

PAYMENT SERVICES ACT 2019

2020 REVISED EDITION

This revised edition incorporates all amendments up to and including 1 December 2021 and comes into operation on 31 December 2021

An Act to provide for the licensing and regulation of payment service providers, the oversight of payment systems, and connected matters and to make consequential and related amendments to certain other Acts.

[28 January 2020: Except sections 111, 113 and 114 ;
30 July 2020: Section 114 ;
31 May 2021: Section 111]

PART 1

PRELIMINARY

Short title and commencement

1.—(1) This Act is the Payment Services Act 2019.

(2) Section 113 comes into operation on a date that the Minister appoints by notification in the *Gazette*.

Interpretation

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

“5% controller”, in relation to a corporation (being a licensee or an operator of a designated payment system), means a person that alone or together with the person’s associates —

- (a) has an interest in at least 5%, but less than 12%, of the shares in the corporation; or
- (b) is in a position to control at least 5%, but less than 12%, of the votes in the corporation;

“12% controller”, in relation to a corporation (being a licensee or an operator of a designated payment system), means a person that alone or together with the person’s associates —

- (a) has an interest in at least 12%, but less than 20%, of the shares in the

corporation; or

(b) is in a position to control at least 12%, but less than 20%, of the votes in the corporation;

“20% controller”, in relation to a corporation (being a licensee or an operator of a designated payment system), means a person that alone or together with the person’s associates —

(a) has an interest in at least 20% of the shares in the corporation; or

(b) is in a position to control at least 20% of the votes in the corporation;

“access”, in relation to a payment system, means an entitlement or eligibility to be a participant in the payment system;

“access regime”, in relation to a payment system, means an access regime imposed by the Authority under section 51 and that is in force;

“account issuance service” has the meaning given by Part 3 of the First Schedule;

“arrangement” includes any formal or informal scheme, arrangement or understanding, and any trust whether express or implied;

“Authority” means the Monetary Authority of Singapore established under the Monetary Authority of Singapore Act 1970;

“bank”, “bank in Singapore” and “banking business” have the meanings given by section 2(1) of the Banking Act 1970;

“book” includes any record, register, document or other record of information and any account or accounting record, however compiled, recorded or stored, whether in written or printed form or on microfilm or by electronic process or otherwise;

“calendar year” means a period from 1 January to 31 December (both dates inclusive);

“chief executive officer”, in relation to a corporation, means a person (however designated) who —

(a) is in the direct employment of, or acting for or by arrangement with, the corporation; and

(b) is principally responsible for the management and conduct of the business of the corporation;

“company” and “corporation” have the meanings given by section 4(1) of the Companies Act 1967;

“consolidated financial statements” has the meaning given by section 209A of the Companies Act 1967;

“credit card” and “charge card” have the meaning given by section 56 of the Banking Act 1970;

“cross-border money transfer service” has the meaning given by Part 3 of the First Schedule;

“currency” means currency notes and coins that are legal tender in Singapore or a country or territory other than Singapore;

“deposit” and “deposit-taking business” have the meanings given by section 4B of the Banking Act 1970;

“designated payment system” means a payment system that is designated by the Authority under section 42 to be a designated payment system for the purposes of this Act;

“digital payment token” means any digital representation of value (other than an excluded digital representation of value) that —

- (a) is expressed as a unit;
- (b) is not denominated in any currency, and is not pegged by its issuer to any currency;
- (c) is, or is intended to be, a medium of exchange accepted by the public, or a section of the public, as payment for goods or services or for the discharge of a debt;
- (d) can be transferred, stored or traded electronically; and
- (e) satisfies such other characteristics as the Authority may prescribe;

[Deleted by Act 1 of 2021 wef 04/04/2024]

“digital payment token account” means any account, or any device or facility (whether in physical or electronic form), that contains digital payment tokens;
[Act 1 of 2021 wef 04/04/2024]

“digital payment token instrument” and “digital payment token service” have the meanings given by Part 3 of the First Schedule;
[Act 1 of 2021 wef 04/04/2024]

“director” has the meaning given by section 4(1) of the Companies Act 1967;

“domestic money transfer service” has the meaning given by Part 3 of the First Schedule;

“e-money” means any electronically stored monetary value that —

- (a) is denominated in any currency, or pegged by its issuer to any currency;
- (b) has been paid for in advance to enable the making of payment transactions through the use of a payment account;
- (c) is accepted by a person other than its issuer; and
- (d) represents a claim on its issuer,

but does not include any deposit accepted in Singapore, from any person in Singapore;

“e-money issuance service” has the meaning given by Part 3 of the First Schedule;

“employee”, in relation to an employer, includes an individual seconded or temporarily transferred to the employer from another employer;

“entity” means any body corporate or unincorporate, whether incorporated, formed or established in or outside Singapore;

“excluded digital representation of value” means a digital representation of value that is prescribed by the Authority as an excluded digital representation of value;

“executive director” means a director who is concurrently an executive officer;

“executive officer”, in relation to a corporation, means any individual (however designated) who —

- (a) is in the direct employment of, or acting for or by arrangement with, the corporation; and
- (b) is concerned with or takes part in the management of the corporation on a day-to-day basis;

“exempt payment service provider”, in respect of any payment service, means a person that is exempt under section 13(1) from the requirement under section 5(1) to have in force a licence that entitles the person to carry on a business of providing that payment service;

“financial regulatory authority”, in relation to a foreign country or territory, means an authority of the foreign country or territory exercising any function that

corresponds to a regulatory function of the Authority under this Act, the Monetary Authority of Singapore Act 1970 or any of the written laws set out in the Schedule to that Act;

“financial statements” has the meaning given by section 209A of the Companies Act 1967;

“financing business” has the meaning given by section 2 of the Finance Companies Act 1967;

“Guidelines on Fit and Proper Criteria” means the document (as revised from time to time) that is called by that title, issued by the Authority and published on the Authority’s website;

“indirect controller”, in relation to a corporation (being a licensee or an operator of a designated payment system) —

(a) means any person, whether acting alone or together with any other person, and whether with or without holding shares or controlling voting power in the corporation —

(i) in accordance with whose directions, instructions or wishes the directors of the corporation are accustomed or under an obligation, whether formal or informal, to act; or

(ii) that is in a position to determine the policy of the corporation; but

(b) excludes any person —

(i) who is a director or other officer of the corporation and whose appointment has been approved by the Authority; or

(ii) in accordance with whose directions, instructions or wishes the directors of the corporation are accustomed to act by reason only that they act on advice given by the person in the person’s professional capacity;

“licence” means a licence granted under section 6;

“licensee” means a payment service provider the licence of which is in force;

“limited liability partnership” has the meaning given by section 4(1) of the Limited Liability Partnerships Act 2005;

“major payment institution” means a person that has in force a major payment

institution licence granted under section 6;

“merchant” means a person (other than an individual who is not required to be registered under the Business Names Registration Act 2014) who, in the course of the person’s business —

- (a) provides goods or services;
- (b) promotes the use or purchase of goods or services; or
- (c) receives, or is entitled to receive, any money or other consideration for providing goods or services,

and includes any employee or agent of the person;

“merchant acquisition service” has the meaning given by Part 3 of the First Schedule;

“money” includes e-money but excludes any digital payment token and any excluded digital representation of value;

“money-changing service” has the meaning given by Part 3 of the First Schedule;

“operator”, in relation to a payment system, means a person that operates the payment system;

“participant”, in relation to a payment system, means any person that is recognised in the rules of the payment system, or is otherwise recognised by the operator or settlement institution of the payment system, as being eligible to settle payments through the payment system with other persons that are similarly recognised, or to process payments through the payment system;

“partner”, in relation to a limited liability partnership, has the meaning given by section 2(1) of the Limited Liability Partnerships Act 2005;

“payee” means a person that is the intended recipient of money that is the subject of a payment transaction;

“payer” means a person that initiates, or consents to the initiation of, a payment order for the transfer of money;

“payment account” —

- (a) means any account, or any device or facility (whether in physical or electronic form), that —
 - (i) is held in the name, or associated with the unique identifier, of any person, and is used by that person for the initiation of

a payment order or the execution of a payment transaction, or both; or

- (ii) is held in the names, or associated with the unique identifiers, of 2 or more persons, and is used by any of those persons for the initiation of a payment order or the execution of a payment transaction, or both; and

(b) includes a bank account, debit card, credit card or charge card;

“payment order” means an instruction to a payment service provider requesting for the execution of a payment transaction;

“payment service” means any service that is specified in Part 1 of the First Schedule, but excludes any service that is specified in Part 2 of that Schedule;

“payment service provider” means any person that provides a payment service;

“payment service user” means any person that uses a payment service in the capacity of a payer or a payee, or of both;

“payment system” means a funds transfer system or other system that facilitates the circulation of money, and includes any instruments and procedures that relate to the system;

“payment transaction” means the placing, transfer or withdrawal of money, whether for the purpose of paying for goods or services or for any other purpose, and regardless of whether the intended recipient of the money is entitled to the money;

“permanent place of business”, in relation to a licensee, or an operator or a settlement institution of a designated payment system, means each fixed location in Singapore used by the licensee, operator or settlement institution for carrying on its business, regardless whether the business is carried on within a single building or at a single business address;

“place of business”, in relation to a licensee, or an operator or a settlement institution of a designated payment system, means any location (including a kiosk that can be moved from one location to another) in Singapore used by the licensee, operator or settlement institution for carrying on its business;

“prohibition order” means —

(a) a prohibition order made under section 68(1) of the Financial

Advisers Act 2001 as in force immediately before the date of commencement of section 200(1)(b) and (2) to (7) of the Financial Services and Markets Act 2022;

- (b) a prohibition order made under section 68(1) of the Financial Advisers Act 2001 as in force immediately before the date of commencement of section 200(1)(b) and (2) to (7) of the Financial Services and Markets Act 2022, and as continued by section 217(2) of the Financial Services and Markets Act 2022;
- (c) an order made under section 74(1) of the Insurance Act 1966 as in force immediately before the date of commencement of section 204(1) to (4) of the Financial Services and Markets Act 2022;
- (d) an order made under section 74(1) of the Insurance Act 1966 as in force immediately before the date of commencement of section 204(1) to (4) of the Financial Services and Markets Act 2022, and as continued by section 218(2) of the Financial Services and Markets Act 2022;
- (e) a prohibition order made under section 101A(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022;
- (f) a prohibition order made under section 101A(1) of the Securities and Futures Act 2001 as in force immediately before the date of commencement of section 209(1)(a), (c) and (d), (4) to (14), (17) and (18) of the Financial Services and Markets Act 2022, and as continued by section 220(3) of the Financial Services and Markets Act 2022; or
- (g) a prohibition order made under section 7(1) of the Financial Services and Markets Act 2022;

[Act 18 of 2022 wef 31/07/2024]

“public authority” means —

- (a) the Government, including any ministry, department or agency of the Government, or an Organ of State; or
- (b) any body established or constituted by or under a public Act to perform or discharge any public function;

“registered office” means a registered office maintained under section 142(1) or

370(1) of the Companies Act 1967;

“regulated financial institution” means a person that carries on a business, the conduct of which is regulated or authorised by the Authority or, if it is carried on in Singapore, would be regulated or authorised by the Authority;

“relevant payment system” means any of the following payment systems:

- (a) a payment system operated by a major payment institution;
- (b) a payment system operated by an exempt payment service provider;
- (c) a payment system operated by a person exempt under section 100 from having in force a licence;
- (d) a designated payment system;

“settlement institution” means a person that provides facilities for —

- (a) the participants of a payment system to hold funds; and
- (b) the settling of transactions between the participants;

“share” has the meaning given by section 4(1) of the Companies Act 1967 and includes an interest in a share;

“Singapore operator” means an operator that is incorporated in Singapore;

“Singapore settlement institution” means a settlement institution that is incorporated in Singapore;

“specified e-money” means any e-money that has been issued —

- (a) to any person whom the issuer of the e-money has determined, according to such criteria as the Authority may specify by written notice, to be resident in Singapore; or
- (b) in Singapore to a person whom the issuer of the e-money has not determined, according to such criteria as the Authority may specify by written notice, to be resident outside Singapore;

“standard payment institution” means a person that has in force a standard payment institution licence granted under section 6;

“treasury share” has the meaning given by section 4(1) of the Companies Act 1967;

“unique identifier” means a combination of letters, numbers or symbols used by a payment service user to identify unambiguously either or both of the following

for the purposes of a payment transaction:

- (a) any payment service user that is a party to the payment transaction;
- (b) any payment account;

“voting share” has the meaning given by section 4(1) of the Companies Act 1967.

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

- (a) a person has an interest in a share if —
 - (i) the person has or is treated as having an interest in that share under section 7(1A), (1B), (2), (6) and (7) to (10) of the Companies Act 1967; or
 - (ii) the person has any legal or equitable interest in that share, except an interest that is to be disregarded under section 7(9) of the Companies Act 1967;
- (b) a reference to the control of a percentage of the votes in a corporation (being a licensee or an operator of a designated payment system) is a reference to the control, whether direct or indirect, of that percentage of the total number of votes that might be cast in a general meeting of the corporation;
- (c) a person (*A*) is an associate of another person (*B*) if —
 - (i) *A* is the spouse, a parent, remoter lineal ancestor or step-parent, a son, daughter, remoter issue, stepson or stepdaughter, or a brother or sister, of *B*;
 - (ii) *A* is a body corporate that is, or a majority of the directors of which are, accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B*;
 - (iii) *A* is a person that is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B*;
 - (iv) *A* is a subsidiary of *B*;
 - (v) *A* is a body corporate in which *B*, whether alone or together with other associates of *B* as described in sub-paragraphs (ii), (iii) and (iv), is in a position to control 20% or more of the votes in *A*; or

- (vi) *A* is a person with whom *B* has an agreement or arrangement (whether oral or in writing and whether express or implied) to act together with respect to the acquisition, holding or disposal of shares or other interests in, or with respect to the exercise of their votes in relation to, the corporation (being a licensee or an operator of a designated payment system) mentioned in the definition of “5% controller”, “12% controller” or “20% controller”;
- (d) a person has a substantial shareholding in a corporation if —
 - (i) the person has an interest in one or more voting shares (excluding treasury shares) in the corporation; and
 - (ii) the total votes attached to that share, or those shares, is at least 5% of the total votes attached to all the voting shares (excluding treasury shares) in the corporation; and
- (e) a person has a substantial shareholding in a corporation, the share capital of which is divided into 2 or more classes of shares, if —
 - (i) the person has an interest in one or more voting shares (excluding treasury shares) included in one of those classes; and
 - (ii) the total votes attached to that share, or those shares, is at least 5% of the total votes attached to all the voting shares (excluding treasury shares) included in that class.

(3) In any case where the functions of the operator or settlement institution of a payment system are assumed by or shared among 2 or more operators or settlement institutions, a reference in this Act to the operator or settlement institution is a reference to each such operator or settlement institution.

(4) For the purposes of sections 5(2) and 13(13) and paragraph 2(i) of the First Schedule, a payment service, or the provision of a payment service, is incidental to any other business carried on by a person, if the payment service —

- (a) is carried on, offered or provided by that person to support that other business; and
- (b) is provided by that person in connection with the carrying on of that other business.

Application of Act

3.—(1) Subject to subsection (2), this Act does not apply to any public authority.

(2) The Minister may by order declare that a public authority is one to which this Act applies.

Appointment of assistants

4.—(1) Subject to subsection (2), the Authority may appoint any person to exercise any of its powers or perform any of its functions or duties under this Act, either generally or in any particular case, except —

- (a) the power of appointment conferred by this subsection; and
- (b) the power to make subsidiary legislation.

(2) The Authority may appoint one or more of its officers to exercise the power, under a provision of this Act specified in the Second Schedule, to grant an exemption to a particular person, or to revoke any such exemption.

[Act 5 of 2025 wef 09/03/2025]

(2A) An appointment under subsection (2) must be published in the *Gazette*.

[Act 5 of 2025 wef 09/03/2025]

(3) Any person appointed under subsection (1) or officer appointed under subsection (2) is taken to be a public servant for the purposes of the Penal Code 1871.