Reading the regime as a whole

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The compliance officer of a Singapore DPT firm works with five layers at once. The criminal statutes set the offences and the personal exposure. The MAS notice sets the duties. The guidelines set the expected method. The national risk assessment sets the risk picture. FATF publications set the vocabulary and the direction of travel. None of these can be read alone. A worked illustration shows how they combine.

Example

A Singapore major payment institution onboards a corporate customer incorporated in the British Virgin Islands whose director is resident in a third country and whose declared business is "digital asset treasury management". The customer wishes to convert S$ 2 million of USDT into Singapore dollars for onward transfer to a Singapore bank account. Under PSN02 the firm must identify and verify the customer and its beneficial owners, understand the ownership and control structure and establish the purpose of the relationship and the source of funds. Because the structure involves an offshore company with a non-resident director and a high-risk product, enhanced due diligence applies. Under the national risk assessment the combination of an offshore legal person, stablecoins and conversion to fiat matches a priority typology. Under the CDSA the firm's officers, if they proceed without

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resolving the red flags and the funds later prove to be scam proceeds, face the question whether they had reasonable grounds to believe the property was benefits from criminal conduct. Under TSOFA the screening of the director against the United Nations and Singapore designation lists is a condition of proceeding at all. The decision to onboard is lawful only if all five layers are satisfied, which the file must show.

The remainder of this Part follows that sequence through the life of a customer relationship, then turns to the institutional lessons of the S$ 3 billion case, to sanctions, to the organisation of the compliance function and finally to the cross-border group.

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