



RAZER™

Razer E-Payment Proposal

Developing an Ecosystem for Singapore's E-Payment Future

September 2017

To: Prime Minister Office (PMO)
Cc: Monetary Authority of Singapore (MAS)
Smart Nation and Digital Government Office (SNDGO)

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1. Executive Summary

Objective

To advance Singapore to a cashless society within 18 months.

Our Proposal

Razer is rallying behind the Singapore government's Smart Nation vision to promote the adoption of e-payments in Singapore. Razer seeks to champion the initiative as a private sector participant and drive the transformation of Singapore from a cash-dependent ecosystem to a digital, cashless ecosystem.

Razer is headquartered in San Francisco, California but has strong ties to Singapore: our Co-Founder and CEO, Min-Liang Tan, is Singaporean and our regional office in Singapore today houses over 400 staff.

Razer aims to continue to contribute in many areas for the betterment of Singapore and Singaporeans.

In alignment with the current direction from the Monetary Authority of Singapore (MAS) and the Smart Nation initiative, Razer believes that any robust e-payment solution, system or service that can unify cashless payment solutions and bring convenience for consumers will ultimately benefit Singapore businesses and society.

Our proposal is two-pronged:

- i) Provide ongoing feedback, development and advisory support for a **Common E-Payment Framework (CEF)** or a similar framework that will be managed by the MAS; and
- ii) **Spearhead support for an e-payment solution for Singapore**, which may take the following forms:
 - a. An existing or new private sector e-payment solution (such as Alipay or TenPay);

OR

 - b. **RazerPay**, a new e-payment solution which will be funded and operated by Razer, with a view that the aforementioned electronic payment solution (whether 3rd party or RazerPay) should adhere to the CEF as mandated by the MAS.

Common E-Payment Framework (CEF)

Razer advocates that an open framework for interoperability (including but not limited to common APIs) should be promoted by the MAS for e-payment providers in Singapore.

By providing an open framework and requiring interoperability with other digital payment solutions, this would create an open and shared bridge between all funding sources and merchant acquisitions in Singapore.

For avoidance of doubt, as Razer is a private sector participant and the said CEF would require the management of multiple private sector participants, we believe that the MAS is the right entity to oversee the establishment of such a framework, as well as set the policies and regulations that would govern such a framework.

We understand that MAS is already working on such an open framework which includes a universal QR code system, a unified POS system, and it has called for information on e-payments in the heartlands, including hawker centres, coffee shops and more.

On this note, while we believe the MAS should be the entity driving the CEF, we remain available to engage with the MAS on the CEF and provide all necessary feedback from a private sector perspective.

In addition, we plan to establish an advisory board to provide additional insight and advice on the CEF as it is rolled out progressively.

Spearhead support for an E-Payment Solution for Singapore

Our objective is to advance Singapore to a cashless society within 18 months.

For avoidance of doubt, while we are a private sector participant, our ultimate objective is one for public good for Singapore wherein we will drive the development of a cashless society regardless of which private sector entity (Razer or any other third party) will provide the e-payments solution.

As such, we believe that it is incumbent upon the private sector to establish and roll out an e-payment solution for Singapore that is also in line with the CEF (i.e. not a closed proprietary system).

In light of this, while there are many existing e-payments solutions in varying levels of maturity in Singapore, none of them have committed to adhering to the CEF at this time (as it has not been established in a holistic fashion by the MAS at the time of writing).

To encourage the adoption of an e-payment solution, Razer intends to develop and deploy **RazerPay**.

RazerPay shall be aimed at end-users, consumers and businesses in Singapore to establish an e-payment, cashless service to accept digital transactions over cash instruments.

Razer will commit SGD\$10M as seed funding for the RazerPay initiative and will hire Singaporeans to head out the startup – as a “For Singaporeans. By Singaporeans.” initiative.

RazerPay shall be rolled out with a view that Razer will sign up at least 1 million e-wallets within 18 months of 1 Oct 2017 (i.e. by 1 April 2019).

RazerPay shall be in line with the recommendations and requirements of CEF, or to be compliant at such time in the future in the event the rollout of RazerPay precedes the CEF regulations.

On the same note, we do NOT necessarily think that RazerPay should be, or must be the said e-payment solution for Singaporeans.

In fact, we believe that ANY e-payment solution that can transform Singapore into a cashless society in the most efficient and effective manner should be supported – as long as the said e-payment solution is in line with the CEF established by the MAS. This will prevent a potential situation where a closed-off proprietary system is created to the potential detriment of the businesses and users of Singapore.

As such, in the event that:

- i) A third-party e-payment solution is rolled out and has achieved mass adoption in Singapore; AND
- ii) The said solution is in line with, or committed to be in line with the CEF ultimately mandated by the MAS,

Razer shall cease the focus on RazerPay and support the said third party e-payment solution.

The reason for the foregoing is that our objective is a public goal, not a private endeavor - that is to advance Singapore to a cashless society within 18 months – and it is not for Razer to profit from such an objective.

Accordingly, if a third-party e-payment solution can meet the said goal, we shall support such a solution wholeheartedly and would encourage all our partners to do so.

Other Considerations and the Future of E-Payments for Singapore

Razer E-Payment Advisory Board

To ensure that the two-pronged plan takes into consideration other industries, potential legal and regulatory issues as well as general banking practices, Razer will form a **Razer E-Payment Advisory Board**.

The board will consist of esteemed and independent experts from the banking, payment, technology and legal fields who will provide insights and recommendations to ensure alignment with the Singapore Government's objective for a cashless society with regards to the CEF.

The board will also provide feedback on the progress and execution of RazerPay.

In the spirit of openness, we intend to publish the feedback of the Razer E-Payment Advisory Board to the public following each meeting of the board.

We intend to announce the composition of the Advisory Board shortly and would welcome participation from any Singaporeans with the relevant experience.

For Singaporeans. By Singaporeans.

With regards to the RazerPay initiative, we intend to hire Singaporeans for senior management positions. We believe that with Singaporeans onboard to lead and execute the RazerPay initiative, we will be able to develop and roll out an e-payment solution that truly addresses the needs of Singaporeans, as opposed to one shoehorned for Singapore by a third-party solution.

At time of writing, we have listed a number of key positions which we are seeking Singaporeans to fill. More details here: www.razerzone.com/sg-epayments

For the same reasons, we intend to have only Singaporeans in the Razer E-Payment Advisory Board to ensure that there is always a Singaporean-first perspective.

Finally, we intend to invite all Singaporeans onboard as part of a crowdsourced effort to ensure that RazerPay can truly be a “For Singaporeans. By Singaporeans.” initiative.

Every single Singaporean will have the opportunity to shape the direction of the e-payment solution for the country.

This will include inviting Singaporeans to provide ideas for the e-payment solution specifications, providing feedback on the prototypes, as well as be part of the beta roll-out of the system.

First Singapore – then the rest of South East Asia

While it is imperative for Singapore to become an advanced cashless society within the next 18 months or less, we also believe that our country will be a phenomenal springboard for the rest of the region’s e-payment evolution.

To this end, we envisage Singaporeans being able to travel to various countries within Southeast-Asia (SEA) and use their e-wallets seamlessly. Imagine not just a cashless Singapore but a cashless world for Singaporeans.

On this note, it would be important for the MAS in their consideration of the CEF to also engage their regional counterparts to explore a SEA network for e-payments.

Likewise, RazerPay (or the third-party e-payment solution) will also need to be compatible with other e-wallets in the region. Such implementation should be planned for in advance.

By being part of the call to support and drive the adoption of e-payments to transform Singapore, Razer believes it can contribute back to the country and improve the lives of everyone who lives and works in the country.

About Razer:

Razer™ is the world's leading lifestyle brand for gamers.

The triple-headed snake trademark of Razer is one of the most recognized logos in the world, with a fan base that spans every continent. The company has designed and built one of the largest integrated hardware and software platforms for gamers with over 35 million users. Razer is transforming interactive entertainment across multiple platforms, including the PC, console and mobile.

Razer's award-winning products include an array of hardware and software. Among its signature products are high-performance PC and console peripherals, the Razer Blade line of gaming laptops, software services such as Razer Cortex (a game optimizer and launcher), and zGold (a virtual credits and payment engine for gamers). The company additionally provides audio visual certification and IP development services through its subsidiary THX Ltd.

Founded in 2005 and headquartered in San Francisco, Razer is backed by IDG-Accel, Intel Capital, Digital Grid and Horizons Ventures.

For more information, visit <http://www.razerzone.com/about-razer>

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