



Our Ref: ACD.115.001.JT

Date: 8 May 2019

To Precious Stones and Precious Metals Dealers

REGISTRATION OF PRECIOUS STONES AND PRECIOUS METALS DEALERS

The Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Act (PSPM Act) is in effect since 10 April 2019. The PSPM Act establishes a new anti-money laundering and countering the financing of terrorism (AML/CFT) regulatory regime for the precious stones and precious metals dealers (PSMDs) sector in Singapore. Unless exempted, all regulated dealers* are required to register with the Anti-Money Laundering/ Countering the Financing of Terrorism Division (ACD) of the Ministry of Law. A copy of the PSPM Act is enclosed.

2. For existing regulated dealers who wish to continue business, you have to obtain a Certificate of Registration by 9 October 2019. For new entrants who wish to join the PSMD sector after 9 April 2019, you have to obtain the Certificate of Registration before commencing business.

3. It is an offence to act or hold out to be a regulated dealer without being registered. If you act as a regulated dealer (or hold out as one) without being registered or exempted, you may face criminal penalties of up to S\$75,000 in fines and/or up to 3 years imprisonment. Application for registration is to be made via the LicenceOne website (<https://licence1.business.gov.sg>). To find out more, please visit the ACD website (<https://acd.mlaw.gov.sg>).

4. If you require any clarifications, you can contact us at 1800-2255-529 or www.mlaw.gov.sg/eservices/enquiry.

REGISTRAR OF REGULATED DEALERS
MINISTRY OF LAW

This is a computer-generated document and no signature is required.

Benefits of Early Registration

- Applications received on or before 31 May 19 enjoy a lower application fee of S\$70.
- You will be alerted and invited to workshops to help you comply with regulatory requirements.
- There is no disadvantage to registering early. Even if you register early (e.g. in June 2019), the validity of your Certificate of Registration will only start from 9 October 2019.
- Please note that it may take up to 3 months to process an application, therefore you are encouraged to register early.

Questionnaire*

Question 1: Does your product fall under one of the following categories:

- a) Precious stones (natural or otherwise) (diamond, sapphire, ruby, emerald, jade (including nephrite and jadeite) and pearl); or
- b) Precious metals (gold, silver, platinum, iridium, osmium, palladium, rhodium, ruthenium, an alloy with at least 2% in weight of any of these precious metals); or
- c) The value of the precious stones and precious metals is at least 50% of the selling price of the product.

Question 2: Do your business activities relating to the above products fit one of the following descriptions:

- a) Manufacturing, selling, offering for sale, importing for sale, possessing for sale or purchasing for the purposes of resale any precious stone, precious metal or precious product (PSPM);
- b) Selling any instrument backed by PSPMs that entitles the holder to the PSM or part of it (e.g. certificates or tokens); or
- c) Acting as an intermediary for (a) or (b).

If you answer “Yes” to both questions, you are likely to be a regulated dealer.

You need not register if you are a pawnbroker related by the Registry of Pawnbrokers or the above activities are already regulated by the Monetary Authority of Singapore.

****The contents of the above “Questionnaire” do not constitute legal advice. If you are uncertain, you should seek legal advice on whether you need to register.***