

MSF132-007-103D-1

14 July 2014

To: All Approved Persons
of Child Care Centre and Kindergarten Approved Institutions

Dear Sir/Madam

CHILD DEVELOPMENT ACCOUNT REFUNDS VIA INTERBANK GIRO

On 28 June 2013, MSF informed Approved Institutions (AIs) to make refunds to the Child Development Account (CDA) via interbank GIRO using the corporate bank account registered with MSF. This helps to ensure that only eligible CDA deposits are co-matched. We are happy to note that most AIs have incorporated this practice into your refund procedures, and thank you for your support.

2 We have recently encountered a few instances of parents requesting for such AI refunds in the CDA to be matched. We understand from the Child Care Centres that these were refunds made into the CDAs for deposits collected in cash.

3 We have further noted Child Care Centres' and Kindergartens' feedback that they typically collect a cash payment (e.g. deposits) from parents, in the form of cash deposits or CDA withdrawals. We would like to take this opportunity to clarify the following:

- For CDA withdrawals that your AI wishes to refund, you should continue using interbank GIRO for such refunds; and
- For cash deposits that your AI wishes to refund, you should be returning them to parents in cash.

4 Once again, we appreciate your support in effecting refunds correctly. Please call the Baby Bonus Hotline on 1800-253 7707 if you require further clarification.

Yours faithfully

LINDA TAY (MS)
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BABY BONUS AND LEAVE BRANCH
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