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## BILLS SUPPLEMENT

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**Notification No. B 41** — The Payment Services (Amendment) Bill is published for general information. It was introduced in Parliament on 2 November 2020.



# **Payment Services (Amendment) Bill**

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**Bill No. 41/2020.**

*Read the first time on 2 November 2020.*

A BILL

*i n t i t u l e d*

An Act to amend the Payment Services Act 2019 (Act 2 of 2019).

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 Payment Services (Amendment) Act 2021 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

## Amendment of section 2

2. Section 2(1) of the Payment Services Act 2019 (called in this Act the principal Act) is amended by deleting the definition of “digital payment token service” and substituting the following definitions:

““digital payment token account” means any account, or any device or facility (whether in physical or electronic form), that contains digital payment tokens;

“digital payment token instrument” and “digital payment token service” have the meanings given by Part 3 of the First Schedule;”.

## New section 21A

3. The principal Act is amended by inserting, immediately after section 21, the following section:

### “Additional requirements in respect of licensee providing digital payment token service

**21A.**—(1) A licensee that provides a digital payment token service must satisfy the requirements prescribed by regulations made under section 103(1) in respect of —

(a) the extent to which assets (including digital payment tokens) belonging to a customer held by the licensee may be commingled with other assets (including other digital payment tokens) held by the licensee;

(b) the maintenance in a prescribed manner of a prescribed amount or percentage of the following assets:

(i) assets (including digital payment tokens) belonging to the customer held by the licensee;

- (ii) assets (including digital payment tokens) belonging to the licensee;
  - (iii) other assets (including digital payment tokens) held by the licensee;
- (c) the safeguarding of assets (including digital payment tokens) belonging to customers held by the licensee, in the event of the insolvency of the licensee; 5
- (d) insurance against the risk of insolvency of the licensee;
- (e) the manner in which the licensee must conduct its dealings with a customer for the following purposes: 10
  - (i) safeguarding assets (including digital payment tokens) belonging to its customers;
  - (ii) protecting data relating to its customers;
  - (iii) safeguarding digital payment token instruments belonging to its customers; 15
- (f) the disclosure, to customers of the licensee, of information relating to the manner in which the licensee —
  - (i) safeguards assets (including digital payment tokens) belonging to its customers; 20
  - (ii) protects data relating to its customers; and
  - (iii) safeguards digital payment token instruments belonging to its customers;
- (g) the monitoring of digital payment token accounts and assets (including digital payment tokens) belonging to customers held by the licensee; 25
- (h) the standards and processes which the licensee must adopt —
  - (i) to safeguard assets (including digital payment tokens) belonging to customers held by the 30