

# So you want to be a digital bank

## Singapore's eligibility criteria for digital full banks (DFB)

	RESTRICTED DFB		DFB
	ENTRY	PROGRESSION	
Minimum paid-up capital	S\$15 million	To progressively increase	S\$1.5 billion
Deposit cap	S\$50 million in aggregate <sup>1</sup> S\$75,000 per individual Only solicit deposits from limited scope of customers	Aggregate cap to progressively increase <sup>1</sup> S\$75,000 per individual No limit on scope of depositors	No deposit cap
	DFB will be required to be a member of the Deposit Insurance Scheme <sup>2</sup>		
Risk-based capital and liquidity rules	<b>Capital:</b> Same as domestic systemically important banks <b>Liquidity:</b> To follow the current Minimum Liquid Asset or Liquidity Coverage Ratio requirements used by banks		
Permissible activities and other requirements	<b>Applicable regardless of progression:</b> <ul style="list-style-type: none"><li>• One physical place of business</li><li>• Not allowed access to automated teller machines or cash deposit machines network, but allowed to offer cashback services through electronic funds transfer at point of sale terminals at retail merchants</li></ul>		

## Assessment criteria

<ul style="list-style-type: none"><li>• Anchored in Singapore, controlled by Singaporeans and headquartered in Singapore</li><li>• Value proposition of the applicant's business model; incorporating the innovative use of technology to reach underserved segments of the Singapore market that differentiates it from existing banks</li><li>• Ability to manage a prudent and sustainable digital</li></ul>	<ul style="list-style-type: none"><li>banking business and strength of its regulatory compliance and risk management plans</li><li>• Growth prospects and other contributions to Singapore's financial centre, such as the jobs it will create, its commitment to develop the skills of the workforce, the capabilities (including technology) it will be locating in Singapore and regional expansion plans</li></ul>
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<sup>1</sup> Wholesale deposits will not count towards the aggregate deposit cap if the restricted DFB has a minimum paid-up capital of S\$100 million.

<sup>2</sup> The Deposit Insurance Scheme will protect non-bank depositors (including individuals and sole proprietorships) in the event of a bank's failure by covering the SGD deposits placed with a member bank, for up to S\$75,000 per depositor per member bank.