

PAYMENT SERVICES ACT  
(UNCOMMENCED)

FORM

2

PAYMENT SERVICES REGULATIONS

**APPLICATION FOR THE VARIATION OR CHANGE OF A PAYMENT SERVICE PROVIDER LICENCE UNDER SECTION 7(1) OF THE PAYMENT SERVICES ACT READ WITH REGULATION 10 OF THE PAYMENT SERVICES REGULATIONS**

\_\_\_\_\_  
(Full name of applicant as per ACRA's record)

Explanatory Notes

1. **This document is only a specimen of the application form and is not intended for submission.** All applicants must apply via the online form. The link to the online form will be made available on the [MAS website](#) on 28 January 2020. All other modes of submission will not be accepted.
2. This application form must be completed in English, unless the question states otherwise.
3. The applicant must provide all applicable supporting documents listed in the Application Checklist, or indicate that the document has been provided before and there has been no change to the document. Please note that attachments should be provided in a searchable and comment-enabled format and must be provided in English, or with a certified English translation. Please “zip” the attachment prior to uploading if the file size of the attachment is larger than 5MB. If the applicant is unable to provide all of its supporting documents due to the file size limit, the applicant may provide the remaining documents when it is contacted by the officer-in-charge.
4. Please note that Form 2 is only for an existing holder of a licence under the [Payment Services Act](#) (“PS Act”), which intends to vary or change its licence under section 7 of the PS Act. A person who does not currently hold a licence under the PS Act and intends to apply for a licence must submit an application in Form 1. Applicants who wish to change their entity type between a sole-proprietorship, partnership, or company/corporation should also apply in Form 1.
5. All terms used in this form shall, except where expressly defined in this form or where the context otherwise requires, have the same meaning as defined in the PS Act or the Payment Services Regulations (“PSR”).
6. All fields marked with an asterisk (\*) are mandatory fields. If a question or field is not applicable, please check the “N.A.” box or mark “N.A.” in the space provided.

7. If there are any changes in the information furnished in the application after submission, the Monetary Authority of Singapore (“the Authority”) should be notified immediately.
8. A NON-REFUNDABLE APPLICATION FEE is payable to the Authority for the submission of this application. The application fee is prescribed under the Schedule to the PSR. The applicant is not required to make any application or licence fee payment at this point. Payments need only be made upon advice from MAS.
9. It will take approximately 30 minutes to complete this application form if the applicant has all the required information ready.

#### Application Checklist

- Scanned copies of the latest audited financial statements of the applicant if it has not been submitted to the Authority and the audited consolidated financial statements of the group for the past 3 years, where applicable. Where the applicant or the group has yet to undergo an independent audit, please attach the unaudited financial statements.
- Organisational chart of the applicant, including the compliance function, if there are any intended changes.
- Business plan that illustrates its compliance with the PS Act, as well as other relevant legislation.
- Anti-Money Laundering and Countering the Financing of Terrorism Policies & Procedures, enterprise-wide risk assessment and implementation plans that illustrate the applicant’s compliance with the relevant Notices on Prevention of Money Laundering and Countering the Financing of Terrorism [[PSN01](#) and/or [PSN02](#)], if there are any intended changes.

## SECTION 1: APPLICATION FOR THE VARIATION OR CHANGE OF A LICENCE

- 1.1 What type of variation or change does the applicant intend to apply for?\*
- Change of licence type between a money-changing, standard payment institution or major payment institution licence. *Proceed to 1.2 and 1.3.*
  - Addition of payment service. *Proceed to 1.4 and 1.5.*
  - Removal of payment service. *Proceed to 1.6 and 1.7.*

- 1.2 What type of licence does the applicant intend to apply for?\*

- Money-changing (“MC”) licence
- Standard payment institution (“SPI”) licence
- Major payment institution (“MPI”) licence

- 1.3 Indicate the reason(s) for the variation and provide details below.\*

- Change in products or services.
- Change in target clientele.
- Anticipates change in number of customers, transaction volume, or float.
- Others.

Provide details on the reason(s) indicated.

- 1.4 Which payment service(s) does the applicant intend to add?\*

- Account issuance service
- Domestic money transfer service
- Cross-border money transfer service
- Merchant acquisition service
- E-money issuance service
- Digital payment token service
- Money-changing service

- 1.5 Provide details on the reason(s) for the variation.\*

- 1.6 Which payment service(s) does the applicant intend to remove?\*

- Account issuance service
- Domestic money transfer service
- Cross-border money transfer service
- Merchant acquisition service
- E-money issuance service
- Digital payment token service
- Money-changing service

1.7 Indicate the reason(s) for the variation and provide details below.\*

- Change in business model or viability
- Change in ability to meet regulatory requirements
- Has not commenced business in the payment service(s).
- Others.

Provide details on the reason(s) indicated.

## SECTION 2: CONTACT PERSON

2.1 Provide the following details of the person who will be liaising with the Authority on this application. This person should be familiar with the application and able to address queries from the Authority on the application. The applicant accepts responsibility for all the submissions and representations which will be made by this authorised personnel/contact person.\*

<b>Name of contact person</b>	
<b>Designation</b>	
<b>Entity (if not the applicant)</b>	
<b>Contact Number</b>	
<b>E-mail</b>	

## SECTION 3: INFORMATION ON THE APPLICANT

### Track record

3.1 Does the applicant or any entity in the group have a corporate track record in the payment service(s) that the applicant intends to carry out?\*

- No.
- Yes. Provide details in the table below for regulated entities within the group which have the relevant corporate track record.

<b>Name of entity</b>	<b>Name of entity in foreign language (if any)</b>	<b>Country – Name of regulator</b>	<b>Type of licence/ registration/ approval held</b>	<b>Date of licensing/ registration/ approval</b>	<b>Type of activity and no. of years in conducting such activity</b>

3.2 Describe and provide details of the corporate track record, including the business activities carried out, the name of the entity carrying out the business activities, and the length of the relevant corporate track record.

### **Organisational structure**

The applicant is only required to complete the question below if there are proposed changes due to the intended variation. Other changes should be notified to the Authority in Form 5.

- N.A. The applicant will not have any proposed changes due to the intended variation.
  
- 3.3 Provide the organisational chart of the applicant. The chart should clearly show the current and proposed staff strength, and clearly indicate who will have oversight of the additional payment service(s). The chart should also highlight any proposed changes in key officers, including those in compliance and internal audit functions where applicable.\*
  
- 3.4 Provide details of key officers (including names, addresses, relevant experience, qualifications etc.) who will have oversight of the expanded business and/or additional payment service(s).\*
  
- 3.5 Provide details of the key internal control procedures (including compliance, internal audit and risk management arrangements) to satisfy the Authority that the applicant will be able to comply on an on-going basis with the requirements of the PS Act and that the applicant has adequate means of supervising its officers in respect of the expanded business and/or additional payment service(s).\*

### **SECTION 4: CHANGE OF LICENCE TYPE**

The applicant is only required to complete this section if it intends to change its licence between a MC, SPI or MPI licence.

- 4.1 Confirm that the applicant meets the relevant governance or ownership requirement by checking the relevant box. Note that if the applicant intends to change its director(s) or 20% controller(s), it must apply and obtain approval in Form 3 or Form 3A separately.\*  
For a **MC licence**, where the applicant is a:
  - Company: More than 50% of shareholding is beneficially owned and effectively controlled by persons who are Singapore citizens.
  - Wholly-owned subsidiary of a foreign bank or foreign company primarily engaged in money-changing: MAS will consider the parent company's size, track record, reputation and supervision by its home supervisory authority.
  
- For a **SPI** or **MPI** licence:
  - The applicant has at least one executive director who is a Singapore citizen or Permanent Resident.
  - The applicant has at least one non-executive director who is a Singapore citizen or Permanent Resident and at least one executive director who is a Singapore employment pass holder.

“Executive director” refers to a director who is in the direct employment of, acting for or by arrangement with, the applicant, and is concerned with or takes part in the management of the applicant’s business on a day-to-day basis.

### **Base Capital**

4.2 Provide information on the applicant's latest base capital/net head office funds.\*

- N.A. – The applicant is applying for a money-changing licence.

<b>Base capital calculation</b>	<b>S\$</b>
<b>Sum of:</b>	
<b>(1) Paid-up capital</b>	
<b>(A) Ordinary share</b>	
<b>(B) Irredeemable and non-cumulative preference shares</b>	
<b>(2) Unappropriated profit or loss account</b>	
<b>Less:</b>	
<b>(A) Dividend declared</b>	
<b>(B) Interim losses</b>	
<b>Total base capital/Net head office funds</b>	

### **Financial Projections**

4.3 Provide information of the applicant as requested in the table below.\*

<b>Provide the following financial figures in Singapore dollars</b>	<b>Financial year, in chronological order</b>		
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
	[Year]	[Year]	[Year]
Projected revenue (S\$)			
Projected % of total revenue (S\$)			
If there are any losses projected, explain how the losses would be funded.			

### **Business Projections**

4.4 Provide information of the applicant as requested in the table below.\*

Provide the following financial figures in Singapore dollars	Financial year, in chronological order		
	Year 1	Year 2	Year 3
	[Year]	[Year]	[Year]
The projected average, over a calendar year, of the total value of all payment transactions that are accepted, processed or executed by the licensee in one month			
The projected average, over a calendar year, of the total value in one day of all e-money that is stored in any payment account issued to persons resident in Singapore/not resident outside Singapore			
The projected average, over a calendar year, of the total value in one day of all specified e-money issued by the licensee			

### **Security**

Provide a response to 4.5 only where the applicant is applying for a major payment institution licence.

- 4.5 It is a requirement for a major payment institution to maintain security with the Authority. The prescribed amount of security is —
- \$100,000, if the monthly average of payment transactions for any one payment service does not exceed S\$6 million; and
  - \$200,000, in all other cases.

The security must be in the form of a cash deposit or bank guarantee in the prescribed form.

- The applicant is aware of and will be able to meet the security requirement.

### **Safeguarding arrangement**

Provide a response to 4.6 and 4.7 only where the applicant is applying for a major payment institution licence and any activity that is subject to safeguarding.

- 4.6 The applicant intends to safeguard relevant money by:
- an undertaking, from a safeguarding institution, to be fully liable to the customer for the relevant money.
  - a guarantee given by a safeguarding institution for the amount of relevant money.
  - depositing the relevant money in a trust account maintained with a safeguarding institution.

4.7 Provide details of the intended safeguarding arrangement, including name of safeguarding institution and draft contract(s) if available, and mechanism to comply with the timelines stipulated in the PS Act. Where the applicant will be using more than one safeguarding measure and/or safeguarding institution, indicate the proportion of relevant money that will be safeguarded with each measure and/or institution.

**Threshold monitoring**

Provide a response to 4.8 only where the applicant is applying for a standard payment institution licence.

4.8 Describe the intended monitoring measures to comply with the thresholds for standard payment institutions.

**SECTION 5: VARIATION TO ADD PAYMENT SERVICE(S)**

The applicant is only required to complete this section if it intends to add payment service(s). The applicant should complete the questions below with respect to the additional payment service(s) it intends to conduct. Where the applicant intends to make changes to its business model that do not relate to the additional payment service(s), it should submit a notification to the Authority in Form 5 instead.

**Proposed Clientele**

5.1 Estimate the clientele type that the applicant proposes to provide the new payment service(s) to:\*

- Individuals
  - Singapore
  - Overseas
    - Asia-Pacific  
Specify the countries:
    - Europe  
Specify the countries:
    - Americas  
Specify the countries:
    - Others  
Specify the countries:
- Corporates
  - Singapore
  - Overseas
    - Asia-Pacific  
Specify the countries:
    - Europe  
Specify the countries:
    - Americas  
Specify the countries:
    - Others  
Specify the countries:



5.2 Provide additional information where relevant on the profile of a typical customer for each payment service the applicant intends to conduct (e.g. the industry sector where the customers are from).

**Description of Proposed Business**

5.3 Describe the new services and products the applicant intends to provide, including how these will be integrated into its existing business.\*

5.4 Describe how the applicant intends to generate revenue from conducting each new payment service.\*

5.5 Provide an estimation of the proportion of revenue to be generated by each new payment service.\*

Payment service	Type of revenue	Estimated revenue amount	Proportion of total revenue (%)
Account Issuance	Fees		
Domestic Money Transfer	Exchange gains		
Cross-border Money Transfer	Commissions		
Merchant Acquisition	Interest		
E-money Issuance	Others		
Digital Payment Token			
Money-changing			

5.6 Provide information on the new payment service(s) as requested in the tables below, where applicable.\*

	Financial year, in chronological order		
	Year 1	Year 1	Year 1
	[Year]	[Year]	[Year]
<b>Payment service</b>	The projected average, over a calendar year, of the total value of all payment transactions that are accepted, processed or executed by the licensee in one month (in S\$)		
Account Issuance			
Domestic Money Transfer			
Cross-border Money Transfer			
Merchant Acquisition			
Digital Payment Token			
	The projected average, over a calendar year, of the total value in one day of all e-money that is stored in any payment account issued to persons resident in Singapore/not resident outside Singapore (in S\$)		
E-money account issuance			
	The projected average, over a calendar year, of the total value in one day of all specified e-money issued by the licensee (in S\$)		
E-money Issuance			

5.7 Describe how the applicant intends to deliver or distribute its new products or services to customers.\*

- Mobile app
- Online platform
- Phone calls
- Face-to-face
- Others. Provide details.

**Financial Projections**

5.8 Provide information on the new payment service(s) as requested in the table below.\*

Provide the following financial figures in Singapore dollars	Financial year, in chronological order		
	Year 1	Year 2	Year 3
	[Year]	[Year]	[Year]
Projected revenue (S\$)			
Projected % of total revenue (S\$)			
If there are any losses projected, explain how the losses would be funded.			

**Transaction or process flow**

5.9 Attach a diagram to describe the beginning to end of a typical transaction of the new products or services, including where the applicant’s proposed business involves the use of innovative technology (e.g. use or offering of digital tokens, distributed ledger technology) or a different manner of delivering products or services from that commonly seen in the market. The diagram should include the arrangements for customers to pay for or settle the transaction, including the payment of fees to the applicant.\*

**Additional Information**

5.10 Provide any additional information which in its view will help the Authority to understand the applicant’s new products or services. Provide diagrams where applicable.

**Activity-specific Information**

Provide a response to 5.11 to 5.16 only where the applicant is applying to provide the service mentioned in each item.

**E-money account issuance service**

5.11 Provide the following details for e-money account issuance services that the applicant intends to provide. If the applicant intends to provide more than one type of account, indicate the details below for each type of account respectively.

<b>Name of account</b>	<b>Load Limit</b>	<b>Redemption limit</b>	<b>Indicate if it is incidental to any services</b>	<b>Channels for loading</b>	<b>Channels for redemption and spending</b>
				Cash Bank transfer Credit/Debit card transfer Transfer from other wallets Others	Cash withdrawal Transfer to bank account Transfer to debit/credit card Transfer to other wallets Payment to merchants Transfer to other persons Others

5.12 Describe the intended monitoring measures to comply with the threshold restrictions on personal payment accounts that contain e-money.

### Domestic and cross-border money transfer

5.13 Provide a description of the remedial measures in the event that the payment does not reach the beneficiary within the prescribed period.

### Digital payment token service

5.14 Indicate which digital payment token services the applicant will provide:

- Digital payment token exchange
- Digital payment token broker
- Digital payment token custody
- Others:

5.15 Provide a list of all tokens supported and indicate the applicant's assessment of the nature of the token. Attach a legal opinion of the applicant's assessment.

Name of token	Digital payment token under the PS Act	Capital market product under the <a href="#">Securities and Futures Act</a>
	Yes/No	Yes/No

5.16 If the applicant intends to provide digital payment token wallet services, provide a list of wallets offered and indicate whether these are hot or cold wallets. Describe the security measures employed for wallets.

### Technology risk management

5.17 If the applicant intends to provide new online financial services, it must perform a penetration test of its proposed online financial services, remediate all high risk findings identified, and conduct independent validation on the effectiveness of the remediation actions taken prior to the commencement of business.

- The applicant declares that it will complete the above measures prior to commencing business.

### Conflicts of Interest

5.18 Identify areas of potential conflicts of interest that may arise from the provision of the new payment service(s) by the applicant.

5.19 Explain the measures that the applicant has or will have in place to mitigate the potential conflicts of interest.

- The applicant confirms that it has the requisite measures in place to mitigate all known potential conflicts of interest.\*

## **Systems and Controls**

5.20 Please indicate if there are any proposed changes to the applicant's policies, procedures and systems for the following areas.

[Note: The applicant is required to attach its anti-money laundering and countering the financing of terrorism policies and procedures, enterprise-wide risk assessment and implementation plans if there are proposed changes.]\*

- There are no proposed changes.
- There are proposed changes to the following areas:
  - Anti-money laundering and countering the financing of terrorism, taking into account, where applicable, the requirements and guidance under the MAS Notices [PSN01](#), [PSN02](#), [PSN03](#) and their accompanying Guidelines.
  - Compliance with the basic cyber security requirements under MAS Notice [PSN06 Notice on Cyber Hygiene](#).
  - Implementation of security measures to protect customer information in transmission and storage.
  - Penetration testing of online financial services, including remediation of all high risk findings identified, and independent validation on the effectiveness of the remediation actions taken at least annually.
  - The management of technology risk as set out in the [Guidelines on Technology Risk Management](#), which is commensurate with the level of risk and complexity of the financial services offered and the technologies supporting such services.
  - Complaints handling and other conduct requirements, including, where applicable, the requirements under the MAS Notices [PSN07 Notice on Conduct](#) and [PSN08 Notice on Disclosures and Communications](#).
  - Regulatory reporting, including, where applicable, the requirements under the MAS Notices [PSN04 Notice on Submission of Regulatory Returns](#).
  - Others, please specify:

Please describe the proposed changes.

## SECTION 6: VARIATION TO REMOVE PAYMENT SERVICE(S)

The applicant is only required to complete this section if it intends to remove a payment service. The applicant should complete the questions below with respect to the payment service it intends to remove. Where the applicant intends to make changes to its business model that do not relate to the removal of payment service(s), it should submit a notification to the Authority in Form 5 instead.

- 6.1 Indicate the date which the applicant has ceased/intends to cease the payment service. \*
- 6.2 Describe the services and products the applicant has ceased/intends to cease. \*
- 6.3 Is the applicant or any of its 20% controllers, directors or CEO currently undergoing any investigations by any regulatory authority, professional body or government agency, or the subject of any complaint made reasonably and in good faith relating to the business activities carried out by the applicant?\*
- No.
  - Yes. Provide details in the Annex, and where appropriate, supporting documents.
- 6.4 The applicant declares that: \*
- It has fully discharged all customer obligations and ensured that customer assets and/or moneys have been accounted for and returned to customers before ceasing its business; and
  - It will inform/has informed all its customers of its cessation.

## SECTION 7: OTHER INFORMATION

- 7.1 Set out any additional information that is relevant or material to this application.

**FIT AND PROPER CRITERIA FOR APPLICANT, DIRECTORS, CEO, CONTROLLERS**

Complete the following with respect to the applicant, its directors, CEO and 20% controllers. If there is any doubt with respect to any part of this section, please provide all relevant information to demonstrate that the applicant, including its directors, CEO and 20% controllers are considered to be fit and proper persons.\*

Please read the [Guidelines on Fit and Proper Criteria \[Guideline No. FSG-G01\]](#) before completing this section.

- The applicant is not aware of any adverse information relating to the applicant, all of its 20% controllers, directors, and CEO.
- The applicant is aware of adverse information relating to the applicant, its 20% controllers, directors or CEO. It has assessed and is satisfied that notwithstanding the adverse information, the applicant, its 20% controllers, directors and CEO, continue to be fit and proper persons in accordance with the Guidelines on Fit and Proper Criteria. Please provide details in the Annex and provide supporting documents, where appropriate.

SPECIMEN

**SECTION 9: DECLARATION**

We declare that:

- We are fully aware that sections 94(2) and (3) of the PS Act provides as follows:

“(3) AN INDIVIDUAL WHO –  
(A) SIGNS ANY DOCUMENT LODGED WITH THE AUTHORITY; OR  
(B) LODGES WITH THE AUTHORITY ANY DOCUMENT BY ELECTRONIC MEANS USING ANY IDENTIFICATION OR IDENTIFYING CODE, PASSWORD OR OTHER AUTHENTICATION METHOD OR PROCEDURE ASSIGNED TO THE INDIVIDUAL BY THE AUTHORITY  
MUST USE REASONABLE CARE TO ENSURE THAT THE DOCUMENT IS NOT FALSE OR MISLEADING IN ANY MATERIAL PARTICULAR.  
(4) AN INDIVIDUAL WHO CONTRAVENES SUBSECTION (1) OR (2) 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.”

- We are fully aware that the Authority may refuse the application for a payment services licence if the applicant fails to satisfy the Authority that the applicant (including its officers, employees and substantial shareholders) are fit and proper persons.
- We have read the Guidelines on Fit and Proper Criteria [Guideline No. FSG-G01] (“the Guidelines”) issued by the Authority and in submitting this form, we are satisfied that the applicant (including its officers, employees and substantial shareholders) are fit and proper based on the criteria stated in the Guidelines.
- We are fully aware that the policies and procedures in relation to the duties of a holder of payment services licence should be put in place with documentation readily available upon request.
- We declare that all information given in this application is true to the best of our knowledge and that we have not suppressed any material fact.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Designation



**ANNEX: AFFIRMATIVE RESPONSES TO THE FIT AND PROPER CRITERIA SECTION**

Complete the table below where there is adverse information relating to the applicant, its 20% controllers, directors or CEO. Complete a table for each individual/entity, and use one row for each piece of adverse information.

Name of individual/entity involved:								
Name of regulator/ authority	Nature of incident ("Incident") <sup>1</sup>	Date of Incident (DD/MM/YYYY)	Details of Incident	Status of Incident (Pending/ Finalised)	Penalty amount/No. of years of imprisonment	Remedial measures taken to address the Incident, if any	Progress of remedial measures (Completed /Ongoing)	Reasons that person meets the Authority's fit and proper criteria set out in the Guidelines on Fit and Proper Criteria [Guideline No. FSG-G01] despite the Incident

<sup>1</sup> Indicate one of the following, or where the categories below are not applicable, briefly describe the nature of the incident:

- Refused membership/registration/right to carry on trade
- Prohibition order
- Suspended
- Imprisonment
- Subject of/notified of disciplinary proceeding/investigation
- Subject of/notified of criminal proceeding/investigation
- Subject of/notified of civil proceeding/investigation
- Subject of complaint
- Fine
- Warning
- Reprimand
- Others: Provide Details.