

MAS LAUNCHES SANDBOX EXPRESS FOR INSURANCE BROKERS, RECOGNISED MARKET OPERATORS AND REMITTANCE BUSINESSES

Posted on October 30, 2019



Category: [CNPupdates](#)

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Date Published: 30 October 2019

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On 7 August 2019, the Monetary Authority of Singapore (“**MAS**”) launched the Sandbox Express to provide a faster option for interested fintech companies to test innovative financial products and services in the Singapore market. Eligible applicants can begin market testing in the pre-defined environment of Sandbox Express within 21 days of applying to MAS to be admitted.

Prior to the launch of Sandbox Express, the normal track Fintech Regulatory Sandbox (“**Sandbox**”) was launched by MAS in 2016 for fintech companies and start-ups (“**Applicants**”) to experiment with innovative financial services in the production environment but within a well-defined space and duration. Upon approval from the MAS, Applicants would enter the Sandbox with MAS providing the appropriate regulatory support by relaxing specific legal and regulatory requirements prescribed by MAS, which the Applicants would otherwise be subject to, for the duration of the stay in the Sandbox. The Sandbox remains available to Applicants today.

Sandbox Express also shortens the approval process for entry into the Sandbox by relying on standard disclosures and pre-determined rules for each of the pre-defined sandboxes in the Express Sandbox. The Sandbox Express is created to complement the Sandbox, and will currently be available specifically for the following activities and/or services:

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- insurance brokers;
- recognised market operators (RMOs); and
- remittance businesses.

Assessment criteria and approval timeframe

The Sandbox Express principles and governance framework are set out in the Sandbox Express Guidelines and annexes thereto.

The scope of assessment by MAS will focus on the following two criteria:

- Whether the applicant's key stakeholders, such as the applicant's shareholders, key appointment holders (viz. CEO), and directors are fit and proper; and
- Whether the proposed financial service or product is technologically innovative, and how the financial service or product addresses problem statements and brings new benefits.

Under Sandbox Express, MAS targets to complete the assessment and respond to the applicant within 21 days from receipt of a complete application. In the event that MAS deems an application to be complex and requires more time to assess, MAS may notify the applicant within 21 days of receipt of the application that it will not consider the application under the Sandbox Express and will treat it as an application under the normal Sandbox.

Initially, Sandbox Express will cover insurance brokering services establishing or operating an organised market and remittance businesses (please refer to Annex A – Sandbox Constructs at the link provided below). While MAS had proposed an experiment period of six (6) months in the MAS Consultation Paper of 20 November 2018, it has now increased the experiment period to nine (9) months to account for unexpected delays or issues. This also allows MAS more time to understand and address potential regulatory challenges that may surface during the experimentation phase.

Our earlier article published on 20 November 2018 on the consultation paper for the proposed creation of Sandbox Express is also accessible [here](#).

You may also access the key materials and resources available on the MAS website below:

- [Sandbox Express Guidelines](#)
- [Annex A – Sandbox Constructs](#)
- [Annex B – Sandbox Express Application Form](#)
- [Annex C – Progress Reporting Form](#)
- [Response to Feedback Received](#)

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