

Money-changing and Remittance Businesses (Amendment) Bill

Table of Contents

Bill No: 9/1996

Read the first time: 11th March 1996

Long Title

Enacting Formula

1 Short title and commencement

2 Amendment of section 2

3 Repeal and re-enactment of sections 5 and 6

4 Amendment of section 7

5 New sections 7A, 7B and 7C

6 Repeal and re-enactment of sections 8 and 9, and new section 9A

7 Amendment of section 10

8 New sections 11A and 11B

9 Amendment of section 12

10 New section 12A

11 New sections 17A and 17B

12 New section 18A

13 Amendment of section 19

Explanatory Statement

Expenditure of Public Money

Money-changing and Remittance Businesses (Amendment) Bill

Bill No. 9/1996

Read the first time on 11th March 1996.

An Act to amend the Money-changing and Remittance Businesses Act (Chapter 187 of the 1985 Revised Edition).

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 Money-changing and Remittance Businesses (Amendment) Act 1996 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 2

2. Section 2 of the Money-changing and Remittance Businesses Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately after the definition of “Authority” in subsection (1), the following definition:

““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;”;
and

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

“(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.

(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.”.

Repeal and re-enactment of sections 5 and 6

3. Sections 5 and 6 of the principal Act are repealed and the following sections substituted therefor:

“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.

(2) A person who contravenes subsection (1) 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 and, in the case of a continuing offence, to a fine not exceeding \$1,000 for every day during which the offence continues after conviction.

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.

(2) A person who contravenes subsection (1) 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 and, in the case of a continuing offence, to a fine not exceeding \$1,000 for every day during which the offence continues after conviction.”.

Amendment of section 7

4. Section 7 of the principal Act is amended —

(a) by deleting subsection (1) and substituting the following subsection:

“(1) Any person who desires to obtain or renew a licence shall submit an application to the Authority in such form as the Authority may require and shall furnish the Authority with such other information as may be required by the Authority.”; and

(b) by inserting, immediately after subsection (4), the following subsection:

“(5) Where a person submits an application for the renewal of his licence at any time prior to the expiry of his licence, he shall not incur any penalty under this Act for not being the holder of a licence during the period commencing from the date of expiry of his licence until the date his licence is renewed or his application is refused.”.

New sections 7A, 7B and 7C

5. The principal Act is amended by inserting, immediately after section 7, the following sections:

“Security deposit

7A.—(1) Every person who is granted a remittance licence shall deposit with the Authority a sum of \$100,000 or such other sum as may be prescribed by regulations made under this Act to be held as security for the due performance of his obligations to those persons who will deposit or have deposited moneys with him for remittance purposes.

(2) The deposit referred to in subsection (1) shall be in cash or in such other form as the Authority may in any particular case allow.

(3) In the event that a licensee ceases to carry on remittance business, it shall be lawful for the Authority to deduct from the deposit such amount as may be required to pay any sums claimed by the customers of the licensee who had given moneys to the licensee for remittance purposes and if any deposit is insufficient to cover all sums claimed by the remitters, the Authority may pay part of the sums claimed by those customers.

(4) The Authority, upon being satisfied that there is no outstanding claims by the customers of the licensee, shall release the deposit or the balance thereof, as the case may be, to the licensee.

(5) Any deposit furnished by a licensee 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 adjudicated a bankrupt or, being a company, is declared insolvent or is wound up by an order of court, the deposit shall be deemed not to form part of the property of the licensee.

Licensee not to open branch without Authority's approval

7B.—(1) No licensee shall open a new place of business or branch in Singapore without the written approval of the Authority which may, in its discretion, grant its approval with or without imposing any conditions as it thinks fit.

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

(3) An additional fee shall be payable by a licensee for each of his branches.

Display of licence

7C.—(1) Every licensee shall display or exhibit his licence or a certified true copy thereof in a conspicuous place at every premises where he carries on money-changing or remittance business.

(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.”.

Repeal and re-enactment of sections 8 and 9, and new section 9A

6. Sections 8 and 9 of the principal Act are repealed and the following sections substituted therefor:

“Licence fees

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

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

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

Period for which licence is in force

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