The legal force of MAS notices, guidelines, circulars and FAQs

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The instrument that most confuses foreign readers is the MAS Notice. A notice is a written direction issued by MAS under a statutory power to a class of financial institutions. Because the power is statutory, the notice is legally binding on the institutions to which it applies. A contravention is either an offence or a ground for regulatory action, depending on the enabling provision. MAS Notice PSN02 on prevention of money laundering and countering the financing of terrorism for digital payment token service providers is the clearest example in this book. It is issued under the Payment Services Act 2019 and has the force of a regulation for every licensee within its scope.[1]

Guidelines are different. MAS describes its guidelines as setting out principles or best-practice standards that govern the conduct of institutions. They are not legally binding, but MAS states that the degree of observance is taken into account in its risk assessment of the institution and in deciding whether a person is fit and proper. In practice a licensee that departs from guidelines without a documented reason invites supervisory attention and, in a licence application, a refusal. Two sets of guidelines govern the retail business of every DPT licensee although neither has the force of law. The Guidelines on Provision of Digital Payment Token Services to the

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Public (PS-G02) of 17 January 2022 restrict marketing to the public. The Guidelines on Consumer Protection Measures by Digital Payment Token Service Providers (PS-G03), revised on 19 September 2024, govern consumer access and business conduct.[2] Part K, Chapter III examines their content.

Circulars communicate supervisory expectations or administrative information to a group of institutions and are not binding. Frequently asked questions, which MAS publishes for the Payment Services Act and the Securities and Futures Act, have no legal force at all. They are nonetheless the fastest way to learn how MAS reads an ambiguous definition, and a position taken in an FAQ is one MAS will be slow to abandon. Codes, such as the Code on Collective Investment Schemes, are non-statutory in form but are given teeth by licence conditions and by the statutory duty of fund managers to comply. Finally, MAS imposes licence conditions on each licensee individually. Those conditions bind that licensee by statute.

Instrument	Issued under	Binding?	Consequence of breach	Swiss analogue
Act	Parliament	Yes	Offence or civil penalty as the Act provides	Federal Act
Regulations	Minister or MAS under enabling Act	Yes	As the Act provides	Federal Council ordinance
Notice	MAS under enabling Act	Yes, on addressees	Offence or regulatory action	FINMA ordinance
Guidelines	MAS, no specific power needed	No, but observance assessed	Supervisory attention, fit-and-proper doubts	FINMA circular
Circular	MAS	No	Supervisory expectation	FINMA guidance (Aufsichtsmitteilung)
FAQ	MAS	No	Signals interpretation	FINMA FAQ

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Instrument	Issued under	Binding?	Consequence of breach	Swiss analogue
Licence condition	MAS, on the individual licensee	Yes	Revocation, directions	FINMA licence condition

The Swiss reader will see that the hierarchy is the same in substance as the Swiss one described in Part C, Chapter I. The main difference lies in the volume and the speed. MAS issues notices and guidelines quickly, often after a consultation of six to eight weeks and a response to feedback that states its reasoning paragraph by paragraph. It then revises them without legislative delay. A compliance officer who manages both a Zug SRO membership and a Singapore MPI licence must track two moving targets, of which the Singapore one moves faster.

Checklist

Before relying on any Singapore rule in a digital-asset matter you should confirm five things. - The Act is cited by its 2020 Revised Edition name and the section numbers are current, checked on Singapore Statutes Online with the point-in-time function set to the relevant date. - The provision is in force, confirmed through the commencement notification, because several Parts of the Financial Services and Markets Act 2022 and several amendments to the Payment Services Act 2019 commenced years after enactment. - Any MAS Notice relied on is the version in force on the relevant date; notices are revised and the revision date appears on the cover page. - Any MAS Guideline is identified by its code (PS-G02, PS-G03) and its revision date, and its non-binding status is understood. - The leading case is cited by neutral citation and paragraph number, and its ratio is distinguished from its obiter observations.

Notes

1. MAS Notice PSN02, "Prevention of Money Laundering and Countering the Financing of Terrorism – Holders of Payment Services Licence (Digital

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Payment Token Service)", first issued 5 December 2019 and revised since, issued under the Payment Services Act 2019; see Part L, Chapters I and II. ↩

2. MAS Guidelines PS-G02 of 17 January 2022 per Allen & Gledhill, "MAS issues guidelines on the provision of digital payment token services to general public" (26 January 2022); MAS Guidelines PS-G03 as revised on 19 September 2024 with staged effect on 4 October 2024 and 19 June 2025 per Allen & Gledhill, "MAS issues revised guidelines on provision of consumer protection safeguards by digital payment token service providers". ↩

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