

MSF 132-007-103D-1 / 2015-01

16 Nov 2015

To: All Approved Persons

Dear Sir/Madam

CHILD DEVELOPMENT ACCOUNT REFUNDS

In our circulars issued on 28 Jun 2013 and 14 Jul 2014, we had informed Approved Institutions (AIs) to note the following:

- a. Not to issue cheques when making a refund to the Child Development Account (CDA);
- b. Use the AI corporate account registered with MSF to make a CDA refund using GIRO; and
- c. Refund deposits collected in cash from parents, in the form of cash.

2 We are pleased that these practices have improved operational efficiency for the AI and MSF. More importantly, they have ensured that the CDA refunds made by AIs are not treated as a deposit for Government matching.

3 To further smoothen the process to assess whether some transactions are parent's deposits or AI refunds, we would appreciate it if you can standardise your descriptions/remarks for AI refunds as follows:

- **AI Refund (Txxxxxxxx)** < limit of 19 characters only >

4 Thank you for your continued support and co-operation in this latest exercise. Please email us at MSF_Babybonus@msf.gov.sg if you need clarification.

Yours faithfully



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