

Corporate Service Providers Act Takes Effect on 9 June 2025



What You Need To Know

The Corporate Service Providers (CSP) Act and CSP Regulations will come into effect on 9 June 2025. Here are the key highlights:

01 Fit and Proper Considerations for Nominee Directors

CSPs in the business of acting, or arranging for another person to act, as a director of a corporation must consider whether the person is fit and proper, at the time of arrangement. Some key factors to consider:

- whether the person has been convicted of any offence involving fraud or dishonesty;
- whether the person is an undischarged bankrupt;
- whether the person's previous conduct and compliance history of the companies which he/she was a director of has been satisfactory; and
- whether the person has the competency, capacity and capability to properly fulfil the obligations of a nominee director.



02 Remote Transactions

For the incorporation of a company, the transfer of management, ownership or sale of a shelf company¹ where the customer/client who engages the CSP is not physically present, CSPs need to conduct a live video call with:

- at least one proposed director (other than a nominee director); or
- at least one proposed member who holds at least 50% of the voting rights of the proposed company; or
- an authorised representative of a proposed member if the proposed member is a legal person² and the authorised representative is an individual.

For the purpose of verifying the identities of the proposed director, proposed member or authorised representative, please keep a screenshot of the live video call as a form of record.

For the appointment of a director where the director is not physically present, CSPs must ensure that the proposed director has consented to act as a director. CSPs need to get the proposed director to sign 'Form 45: Consent to Act as Director and Statement of Non-Disqualification to Act'.

CSPs should not sign Form 45 on behalf of the proposed director and should not enter into any arrangement where CSPs are authorised to sign on behalf of the director.



Please keep a copy of the signed Form 45 and a screenshot of the live video call for record purposes.

¹ "Shelf company" is an incorporated company with inactive shareholders, directors, and secretary and is left dormant for a longer period even if a customer relationship has already been established.

² "Legal person" refers to an entity other than a natural person that can receive corporate services from a registered CSP or otherwise own property.

03 Reliance on Third Parties to Perform Customer Due Diligence (CDD) measures

Registered CSPs may use only these third parties to perform CDD measures:

- Advocates and solicitors;
- Singapore financial institutions;
- Public accountants; and
- In relation to a registered CSP, only entities under their same ownership group.



CSPs are ultimately responsible for compliance with their regulatory obligations even when they use a third party to perform CDD measures.



Scan the QR code for detailed guidelines