is refused, as the case may be.

[25/2005]

(9) No application for renewal of a money-changer's licence shall be made after the expiry of the licence.

[25/2005]

Application for or renewal of remittance licence

8.—(1) Any person who desires to obtain or renew a remittance licence shall submit an application to the Authority in such form, and shall furnish the Authority with such information, as the Authority may require.

[25/2005]

(2) An application made to the Authority for the grant or renewal of a remittance licence shall be accompanied by a non-refundable application fee of a prescribed amount, which shall be paid in the manner specified by the Authority.

[25/2005]

(3) Upon receiving an application for a remittance licence under subsection (1), the Authority shall consider the application and may —

- (a) subject to section 9, grant a remittance licence with or without conditions; or
- (b) refuse to grant a remittance licence.

[25/2005]

(4) In considering any application for a remittance licence, the Authority may require to be satisfied as to —

- (a) the general character of the management of the applicant;
- (b) the financial condition of the applicant; and
- (c) whether the public interest will be served by the granting of the remittance licence.

[25/2005]

(5) The Authority may at any time vary or revoke any of the existing conditions of a remittance licence or impose new conditions.

[25/2005]

(6) An application for the renewal of a remittance licence shall be made not later than one month, or such other period as the Authority may prescribe, before the expiry of the remittance licence.

[25/2005]

(7) The Authority may renew the remittance licence of a person even though he does not submit an application for the renewal of his remittance licence within the time required by subsection (6), if the person pays a late renewal fee not exceeding \$50 for every day or

part thereof that the application for renewal is late, subject to a maximum of \$1,500.

[25/2005]

(8) Where a person submits an application for the renewal of his remittance licence, whether or not within the time required by subsection (6), his remittance licence shall continue in force until the date on which the licence is renewed or the application for his renewal is refused, as the case may be.

[25/2005]

(9) No application for renewal of a remittance licence shall be made after the expiry of the licence.

[25/2005]

[7A

Criteria for granting, renewal or holding of remittance licence

9.—(1) No remittance licence shall be granted to or renewed for any person, and no person shall continue to hold a remittance licence, unless the person —

- (a) is a company;
- (b) has a minimum capital of \$100,000 or such other sum as may be prescribed by the Authority; and
- (c) has furnished and maintains with the Authority the security required under section 10.

[25/2005]

(2) Any person who holds a remittance licence in contravention of the minimum capital requirement in subsection (1) (b) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[25/2005]

[7B

Security

10.—(1) Every licensee which carries on remittance business shall maintain with the Authority security of the value of \$100,000, or such other amount as may be prescribed, in respect of its place of business, for the due performance of its obligations to those persons who will deposit or have deposited moneys with the licensee for remittance purposes.

[25/2005]

(2) Where a licensee carries on remittance business at more than one place of business, the licensee shall maintain with the Authority

such amount of additional security as may be prescribed in respect of each additional place of business.

[25/2005]

(3) The security referred to in subsection (1) or (2) shall be —

(a) in the form of a cash deposit;

(b) in the form of a bank guarantee specified by the Authority;
or

(c) in such other form as the Authority may, in any particular case, allow.

[25/2005]

(4) All moneys deposited by a licensee which carries on remittance business under this section shall be treated as a single security and may be applied by the Authority, in respect of that licensee, for the purposes of subsection (5).

[25/2005]

(5) Where a licensee which carries on remittance business has surrendered its licence or its licence has lapsed or expired or has been revoked, it shall be lawful for the Authority to enforce the security referred to in subsection (1) or (2) to the extent required to pay any sums outstanding and claimed by the customers of the licensee who had given money to the licensee for remittance purposes; and if the security is insufficient to cover all sums claimed by such customers, the Authority may pay part of the sums claimed by such customers.

[25/2005]

(6) For the avoidance of doubt, where the security referred to in subsection (1) or (2) is provided in the form of a bank guarantee, it shall be lawful for the Authority to call on the bank guarantee for the purposes of subsection (5) notwithstanding that a closure certificate required under section 19 has not been submitted to the Authority.

[25/2005]

(7) Where a licensee which carries on remittance business has surrendered its licence or its licence has lapsed or expired or has been revoked, the Authority shall, upon being satisfied that there is no outstanding claim by any customer of the licensee and upon receiving the closure certificate required under section 19, release the security or the remainder thereof, as the case may be, to the licensee.

[25/2005]

(8) Any security furnished by a licensee which carries on remittance business under this section shall not be liable to be attached, sequestered or levied upon for or in respect of any debt or claim

whatsoever, and if the licensee is declared insolvent or is wound up by an order of the court, the security shall be deemed not to form part of the property of the licensee.

[25/2005]

[8

Place of business of licensee

11.—(1) No licensee shall operate a money-changing business or remittance business, as the case may be, unless he or it has a permanent place of business.

[25/2005]

(2) No licensee shall carry on money-changing business or remittance business at any additional place of business other than the licensee's permanent place of business referred to in subsection (1) except with the approval of the Authority.

[25/2005]

(3) A licensee which intends to commence money-changing business or remittance business at any additional place of business shall, prior to commencing such business at the additional place of business, apply in writing to the Authority for approval, and the Authority may approve the additional place of business subject to such conditions as it thinks fit.

[25/2005]

(4) The Authority shall not grant its approval under subsection (3) unless the licensee has furnished the Authority with the additional security required under section 10 (2) and the additional licence fee required under section 15 (3).

[25/2005]

(5) The Authority may revoke its approval granted under subsection (3) if the licensee breaches any of the conditions imposed on the licensee under that subsection.

[25/2005]

(6) Every licensee shall notify the Authority of any change in the address of any of the licensee's place of business within 7 days of such change.

[25/2005]

(7) Any licensee who contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine of \$5,000 for every day or part thereof during which the offence continues after conviction.

[25/2005]

(8) Where a licensee fails to notify the Authority within the time period specified in subsection (6) of any change in the address of the licensee's place of business, the Authority may impose a late notification fee not exceeding \$50 for every day or part thereof that the notification is late, subject to a maximum of \$1,500.

[25/2005]

[9]

Approval of partners or directors

12.—(1) No holder of a money-changer's licence shall —

(a) where the holder is a partnership (including a limited liability partnership), appoint a person as a partner; or

(b) where the holder is a company, appoint a person as its director, unless the holder has obtained the approval of the Authority.

[25/2005]

(2) No holder of a remittance licence shall appoint a person as its director unless it has obtained the approval of the Authority.

[25/2005]

(3) Where a licensee has obtained the approval of the Authority to appoint a person as its director under subsection (1) (b) or (2), the person may be re-appointed without break as director of the licensee immediately upon the expiry of his earlier term without the approval of the Authority.

[25/2005]

(4) Without prejudice to any other matter that the Authority may consider relevant, the Authority may, in determining whether to grant its approval under subsection (1) or (2), have regard to such criteria as may be prescribed or specified in written directions.

[25/2005]

(5) Any person who contravenes subsection (1) or (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[25/2005]

[9A]

Approval of substantial shareholdings

13.—(1) Where a licensee is a company, no person shall become a substantial shareholder of the licensee unless he has obtained the approval of the Authority.

[25/2005]

(2) Without prejudice to any other matter that the Authority may consider relevant, the Authority may, in determining whether to grant its approval under subsection (1), have regard to such criteria as may be prescribed or specified in written directions.

[25/2005]

(3) Any person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[25/2005]

[9B

Display of licence

14.—(1) Every licensee shall display or exhibit his or its licence or a certified true copy thereof in a conspicuous place at each of the premises which the licensee carries on money-changing business or remittance business.

[25/2005]

(2) Any licensee who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

[19/96]

[10

Licence fees

15.—(1) Every licensee shall pay such licence fee as the Authority may, by notification in the *Gazette*, prescribe.

[19/96]

(2) The Authority may prescribe different licence fees in respect of different classes or categories of licensees.

[19/96]

(3) Where a licensee has more than one place of business, the licensee shall pay such additional licence fee as may be prescribed by the Authority for each additional place of business.

[25/2005]

(4) The licence fees shall be paid in such manner as may be specified by the Authority.

[19/96]

(5) There shall be no refund of any licence fee paid to the Authority in the event that a licence is cancelled, revoked or suspended or when the licensee ceases to carry on business at any time prior to the expiry of the licence.

[19/96; 25/2005]

[11

Period for which licence is in force

16.—(1) A licence shall be in force for such period as the Authority may determine.

[19/96]

(2) Upon its expiry, a licence may be renewed by the Authority for such period as the Authority may determine.

[19/96]

[12]

False statements

17. A person who, in connection with an application for a licence or for a renewal of a licence, wilfully makes a statement which is false or misleading in a material particular, knowing it to be false or misleading, or wilfully omits to state any matter or thing without which the application is misleading in a material respect, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding one year or to both.

[19/96; 25/2005]

[13]

Lapsing, surrender, revocation, suspension and expiry of licence

18.—(1) A licence shall lapse —

- (a) where the licensee is a company, on the date the licensee makes a composition or an arrangement with its creditors, or goes into liquidation, or is wound up or is otherwise dissolved, whether in Singapore or elsewhere;
- (b) where the licensee is an individual, on the date the licensee dies, becomes mentally incapacitated or has been adjudicated a bankrupt;
- (c) where the licensee is a partnership, on the date the partnership is dissolved;
- (d) where the licensee is a limited liability partnership, on the date the licensee goes into receivership, or is wound up or is otherwise dissolved, whether in Singapore or elsewhere;
- (e) where the licensee has not commenced money-changing business or remittance business, as the case may be, for a continuous period of 3 months (or such longer period as the Authority may allow) after the grant of the licence, upon the expiry of that period;

- (f) where the licensee has ceased to carry on money-changing business or remittance business, as the case may be, and has not resumed money-changing business or remittance business, as the case may be, for a continuous period of 2 months (or such longer period as the Authority may allow) from the date of cessation of business, upon the expiry of that period; or
- (g) in the event of such other occurrence or in such other circumstances as may be prescribed by the Authority.

[25/2005]

(2) Where a licence has lapsed on the ground specified in subsection (1) (e) or (f), the person who held the licence shall, within 14 days of the date on which the licence lapsed, notify the Authority, in such form as may be specified by the Authority, of the lapsing of the licence and shall return the licence to the Authority.

[25/2005]

(3) Where a licensee has not commenced or has ceased to carry on money-changing business or remittance business, as the case may be, the licensee may, before the licence has lapsed pursuant to subsection (1) (e) or (f), surrender his or its licence by returning the licence to the Authority with a written notice of its surrender in such form as may be specified by the Authority.

[25/2005]

(4) Upon receipt of the notice and licence referred to in subsection (2) or (3), the Authority shall cancel the licence.

[25/2005]

(5) The Authority may, by order, revoke a licence —

- (a) if the licensee has contravened any of the provisions of this Act;
- (b) if the licensee has failed to comply with or observe any of the conditions of his or its licence;
- (c) if the licensee has failed to comply with or observe any written direction issued to him or it by the Authority under this Act;
- (d) if the licensee has made a false or misleading statement in his or its application for a licence;
- (e) if the licensee has carried on or is carrying on business in a manner likely to be detrimental to the interests of the public or of his or its customers;

- (f) where the licensee is an individual, if the licensee has been convicted, whether in Singapore or elsewhere, of an offence —
 - (i) involving fraud or dishonesty; or
 - (ii) the conviction for which involved a finding that he had acted fraudulently or dishonestly;
- (g) where the licensee is a partnership, if any of its partners has been convicted, whether in Singapore or elsewhere, of an offence —
 - (i) involving fraud or dishonesty; or
 - (ii) the conviction for which involved a finding that he had acted fraudulently or dishonestly;
- (h) where the licensee is a limited liability partnership, if —
 - (i) a receiver, a receiver and manager or an equivalent person has been appointed, whether in Singapore or elsewhere, in relation to or in respect of any property of the licensee; or
 - (ii) any of its partners has been convicted, whether in Singapore or elsewhere, of an offence —
 - (A) involving fraud or dishonesty; or
 - (B) the conviction for which involved a finding that he had acted fraudulently or dishonestly;
or
- (i) where the licensee is a company, if —
 - (i) a receiver, a receiver and manager or an equivalent person has been appointed, whether in Singapore or elsewhere, in relation to or in respect of any property of the licensee; or
 - (ii) the licensee, or any of its directors or substantial shareholders has been convicted, whether in Singapore or elsewhere, of an offence —
 - (A) involving fraud or dishonesty; or
 - (B) the conviction for which involved a finding that it or he had acted fraudulently or dishonestly.

(6) The Authority may, if it considers it desirable to do so, by order —

- (a) suspend a licence for a specific period instead of revoking it under subsection (5); and
- (b) at any time extend or revoke the suspension of the licence.

[25/2005]

(7) The Authority may revoke a licence on any ground under subsection (5) (f), (g), (h) or (i) or suspend a licence on any such ground under subsection (6), without giving the licensee an opportunity to be heard.

[25/2005]

(8) Where the Authority gives a licensee an opportunity to be heard prior to the revocation or suspension of the licence, the Authority shall give a notice to the licensee —

- (a) stating the decision the Authority intends to make that affects the licensee and the grounds for the decision; and
- (b) inviting the licensee to give to the Authority, within such period as may be specified in the notice (being not less than 10 days from the date the licensee receives the notice), a written statement, accompanied by relevant supporting documents, as to why the Authority should reconsider the decision.

[25/2005]

(9) Where a licensee gives the Authority a written statement under subsection (8) (b), the statement shall be signed by the licensee, a duly authorised employee of the licensee, or an advocate and solicitor acting for the licensee.

[25/2005]

(10) Notwithstanding subsection (8), the Authority may, during the period when the Authority gives the licensee an opportunity to be heard, give a direction under section 33 prohibiting the licensee from entering into any new transaction for money-changing business or remittance business, as the case may be.

[25/2005]

(11) Any person who is aggrieved by any direction referred to in subsection (10) may, within 10 days after he is given the direction, make representations in writing to the Authority and the Authority may upon such representations, modify or cancel the direction.

[25/2005]

(12) If no representation is made under subsection (11), the person shall be deemed to have accepted the direction given by the Authority.

[25/2005]

(13) An order of revocation shall not take effect until —

(a) the expiration of 30 days after the date the order is served on the licensee; or

(b) where the licensee has made an appeal under section 20 —

(i) the order of revocation is confirmed by the Minister;
or

(ii) the appeal is withdrawn.

[25/2005]

(14) An order of suspension shall take effect on the date the order is served on the licensee.

[25/2005]

(15) Any licensee who carries on money-changing business or remittance business, as the case may be, after his or its licence has lapsed or has been surrendered, revoked or suspended shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part thereof during which the offence continues after conviction.

[25/2005]

(16) Any lapsing, surrender, revocation, suspension or expiry of a licence shall not operate so as to —

(a) avoid or affect any agreement, transaction or arrangement relating to the money-changing business or remittance business, as the case may be, entered into by such licensee, whether the agreement, transaction or arrangement was entered into before or after the lapsing, surrender, revocation, suspension or expiry of the licence, as the case may be; or

(b) affect any right, obligation or liability arising under any such agreement, transaction or arrangement.

[25/2005]

[14

Closure certificate

19. The holder of a remittance licence shall within 45 days, or such longer period as the Authority may allow, of the date on which its remittance licence has lapsed, has been surrendered or revoked

or has expired, submit to the Authority a closure certificate issued by its auditors confirming that —

- (a) all moneys received from the licensee's customers have been received by the intended recipients of such moneys; and
- (b) adequate provision has been made to meet any unforeseen liabilities in respect of the remittance business.

[25/2005]

[14A]

Appeals

20. Any person who is aggrieved by the revocation of a licence by the Authority may, within 30 days after he is notified of the decision of the Authority, appeal in writing to the Minister whose decision shall be final.

[25/2005]

[15]

Records

21.—(1) Every licensee shall keep complete records in the English language of all his or its transactions in such books, accounts, records and registers as the Authority may specify from time to time and shall produce such books, accounts, records and registers to the Authority as and when he or it is so directed in writing by the Authority.

[19/96; 25/2005]

(2) Every licensee shall retain such books, accounts, records and registers for a period of at least 5 years after the day on which the transaction takes place.

[19/96; 2/2007]

(3) Any licensee who contravenes any of the provisions of this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[19/96; 25/2005]

[16]

Information to be furnished by licensees

22.—(1) Every licensee shall furnish to the Authority, at such time and in such manner as the Authority may specify, such returns and information as the Authority may reasonably require for the proper discharge of its functions.

[19/96; 25/2005]

(2) Any licensee who fails to furnish any returns or information required under this section shall be guilty of an offence and shall be

liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine of \$5,000 for every day during which the offence continues after conviction.

[19/96; 25/2005]

[17

Power to enter premises, inspect and investigate

23.—(1) Any person duly authorised by the Authority to act on its behalf may —

- (a) at any reasonable time enter any premises where a licensee is carrying on business, or any premises where he reasonably suspects any business is being carried on in contravention of this Act; and
- (b) inspect the premises and any book, document or record on those premises which he reasonably requires to inspect for the purpose of ascertaining whether a contravention of this Act or any regulations made thereunder is being or has been committed.

[19/96]

(2) Any person who —

- (a) fails without reasonable excuse to admit any person who demands admission to the premises in pursuance of subsection (1);
- (b) on being required by a person referred to in subsection (1) to do so, fails without reasonable excuse to permit the person to inspect the premises; or
- (c) on being required by a person referred to in subsection (1) to produce any book, document or record in his possession or under his control and which that person reasonably requires to inspect for the purpose specified in subsection (1), fails without reasonable excuse to produce it to him and to permit him to take copies of it or of any entry in it,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine of \$5,000 for every day during which the offence continues after conviction.

[19/96; 25/2005]

(3) A person who is carrying out an investigation for the purpose of ascertaining whether an offence under this Act has been committed may exercise all or any of the powers conferred upon a police officer by

the Criminal Procedure Code (Cap. 68) in relation to the investigation of a seizable offence.

[18]

Liability of directors, partners, etc.

24.—(1) Where an offence under this Act has been committed by a body corporate, any person who at the time of the commission of the offence was a director, secretary, manager or other officer of the company or who was purporting to act in any such capacity shall be liable to be proceeded against and punished accordingly unless he proves that —

- (a) the offence was committed without his consent or connivance; and
- (b) he exercised such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his function in that capacity and to all the circumstances.

(2) Where an offence under this Act has been committed by a limited liability partnership, any person who at the time of the commission of the offence was a partner or manager of the limited liability partnership shall be liable to be proceeded against and punished accordingly unless he proves that —

- (a) the offence was committed without his consent or connivance; and
- (b) he exercised such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his function in that capacity and to all the circumstances.

[5/2005]

(3) Any person who would have been guilty of an offence if anything had been done or omitted to be done by him personally shall be guilty of that offence and shall be liable to the same penalty if such thing had been done or omitted to be done by his partner, agent or employee in the course of his partnership business or in the course of his employment, as the case may be, unless he proves that —

- (a) the offence was committed without his knowledge or consent; and
- (b) he took all reasonable precautions to prevent the doing of or omission to do such thing.

(4) Nothing in subsection (3) shall relieve any partner, agent or employee from any liability for an offence.

(5) Where it is proved to the satisfaction of the court that any business of the licensee has been carried out with the intention of defrauding any creditor or customer of the licensee or any other person, or for any fraudulent purpose, the court may, on the application of any person who has suffered any loss as a result of the carrying on of the business in the above-mentioned manner, declare that —

(a) in the case where the licensee is a company —

- (i) any of its directors, whether past or present, who were knowingly parties to the carrying on of the business in the above-mentioned manner; or
- (ii) any of its directors, secretaries, managers or other officers, whether past or present, who have caused the business of the licensee to be carried on in the above-mentioned manner; or

(b) in the case where the licensee is a limited liability partnership —

- (i) any of its partners or managers, whether past or present, who were knowingly parties to the carrying on of the business in the above-mentioned manner; or
- (ii) any of its partners or managers, whether past or present, who have caused the business of the licensee to be carried on in the above-mentioned manner,

shall be personally responsible, without any limitation of liability, for all or any of the losses suffered by the applicant.

[25/2005]

(6) Where the court makes a declaration under subsection (5) against any person, the amount which such person is liable to pay to any other person pursuant to the declaration shall be enforceable by the second-mentioned person as a judgment debt.

[25/2005]

(7) In this section, “body corporate” and “partnership” exclude a limited liability partnership within the meaning of the Limited Liability Partnerships Act (Cap. 163A).

[5/2005]

Service of order, etc.

25.—(1) Any notice, order or document required or authorised by this Act to be given to any person may —

- (a) in the case of an individual —
 - (i) be delivered to him;
 - (ii) be left at his place of residence or business; or
 - (iii) be sent by registered post to his last known address;
- (b) in the case of a partnership —
 - (i) be delivered to any of the partners of the partnership;
 - (ii) be left at the place of business of the partnership; or
 - (iii) be sent by registered post to the last known address of the place of business of the partnership; or
- (c) in the case of a company —
 - (i) be delivered to the secretary or other like officer of the company at its registered office;
 - (ii) be left at the place of business or the registered office of the company; or
 - (iii) be sent by registered post to the last known address of the registered office.

[25/2005]

(2) Any notice, order or document sent by registered post to any person in accordance with subsection (1) shall be deemed to be duly served on the person at the time when the notice, order or document, as the case may be, would in the ordinary course of post be delivered.

[25/2005]

(3) When proving service of any notice, order or document referred to in subsection (2), it shall be sufficient to prove that the envelope containing the notice, order or document, as the case may be, was properly addressed, stamped and posted by registered post.

[25/2005]

[22

Customers' funds to be kept separately

26.—(1) Every licensee who carries on remittance business shall maintain a current or deposit account in the name of the licensee at a bank with the words “customers’ account” added to the title of the account.

[19/96]

(2) A licensee carrying on remittance business shall pay all moneys received from its customers for remittance purposes directly into the account referred to in subsection (1) no later than the next business day following the day on which the moneys were received by it.

[25/2005]

(3) No money shall be withdrawn from a customers' account except —

- (a) money that has been paid into the account by the licensee for the purposes of opening or maintaining the account;
- (b) money properly required for a payment to or on behalf of a customer; and
- (c) money properly required for payment of the licensee's fees or charges for rendering services to a customer and the customer has been notified that any money held for him will be applied towards or in satisfaction of such fees and charges.

[19/96]

(4) No money other than money which a licensee has paid into a customers' account for the purposes of opening the account and money required by subsection (2) to be paid into a customers' account of a licensee shall be paid into such an account.

[19/96]

(5) It shall be the duty of a licensee into whose customers' account any money has been paid in contravention of subsection (4) to withdraw the money wrongly paid into the account without delay upon discovery of the mistake.

[19/96]

(6) The moneys in a customers' account maintained by a licensee at a bank shall not be liable to be attached, sequestered or levied upon for or in respect of any debt of the licensee or any claim whatsoever against the licensee, and if the licensee is declared insolvent or is wound up by an order of court, the moneys in the customers' account shall be deemed not to form part of the property of the licensee.

[19/96; 25/2005]

(7) Any licensee who contravenes any of the provisions of this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

[19/96]

[25]

Auditors

27.—(1) Every licensee shall at his or its own expense appoint annually an auditor to carry out an audit of the transactions in his or its money-changing business or remittance business, as the case may be.

[25/2005]

(2) The Authority may require an auditor appointed under subsection (1) —

- (a) to submit to the Authority such information as it may require in relation to the audit carried out by him;
- (b) to enlarge or extend the scope of his audit of the business and affairs of the licensee;
- (c) to carry out any examination or establish any procedure in any particular case; or
- (d) to submit to the Authority a report of his audit or a report on any matters referred to in paragraphs (b) and (c).

[19/96; 25/2005]

(3) The licensee shall be responsible for the remuneration of the auditor for the services referred to in subsection (2).

[19/96]

(4) Where the Authority requires an auditor to submit a report under subsection (2) (d), the licensee shall ensure that the auditor submits the report to the Authority in such form and within such time as may be prescribed by the Authority.

[25/2005]

(5) The Authority may, if it is of the view that the auditor appointed by the licensee does not carry out his duties to the satisfaction of the Authority, direct the licensee to appoint another auditor and where such direction has been made, the licensee shall comply with the direction.

[25/2005]

(6) Any licensee who contravenes subsection (1), (4) or (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[25/2005]

[26

Jurisdiction of District Court

28. Notwithstanding any provision to the contrary in the Criminal Procedure Code (Cap. 68), a District Court shall have jurisdiction to try any offence under this Act and shall have power to impose the full penalty or punishment in respect of the offence.

[9/2003]

[26A]

Composition of offences

29.—(1) The Authority may, in its discretion, compound any offence under this Act or any regulations made thereunder by collecting from a person reasonably suspected of having committed the offence a sum of money not exceeding one half of the amount of the maximum fine that is prescribed for the offence.

[19/96; 25/2005]

(2) On payment of such sum of money by any person, no further proceedings shall be taken against that person in respect of the offence.

[19/96]

(3) All sums collected under this section shall be paid to the Authority.

[19/96]

[27]

Power of Authority to publish information

30. The Authority may, from time to time and in such form or manner as it considers appropriate, publish such information as the Authority may consider necessary or expedient to publish in the public interest, including information relating to all or any of the following:

- (a) the lapsing, surrender, revocation or suspension of the licence of any person under section 18;
- (b) the acceptance by any person of an offer to compound an offence under section 29;
- (c) the revocation or withdrawal of any exemption granted under this Act;
- (d) the conviction of any person for any offence under this Act;
- (e) any other action taken by the Authority against any person under this Act.

[25/2005]

[27A]

Exemptions

31.—(1) This Act shall not apply to —

- (a) any company which has a valid licence granted under the Banking Act (Cap. 19) authorising it to conduct banking business in Singapore;
- (b) any merchant bank which is an approved financial institution for the purposes of section 28 of the Monetary Authority of Singapore Act (Cap. 186); and
- (c) any company which has a valid licence granted under the Finance Companies Act (Cap. 108) and has obtained the approval of the Authority to deal in foreign currency.

[19/96]

(2) The Authority may, by notification in the *Gazette*, exempt any person or categories of persons from the provisions of this Act, subject to such terms or conditions as may be prescribed.

[25/2005]

(3) The Authority may, on the application of any person, by notice in writing, exempt the person from all or any of the provisions of this Act, or the requirements specified in any written direction, if the Authority considers it appropriate to do so in the circumstances of the case.

[25/2005]

(4) An exemption granted under subsection (3) —

- (a) may be granted subject to such terms or conditions as the Authority may specify by notice in writing;
- (b) need not be published in the *Gazette*; and
- (c) may be withdrawn at any time by the Authority.

[25/2005]

(5) Any person who contravenes any term or condition prescribed or specified by the Authority under subsection (2) or (4) (a), respectively, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[25/2005]

(6) The Authority may, by notification in the *Gazette*, appoint one or more of its officers to exercise the power to grant an exemption to any person under subsection (3) or to revoke any such exemption.

[25/2005]

[28

Regulations

32.—(1) The Authority may make regulations for, or in respect of, every purpose which is considered necessary for carrying out the provisions of this Act and for the prescribing of any matter which is authorised or required under this Act to be so prescribed.

(2) Without prejudice to the generality of subsection (1), the Authority may by such regulations —

- (a) prescribe fees to be charged under this Act; and
- (b) regulate the conduct of money-changing and remittance business by persons holding licences granted under this Act.

(3) Regulations made under this section may provide —

- (a) that a contravention of any specified provision thereof shall be an offence; and
- (b) for penalties not exceeding a fine of \$50,000 or imprisonment for a term not exceeding 12 months or both for each offence and, in the case of a continuing offence, a further penalty not exceeding a fine of 10% of the maximum fine prescribed for that offence for every day or part thereof during which the offence continues after conviction.

[25/2005]

[29

Power of Authority to issue directions

33.—(1) The Authority may, by notice in writing, issue to a licensee directions, either of a general or specific nature, for or in respect of every purpose which the Authority considers necessary for carrying out the provisions of this Act.

[25/2005]

(2) Without prejudice to the generality of subsection (1), the Authority may by such directions —

- (a) require a licensee to display or exhibit such cautionary statements as the Authority thinks fit in a conspicuous place at every place where he or it carries on money-changing business or remittance business, as the case may be;
- (b) require a licensee to provide cautionary statements in writing to the licensee's customers; or

- (c) where a licensee conducts inward remittance business, set out the manner in which the licensee must conduct his or its dealings with his or its customers and the procedures for reporting to the Authority of transactions between the licensee and his or its customers in respect of the licensee's inward remittance business.

[25/2005]

(3) Any licensee who fails to comply with any requirement specified in a written direction issued under subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 or to imprisonment for a term not exceeding 12 months or to both and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part thereof during which the offence continues after conviction.

[25/2005]

(4) In this section, “inward remittance business” means the business of accepting moneys from persons in another country or a territory outside Singapore for the purpose of transmitting such moneys to persons resident in Singapore.

[25/2005]

[30

LEGISLATIVE HISTORY

MONEY-CHANGING AND REMITTANCE BUSINESSES ACT (CHAPTER 187)

This Legislative History is provided for the convenience of users of the Money-changing and Remittance Businesses Act. It is not part of the Act.

1. Act 20 of 1979 — Money-changing and Remittance Businesses Act 1979

| | |
|-----------------------------------|---|
| Date of First Reading | : 15 May 1979 (Bill No. 22/79 published on 18 May 1979) |
| Date of Second and Third Readings | : 7 September 1979 |
| Date of commencement | : 12 October 1979 |

**2. 1985 Revised Edition — Money-changing and Remittance Businesses Act
(Chapter 187)**

| | |
|-------------------|-----------------|
| Date of operation | : 30 March 1987 |
|-------------------|-----------------|

**3. Act 19 of 1996 — Money-changing and Remittance Businesses
(Amendment) Act 1996**

| | |
|-----------------------------------|--|
| Date of First Reading | : 11 March 1996 (Bill No. 9/96 published on 12 March 1996) |
| Date of Second and Third Readings | : 2 May 1996 |
| Date of commencement | : 18 June 1996 |

**4. 1996 Revised Edition — Money-changing and Remittance Businesses Act
(Chapter 187)**

| | |
|-------------------|--------------------|
| Date of operation | : 27 December 1996 |
|-------------------|--------------------|

5. Act 9 of 2003 — Statutes (Miscellaneous Amendments) Act 2003

| | |
|-----------------------------------|---|
| Date of First Reading | : 20 March 2003 (Bill No. 7/2003 published on 21 March 2003) |
| Date of Second and Third Readings | : 24 April 2003 |
| Date of commencement | : 16 May 2003 (Section 16 — Amendment of Money-changing and Remittance Businesses Act) |

6. Act 24 of 2003 — Monetary Authority of Singapore (Amendment) Act 2003
(Consequential amendments made to Act by)

| | |
|-----------------------------------|---|
| Date of First Reading | : 16 October 2003 (Bill No. 21/2003 published on 17 October 2003) |
| Date of Second and Third Readings | : 10 November 2003 |
| Date of commencement | : 1 January 2004 |

7. Act 5 of 2005 — Limited Liability Partnerships Act 2005
(Consequential amendments made to Act by)

| | |
|-----------------------------------|---|
| Date of First Reading | : 19 October 2004 (Bill No. 64/2004 published on 20 October 2004) |
| Date of Second and Third Readings | : 25 January 2005 |
| Date of commencement | : 11 April 2005 |

8. Act 25 of 2005 — Money-changing and Remittance Businesses (Amendment) Act 2005

| | |
|-----------------------------------|---|
| Date of First Reading | : 18 July 2005 (Bill No. 15/2005 published on 19 July 2005) |
| Date of Second and Third Readings | : 15 August 2005 |
| Date of commencement | : 2 November 2005 |

9. Act 2 of 2007 — Statutes (Miscellaneous Amendments) Act 2007

| | |
|-----------------------------------|---|
| Date of First Reading | : 8 November 2006 (Bill No. 14/2006 published on 9 November 2006) |
| Date of Second and Third Readings | : 22 January 2007 |
| Date of commencement | : 1 March 2007 (Section 4 — Amendment of Money-changing and Remittance Businesses Act) |

COMPARATIVE TABLE

MONEY-CHANGING AND REMITTANCE BUSINESSES ACT (CHAPTER 187)

The following provisions in the 1996 Revised Edition of the Money-changing and Remittance Businesses Act (Chapter 187) have been renumbered by the Law Revision Commissioners in this 2008 Revised Edition.

This Comparative Table is provided for the convenience of users. It is not part of the Money-changing and Remittance Businesses Act.

| 2008 Ed. | 1996 Ed. |
|------------------------|---|
| 8 | 7A |
| 9—(1) and (2) | 7B—(1) and (2) |
| <i>Omitted — Spent</i> | (3), (4) and (5) |
| 10 | 8 |
| 11 | 9 |
| 12 | 9A |
| 13 | 9B |
| 14 | 10 |
| 15—(1) and (2) | 11—(1) and (2) |
| (3) | (2A) |
| (4) | (3) |
| (5) | (4) |
| 16 | 12 |
| 17 | 13 |
| 18 | 14 |
| 19 | 14A |
| 20 | 15 |
| 21 | 16 |
| 22 | 17 |
| 23 | 18 |
| — | 19 (<i>Repealed by Act 25 of 2005</i>) |
| — | 20 (<i>Repealed by Act 25 of 2005</i>) |

| 2008 Ed. | 1996 Ed. |
|-----------------|---|
| 24 —(1) | 21 —(1) |
| (2) | (1A) |
| (3) | (2) |
| (4) | (3) |
| (5) | (3A) |
| (6) | (3B) |
| (7) | (4) |
| 25 | 22 |
| — | 23 (<i>Repealed by Act 25 of 2005</i>) |
| — | 24 (<i>Repealed by Act 24 of 2003</i>) |
| 26 | 25 |
| 27 | 26 |
| 28 | 26A |
| 29 | 27 |
| 30 | 27A |
| 31 | 28 |
| 32 | 29 |
| 33 | 30 |