

MAS 636

1 March 2004
Last revised on 25 May 2004*

NOTICE TO BANKS
BANKING ACT, CAP 19

NEGOTIABLE CERTIFICATES OF DEPOSIT

This Notice is issued pursuant to section 55 of the Banking Act (Cap. 19) ["the Act"] and deals with issues related to the issuance and safekeeping of negotiable certificates of deposits ("NCDs") and bearer securities.

2. This Notice applies to any bank which issues, or acts as an authorised depository for, NCDs or bearer securities.

Definitions

3. In this Notice, "securities" has the same meaning as in section 2 of the Securities and Futures Act (Cap. 286).

4. The expressions used in this Notice shall, except where expressly defined in this Notice or where the context otherwise requires, have the same respective meanings as in the Act.

Issuance of NCDs denominated in Singapore Dollar

5. When issuing NCDs that are denominated in Singapore Dollars ("Singapore Dollar NCDs"), a bank shall issue Singapore Dollar NCDs in minimum denominations of S\$100,000.

[MAS Notice 636 (Amendment) 2004]

6. For the avoidance of doubt, any wholesale or offshore bank shall comply with the Guidelines for Operation of Wholesale Banks or Guidelines for Operation of Offshore Banks, as the case may be, when it issues Singapore Dollar NCDs.

Issuance of NCDs denominated in Foreign Currencies

7. When issuing NCDs which are denominated in foreign currencies, a bank shall issue NCDs which are denominated in foreign currencies in minimum denominations of the foreign currency equivalent of S\$100,000.

[MAS Notice 636 (Amendment) 2004]

Authorised Depositories

8. A bank shall lodge every NCD and bearer security which it issues with an authorised depository for safekeeping. The following persons are "authorised depositories" for the purposes of this Notice:

- (a) any bank in Singapore;
- (b) any merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
- (c) the Depository as defined in section 130A of the Companies Act;
- (d) any depository under the Euroclear system operated by Euroclear Bank S.A./N.V. ("Euroclear");
- (e) any depository under the Clearstream system operated by Clearstream International S.A. or its subsidiaries ("Clearstream");
- (f) any other depository as the Authority may approve.

9. This Notice shall take effect on 1 March 2004.

*Notes on History of Amendments

1. MAS Notice 636 (Amendment) 2004 with effect from 25 May 2004.

Last modified on 19/3/2007