

FAQs on the Corporate Service Providers Act 2024

Registration

1. Who will be required to register as a Corporate Service Provider (CSP) under the new CSP Act?

All business entities carrying on a business of providing corporate services in and from Singapore will have to register with ACRA as CSPs. Corporate service includes any of the following services:

- Forming business entities
- Acting or arranging for persons to act as directors or nominee shareholders
- Transacting with ACRA on behalf of other persons or as a secretary of a company by way of business
- Providing a registered office or a business address for business entities or
- Carrying out transactions for customers for any of the designated activities relating to the provision of accounting services.

For individuals, the Registered Qualified Individual (RQI) framework will be retained and every registered CSP will be required to have an RQI.

2. What are designated activities and accounting services?

Designated activities include the following:

- buying or selling of real estate;
- management of client monies, securities or other assets;
- management of bank, savings or securities account;
- organisation of contributions for the creation, operation or management of companies;
- creation, operation, or management of legal persons or arrangement, or buying and selling of business entities.

Accounting services refer to financial accounting service, internal audit service, management accounting service, or taxation service.

3. Do all business entities providing accounting services have to register as CSPs?

Not all accounting service providers have to register as a CSP. Only business entities that carry out the designated activities in relation to the provision of accounting services for the same client must be registered with ACRA under the CSP regime.

Accounting services refer to financial accounting service, internal audit service, management accounting service, or taxation service.

4. I am a Public Accounting Entity. Do I have to apply to ACRA to be a registered CSP?

Existing Public Accounting Entities (PAEs) currently registered under the Accountants Act and **only** carry out the corporate service of designated activities related to the provision of accounting services, need not apply to ACRA to be registered as CSPs, as they are considered to be a registered CSP.

PAEs are however, required to provide ACRA with details of their RQIs. If no RQI is appointed, every key appointment holder of the PAE who is also a public accountant will be treated as an RQI.

5. I only provide registered office address services. Must I appoint an RQI and register as a CSP?

All business entities that provide a registered office or business address for other business entities are required to register as a CSP. Every registered CSP must have at least one RQI.

6. Do business entities leasing commercial space to client business entities have to register as CSPs?

A business entity does not need to register as a CSP if it rents out its premises to a client business entity that uses the address as its registered office.

The determining factor is whether the arrangement is primarily a tenancy agreement for physical occupation rather than a service to provide a mailing address.

The nature of the arrangement should be clearly reflected in the contract between both parties. If the agreement is fundamentally a landlord-tenant relationship for the rental of physical space, registration as a CSP is not required.

7. Would a group of companies need to register as a CSP?

A group of companies that do not provide corporate services by way of business need not be registered as a CSP. Group secretaries may perform transactions on Bizfile on behalf of companies in the Group.

8. Do individuals, such as employees of entities providing CSP services, have to register as a CSP?

No. The registration requirements apply to business entities (including sole proprietors registered as a business) and does not include individuals transacting with ACRA as authorised employees of a registered CSP.

9. What are the penalties for not registering as a CSP with ACRA?

A person who carries on business in Singapore of providing any corporate service without being registered as a CSP is liable for an offence which carries a fine of up to \$50,000 and/or imprisonment for a term not exceeding 2 years.

In addition, the unregistered CSP may also be subjected to a further fine not exceeding \$2,500 for every day during which the offence continues after conviction.

10. What is the change to the membership criteria to become a qualified individual?

The criteria to become a qualified individual has been updated. The changes are relevant for members of the Institute of Singapore Chartered Accountants (ISCA) and the Chartered Secretaries Institute of Singapore (CSIS) who wish to qualify based on their membership.

For individuals taking the ISCA associate member route, they would have to be ISCA associate members for at least two years. For individuals taking the CSIS member route, they would have to be associate members or fellows of CSIS.

Existing RQIs can continue their registration until the next renewal. If you intend to qualify based on the ISCA or CSIS membership routes, you should ensure that you meet the new requirements before the next renewal date.

If you intend to register or renew your registration via the other existing routes, the new requirements do not apply to you.

Please refer to the CSP Regulations 2025 and the Guidelines for Registered CSPs for more details on the various qualification routes for qualified individuals.

11. Can I still use the corporate secretarial agent route to apply as a qualified individual?

You can still apply as a qualified individual through the corporate secretarial agent route. To do so, your application must show that you satisfy two criteria:

- You have been carrying on the business of providing corporate secretarial services for at least 3 out of the 5 years preceding your application; and
- You have served as a secretary of a company for at least 3 out of the 5 years preceding your application.

12. Who are considered key appointment holders?

A key appointment holder includes sole proprietors in a sole proprietorship, partners in a partnership/limited partnership, directors, chairpersons or chief executive officers in a company and partners or managers in a Limited Liability Partnership.

Additionally, the term covers any person who, regardless of their official title, is primarily responsible for managing and conducting the organisation's business in providing corporate service activities.

13. What are the changes to the Anti-Money Laundering, Countering Proliferation Financing and Countering the Financing of Terrorism (AML/CPF/CFT) course requirements for registration or renewal?

Key appointment holders of CSPs and Qualified Individuals will have to complete the mandatory AML/CPF/CFT training course within six months prior to the application for registration or renewal. This is to ensure that they stay up-to-date on prevailing AML/CPF/CFT requirements.

14. What is the application fee for registering as a CSP?

The application fee for registration or renewal of registration as a CSP is \$400 for 2 years of registration. The option for a one-year registration period is **no longer available.**

15. What is the application fee for registering as a RQI?

The application fee for registration or renewal of registration as a CSP is \$400 for 2 years of registration. The option for a one-year registration period is **no longer available.**

Arranging for another to act as Nominee Director

16. Do all nominee directors need to be appointed through registered CSPs?

Nominee directors acting by way of business are required to have their acting arranged through registered CSPs. Employees who are appointed as directors for their company or a related company would not be required to have their acting arranged through CSPs.

Some factors to consider when determining whether an individual is providing nominee directorship services “by way of business” :

- there is a business set up with the intention of providing the services,
- the services are advertised or promoted, or business referrals are received
- the services are for the purposes of gain, or
- the services are carried out with some degree of system and continuity.

In addition, registered CSPs must not arrange for a person to act as a nominee director unless satisfied that the proposed person is **fit and proper.**

Steps to be taken by registered CSPs to determine whether a person is fit and proper are detailed in FAQ #17.

17. When arranging for a person to act as a nominee director of a company, what steps should be taken by registered CSPs to determine whether the person is fit and proper?

Broad factors that registered CSPs should consider in assessing whether a person is fit and proper include:

- Whether the person has been convicted (whether in Singapore or elsewhere) of any offence involving fraud or dishonesty, or of any relevant offence
- Whether the person is an undischarged bankrupt in Singapore or elsewhere
- Whether the person's previous conduct and compliance history of the companies of which the person was a director has been satisfactory, including whether the person has been disqualified from acting as a director
- Whether the person has the competency, capacity and capability to properly fulfil the obligations of a nominee director, taking into account the person's experience and existing commitments, including the number of existing directorships.

Registered CSPs must also update their internal policies to incorporate procedures to determine if an individual is fit and proper to act as a nominee director.

Please refer to the Guidelines for Registered CSPs for illustrative examples.

18. Will the requirement for registered CSPs to assess whether the proposed nominee director is fit and proper be applied retrospectively?

The requirement for assessing if an individual is fit and proper will not apply retrospectively to existing nominee director appointments.

Nevertheless, it is recommended to periodically refresh the fit and proper assessment, particularly if the individual is arranged to act as a nominee director for the registered CSP's clients.

19. Do registered CSPs have to continuously monitor and ensure that the nominee director that they have arranged to act remains fit and proper after the appointment, and if so, for how long?

The obligation to determine whether the person arranged by a registered CSP to act as a nominee director satisfies fit and proper requirements should be conducted at the time of arrangement.

Once the person has been appointed as a nominee director, the company should ensure that their directors (nominee or otherwise) remain fit and proper.

Directors who commit offences under the Companies Act will face the relevant penalties.

20. What is the penalty for not complying with the fit and proper requirements when arranging for a person to act as a nominee director?

Registered CSPs may be fined up to \$100,000 for each breach for not complying with the fit and proper requirements when arranging for a person to act as a nominee director.

AML/CPF/CFT obligations

21. When do CSPs need to perform customer due diligence (CDD) measures?

A registered CSP must perform CDD measures before providing any of the following corporate services to a customer:

- Forming business entities
- Acting or arranging for persons to act as directors or nominee shareholders
- Providing a registered office or a business address for business entities
- Carrying out transactions for customers concerning any of the designated activities relating to the provision of accounting services.

CDD measures are also required when the registered CSP has reason to suspect money laundering, proliferation financing or terrorism financing, or doubts the veracity or adequacy of information obtained from earlier CDD measures.

22. Is performing CDD measures required before filing the customer's Annual Return?

Registered CSPs must conduct regular CDD on their customers. The frequency of these checks should be determined by a risk-based assessment, and should not be tied to Annual Return deadlines.

23. What are the counter-proliferation financing requirements for registered CSPs?

Counter-proliferation financing requirements for registered CSPs are similar to existing anti-money laundering and counter-terrorism financing duties.

Registered CSPs are required to screen every customer, agent, connected party and beneficial owner of a customer against the sources of information relating to money laundering / terrorism financing / proliferation financing (ML/TF/PF) to:

- Determine if any customer, agent, connected party or beneficial owner of a customer is a designated person as defined in any regulations made under the United Nations Act 2001; and
- Assess whether any customer, agent, connected party or beneficial owner of a customer is classified as a terrorist or terrorist entity under the Terrorism (Suppression of Financing) Act 2002.

Please refer to the CSP Regulations 2025 and the Guidelines for Registered CSPs for more details.

24. When performing enhanced CDD measures, what documentation should be obtained to determine customers' source of wealth and source of funds?

Source of wealth generally refers to the origin of the customer's paid-up capital, and how the customer came to acquire such wealth.

Source of funds refers to the origin of the funds, which are the subject of the business relationship between the customer and a registered CSP.

Possible sources of wealth or funds include a customer's current income, sources of wealth or funds obtained from his current and previous positions, business undertakings and family estates.

A registered CSP may rely on independent and reliable documents and information obtained from credible public sources such as publicly available company websites, audited financial statements, property registers, land registers, asset disclosure registers, company registers, past transactions and other sources of information about legal and beneficial ownership where available.

Please refer to the Guidelines for Registered CSPs for illustrative examples.

25. What are the non-face-to-face measures that registered CSPs must perform?

Registered CSPs must implement additional measures for specific non-face-to-face transactions involving the incorporation of a company, or the transfer of management or ownership or sale of a shelf company.

[Note: A 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.]

When a customer cannot be physically present for identification, CSPs are required to conduct a live video call with:

- at least one **proposed director (other than a nominee director)**; or
- at least one **proposed member** who **does not hold less than 50% of the voting rights** of the proposed company; or
- an **authorised representative of a proposed member** described in the preceding sub bullet if the proposed member is a legal person, and the authorised representative is an individual.

This new requirement has been introduced to enhance transparency and mitigate the risk of identity theft and cannot be substituted with the use of a third-party verification platform or notarised documents.

Please refer to the Guidelines for Registered CSPs for more details.

26. Who are the third parties that registered CSPs may rely on to perform CDD measures?

Reliance on third parties when performing CDD will be limited to parties which are:

- an advocate and solicitor as defined in section 2(1) of the Legal Profession Act 1966;
- a Singapore financial institution;
- a public accountant as defined in section 2(1) of the Accountants Act 2004; and
- in relation to a registered corporate service provider, its branch, subsidiary, holding company and other related corporation.

Subject to the above, a registered CSP is not allowed to engage another registered CSP to perform CDD measures.

The registered CSP remains ultimately responsible for its AML/CPF/CFT obligations. Any engagement of a third party for CDD does not negate this responsibility.

27. What are the group-wide policy requirements for registered CSPs about?

Registered CSPs will be required to implement group-wide programmes, including policies and procedures for managing and mitigating the risk of money laundering, terrorism financing and proliferation financing, and sharing information within the group such as among subsidiaries.

Please refer to the CSP Regulations 2025 and the Guidelines for Registered CSPs for more details.

28. What is the revised timeline for CSPs to file Suspicious Transaction Reports (STR)?

Registered CSPs must file an STR promptly, as soon as reasonably practicable after establishing suspicion, i.e., no longer than 5 business days.

Filing a STR is required when registered CSPs are unable to perform or complete CDD measures or have reasonable grounds to suspect that any property may be connected to money laundering, proliferation financing or terrorism financing. Registered CSPs are reminded to provide sufficient information in their STR filing.

In cases where transactions have legitimate explanations that do not warrant the filing of an STR, registered CSPs must document their reasons for not filing a report.

29. How are senior management of the CSPs accountable for AML/CPF/CFT breaches?

Registered CSPs and their senior management may be fined up to \$100,000 for each breach of requirements for the purposes of detecting and preventing money laundering, the financing of proliferation of weapons of mass destruction and terrorism financing.

30. Does ACRA provide a template for internal policies, procedures and controls (IPPC)?

A sample template is available in the Guidelines for Registered CSPs.

However, registered CSPs may have to modify the template to take into account their type of service offerings, scale and operational complexity.

Transition

31. I am already an existing Registered Filing Agent (RFA), do I need to submit a new registration?

Existing RFAs would transition to CSPs and be granted registration as a CSP to perform filing for their clients, until the expiry date of their current RFA registration.

32. How much time would existing CSPs that are not registered with ACRA as an RFA be given to apply as a CSP with ACRA?

Such business entities have to register with ACRA as a CSP **within six months** of the commencement of the CSP Act.