



REPUBLIC OF SINGAPORE

GOVERNMENT GAZETTE

ACTS SUPPLEMENT

Published by Authority

NO. 17]

FRIDAY, JUNE 26

[2015

First published in the *Government Gazette*, Electronic Edition, on 23rd June 2015 at 5:00 pm.

The following Act was passed by Parliament on 11th May 2015 and assented to by the President on 28th May 2015:—

REPUBLIC OF SINGAPORE

No. 14 of 2015.

I assent.

TONY TAN KENG YAM,
President.
28th May 2015.



An Act to amend the Monetary Authority of Singapore Act (Chapter 186 of the 1999 Revised Edition) and to make consequential amendments to certain other Acts.

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 may be cited as the Monetary Authority of Singapore (Amendment) Act 2015 and comes into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 27A

2. Section 27A(6) of the Monetary Authority of Singapore Act (referred to in this Act as the principal Act) is amended by deleting the word “and” at the end of paragraph (ka), and by inserting immediately thereafter the following paragraphs:

“(kb) any designated financial holding company under the Financial Holding Companies Act 2013 (Act 13 of 2013);

(kc) any person licensed under the Banking Act (Cap. 19) to carry on the business of issuing credit cards or charge cards in Singapore; and”.

Amendment of section 27B

3. Section 27B of the principal Act is amended —

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

“(1A) In particular, the directions and regulations under subsection (1) may provide for —

(a) customer due diligence measures to be conducted by financial institutions to prevent money laundering and the financing of terrorism; and

(b) the records to be kept for that purpose.

(1B) A financial institution must —

(a) conduct such customer due diligence measures as may be specified by the directions referred to in subsection (1A) that are issued to it, or as may be prescribed by the regulations referred to in that subsection that are applicable to it; and

(b) maintain records on transactions and information obtained through the conduct of those measures for such period and in such manner as may be specified by the directions referred to in subsection (1A) that are issued to it, or as may be prescribed by the regulations referred to in that subsection that are applicable to it.”;

(b) by deleting subsection (2) and substituting the following subsection:

“(2) A financial institution which —

(a) fails to comply with a direction issued to it under subsection (1);

(b) contravenes any regulation made under subsection (1); or

(c) contravenes subsection (1B),

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1 million and, in the case of a continuing offence, to a further fine of \$100,000 for every day or part of a day during which the offence continues after conviction.”; and

(c) by deleting the section heading and substituting the following section heading:

“Requirements for prevention of money laundering and terrorism financing”.

New sections 27C to 27F

4. The principal Act is amended by inserting, immediately after section 27B, the following sections:

“Inspection of financial institutions for compliance with directions and regulations under sections 27A and 27B

27C.—(1) The Authority may, from time to time, inspect under conditions of secrecy the books of —

- (a) a financial institution; or
- (b) any subsidiary, branch, agency or office outside Singapore of a financial institution incorporated or established in Singapore,

for the purpose of determining the extent of compliance by the financial institution with the directions issued and the regulations made under sections 27A and 27B.

(2) The Authority may appoint any person, including an auditor (not being an auditor of the financial institution), to carry out an inspection under this section.

(3) If the inspection is carried out on the ground that the Authority has reason to believe that the financial institution has contravened or is contravening any direction issued or regulation made under section 27A or 27B, and if the Authority so directs, then the financial institution is liable to pay for the remuneration and expenses of any person appointed under subsection (2) for the inspection.

(4) The Authority may recover from the financial institution the remuneration and expenses referred to in subsection (3) as a civil debt due to the Authority.

(5) The Authority may, in its discretion, waive the payment of all or any part of the remuneration and expenses referred to in subsection (3).

(6) Where, in the course of an inspection under subsection (1), the Authority obtains any protected information as defined in section 30X(1), and that information is not necessary for taking any action regarding non-compliance with any direction issued or regulation made under section 27A or 27B, then the Authority must treat that information as secret.

(7) Subsection (6) does not prevent the transmission under section 27F, 30ZA, 30ZC or 30ZF by the Authority of any information to any authority referred to in the applicable section.

(8) In this section and section 27D, “book” has the same meaning as in section 30X(1).

(9) In this section and sections 27D, 27E and 27F, “financial institution” has the same meaning as in section 27A(6) read with section 27A(7).

Obligation of financial institution under inspection

27D.—(1) For the purposes of an inspection under section 27C(1), the financial institution must —

- (a) give the Authority access to such of the books of the financial institution as the Authority may reasonably require to conduct the inspection;
- (b) procure a person who is in possession of such of the books of the financial institution as the Authority may reasonably require to conduct the inspection, to give the Authority access to the books;
- (c) provide such information (including information relating to the internal control systems of the financial institution) and facilities as the Authority may reasonably require to conduct the inspection; and
- (d) procure a person who is in possession of such information (including information relating to the internal control systems of the financial institution) and facilities as the Authority may reasonably require to conduct the inspection, to provide the information and facilities to the Authority.

(2) Subsection (1) has effect despite any obligation of confidentiality or other restrictions on the disclosure of information imposed on the financial institution or any of its officers, or on any person referred to in subsection (1)(b) or (d), by any prescribed written law as defined in section 30X(1) or any requirement imposed under any such written law, any rule of law, any contract or any rule of professional conduct.

(3) A financial institution which refuses or neglects, without reasonable excuse, to comply with subsection (1) 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