

Dear Key Executive Officers

## **[NOTICE 19-25] IMPLEMENTATION OF AMENDMENTS TO THE AML/CPF/CFT FRAMEWORK**

1. As part of the efforts to strengthen the anti-money laundering, countering proliferation financing and countering financing of terrorism (AML/CPF/CFT) regime in the real estate agency industry, the Anti-Money Laundering and Other Matters (Estate Agents and Developers) Bill was passed in Parliament on 8 April 2025 and gazetted on 15 April 2025. The Estate Agents (Prevention of Money Laundering and Financing of Terrorism) Regulations 2021 have also been amended and gazetted on 30 Jun 2025, and have been renamed as the Estate Agents (Prevention of Money Laundering, Proliferation Financing and Terrorism Financing) Regulations 2021 (PMLPFTF Regulations).
2. This Notice provides a summary of the key amendments that will apply to estate agents (EAs) and real estate salespersons (RESs) when the amendments are operationalised.

### **Operationalisation of Amendments**

3. The amended Estate Agents Act 2010 and PMLPFTF Regulations will take effect from 1 July 2025.

### **Summary of Amendments to the Estate Agents Act**

4. Some of the key amendments made to the Estate Agents Act 2010 are:
  - a. Extending the existing AML/CFT framework to cover Proliferation Financing (PF).
  - b. Requiring EAs and RESs to conduct due diligence checks on unrepresented counterparties in a transaction.
  - c. Prescribing the maximum financial penalties for anti-money laundering, proliferation financing and terrorism financing breaches that can be imposed by a Disciplinary Committee (DC) or by CEA under Letter of Censure (LOC) disciplinary action on a 'per breach' instead of a 'per case' basis. With the amendments, the financial penalties that a DC can award will be up to \$200,000 per breach for EAs and \$100,000 per breach for RESs. The financial penalty that CEA can award under LOC disciplinary action will be up to \$5,000 per breach (for both EAs and RESs). This will apply to each instance of an AML/CPF/CFT breach committed from 1 July 2025 onwards. For example, if an RES is taken to task under LOC disciplinary action for failing to properly screen his client and failing to determine the risks of his client engaging in money laundering (ML), proliferation financing or terrorism financing (TF), the

maximum financial penalty that may be imposed on these two breaches will be an aggregate sum of \$10,000 (or \$5,000 **per breach**).

### **Summary of PMLPFTF Regulations**

5. The key amendments to the Regulations are:

#### **In relation to RESs**

- a. Exempting HDB residential rental transactions from due diligence measures to reduce regulatory burden for lower-risk transactions. This includes both whole unit rentals and room rentals of HDB flats. However, EAs and RESs must still file Suspicious Transaction Reports if they have reason to suspect that their client or unrepresented counterparty may be connected to ML, PF or TF. The relevant CDD requirements continue to apply for non-HDB residential rental transactions.
- b. RESs must conduct counterparty due diligence measures if the transaction being facilitated involves an unrepresented counterparty<sup>[1]</sup>. The counterparty due diligence measures are generally similar to existing customer due diligence measures, save that the subject of such due diligence will be the unrepresented counterparty as well as persons that such unrepresented counterparties are acting on behalf of.
- c. RESs must submit all documents and information obtained through both customer due diligence measures and counterparty due diligence measures to their EAs. They may be liable for a breach of the PMLPFTF Regulations if they fail to do so. EAs are also reminded of the existing record-keeping obligations in relation to the keeping of such documents and information.

#### **In relation to EAs**

- d. EAs are required to appoint a compliance officer (who is a designated officer<sup>[2]</sup>) to ensure the EA's and RESs' compliance with Part 4A of the Estate Agents Act 2010 and PMLPFTF Regulations.
- e. EAs must introduce group-wide AML/CPF/CFT policies for their branches and subsidiaries, where applicable.

### **Reference Materials and Resources**

6. To support EAs and RESs in meeting the new requirements, CEA has prepared a revised Guide on the PMLPFTF Regulations. A copy of the revised Guide is enclosed with this Notice. The revised Guide will also be available for download on CEA's website.
7. The Guide outlines key requirements and provides more details on the obligations of EAs and RESs under the PMLPFTF Regulations, including mandatory due diligence measures for unrepresented counterparties and

group-wide compliance programmes for EAs with overseas branches or subsidiaries. The Guide also provides EAs and RESs with resources such as EAs' and RESs' compliance checklists, sample forms and templates, which can be adopted by the EAs and RESs.

8. Estate Agents should:
  - a. Disseminate this notice and attachments to your RESs.
  - b. Update internal processes to comply with new requirements.
  - c. Ensure your RESs attend training that covers the new requirements.
9. CEA understands that EAs and RESs may require some time to implement these changes fully. We will take this into consideration in our enforcement actions.
10. If you have any questions or require further clarification, please write in to [Inspection@cea.gov.sg](mailto:Inspection@cea.gov.sg).

Yours sincerely,  
NICHOLAS ONG  
ACTING DEPUTY DIRECTOR (INSPECTION & COMPLIANCE)  
COUNCIL FOR ESTATE AGENCIES

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[1] An unrepresented counterparty refers to the other party to the transaction, and who is not represented by an EA or RES.

[2] A designated officer of an EA is director or partner; the chief executive officer or KEO; a member of a management committee or manager of the EA; or an officer of the EA who has been duly authorised by the EA to grant approvals under regulation 6(3)(a) of the PMLPFTF Regulations.