

Payment Systems (Oversight) (Singapore Dollar Cheque Clearing System and Inter-bank GIRO System) Regulations 2006

Table of Contents

Enacting Formula

1 Citation and commencement

2 Definitions

3 Participants to open settlement account

4 Procedure at close of each day's clearing

5 Funds to meet participant's obligations

6 Defaulting participant

7 Re-admission of suspended participant

No. S 335

PAYMENT SYSTEMS (OVERSIGHT) ACT 2006 (ACT 1 OF 2006)

PAYMENT SYSTEMS (OVERSIGHT) (SINGAPORE DOLLAR CHEQUE CLEARING SYSTEM AND INTER-BANK GIRO SYSTEM) REGULATIONS 2006

In exercise of the powers conferred by section 56 of the Payment Systems (Oversight) Act 2006, the Monetary Authority of Singapore hereby makes the following Regulations:

Citation and commencement

- 1.** These Regulations may be cited as the Payment Systems (Oversight) (Singapore

Dollar Cheque Clearing System and Inter-bank GIRO System) Regulations 2006 and shall come into operation on 23rd June 2006.

Definitions

2. In these Regulations, unless the context otherwise requires —

“articles” includes —

- (a) cheques, cashiers’ orders, drawing vouchers, dividend warrants, demand drafts, remittance receipts, travellers cheques or gift cheques drawn on a participant and payable in Singapore dollars and cleared in the Singapore dollar cheque clearing system;
- (b) electronic payment instruments that are drawn on a participant and payable in Singapore dollars and cleared in the inter-bank GIRO system;
- (c) such other physical or electronic payment instruments as the Authority may authorise from time to time by notification in the *Gazette*; and
- (d) in relation to physical payment instruments, where the original thereof has been certified by any participant as lost, the certified true copies thereof whether in the form of microfilm, photocopy or other means authorised by the Authority;

“bank in Singapore” has the same meaning as in section 2 of the Banking Act (Cap. 19);

“clearing”, in relation to articles presented by any participant to the clearing house through the system (whether the presentation is made by way of physical delivery of the articles or electronic transmission of the data on the articles or transmission of electronic payment instruments to the clearing house), means the process by which the operator collates all articles, data on the articles or electronic payment instruments presented to the clearing house and computes —

- (a) the sum due to a participant from all other participants; and
- (b) the sum payable by the participant to all other participants;

“clearing house” means the Automated Clearing House that is established under the Banking (Clearing House) Regulations (Rg 1);

“operator”, in relation to the system, means the operator specified in the Payment Systems (Oversight) (Designated Payment Systems) Order 2006 as the operator

of the system;

“participant” means a participant of the system;

“settlement account” means an account opened with a settlement institution in —

- (a) the real-time gross settlement system that is deemed to be established by the Authority under section 29A(7) of the Monetary Authority of Singapore Act (Cap. 186); or
- (b) any other system, as may be specified by the Authority by notification in the *Gazette*, being a system that is designated by the Authority under section 7 of the Act and section 3 of the Payment and Settlement Systems (Finality and Netting) Act (Cap. 231),

for the settling of obligations, arising out of each day’s clearing, between participants;

“system”, in relation to —

- (a) articles that are physical payment instruments, means the Singapore dollar cheque clearing system; and
- (b) articles that are electronic payment instruments, means the inter-bank GIRO system.

Participants to open settlement account

3.—(1) Every participant shall —

- (a) open a settlement account; or
- (b) appoint another participant which has opened a settlement account (referred to in these Regulations as a settlement agent),

to settle all obligations due from the first-mentioned participant to any other participant arising out of each day’s clearing.

(2) In the case where a participant appoints a settlement agent under paragraph (1)(b), the participant shall, before any obligation is settled by the settlement agent on his behalf, give the operator notice in writing of the appointment, accompanied by a written confirmation from the settlement agent of such appointment.

(3) Any participant who intends to terminate the appointment of his settlement agent shall notify the operator in writing not less than 7 days before the date of termination of such appointment.

(4) The operator shall notify the Authority of any appointment of a settlement agent