



THE STATUTES OF THE REPUBLIC OF SINGAPORE

PAYMENT AND SETTLEMENT SYSTEMS (FINALITY AND NETTING) ACT 2002

2020 REVISED EDITION

This revised edition incorporates all amendments up to and including 1 December 2021 and comes into operation on 31 December 2021.

Prepared and Published by

THE LAW REVISION COMMISSION
UNDER THE AUTHORITY OF
THE REVISED EDITION OF THE LAWS ACT 1983

Payment and Settlement Systems (Finality and Netting) Act 2002

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An Act to make provision for the protection of payment and settlement systems from disruptions that may lead to risks to the financial system and for purposes connected therewith.

[9 December 2002]

PART 1

PRELIMINARY

Short title

1. This Act is the Payment and Settlement Systems (Finality and Netting) Act 2002.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“Authority” means the Monetary Authority of Singapore established under the Monetary Authority of Singapore Act 1970;

“book-entry securities” means any securities that —

(a) are issued —

(i) by the Government, or a statutory board, under any written law; or

(ii) by a corporation; and

(b) are transferable by a book-entry, on a register or otherwise;

“business day”, in relation to a designated system —

(a) in any case where the Rules of the designated system specify what constitutes a business day for that case, has the same meaning as in those Rules; or

(b) in any other case, means any day other than a Saturday, Sunday or public holiday;

“collateral holder”, in relation to a designated system, means any person who has possession, control or ownership of any collateral security of the designated system under an arrangement with the operator of the designated system relating to that collateral security;

“collateral security”, in relation to a designated system, means any property held by or deposited with a collateral holder for the purpose of securing any liability arising directly in connection with ensuring —

(a) the clearing or settlement of payment obligations by the designated system; or

(b) the clearing, settlement or transfer of book-entry securities by the designated system;