

THE STATUTES OF THE REPUBLIC OF SINGAPORE

BANKING ACT
(CHAPTER 19)

1970 Ed. Cap. 182
Act
41 of 1970

Amended by
6 of 1983
2 of 1984

REVISED EDITION 1985

Banking Act

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

Section

1. Short title.
2. Interpretation.

PART II

APPOINTMENT OF ASSISTANTS

3. Appointment of assistants.

PART III

LICENSING OF BANKS

4. Licensing of banks.
5. Use of word "bank".
6. Examination of persons suspected of transacting banking business and access to premises.
7. Application for licence.
8. Licence fees.
9. Minimum capital requirements.
10. Capital funds.
11. Foreign government-owned banks.
12. Branches.
13. Fees to be paid in respect of branches of banks.
14. Mergers.
15. Control of take-overs of banks incorporated in Singapore.
16. Arrangements affecting control of a bank incorporated in Singapore.
17. Control of substantial shareholdings in banks incorporated in Singapore.
18. Power of the Authority to require a bank that is incorporated in Singapore to obtain information as to beneficial interests in shares of the bank.
19. Amendment of bank's constitution.
20. Revocation of licence.
21. Effect of revocation of licence.

PART IV

RESERVE FUNDS, DIVIDENDS, BALANCE-SHEETS
AND INFORMATION

Section

22. Maintenance of reserve fund.
23. Maintenance of adequate provision for bad and doubtful debts.
24. Dividends.
25. Publication and exhibition of audited balance-sheet.
26. Information to be furnished by banks.
27. Action to be taken if advances are against the interests of depositors.
28. Disclosure of interest by directors.

PART V

PROHIBITED BUSINESS

29. Credit facilities and limits.
30. Trade.
31. Investments.
32. Control over banks in the acquisition of shares in companies.
33. Immovable property.
34. Loans secured by immovable property.
35. Liquidation of prohibited transactions.
36. Deductions for purposes of sections 29, 31 and 33.
37. Power of Authority to secure compliance with sections 10, 23, 29, 31, 33, 34 and 43.
38. Relief from limitations imposed by sections 29, 31 and 33.

PART VI

MINIMUM ASSET REQUIREMENTS

39. Minimum liquid assets.
40. Minimum cash balances.
41. Minimum asset requirement.

PART VII

POWERS OF CONTROL OVER BANKS

42. Regulation of interest rates of banks.
43. Recommendations to banks concerning credits and investments.
44. Inspection of banks.
45. Special investigation of banks.
46. Production of bank's books, accounts and documents.
47. Banking secrecy.
48. Information of insolvency, etc.
49. Action by Authority if bank is unable to meet obligations, etc., or is conducting business to the detriment of depositors.
50. Powers of Authority.
51. Duration of control.
52. Bank under control of Authority to co-operate with Authority.

Section

53. Remuneration and expenses of Authority and others in certain cases.
54. Moratorium.

PART VIII

NUMBERED ACCOUNTS

55. Banks may with the approval of Authority open numbered accounts.
56. Types of numbered accounts.
57. Secrecy of numbered accounts.

PART IX

MISCELLANEOUS

58. Auditing.
59. Clearing House and settlement of balances between banks.
60. Declaration of holidays.
61. Priority of deposit liabilities.
62. Priority of deposit liabilities inter se.
63. Redemption of securities held by bank under liquidation.
64. Execution of instruments under seal.
65. Disqualification of directors and employees of banks.
66. Offences by directors or managers.
67. Offences by directors, employees and agents.
68. Indemnity.
69. Power to compound.
70. Publication of list of banks.
71. General penalty.
72. Offences triable in District Court.
73. Consent of Attorney-General.
74. Recovery of fees, expenses, etc.
75. Operation of this Act not to affect Companies Act.
76. Exemption.
77. Authority to approve operation of an Asian Currency Unit.
78. Regulations.
79. Saving.

PART X

TRANSITIONAL

80. Transitional licensing provisions.
First Schedule — Monthly statement of assets and liabilities.
Second Schedule — Classification of loans and advances and interest rates.
Third Schedule — Statement of income and expenditure.
Fourth Schedule — Banks.
-

An Act to provide for the licensing and regulation of the business of banking.

[1st January 1971]

PART I

PRELIMINARY

Short title.

1. This Act may be cited as the Banking Act.

Interpre-
tation.
2/84.

2.—(1) In this Act, unless the context otherwise requires —

“agreement” means an agreement whether formal or informal and whether express or implied;

“Authority” means the Monetary Authority of Singapore established under section 3 of the Monetary Authority of Singapore Act;

Cap. 186.

“bank” means any company which carries on banking business and holds a valid licence granted under section 7 or 80. All branches and offices in Singapore of such a company shall be deemed to be one bank for the purposes of this Act;

“banking business” means the business of receiving money on current or deposit account, paying and collecting cheques drawn by or paid in by customers, the making of advances to customers, and includes such other business as the Authority may prescribe for the purposes of this Act;

“company” means any company defined in any written law for the time being in force relating to companies, any company formed in pursuance of any Royal Charter or Letters Patent, and any company incorporated or registered under any written law in force in Singapore and includes any company incorporated outside Singapore which has complied with the provisions of any written law for the time being in force relating to companies;

“credit facilities” means —

(a) the granting by a bank of advances, loans and other facilities whereby a customer of the bank has access to funds or financial guarantees; or

(b) the incurring by a bank of other liabilities on behalf of a customer;

- “director” includes any person occupying the position of director of a corporation by whatever name called and includes a person in accordance with whose directions or instructions the directors of a corporation are accustomed to act and an alternate or substitute director;
- “licence” means a licence granted under section 7 or 80;
- “officer”, in relation to a corporation, includes —
- (a) a director, secretary or employee of a corporation;
 - (b) a receiver or manager of any part of the undertaking of the corporation appointed under a power contained in any instrument; and
 - (c) the liquidator of a company appointed in a voluntary winding up;
- “person” includes a corporation;
- “place of business”, in relation to a bank, includes a head or main office, a branch, an agency, a representative office, a mobile branch of the bank, any office established and maintained for a limited period only and any other place used by the bank for the dispensing or acceptance of money on account or for the conduct of other banking business;
- “published reserves” means reserves which appear in the accounts of the bank but does not include any reserves which are represented by the writing down of the value of assets or by provision for the depreciation of fixed assets or which are maintained for any specific purposes;
- “savings account liabilities”, in relation to a bank, means the total deposits at that bank which normally require the presentation of passbooks for the deposit or withdrawal of moneys;
- “share”, in relation to a bank, means a share in the share capital of a bank and includes an interest in such a share;
- “sight liabilities”, in relation to a bank, means the total deposits at that bank which are repayable on

demand, but does not include savings account liabilities or the deposits of any other bank at that bank;

“time liabilities”, in relation to a bank, means the total deposits at that bank which are repayable otherwise than on demand, but does not include savings account liabilities or the deposits of any other bank at that bank.

(2) Without prejudice to any other meaning which the word “insolvent” may have, a bank shall, for the purposes of this Act, be deemed to be insolvent if either it has ceased to pay its debts in the ordinary course of business or is unable to pay its debts as they become due.

(3) For the purposes of sections 10, 29, 31 and 33 “capital funds” means —

- (a) in the case of a bank whose head office is situated in Singapore — the paid-up capital and published reserves of that bank; and
- (b) in the case of a bank whose head office is situated outside Singapore — the net head office funds and such other liabilities as the Authority may decide.

PART II

APPOINTMENT OF ASSISTANTS

Appointment
of assistants.

3.—(1) The Authority may authorise or appoint any person to assist it in the exercise of its functions and duties under this Act, either generally or in any particular case.

(2) The members of the Authority and any person appointed by it pursuant to subsection (1) shall be deemed to be public servants within the meaning of the Penal Code.

Cap. 224.

PART III

LICENSING OF BANKS

Licensing of
banks.

4.—(1) No banking business shall be transacted in Singapore except by a company which is in possession of a valid licence granted under this Act by the Authority authorising it to conduct banking business in Singapore.

2/84.

(2) Any person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine

not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both and in the case of a continuing offence to a further fine of \$2,000 for every day during which the offence continues after conviction.

5.—(1) No person or body of persons, whether incorporated or not, other than a bank shall, without the written consent of the Authority, use the word “bank” or any of its derivatives in any language, or any other word indicating it transacts banking business, in the name, description or title under which the person or body of persons is transacting business in Singapore or make or continue to make any representation to that effect in any bill head, letter paper, notice, advertisement or in any other manner whatsoever:

Use of word
“bank”.

Provided that nothing in this section shall prohibit an association of banks formed for the protection of common interests from using the word “bank” or any of its derivatives in any language as a part of its name or description of its activities.

(2) Any person or body of persons whether incorporated or not who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding one year or to both and in the case of a continuing offence to a further fine of \$1,000 for every day during which the offence continues after conviction.

2/84.

6. Whenever the Authority has reason to believe that a person is transacting banking business without a licence, it —

Examination
of persons
suspected of
transacting
banking
business and
access to
premises.
2/84.

(a) shall, at all times, have full and free access to the premises at which that person is suspected of transacting banking business without a licence or at which that person may have books, accounts and records; and

(b) shall, at all times, have the power to examine, copy or take possession of the books, accounts and records of that person in order to ascertain whether or not that person has violated, or is violating, any provisions of this Act,

and any refusal to allow full and free access to such premises or to submit such books, accounts and records shall be

prima facie evidence of the fact of operation without a licence.

Application
for licence.

7.—(1) A company which desires authority to carry on banking business in Singapore shall apply in writing to the Authority for a licence under this section and shall supply —

- (a) a copy of the memorandum of association and articles of association or other instrument under which the company is incorporated, duly verified by a statutory declaration made by a senior officer of the company;
- (b) a copy of the latest balance-sheet of the company; and
- (c) such other information as may be called for by the Authority.

2/84.

(2) Any person who knowingly or recklessly furnishes any document or information which is false or misleading in a material particular in connection with an application for a licence falling within subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both.

(3) Upon receiving an application under subsection (1), the Authority shall consider the application and may, subject to section 9, grant a licence, with or without conditions, or refuse a licence.

(4) The Authority may at any time vary or revoke any existing conditions of a licence or impose conditions or additional conditions thereto.

(5) The Authority shall, prior to any action under subsection (4), notify its intention to take that action to the bank concerned and shall give the bank an opportunity to submit reasons why the conditions of its licence should not be so varied or revoked.

(6) Where a licence is subject to conditions the bank shall comply with those conditions.

2/84.

(7) Any bank which fails to comply with any of the conditions of its licence shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 and in the case of a continuing offence to a further fine of

\$2,000 for every day during which the offence continues after conviction.

8.—(1) Every bank in Singapore shall pay such annual licence fee as the Authority may by notification in the *Gazette* prescribe. Licence fees.

(2) The Authority may prescribe different licence fees in respect of different classes or categories of banks and the fees shall apply uniformly to those classes or categories.

(3) The manner of payment of the licence fee shall be as specified by the Authority.

9.—(1) Subject to the provisions of this Act, a bank shall not be granted or hold a licence unless — Minimum capital requirements.

(a) in the case of a bank whose head office is situated in Singapore, its capital issued and paid up is not less than \$3 million deduction having been made in respect of a debit balance, if any, appearing in the profit and loss account of the bank; and

(b) in the case of a bank whose head office is situated outside Singapore —

(i) its capital issued and paid up is not less than the equivalent of \$6 million deduction having been made in respect of a debit balance, if any, appearing in the profit and loss account of the bank; and

(ii) it holds net head office funds of not less than \$3 million in Singapore in respect of its business in Singapore, at all times, in the form of assets approved by the Authority.

(2) A bank incorporated in Singapore shall not reduce its paid-up capital during the currency of its licence without the approval of the Authority.

10.—(1) The Authority may require banks to maintain capital funds in Singapore in proportion to their total assets or to every category of assets at such ratio or ratios as may from time to time be prescribed. Capital funds.

2/84.

(2) Any bank which fails to comply with the requirements of the Authority under subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 and in the case of a continuing offence to a further fine of \$2,000 for every day during which the offence continues after conviction.

Foreign
government-
owned banks.

11. A bank shall not be granted or hold a licence if the Authority is satisfied that 50% or more of its capital issued and paid up is owned by or on behalf of the government of any country other than Singapore or of an agency of any such government, or that all or a majority of the persons having the direction, control or management of the bank are appointed by or on behalf of any such government or agency:

Provided that the Authority may, in its discretion, grant a licence to any such bank for such period or periods not exceeding one year at any one time as it may think fit.

Branches.

12.—(1) No bank shall open a new place of business or change the location of an existing place of business in Singapore without submitting a written application in respect thereof to the Authority which may —

- (a) give its approval; or
- (b) without assigning any reason therefor, refuse to give its approval.

(2) No bank incorporated in Singapore shall open a new branch, agency or office in any place outside Singapore without submitting a written application in respect thereof to the Authority, which shall approve or reject the application.

2/84.

(3) Any bank which contravenes subsection (1) or (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and in the case of a continuing offence to a further fine of \$1,000 for every day during which the offence continues after conviction.

Fees to be
paid in
respect of
branches of
banks.

13.—(1) The Authority may from time to time by notification in the *Gazette* specify the annual licence fees which banks in Singapore shall pay for each of their branches.

(2) The manner of payment shall be as specified by the Authority.

14.—(1) A bank incorporated in Singapore shall not after the commencement of this Act be merged or consolidated with or be taken over by any other bank or banks or their subsidiaries or related companies as described in section 6 of the Companies Act or acquire an interest exceeding 20% of the voting share capital of any other bank without application to, and approval by, the Authority.

Mergers.

Cap. 50.

(2) In considering such an application the Authority shall have power to call for such information as it may require.

15.—(1) This section and sections 16 and 17 shall apply to and in relation to all natural persons whether resident in Singapore or not and whether citizens of Singapore or not, and to all bodies corporate or unincorporate, whether incorporated or carrying on business in Singapore or not.

Control of take-overs of banks incorporated in Singapore. 2/84.

(2) Without prejudice to section 14, no person shall, after 9th March 1984, enter into an agreement to acquire shares of a bank that is incorporated in Singapore by virtue of which he would, if the agreement is carried out, obtain effective control of that bank without first notifying the Authority of his intention to enter into the agreement and obtaining the approval of the Authority to his entering into the agreement.

(3) For the purposes of this section —

(a) a person shall be regarded as entering into an agreement by virtue of which he would obtain effective control of a bank if the person alone or acting together with any associate or associates of that person would be in a position to control not less than 20% of the voting power in the bank or would hold interests in not less than 20% of the issued shares of the bank;

(b) a reference to an agreement by which a person would obtain effective control of a bank that is incorporated in Singapore includes a reference to an agreement by which the person would acquire any interest in shares in the bank where, upon the acquisition of those interests and of any other interests in other shares of the bank that he has offered to acquire, he would have effective control of the bank;

- (c) a reference to a person offering to acquire interests in shares includes —
- (i) a reference to a person making or publishing a statement, however expressed, that expressly or impliedly invites a holder of interests in shares to offer to dispose of interests in shares; and
 - (ii) a reference to a person taking part in or proposing to take part in negotiations with a view to the acquisition of shares;
- (d) a person holds an interest in a share if he has any legal or equitable interest in that share and without limiting the generality of the foregoing an interest in shares shall have the meaning assigned to that expression in section 7 (6) to (10) of the Companies Act;
- (e) a reference to the voting power in a bank is a reference to the total number of votes that might be cast in the general meeting of the bank;
- (f) the following persons are associates of a person:
- (i) the person's spouse or a parent or remoter lineal ancestor, son, daughter or remoter issue, brother or sister of the person;
 - (ii) any partner of the person;
 - (iii) any corporation of which the person is an officer;
 - (iv) where the person is a corporation — any officer of the corporation;
 - (v) any employee or employer of the person;
 - (vi) any officer of any corporation of which the person is an officer;
 - (vii) any employee of a natural person of whom the person is an employee;
 - (viii) any corporation whose directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the person or, where the person is a corporation, of the directors of the person;

- (ix) any corporation in accordance with the directions, instructions or wishes of which, or of the directors of which, the person is accustomed or under an obligation, whether formal or informal, to act;
- (x) any corporation in which the person who is in a position to control not less than 20% of the voting power in the corporation; and
- (xi) where the person is a corporation — a person who is in a position to control not less than 20% of the voting power in the corporation.

(4) Any person who contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both. [14A

16.—(1) No person shall, after 9th March 1984, enter into any arrangement in relation to any bank that is incorporated in Singapore by virtue of which he would, if the arrangement is carried out, obtain control of the bank without first notifying the Authority of his intention to enter into the arrangement and obtaining the approval of the Authority to his entering into the arrangement.

Arrangements affecting control of a bank incorporated in Singapore. 2/84.

(2) For the purposes of this section —

- (a) a person shall be regarded as entering into an arrangement by virtue of which he would obtain control of a bank if he alone or acting together with an associate or associates would be in a position to determine the policy of the bank;
- (b) the reference to entering into any arrangement is a reference to any formal or informal scheme, arrangement or understanding, whether expressly or by implication, and without limiting the generality of the foregoing includes a reference —
 - (i) creating a trust whether express or implied; and

(ii) entering into a transaction or agreement, and references to an arrangement shall be construed accordingly; and

(c) the reference to associates of a person has the same reference as under section 15.

(3) Any person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both. [14B

Control of substantial shareholdings in banks incorporated in Singapore. 2/84.

17.—(1) No person shall, after 9th March 1984, enter into any agreement to acquire shares by virtue of which he would, if the agreement is carried out, acquire a substantial shareholding in a bank that is incorporated in Singapore without first notifying the Authority of his intention to enter into the agreement and obtaining the approval of the Authority to his entering into the agreement.

(2) For the purposes of this section —

(a) a reference to an agreement by which a person would acquire a substantial shareholding in a bank includes a reference to an agreement by virtue of which the person would acquire any interests in shares in the bank where, upon the acquisition by him of those interests or of those interests and of any interests in other shares in the bank, being interests that he has offered to acquire, he would acquire a substantial shareholding in the bank;

(b) a reference to a person offering to acquire interests in shares and to a person having an interest in shares shall be construed in the same way as under section 15; and

(c) a substantial shareholding has the same meaning as in section 81 of the Companies Act.

Cap. 50.

(3) Any person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding one year or to both. [14C

18.—(1) The Authority may by notice in writing direct a bank that is incorporated in Singapore to obtain from any shareholder of the bank and to transmit to the Authority information —

- (a) as to whether that shareholder holds any voting shares in the bank as beneficial owner or as trustee; and
- (b) if he holds them as trustee, to indicate as far as he can the person for whom he holds them (either by name or by other particulars sufficient to enable those persons to be identified) and the nature of their interest,

and the bank shall comply with that direction within such time as is specified in the notice.

(2) For the purposes of this section, “voting shares” has the same meaning as in the Companies Act. [14D

Power of the Authority to require a bank that is incorporated in Singapore to obtain information as to beneficial interests in shares of the bank.
2/84.

Cap. 50.

19.—(1) Every bank incorporated in Singapore shall, prior to the making of any amendment or alteration in the memorandum of association and articles of association or other instrument under which it is incorporated, furnish to the Authority particulars in writing of the proposed amendment.

Amendment of bank's constitution.

(2) Every bank whether incorporated inside or outside Singapore shall within 3 months after the making of any alteration in the memorandum of association and articles of association or other instrument under which it is incorporated furnish to the Authority particulars in writing (verified by a statutory declaration made by a senior officer of the bank) of the alteration.

(3) Any bank which contravenes subsection (1) or (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and in the case of a continuing offence to a further fine of \$1,000 for every day during which the offence continues after conviction. [15

2/84.

20.—(1) The Authority may by order revoke a licence issued under this Act —

Revocation of licence.
2/84.

- (a) if it is satisfied that the bank holding that licence —
 - (i) has ceased to transact banking business in Singapore;

- (ii) has furnished information or documents to the Authority in connection with its application for a licence which is or are false or misleading in a material particular;
 - (iii) if it is a foreign bank, has had its licence or authority to operate withdrawn by the regulatory body of the country in which it has its principal place of business;
 - (iv) proposes to make, or has made, any composition or arrangement with its creditors or has gone into liquidation or has been wound up or otherwise dissolved;
 - (v) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public;
 - (vi) is contravening the provisions of this Act; or
 - (vii) has been convicted of any offence under this Act or any of its directors or officers holding a managerial or executive position has been convicted of any offence under this Act; or
- (b) if, upon taking action under section 49 (2), it considers that it is in the public interest to revoke the licence.

(2) The Authority shall before revoking any licence under subsection (1) cause to be given to the bank concerned notice in writing of its intention to do so, specifying a date, not less than 21 days after the date of the notice, upon which the revocation will take effect and calling upon the bank to show cause to the Authority why the licence should not be revoked.

(3) When the Authority has revoked a licence under subsection (1) it shall forthwith inform the bank of the revocation.

(4) Any bank whose licence has been revoked pursuant to this section shall have a right of appeal to the High Court against the order of revocation.

(5) An order of revocation made by the Authority shall not take effect until the expiration of a period of 21 days after the Authority has informed the bank of the order.

(6) If within that period the bank concerned gives due notice of appeal to the High Court the order shall not take effect unless the order is confirmed by the Court or the appeal is for any reason dismissed by that Court.

(7) The making of an appeal by a bank under this section shall in no way affect the exercise of the powers of the Authority in relation to that bank under sections 49, 50, 51, 52 and 53. [16

21.—(1) Where an order of revocation becomes effective under section 20 — Effect of revocation of licence.

- (a) notice of the revocation shall be published in the *Gazette*; and
- (b) the bank shall, as from the date of the notice, cease to transact any banking business in Singapore except as may be approved by the Authority for the purpose of winding up its banking business.

(2) Subsection (1) (b) shall not prejudice the enforcement by any person of any right or claim against the bank or by the bank of any right or claim against any person. [17

PART IV

RESERVE FUNDS, DIVIDENDS, BALANCE-SHEETS AND INFORMATION

22.—(1) Every licensed bank —

- (a) shall maintain a reserve fund; and
- (b) shall transfer to that reserve fund out of the net profits of each year, after due provision has been made for taxation —
 - (i) so long as the amount of the reserve fund is less than 50% of the paid-up capital, a sum not less than 50% of those net profits;
 - (ii) so long as the amount of the reserve fund is 50% but less than 100% of the paid-up capital, a sum not less than 25% of those net profits; and

Maintenance of reserve fund.

- (iii) so long as the amount of the reserve fund is 100% or more of the paid-up capital, a sum not less than 5% of those net profits.

(2) If the Authority is satisfied that the aggregate reserve fund of a licensed bank whose head office is situated outside Singapore is adequate for its business, it may, by order in writing, exempt that bank from subsection (1).

2/84.

(3) Any bank which fails to comply with subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 and in the case of a continuing offence to a further fine of \$2,000 for every day during which the offence continues after conviction. [18

Maintenance of adequate provision for bad and doubtful debts.

23. Every bank shall make provision for bad and doubtful debts and before any profit or loss is declared ensure that that provision is adequate. [19

Dividends.

24. A bank shall not pay any dividend on its shares until all its capitalised expenditure (including preliminary expenses, organisation expenses, share selling commission, brokerage, amount of losses and any item of expenditure not represented by tangible assets) has been completely written off. [20

Publication and exhibition of audited balance-sheet.

25.—(1) Every bank shall, within 6 months after the close of each financial year or within such period as the Authority may approve, publish in at least 4 local daily newspapers, one each published in the Malay, Chinese, Tamil and English languages, and exhibit thereafter throughout the year in a conspicuous position in each of its offices and branches in Singapore —

- (a) a copy of its latest audited annual balance-sheet, and a copy of the profit and loss account, together with any notes thereon, and a copy of the report of the auditors:

Provided that in the case of a bank incorporated outside Singapore, those statements may be made in a manner that complies with the law for the time being applicable in the place of its incorporation or origin;

- (b) the full and correct names of all persons who are directors for the time being of the bank; and
- (c) the names of all subsidiary companies for the time being of the bank.

(2) A copy of each of the documents referred to in subsection (1) shall be sent to the Authority by the bank, prior to the first publication thereof under that subsection, together with a copy of the directors' report.

(3) In addition to the balance-sheet and other documents required to be lodged with the Authority under subsection (2), every bank shall lodge with the Authority with that balance-sheet and other documents a duly audited balance-sheet showing its assets used in, and liabilities arising out of its operation in, Singapore as at the date to which its balance-sheet was made up and a duly audited profit and loss account which gives a true and fair view of the profit or loss arising out of the bank's operation in Singapore for the last preceding financial year of the bank:

Provided that the bank shall be entitled to make such apportionments of expenses incurred in connection with operations or administration affecting both Singapore and elsewhere and to add such notes and explanations as in its opinion are necessary or desirable in order to give a true and fair view of the profit or loss of its operations in Singapore.

(4) The Authority may, in its discretion, regard the balance-sheet and profit and loss account as having been duly audited for the purpose of subsection (3) if the balance-sheet and profit and loss account are accompanied by a report by an approved auditor which complies, insofar as it is practicable, with section 207 of the Companies Act. Cap. 50.

(5) In the case of a bank incorporated in Singapore the annual balance-sheet and profit and loss account of the bank referred to in subsection (1) and the balance-sheet and profit and loss account referred to in subsection (3) shall be in such form as the Authority may approve; in the case of a bank incorporated outside Singapore only the balance-sheet and profit and loss account referred to in subsection (3) shall be in such form as the Authority may approve.

(6) The Authority may require any bank to submit such further or additional information as it may consider necessary either by way of explanation, amplification or

otherwise with regard to the balance-sheets and profit and loss accounts sent by that bank under subsections (2) and (3) and that information shall be submitted within such period and in such manner as the Authority may require.

2/84.

(7) Any bank which fails to comply with this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and in the case of a continuing offence to a further fine of \$1,000 for every day during which the offence continues after conviction. [21

Information
to be
furnished by
banks.

26.—(1) Every bank shall furnish to the Authority at such time and in such manner as the Authority may prescribe, all such information as the Authority may reasonably require for the proper discharge of its functions.

(2) Every bank shall send to the Authority and the Chief Statistician —

- (a) not later than 15 days after the last day of each month a statement in the form set out in the First Schedule showing the assets and liabilities of its banking offices and branches in Singapore at the close of business on the last business day of the preceding month;
- (b) not later than one month after the last day of each quarter of a calendar year, a statement in the form set out in the Second Schedule giving an analysis of loans and advances of its banking offices and branches in Singapore as at 31st March, 30th June, 30th September and 31st December, respectively; and
- (c) not later than 6 months after the close of its financial year a statement in the form set out in the Third Schedule showing the income and expenditure in respect of its banking business in Singapore.

(3) The Authority may vary or amend the forms set out in the First, Second and Third Schedules.

(4) The Authority may require any statement submitted to it pursuant to subsections (1) and (2) to be accompanied by a certificate —

- (a) of the auditor appointed by the bank pursuant to section 58 (1); or

(b) of any other auditor appointed by the Authority pursuant to section 58 (3),

as to whether in the opinion of the auditor, the statement or information is correct.

(5) Any information received from a bank under this section shall be regarded as secret between that bank, the Authority and the Chief Statistician.

(6) Nothing in this section shall prevent the Chief Statistician or the Authority from preparing and publishing consolidated statements aggregating such information as may be furnished under this section.

(7) Any bank which fails or neglects to furnish any information required by the Authority or the Chief Statistician under this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 and in the case of a continuing offence to a further fine of \$2,000 for every day during which the offence continues after conviction. 2/84.

[22

27.—(1) Every bank shall send to the Authority not later than 15 days after the last day of each month a statement in the form to be prescribed by the Authority showing particulars of all advances, loans or credit facilities granted by it to — Action to be taken if advances are against the interests of depositors.

- (a) any of its directors;
- (b) any firm in which it or any of its directors is a partner, manager or agent, or to any individual or firm of whom or of which any of its directors is a guarantor;
- (c) any corporation that is deemed to be related to the bank as described in section 6 of the Companies Act; Cap. 50.
- (d) any of its officers, employees or other persons being persons receiving remuneration from it in excess of one year's remuneration of the officer, employee or person;
- (e) any private or public company in which it or any of its directors, officers, employees or other persons who receive remuneration from the company has an interest as a director, manager, agent or guarantor; or

- (f) any individual in whom, and any firm or company in which, any of its directors has an interest, directly or indirectly, as declared under section 28 other than the advances, loans and credit facilities, particulars of which have already been supplied pursuant to paragraphs (a) to (e).

(2) If on examination of the particulars supplied by a bank under subsection (1) it appears to the Authority that any such advances, loans or credit facilities are being granted to the detriment of the interests of the depositors of that bank, the Authority may by order in writing prohibit that bank from granting any further advances, loans or credit facilities or impose such restrictions on the grant thereof as the Authority thinks fit, and may further direct that bank to secure repayment of any such first-mentioned advances, loans or credit facilities within such time and to such extent as may be specified in the order. [23

Disclosure of interest by directors.

28.—(1) Every director of a bank who has in any manner whatsoever, whether directly or indirectly, an interest in an advance, loan or credit facility or proposed advance, loan or credit facility from that bank shall as soon as practicable declare the nature of his interest to the board of directors of that bank and the secretary of that bank shall cause the declaration to be circulated forthwith to all the directors.

(2) The requirements of subsection (1) do not apply in any case where the interest of the director consists only of being a member or creditor of a company which is interested in an advance, loan or credit facility or proposed advance, loan or credit facility from that bank if the interest of the director may properly be regarded as of a trivial nature.

(3) For the purposes of subsection (1), a general notice given to the board of directors of a bank by a director to the effect that he is an officer or member of a specified company or a member of a specified firm and he is to be regarded as having an interest in any advance, loan or credit facility which may, after the date of the notice, be made to that company or firm shall be deemed to be a sufficient declaration of interest in relation to any advance, loan or credit facility so made if —

- (a) it specifies the nature and extent of his interest in the particular company or firm;

- (b) his interest is not different in nature or greater in extent than the nature and extent so specified in the notice at the time any advance, loan or credit facility is made; and
- (c) it is given at the meeting of the directors or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the directors after it is given.

(4) Every director of a bank who holds any office or possesses any property whereby, whether directly or indirectly, duties or interest might be created in conflict with his duties or interest as director shall declare at a meeting of the directors of that bank the fact and the nature, character and extent of the conflict.

(5) The declaration referred to in subsection (4) shall be made at the first meeting of the directors held —

- (a) after he becomes a director of the bank; or
- (b) if already a director, after he commences to hold the office or to possess the property, as the case may be.

(6) The secretary of that bank shall cause to be brought up and read any declaration made under subsection (1) or (4) at the next meeting of the directors after it is given, and shall record any declaration made under this section in the minutes of the meeting at which it was made or at which it was brought up and read.

(7) Any director who acts in contravention of subsection (1) or (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both. ^{2/84.}

[24

PART V

PROHIBITED BUSINESS

29.—(1) A bank shall not —

- (a) grant or permit to be outstanding to any one person, firm, corporation or company or to any group of companies or persons which such person, firm, corporation or company is able to control or influence any credit facilities to an

Credit facilities and limits.
2/84.

aggregate amount of such credit facilities in excess of 30% of the capital funds or, with the approval of the Authority, up to but not in excess of 100% of the capital funds of the bank;

- (b) grant substantial loans which in the aggregate exceeds 50% of its total credit facilities or such other percentage as the Authority may from time to time determine:

Provided that paragraphs (a) and (b) shall not apply to —

- (i) transactions with the Government;
 - (ii) transactions between banks;
 - (iii) the purchase of telegraphic transfers or loans or advances made against telegraphic transfers;
 - (iv) any facilities granted against letters of credit or bills or guarantees or documents in respect of imports into or exports from Singapore; or
 - (v) any other type of transactions which the Authority may from time to time approve;
- (c) grant any credit facility against the security of its own shares;
- (d) grant, whether directly or indirectly, unsecured credit facilities which in the aggregate and outstanding at any one time exceed the sum of \$5,000 —
- (i) to any of its directors, whether those credit facilities are obtained by its directors jointly or severally;
 - (ii) to a firm in which it or any of its directors has an interest as a partner, manager or agent, or to any individual or firm of whom or of which any of its directors is a guarantor; or
 - (iii) to any corporation, other than a bank, that is deemed to be related to the bank as described in section 6 of the Companies Act; or
- (e) grant to any of its officers other than a director, or its employees or other persons, being persons

receiving remuneration from the bank (other than public, registered or licensed accountants, advocates and solicitors, architects, estate agents, doctors and any other persons receiving remuneration from a bank in respect of their professional services) unsecured credit facilities which in the aggregate and outstanding at any one time exceed one year's emolument of that officer or employee or person.

(2) In subsection (1) (*d*) and (*e*), "unsecured credit facilities" means credit facilities given without security, or in respect of any credit facility given with security, any part thereof which at any time exceeds the market value of the assets constituting that security, or where the Authority is satisfied that there is no established market value, on the basis of a valuation approved by it.

(3) In subsection (1) (*d*), "director" includes the wife, husband, father, mother, son or daughter of a director.

(4) All the directors of the bank shall be liable jointly and severally to indemnify the bank against any loss arising from the making of any unsecured credit facility or any credit facility which becomes unsecured under subsection (1) (*d*) (i), (ii) and (iii) whether the bank has contravened those provisions or not.

(5) In this section, "substantial loan" means any credit facility granted by a bank to a single person, firm, corporation or company or to any group of companies or persons which such person, firm, corporation or company is able to control or influence which in the aggregate exceeds 15% of the bank's capital funds.

(6) Any bank which contravenes any of the provisions of this section shall be guilty of an offence. [25

30.—(1) A bank shall not engage, whether on its own account or on a commission basis, and whether alone or with others, in the wholesale or retail trade, including the import or export trade, except in the course of the satisfaction of debts due to it for the purpose of carrying on its banking business. Trade.

(2) Any bank which contravenes subsection (1) shall be guilty of an offence. [26

Investments.

31.—(1) A bank shall not acquire or hold any part of the share capital of, or otherwise have an interest in, any financial, commercial, agricultural, industrial or other undertaking exceeding in the aggregate 40% of that bank's capital funds except such shareholding as the bank may acquire in the course of the satisfaction of debts due to it, which shareholding shall, however, be disposed of at the earliest suitable opportunity.

(2) This section shall not apply in respect of —

(a) any shareholding approved in writing by the Authority in another bank or in a subsidiary company formed by the bank concerned for the carrying out of nominee, executor or trustee functions or other functions incidental to banking business; or

(b) any shareholding approved by the Authority in any corporation set up for the purpose of promoting development in Singapore.

(3) Subsection (1) shall not apply to the Development Bank of Singapore, Limited.

(4) Any bank which contravenes subsection (1) shall be guilty of an offence. [27

Control over banks in the acquisition of shares in companies. 2/84.

32.—(1) No bank shall, after 9th March 1984, enter into an agreement to acquire the share capital of any company by virtue of which the bank would, if the agreement is carried out, acquire or hold, whether directly or indirectly, an interest of 20% or more of the share capital of that company, without first notifying the Authority of its intention to enter into the agreement and obtaining the approval of the Authority to its entering into the agreement.

(2) The Authority may approve the entering into the agreement with or without conditions or may disapprove it without giving any reasons.

(3) Subsection (1) shall not apply to an agreement by virtue of which the bank would acquire an interest of 20% or more of the share capital in a company by way of enforcement of security to satisfy debts due to it by the company, if, upon making the acquisition, the bank obtains the approval of the Authority to retain the

shareholdings as an investment. In the event however that the Authority does not grant approval, the bank shall dispose of the shareholdings at the earliest opportunity.

(4) In this section, “company” means a company whether incorporated in or outside Singapore.

(5) A bank that contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000. [27A

33.—(1) A bank shall not purchase or acquire any immovable property or any right therein exceeding in the aggregate 40% of that bank’s capital funds except as may be reasonably necessary for the purpose of conducting its business or of housing or providing amenities for its staff: Immovable property.

Provided that this shall not prevent a bank —

- (a) from letting part of any building which is used for the purpose of conducting its business; or
- (b) from securing a debt on any immovable property and, in the event of default in payment of the debt, from holding that immovable property for realisation by sale or auction at the earliest suitable opportunity.

(2) This section shall not apply to the Development Bank of Singapore, Limited.

(3) Any bank which contravenes subsection (1) shall be guilty of an offence. [28

34.—(1) A bank shall not make any loans or advances exceeding in the aggregate 30% of the amount of its deposits in Singapore (including the deposits and borrowings from any other bank at that bank) on the security of immovable property for the purpose of purchasing, improving or altering the immovable property: Loans secured by immovable property.

Provided that any bank whose business is principally in those loans or advances may, with the prior written consent of the Authority, make those loans or advances in an aggregate amount up to, but not in excess of 60% of the amount of its deposits in Singapore (including the

deposits and borrowings from any other bank at that bank).

(2) A loan or advance secured solely by a mortgage, deed of trust, or other such instrument upon immovable property or by notes or other obligations which are so secured, is, for the purpose of subsection (1), a loan or advance secured by immovable property; a loan or advance secured in part by mortgage, deed of trust, or other instrument upon immovable property, or by notes or other obligations which are so secured, or by any other form of security, is, for the purposes of this subsection, a loan or advance secured by immovable property to the extent, but only to the extent, of the value of that immovable property as a security as determined by the Authority.

(3) Nothing in this section shall be construed to prohibit any bank from accepting as security for a loan or advance made in good faith without security or upon security subsequently found to be inadequate, a mortgage, deed of trust, or other instrument upon immovable property, or notes or other obligations which are so secured.

(4) This section shall not apply to the Development Bank of Singapore, Limited.

(5) Any bank which contravenes subsection (1) shall be guilty of an offence. [29

Liquidation
of prohibited
transactions.

35.—(1) Subject to this Act any bank which, before the date of commencement of this Act, has entered into any transaction contrary to any of the provisions of section 29, 30, 31, 33 or 34 shall, within 6 months of that date, submit a statement of the transaction to the Authority and shall furthermore, within that time or such further time as the Authority may specify, liquidate the transaction or come within the limitations prescribed by those sections and dispose of any property or right that may have been acquired thereby.

(2) Any bank which fails to comply with subsection (1) shall be guilty of an offence. [30

Deductions
for purposes
of sections
29, 31 and 33.

36. For the purposes of sections 29, 31 and 33 there shall be deducted from the capital funds of the bank any debit balance appearing in the profit and loss account of the bank.

[31

37.—(1) Any bank, if at any time called upon in writing by the Authority to do so, shall satisfy the Authority by the production of such evidence or information as it may require, that the bank is not in contravention of any of the provisions of section 29, 31, 33 or 34.

Power of Authority to secure compliance with sections 10, 23, 29, 31, 33, 34 and 43. 2/84.

(2) For the purpose of securing compliance with sections 10, 23 and 43 and the sections referred to in subsection (1), the Authority may from time to time by notice in writing require any bank to aggregate its assets, liabilities or profits, as the case may be, with the assets, liabilities or profits of all or any of the bank's related companies, as described in section 6 of the Companies Act, and the bank shall comply with that requirement within such time as is specified in the notice.

Cap. 50.

[32

38.—(1) Any bank whose head office is situated outside Singapore may apply in writing to the Authority for an order relieving that bank from the restrictions or limitations imposed by sections 29, 31 and 33 in relation to any transactions referred to in those sections and the Authority may make an order subject to such conditions as it thinks fit.

Relief from limitations imposed by sections 29, 31 and 33.

(2) The Authority shall make an order under subsection (1) only if it is satisfied that the making of the order is in the interests of the creditors and depositors of the bank.

(3) An order made by the Authority under subsection (1) shall be effective for such period as the Authority may decide and shall cease to have effect on such date as may be specified in the order.

(4) The Authority may make an order under subsection (1) in respect of transactions entered into by the bank before or after the commencement of this Act. [33

PART VI

MINIMUM ASSET REQUIREMENTS

39.—(1) The Authority may, from time to time, prescribe by notice in writing a minimum amount or amounts of liquid assets to be held by banks.

Minimum liquid assets.

(2) The minimum amount or amounts of the assets so prescribed to be held shall be expressed in the form of a

percentage or percentages which those assets shall bear to the sight, savings account, time and other liabilities of each bank, either jointly or separately, and the percentage or percentages may be varied by the Authority by notice in writing.

(3) Whenever the Authority issues a notice under subsection (1), each bank shall be allowed such uniform period of grace, being not less than one month, as may be specified in the notice, in which to comply with its provisions.

(4) A bank shall not, during any period in which it has failed to comply with any notice under subsection (1), without the approval of the Authority, grant further advances to any person.

(5) For the purpose of computing the minimum amount or amounts of liquid assets under this section and specified assets under section 41, and the sight, savings account, time and other liabilities of a bank carrying on business in Singapore and elsewhere, the offices and branches of the bank in Singapore shall be deemed to constitute a separate bank carrying on business in Singapore.

(6) For the purposes of this section liquid assets are —

- (a) notes and coin which are legal tender in Singapore;
- (b) balances with the Authority;
- (c) balances with banks in Singapore, after deducting therefrom balances held for banks in Singapore;
- (d) net money at call in Singapore;
- (e) Treasury bills issued by the Government and maturing within 3 months (exclusive of days of grace); and
- (f) such other assets as the Authority may from time to time approve.

(7) The Authority may by notice in writing require each bank to render such returns as the Authority considers necessary for the implementation of this section.

2/84.

(8) Any bank that fails to comply with any of the provisions of this section shall be liable to pay, on being called upon to do so by the Authority, a penalty interest charge of \$100 per day or such larger amount as the

Authority may determine for every day during which the deficiency continues.

(9) Any bank that fails or refuses to pay a penalty interest charge under subsection (8) shall be guilty of an offence.

[34

40.—(1) The Authority may from time to time require banks to maintain minimum cash balances, not exceeding 30% of each bank's deposit and other liabilities, on deposit with the Authority as reserves against their deposit and other liabilities. Minimum cash balances.

(2) Subject to the limit specified in subsection (1), the Authority may prescribe different ratios for different types of liabilities and may further prescribe the method of computing the amount of the required reserves, but the ratios shall be uniform for all banks.

(3) Any prescription of, or change in, the minimum reserve requirements under subsection (1) or (2) shall take effect only after the expiration of 30 days' notice to the banks of the Authority's intention to take such action.

(4) Where a bank (referred to in this section as the defaulting bank) has failed to maintain sufficient minimum cash balances required under subsection (1) the Authority may by order in writing direct the defaulting bank to make good the deficiency within the period specified in the order and the defaulting bank shall comply with the requirements of the order.

(5) If the defaulting bank fails to make good the deficiency within the period specified in the order referred to in subsection (4) it shall be lawful, notwithstanding the provisions of any other written law, for the Authority to serve a notice in writing upon any other bank with which the defaulting bank has a credit balance, whether in current or deposit account, directing that bank to transfer to the Authority such amount as is specified in the notice as being equivalent to the amount of the deficiency in the minimum cash balances of the defaulting bank required under subsection (1) and the other bank shall immediately comply with the requirements of that notice.

(6) No action shall lie against, and no liability shall attach to, any bank that complies with the requirements of a notice

referred to in subsection (5) for any loss or damage suffered by the defaulting bank as a result of the other bank taking action in compliance with the requirements of that notice.

2/84.

(7) The Authority may, in addition to any action taken under subsections (4) and (5), impose on any bank that fails to maintain sufficient minimum cash balances required under subsection (1) a penalty interest charge of \$100 per day or such larger amount as the Authority may determine for every day during which the deficiency continues.

(8) Any bank that fails or refuses to pay a penalty interest charge under subsection (7) shall be guilty of an offence. [35

Minimum
asset
requirement.

41.—(1) The Authority may require banks to maintain a minimum amount or amounts of assets specified in subsection (2) to be held by banks in Singapore expressed as a percentage or percentages which those assets shall bear to the sight, savings account, time and other liabilities of each bank either jointly or separately.

(2) For the purposes of subsection (1), the specified assets are —

- (a) the assets specified in section 39 (6) (a) to (f);
- (b) loans or advances made to persons in Singapore;
- (c) securities issued by the Government, or by any public authority established by any law, and any other securities issued in Singapore and approved for the purposes of this section by the Authority; and
- (d) other assets in Singapore which may be approved by the Authority for the purposes of this section.

2/84.

(3) Any bank which fails to comply with any of the requirements of the Authority under subsection (1) shall be liable to pay, on being called upon to do so by the Authority, a penalty interest charge of \$100 per day or such larger amount as the Authority may determine for every day during which the deficiency in the minimum assets continues. [36

PART VII

POWERS OF CONTROL OVER BANKS

42.—(1) The Authority may from time to time determine and announce the rates of interest payable to or by banks, the rates of discount chargeable by banks, or the rates of commission and other charges payable to banks. Regulation of interest rates of banks.

(2) Subsection (1) shall not apply to transactions between banks in Singapore. [37]

43.—(1) The Authority may, in respect of loans and advances or investments of banks, make recommendations to the banks in respect of the following: Recommendations to banks concerning credits and investments.

- (a) the purposes for which they may or may not be granted or made;
- (b) the maximum maturities or, in the case of loans and advances, the type and minimum amount of security which shall be required and, in the case of letters of credit, the minimum or margin deposit; or
- (c) the limits for any particular category of loans, advances or investments or for the total amount outstanding in respect of those loans, advances or investments.

(2) Any recommendation made under subsection (1) shall apply uniformly to all banks engaging in the transactions covered by the recommendation.

(3) Where the Authority has made a recommendation under subsection (1) and the banks have accepted it without objections, or have failed to notify the Authority of their objections or have failed to forward their representations to it within the time specified in subsection (4), it may issue a direction in writing to each bank on any of the matters referred to in subsection (1) requiring that effect be given to the recommendation within a reasonable time, and the banks shall comply with that direction.

(4) Where the Authority has made a recommendation and the banks have, or any bank has, notified the Authority within 14 days of the receipt of the recommendation that the banks, or any bank, objects to the recommendation, it shall call upon the banks or bank, as the case may be, to make

representations in writing within one month of the notification concerning those objections.

(5) Upon receipt of such representations the Authority shall consider them and may —

- (a) reject the representations; or
- (b) amend or modify the recommendation in accordance with the representations, or otherwise,

and in either event, it shall thereupon issue a direction in writing to the banks or bank, as the case may be, requiring that effect be given to the original recommendation or to the recommendation as subsequently amended or modified by the Authority within a reasonable time, and the banks or any bank, as the case may be, shall comply with that direction.

(6) This section shall not apply to the Development Bank of Singapore, Limited. [38]

Inspection of banks.

44. The Authority shall, from time to time, inspect under conditions of secrecy, the books, accounts and transactions of each bank and of any branch, agency or office outside Singapore opened by a bank incorporated in Singapore. [39]

Special investigation of banks.

45.—(1) The Authority may at any time make an investigation, under conditions of secrecy, of the books, accounts and transactions of any bank, if it has reason to believe that any bank is carrying on its business in a manner likely to be detrimental to the interests of its depositors and other creditors, or has insufficient assets to cover its liabilities to the public, or is contravening the provisions of this Act.

(2) The Authority may appoint an auditor, other than the auditor appointed by the bank or the Authority under section 58, to exercise the powers of the Authority under section 44 and subsection (1). [40]

Production of bank's books, accounts and documents.

46.—(1) For the purposes of an inspection or investigation under section 44 or 45, the bank under inspection or investigation shall afford the Authority access to and shall produce its books, accounts and documents and shall give such information and facilities as may be required to conduct the investigation:

Provided that those books, accounts and documents shall not be required to be produced at such times or at such places as would interfere with the proper conduct of the normal daily business of that bank.

(2) If any book, account or document or information is not produced in accordance with subsection (1), it shall be presumed subject to satisfactory evidence being furnished by the bank justifying such a refusal to produce that book, account or document or information, that the bank concerned has been carrying on business in contravention of the terms of its licence with effect from that day and shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 and in the case of a continuing offence to a further fine of \$2,000 for every day during which the offence continues after conviction. [41]

47.—(1) Nothing in this Act shall authorise the Authority to inquire specifically into the affairs of any individual customer of any bank.

Banking
secrecy.
6/83
2/84.

(2) Where pursuant to an inspection under section 44 or an investigation under section 45 or to the carrying out of the Authority's function of supervising the financial condition of any bank incidental information relating to the affairs of an individual customer is obtained by the Authority that information shall be secret as between the Authority and the bank concerned.

(3) Subject to subsection (4), no official of any bank and no person who by reason of his capacity or office has by any means access to the records of the bank, registers or any correspondence or material with regard to the account of any individual customer of that bank shall, while his employment in or professional relationship with the bank, as the case may be, continues or after the termination thereof, give, divulge or reveal any information whatsoever regarding the money or other relevant particulars of the account of that customer.

- (4) Subsection (3) shall not apply in any case where —
- (a) the customer or his personal representatives gives or give his or their written permission to do so;
 - (b) the customer is declared bankrupt in Singapore or Malaysia or if the customer is a company, the company is being wound up;

- (c) civil proceedings arise —
 - (i) between the bank and the customer or his guarantor relating to the customer's banking transaction; or
 - (ii) between the bank and two or more parties making adverse claims to money in a customer's account where the bank seeks relief by way of interpleader;
- (d) the officials of any bank by compulsion of any written law in force in Singapore are required to give information to the police or a public officer who is duly authorised under that law to obtain that information or to a court in the investigation or prosecution of a criminal offence under any such law;
- (e) the bank has been served with a garnishee order attaching moneys in the account of the customer;
- (f) the information relates solely to credit facilities granted by a branch of a bank incorporated outside Singapore and the information is required by its head office; or
- (g) the information is required to assess the credit-worthiness of a customer in connection with or relating to a bona fide commercial transaction or a prospective commercial transaction so long as the information required is of a general nature and in no way related to the details of a customer's account.

(5) In any civil proceedings under subsection (4) (b) and (c) where information is likely to be disclosed in relation to a customer's bank account those proceedings may, if the court, of its own motion or on the application of a party to the proceedings, so orders, be held *in camera* and the information shall be secret as between the court and the parties thereto.

(6) No person shall publish the name, address or photograph of any parties to those civil proceedings as are referred to in subsection (5) or any information likely to lead to the identification of the parties thereto either during the currency of the proceedings or after they have been terminated.

(7) Nothing in this section shall be deemed to limit any powers conferred upon the Supreme Court or a judge thereof by Part IV of the Evidence Act or to prohibit obedience to an order under that Part. Cap. 97.

(8) In this section —

“official of any bank” includes a director and an employee of a bank;

“professional relationship” includes a relationship between a bank and a computer bureau, being a relationship that has been approved by the Authority, and such other relationship with a bank as the Authority may from time to time decide;

“written law” means Part IV of the Evidence Act, the Criminal Procedure Code, the Internal Security Act, the Income Tax Act, the Prevention of Corruption Act, the Kidnapping Act and the Companies Act. Cap. 68.
Cap. 143.
Cap. 134.
Cap. 241.
Cap. 151.
Cap. 50.

(9) Any person who contravenes this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both. [42]

48. Any bank which considers that it is, or is likely to become, unable to meet its obligations, or is insolvent, or is about to suspend payments, shall forthwith inform the Authority of that fact. Information of insolvency, etc.
[43]

49.—(1) Where —

- (a) a bank informs the Authority that it is likely to become unable to meet its obligations, or that it is insolvent, or about to suspend payments;
- (b) a bank becomes unable to meet its obligations, or is insolvent, or suspends payments;
- (c) after an inspection or investigation is made under section 44 or 45, the Authority is of the opinion that the bank —
- (i) is carrying on its business in a manner likely to be detrimental to the interests of its depositors or its creditors;
 - (ii) is insolvent or is likely to become unable to meet its obligations or is about to suspend payment;
- Action by Authority if bank is unable to meet obligations, etc., or is conducting business to the detriment of depositors.

- (iii) has contravened or failed to comply with any of the provisions of this Act; or
- (iv) has contravened or failed to comply with any condition attached to its licence; or
- (d) the Authority considers it in the public interest to do so,

the Authority may exercise any one or more of the powers specified in subsection (2) as appears to it to be necessary.

(2) Subject to subsection (1), the Authority may —

- (a) require the bank concerned forthwith to take any action or to do or not to do any act or thing whatsoever in relation to its business as the Authority may consider necessary;
- (b) appoint a person to advise that bank in the proper conduct of its business; or
- (c) assume control of and carry on the business of that bank or direct some other person to assume control of and carry on the business of that bank.

(3) The Authority may, upon representation made to it or on its own motion, modify or cancel any action taken by it under subsection (2), and in so modifying or cancelling any action may impose such conditions as it thinks fit, subject to which the modification or cancellation shall have effect. [44]

Powers of Authority.

50. Where the Authority has taken action under section 49 (2), it may, without prejudice to the powers conferred by section 20 (1) (b), exercise one or more of the following powers:

- (a) confirm, vary or reverse any requirement, appointment or direction made by it;
- (b) make such order as it may think fit in relation to the affairs of the bank and exercise any power which it may exercise under section 49 (2);
- (c) present a petition to the High Court for the winding up of the bank by the High Court. [45]

Duration of control.

51.—(1) Where the Authority has assumed control of the business of a bank in pursuance of section 49 it shall remain in control of, and continue to carry on, the business of that

bank in the name and on behalf of the bank until such time as it is satisfied that the reasons for which it assumed control of the business have ceased to exist, or that it is no longer necessary for the protection of the depositors of the bank that it should remain in control of the business.

(2) Where the Authority has assumed control of the business of a bank in pursuance of section 49 or ceased to control the business of a bank in pursuance of this section, it shall notify that fact in the *Gazette*. [46

52.—(1) Where the Authority has assumed control of the business of a bank in pursuance of section 49 the bank shall submit its business to the control of the Authority and shall provide the Authority with such facilities as it may require to carry on the business of that bank. Bank under control of Authority to co-operate with Authority.

(2) Any bank which fails to comply with subsection (1) or with any requirement of the Authority thereunder shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 and in the case of a continuing offence to a further fine of \$2,000 for every day during which the offence continues after conviction. [47 2/84.

53.—(1) The Authority may at any time (whether or not the appointment of the person has terminated) fix the remuneration and expenses to be paid by a bank to any person appointed by the Authority under section 49 (2) or 50 to advise the bank in the proper conduct of its business. Remuneration and expenses of Authority and others in certain cases.

(2) Where, under section 49 (2) (c) or 50 (b), the Authority has assumed control of the business of a bank or some other person has assumed control of the business of a bank pursuant to a direction or order of the Authority, the Authority may, at any time, whether or not it or that other person has ceased to be in control of the business of the bank, fix the remuneration and expenses to be paid by the bank to the Authority and to any person employed or authorised by it under section 3 to assist it in the control of and the carrying on of the business of the bank, or to that other person, as the case may be. [48

54.—(1) The Authority may, if it considers it to be in the interests of the depositors of a bank, make an order prohibiting that bank from carrying on banking business or Moratorium.

from doing or performing any act or function connected with banking business or any aspect thereof that may be specified in the order.

(2) The Authority may, if it considers it to be in the interests of the depositors of a bank, apply to the High Court for an order staying the commencement or continuance of any proceedings by or against the bank in regard to any business of the bank. Such an order shall be valid for a period not exceeding 6 months.

(3) So long as an order under subsection (1) remains in force the licence granted to that bank under this Act shall be suspended. [49]

PART VIII

NUMBERED ACCOUNTS

Banks may with the approval of Authority open numbered accounts.

55.—(1) For the purposes of this Part, “numbered accounts” means accounts opened with banks in Singapore that are identifiable only by a number or code word or by such other means as the Authority may determine.

(2) No bank in Singapore shall open numbered accounts for its customers except with the prior approval in writing of the Authority which may attach such limitations, conditions, qualifications and exceptions thereto as it thinks fit.

2/84.

(3) Any bank which contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000. [50]

Types of numbered accounts.

56.—(1) Numbered accounts facilities offered by banks to their customers may extend to current accounts, deposit accounts, securities deposit accounts and safes, but shall not extend to credit facilities.

(2) The owners of the numbered accounts shall only be known to such senior officers of the bank as the bank may decide. [51]

Secrecy of numbered accounts.

57.—(1) The officials of any bank operating numbered accounts on behalf of its customers or any person who by reason of his capacity or office has by any means access to the records of the bank, registers, correspondence or any other material with regard to numbered accounts shall keep absolute secrecy thereof in the interests of the bank’s customers.

(2) The officials of any bank and other persons mentioned in subsection (1) shall not give, divulge or reveal any information whatsoever regarding the name or identity of the owner of a numbered account to any individual, corporation, bank, public administration, judicial or military authorities unless —

- (a) the owner of the numbered account or his personal representatives gives or give his or their permission to do so;
- (b) the owner is declared bankrupt;
- (c) a suit arises between the bank and the owner relating to a banking transaction; or
- (d) the owner is required to do so by order of a Judge of the Supreme Court made for special cause for the purposes of any civil or criminal proceedings.

(3) Part IV of the Evidence Act shall not apply to numbered accounts. Cap. 97.

(4) Any person who contravenes this section shall be guilty of an offence and shall be liable on conviction to a fine of \$50,000 or to imprisonment for a term not exceeding 3 years or to both. 2/84.
[52]

PART IX

MISCELLANEOUS

58.—(1) Notwithstanding the provisions of the Companies Act, every bank shall appoint annually an auditor approved by the Authority. Auditing.
Cap. 50.

(2) An auditor shall not be approved by the Authority as an auditor for banks unless he is able to comply with such conditions in relation to the discharge of his duties as may be determined by the Authority. 2/84.

(3) The Authority may appoint an auditor —

- (a) if the bank fails to appoint an auditor; or
- (b) if it considers it desirable that another auditor should act with the auditor appointed under subsection (1),

and may at any time fix the remuneration to be paid by the bank to that auditor.

(4) The duties of an auditor appointed under subsections (1) and (3) shall be —

(a) to carry out, for the year in respect of which he is appointed, an audit of the accounts of the bank; and

(b) to make a report in accordance with section 207 of the Companies Act —

(i) in the case of a bank incorporated in Singapore — upon the annual balance-sheet and profit and loss account that are referred to in section 25 (1) and (3); and

(ii) in the case of a bank incorporated outside Singapore — upon the annual balance-sheet and profit and loss account that are referred to in section 25 (3).

Cap. 50.

2/84.

(5) The Authority may impose all or any of the following duties on an auditor in addition to those provided under subsection (4):

(a) a duty to submit such additional information in relation to his audit as the Authority considers necessary;

(b) a duty to enlarge or extend the scope of his audit of the business and affairs of the bank;

(c) a duty to carry out any other examination or establish any procedure in any particular case; and

(d) a duty to submit a report on any of the matters referred to in paragraphs (b) and (c),

and the bank shall remunerate the auditor in respect of the discharge by him of all or any of these additional duties.

2/84.

(6) The auditor's report made under subsection (4) shall be attached to the balance-sheet and the profit and loss account and a copy thereof together with any report submitted under subsection (5) shall be transmitted in writing to the Authority.

2/84.

(7) If an auditor, in the course of the performance of his duties as an auditor of a bank, is satisfied that —

(a) there has been a serious breach or non-observance of the provisions of this Act or that otherwise a criminal offence involving fraud or dishonesty has been committed;

- (b) losses have been incurred which reduce the capital funds of the bank by 50%;
- (c) serious irregularities have occurred, including irregularities that jeopardise the security of the creditors; or
- (d) he is unable to confirm that the claims of creditors are still covered by the assets,

he shall immediately report the matter to the Authority. [53

59. In order to facilitate the clearing of cheques and other credit instruments for banks carrying on business in Singapore, the Authority shall, in conjunction with banks operating in Singapore, by regulations, establish a Clearing House. [54

Clearing House and settlement of balances between banks.

60.—(1) The Authority may, at any time by notice in the *Gazette*, declare any day or days to be a bank holiday or holidays.

Declaration of holidays.

(2) No bank shall do any business without the approval of the Authority on any day declared a bank holiday under subsection (1). 2/84.

(3) A bank holiday declared under subsection (1) shall not necessarily be a public holiday and nothing in this section shall be deemed to affect any written law which may from time to time be in force in Singapore relating to public holidays.

(4) Any reference to a bank holiday in any written law which may from time to time be in force in Singapore shall include any day declared to be a bank holiday under this section and any day which is a public holiday within the meaning of any written law which may be in force in Singapore relating to public holidays. [55

61. Where a bank becomes unable to meet its obligations or becomes insolvent or suspends payment, the assets of that bank in Singapore shall be available to meet all deposit liabilities of the bank in Singapore; and those deposit liabilities shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in section 328 (1) of the Companies Act. [56

Priority of deposit liabilities. 2/84.

Cap. 50.

Priority of
deposit liabi-
lities inter se.
2/84.

62.—(1) Notwithstanding the provisions of any written law or rule of law relating to the winding up of companies, in the event of a winding up of a bank the deposit liabilities of the bank shall, amongst themselves, rank in the following order of priority:

- (a) firstly, deposit liabilities incurred by the bank with non-bank customers where the deposit liabilities are required by the Authority to be included in the computation of the reserve and liquidity requirements pursuant to sections 39 and 40;
- (b) secondly, deposit liabilities incurred by the bank with other banks where the deposit liabilities are required by the Authority to be included in the computation of the reserve and liquidity requirements pursuant to sections 39 and 40;
- (c) thirdly, deposit liabilities incurred by the bank with non-bank customers where the deposit liabilities are not required by the Authority to be included in the computation of the reserve and liquidity requirements pursuant to sections 39 and 40.

(2) The deposit liabilities in each class specified in subsection (1) shall rank in the order specified therein but as between deposit liabilities of the same class shall rank equally between themselves and shall be paid in full unless the assets of the bank are insufficient to meet them in which case they shall abate in equal proportions between themselves.

(3) For the purposes of section 61 and this section, “deposit liabilities of a bank” means sums of money paid on terms —

- (a) under which they will be repaid, with or without interest or at a premium, and either on demand or at a time or in circumstances agreed by or on behalf of the persons making the payments and the bank receiving them; and
- (b) which are not referable to the provisions of property or services or to the giving of security.

(4) For the purposes of subsection (3) (b), money is paid on terms which are referable to the provisions of property or services or to the giving of security if, and only if, —

- (a) it is paid by way of advance or part-payment for the sale, hire or other provision of property or

services of any kind and is repayable only in the event that the property or services is or are not in fact sold, hired or otherwise provided;

- (b) it is paid by way of security for payment for the provision of property or services of any kind provided or to be provided by the bank by whom or on whose behalf the money is accepted; or
- (c) it is paid by way of security for the delivery up or return of any property, whether in a particular state of repair or otherwise. [56A

63.—(1) As soon as practicable after the making of an order for the winding up of a bank, the liquidator of the bank shall publish in the *Gazette* a notice requiring every debtor of the bank to redeem any property he has deposited with the bank as security for any loan that he has obtained from the bank, and shall also send by registered post such notice to every debtor whose security is held by the bank and whose name is mentioned in the statement of affairs made out under section 270 of the Companies Act.

Redemption of securities held by bank under liquidation. 2/84.

Cap. 50.

(2) The notice shall specify the latest date up to which any security may be redeemed, which date shall not be less than 3 months from the date of the notice. [56B

64. Notwithstanding anything in the articles of association or regulations of any bank incorporated in Singapore with respect to the execution of instruments under its seal, but without prejudice to anything in those articles or regulations not inconsistent herewith, the seal of the bank shall not be affixed to any instrument except in the presence of a director of the bank and of one other person being either a director or an officer of the bank duly authorised in that behalf, and the director and that other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. [57

Execution of instruments under seal.

65. Notwithstanding the provisions of any other written law, any person —

- (a) who is or becomes bankrupt, suspends payments or compounds with his creditors;

Disqualification of directors and employees of banks.

- (b) who is or has been convicted in any country of an offence involving dishonesty or fraud and has not received a free pardon for the offence for which he was convicted; or
- (c) who has been a director of, or directly concerned in the management of, a bank licensed under this Act or which was licensed under any written law repealed by this Act which is being or has been wound up by a court or the licence of which has been revoked,

shall not, without the consent in writing of the Authority, act or continue to act as the director, manager, secretary or other officer in any bank. [58]

Offences by
directors or
managers.
2/84.

66.—(1) Any person being a director, managing director or manager of a bank who —

- (a) fails to take all reasonable steps to secure compliance by a bank with the provisions of this Act or any other written law applicable to banks in Singapore; or
- (b) fails to take all reasonable steps to secure the accuracy and correctness of any statement submitted under this Act or of any other written law applicable to banks in Singapore,

shall be guilty of an offence and shall, in respect of each offence, be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both.

(2) In any proceedings against a person under subsection (1) it shall be a defence to prove that he had reasonable grounds for believing that another person was charged with the duty of securing compliance with the requirements of those laws or with the duty of ensuring that those statements were accurate and that that person was competent and in a position to discharge that duty.

(3) A person shall not be sentenced to imprisonment for any offence under subsection (1) unless, in the opinion of the court, he committed the offence wilfully. [59]

Offences by
directors,
employees
and agents.
2/84.

67. Any director, manager, trustee, auditor, employee or agent of any bank who —

- (a) wilfully makes or causes to be made, a false entry in any book of record or in any report, slip,

document or statement of the business, affairs, transactions, conditions, assets or accounts of that bank;

- (b) wilfully omits to make an entry in any book of record or in any report, slip, document or statement of the business, affairs, transactions, conditions, assets or accounts of that bank, or wilfully causes any such entry to be omitted; or
- (c) wilfully alters, abstracts, conceals or destroys an entry in any book of record or in any report, slip, document or statement of the business, affairs, transactions, conditions, assets or accounts of that bank, or wilfully causes any such entry to be altered, abstracted, concealed or destroyed,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 3 years or to both. [60

68. No liability shall be incurred by —

Indemnity.

- (a) any public officer;
- (b) any person authorised or employed by the Authority under section 3;
- (c) any person appointed under section 49 (2) (b) to advise a bank in the proper conduct of its business;
- (d) any person who has assumed control of the business of a bank pursuant to a direction or order of the Authority under section 49 (2) (c) or 50 (b); or
- (e) any person appointed under section 45 (2),

as a result of anything done by him bona fide in the exercise of any power, or the performance of any function or duty, conferred or imposed by or under this Act. [61

69. The Authority may, without instituting proceedings against any person for any offence under this Act, or any regulations made thereunder, which is punishable only by a fine or a default penalty, demand and receive the amount of the fine or default penalty or such reduced amount as it thinks fit from that person, whereupon —

Power to compound.

- (a) if the person pays that amount to the Authority within 14 days after the demand, no proceedings

shall be taken against him in relation to the offence; or

- (b) if the person does not so pay the amount so demanded, the Authority may cause proceedings to be instituted in relation to the offence.

[62]

Publication of list of banks.

70. The Authority shall cause to be published in the *Gazette* in the month of April in each year a list of all banks to which licences have been issued under this Act and if any licence is issued, revoked or surrendered during the interval between the publication of two such lists, notice thereof shall also be caused to be published in the *Gazette*. [63]

General penalty.

71. Any bank which contravenes or fails to comply with any provisions of this Act for which no penalty is expressly provided shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000. [64]

Offences triable in District Court.

72. Notwithstanding the provisions of any other written law, offences under this Act may be tried in a District Court, which shall have the power to impose the maximum penalty prescribed for any offence under this Act. [65]

Consent of Attorney-General.

73. No prosecution in respect of any offence under this Act shall be instituted except with the consent of the Attorney-General. [66]

Recovery of fees, expenses, etc.

74. There shall be recoverable as a civil debt due to the Authority from the bank concerned —

- (a) the amount of any fees payable under sections 8 and 13;
- (b) any remuneration and expenses payable by the bank to any person appointed under section 49 (2) (b); and
- (c) any remuneration and expenses payable by the bank to the Authority or to any person employed or authorised by the Authority under section 3 to assist it in the control of and the carrying on of the business of the bank or to any other person who has assumed control of the

business of the bank pursuant to a direction or order of the Authority under section 49 (2) (c) or 50 (b) or to any person appointed under section 45 (2). [67]

75. Nothing in this Act shall affect the operation of the Companies Act, and any bank that is liable to be incorporated under that Act shall continue to be so liable as if this Act had not been passed but in case of conflict between that Act and this Act the provisions of this Act shall prevail unless otherwise provided in this Act. [68]

Operation of this Act not to affect Companies Act. Cap. 50.

76. This Act shall not apply to the Post Office Savings Bank of Singapore established under the Post Office Savings Bank of Singapore Act or to any co-operative society registered under the Co-operative Societies Act or to any business of pawnbroking carried on by a person licensed under the Pawnbrokers Act or to finance companies licensed under the Finance Companies Act. [69]

Exemption. Cap. 237.

Cap. 62.

Cap. 222.

Cap. 108.

77.—(1) No person shall establish and operate an Asian Currency Unit without first obtaining the approval of the Authority.

Authority to approve operation of an Asian Currency Unit. 2/84.

(2) The operation of an Asian Currency Unit shall be subject to such terms and conditions as the Authority may from time to time determine.

(3) Every person who operates an Asian Currency Unit by virtue of this section shall be subject to the provisions of this Act except those that are specified in subsection (4).

(4) If the person referred to in subsection (3) is a corporation that is —

(a) incorporated outside Singapore it shall not be subject to the following sections:

- (i) section 29 (1) (a), (b) and (d) (iii);
- (ii) section 31;
- (iii) section 33;
- (iv) section 39; and
- (v) section 40;

(b) incorporated in Singapore it shall not be subject to the following sections:

- (i) section 39; and
- (ii) section 40.

(5) In this section, “Asian Currency Unit” means an operational unit that has been approved by the Authority to operate in the Asian Dollar Market subject to such conditions as the Authority may determine. [69A

Regulations. **78.** The Authority may make such regulations from time to time as it may consider necessary for carrying into effect the provisions of this Act. [70

Saving.
M 62/58.
M 17/65.

79. All regulations, instructions, orders and decisions made under or in accordance with the Banking Ordinance 1958 of Malaysia as amended and extended by the Banking (Amendment and Extension) Act 1965 shall remain valid and binding and shall be deemed to have been made under the provisions of this Act until they are amended or repealed. [71

PART X

TRANSITIONAL

Transitional
licensing
provisions.

80.—(1) Notwithstanding sections 4 and 9, any bank specified in the Fourth Schedule which on 1st January 1970 was carrying on banking business in Singapore shall, upon the date of commencement of this Act, be granted a licence under this Act, which may be made subject to such conditions, if any, as are contained in any licence under which the bank was carrying on banking business in Singapore immediately before that date.

(2) Any bank which is granted a licence under this section shall comply with section 9 within a period of two years from the date of commencement of this Act.

(3) If any bank licensed under this section fails to comply with section 9 in accordance with subsection (2), the licence granted to it under this section shall become null and void except insofar as may be necessary for the purpose of winding up its banking business.

(4) The Authority may, in any particular case, extend the period provided by subsection (2) and the period of validity of the licence concerned. [72

FIRST SCHEDULE
THE BANKING ACT
(Chapter 19)

Section 26 (2) (a).

Monthly Statement of Assets and Liabilities
of in respect of its business in
Singapore as at the close of business on

A — LIABILITIES		\$
1. Paid-up Capital .. .. .		.....
2. Reserves .. .. .		.....
3. Balance of Profit and Loss Account .. .. .		.....
4. Deposits of customers other than banks:		
(a) Demand Deposits .. .. .		.....
(b) Fixed Deposits .. .. .		.....
(c) Savings Deposits .. .. .		.....
(d) Other Deposits .. .. .		.....
5. Balances held for banks:		
(a) In Singapore .. .. .		.....
(b) Outside Singapore:		
(i) Head Office and Branches (Malaysia — \$ ) .. .. .		.....
(ii) Other Banks .. (Malaysia — \$ ) .. .. .		.....
6. Amounts borrowed from banks:		
(a) In Singapore .. .. .		.....
(b) Outside Singapore:		
(i) Head Office and Branches (Malaysia — \$ ) .. .. .		.....
(ii) Other Banks .. (Malaysia — \$ ) .. .. .		.....
7. Amounts borrowed from other creditors:		
(a) In Singapore .. .. .		.....
(b) Outside Singapore .. .. .		.....
8. Bills payable:		
(a) In Singapore .. .. .		.....
(b) Outside Singapore .. (Malaysia — \$ ) .. .. .		.....
9. Singapore inter-branch balances .. .. .		.....
10. All other Liabilities:		
(a) provision for taxation .. .. .		.....
(b) provision for bad and doubtful debts .. .. .		.....
(c) interest payable .. .. .		.....
(d) other liabilities in Singapore .. .. .		.....
(e) other liabilities outside Singapore (Malaysia — \$ ) .. .. .		.....
TOTAL LIABILITIES ..		.....

Acceptances on account of customers .. .. .	.....
Guarantees on account of customers .. .. .	.....
Endorsements and other obligations on account of customers .. .. .	.....
Forward exchange transactions .. .. .	.....
Total ..	<u>.....</u>
Amounts of debits to customers' accounts during month:	
(a) cheques received from local clearing .. .. .	.....
(b) all other debits to customers' accounts .. .. .	.....
Total ..	<u>.....</u>

..... *Manager.*

Date: *Accountant.*

B — ASSETS

\$

11.	(a) Singapore notes and coin				
	(b) Board of Commissioners of Currency, Singapore notes and coin				
12.	(a) Malaysian notes and coin				
	(b) Brunei Darussalam notes and coin				
	(c) Other foreign notes and coin				
13.	Balance with the Monetary Authority of Singapore:				
	(a) Minimum cash balance				
	(b) Excess balance				
14.	Money at Call:				
	(a) in Singapore				
	(b) elsewhere (Malaysia — \$) (UK — \$)				
15.	Balances with banks:				
	(a) in Singapore				
	(b) outside Singapore:				
	(i) Head Office and branches (Malaysia — \$)				
	(ii) Other banks (Malaysia — \$)				
16.	Treasury Bills of:				
	(a) the Government of Singapore				
	(b) Other governments (Malaysia — \$) (UK — \$)				
17.	Other public securities of:				
	(a) the Government of Singapore				
	(b) other public authorities of Singapore				
	(c) other governments (Malaysia — \$) (UK — \$)				
18.	Other securities: (excluding Equity Investment)				
	(a) in Singapore				
	(b) outside Singapore (Malaysia — \$)				
19.	Equity Investment:				
	(a) in Singapore				
	(b) outside Singapore (Malaysia — \$)				
20.	Cheques purchased payable in Singapore drawn on other banks				
21.	Bills discounted or purchased: (of which eligible as liquid assets \$)				
22.	Bills receivable: (of which eligible as liquid assets \$)				
23.	Loans and advances to banks:				
	(a) in Singapore				
	(b) outside Singapore:				
	(i) Head Office and branches (Malaysia — \$)				
	(ii) Other banks (Malaysia — \$)				
24.	Loans and advances to customers other than banks:				
	(a) Overdrafts				
	(b) Loans				
25.	Fixed Assets (Malaysia — \$) (outside Singapore — \$)				
	(a) Bank premises (land and buildings)				
	(b) Other immovable properties				
	(c) Other fixed assets (furniture, fixtures and fittings, etc.)				
26.	Singapore inter-branch balances				
27.	All other assets:				
	(a) Gold				
	(b) Other assets in Singapore				
	(c) Other assets outside Singapore (Malaysia — \$)				

TOTAL ASSETS ..

INTER-BANK INDEBTEDNESS IN SINGAPORE

\$

Name of Bank	Balances held for banks in Singapore [item 5(a)] \$	Amounts borrowed from banks in Singapore [item 6(a)] \$	Balances with banks in Singapore [item 15(a)] \$	Loans and advances to banks in Singapore [item 23(a)] \$
Algemene Bank Nederland N.V.	..			
Asia Commercial Banking Corpn. Ltd.	..			
Ban Hin Lee Bank, Berhad			
Bangkok Bank, Ltd.			
Bank Negara Indonesia 1946			
Bank of America N.T. and S.A.			
The Bank of Canton, Ltd.			
Bank of China			
The Bank of East Asia, Ltd.			
Bank of India			
Bank of Singapore, Ltd.			
The Bank of Tokyo, Ltd.			
Banque Indosuez			
The Chartered Bank			
The Chase Manhattan Bank N.A.			
Chung Khiaw Bank, Ltd.			
The Development Bank of Singapore, Ltd.			
The Eastern Bank, Ltd.			
Far Eastern Bank, Ltd.			
First National City Bank			
Four Seas Communications Bank, Ltd.			
The Hongkong and Shanghai Banking Corpn.			
Indian Bank			
Indian Overseas Bank			
The Industrial and Commercial Bank, Ltd.			
Kwangtung Provincial Bank			
Kwong Lee Bank, Berhad			
Lee Wah Bank, Ltd.			
Malayan Banking, Berhad			
Mercantile Bank, Ltd.			
The Mitsui Bank, Ltd.			
Oversea-Chinese Banking Corpn. Ltd.			
Overseas Union Bank, Ltd.			
United Commercial Bank			
United Malayan Banking Corpn., Berhad			
United Overseas Bank, Ltd.			
Total	..			

Appendix B

INTER-BANK INDEBTEDNESS OUTSIDE SINGAPORE

\$

	Balances held for banks outside Singapore [item 5(b)] \$	Amounts borrowed from banks outside Singapore [item 6(b)] \$	Balances with banks outside Singapore [item 15(b)] \$	Loans and advances to banks outside Singapore [item 23(b)] \$
<i>Sterling Area Countries:</i>				
Australia				
Brunei Darussalam				
Sri Lanka				
Hong Kong				
India				
Malaysia				
United Kingdom				
Rest of Sterling Area				
Sub-Total ..				
<i>Other Countries:</i>				
Canada				
France				
Indonesia				
Japan				
Switzerland				
Taiwan				
The Netherlands				
United States of America				
Western Germany				
All other countries				
Sub-Total ..				
Total ..				

Appendix C

BREAKDOWN OF DEPOSITS AND ADVANCES

Deposits (item 4)

\$

—	Singapore Government	Other Public Authorities	Other Customers		Total
			Resident	Non- Resident	
	\$	\$	\$	\$	\$
Demand Deposits ..					
Fixed Deposits ..					
Savings Deposits ..					
Other Deposits ..					
Total ..					

Bills Discounted and Bills Receivable (items 21 and 22)

\$

—	Bills Discounted or Purchased (item 21)	Bills Receivable (item 22)
	\$	\$
(a) Payable in Singapore
(b) Payable outside Singapore:		
(i) Malaysia
(ii) United Kingdom
(iii) other countries
Total ..		

Loans and Advances to customers other than banks (item 24)

\$

—	Resident	Non- Resident	Total	Of which	
				Secured	Unsecured
	\$	\$	\$	\$	\$
(a) Overdrafts				
(b) Loans:					
(i) up to 1 year				
(ii) over 1 year to 3 years				
(iii) over 3 years				
Total ..					

SECOND SCHEDULE

THE BANKING ACT

Section 26 (2) (b).

(Chapter 19)

CLASSIFICATION OF LOANS AND ADVANCES AND INTEREST RATES
IN SINGAPORE

OF AS AT CLOSE OF BUSINESS ON

PART I

	<i>Loans and Advances</i>	<i>Rate of Interest % p.a.</i>		
		<i>Minimum</i>	<i>Maximum</i>	<i>Average</i>
1. Singapore Government				
2. Other Singapore Public Authorities and Utilities				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
AGRICULTURE —				
3. Rubber				
4. Other agriculture				
5. Fisheries				
6. Forestry				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
MINING AND QUARRYING —				
7. Stone quarrying				
8. Other mining and quarrying				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
MANUFACTURING —				
9. Rubber processing, grading and packing				
10. Rubber products (including rubber footwear)				
11. Food, beverages and tobacco				
12. Textiles and clothing				
13. Footwear (not elsewhere specified)				
14. Manufacture of furniture and fixtures				
15. Other manufacture of wood and cork (including sawmilling)				
16. Printing, publishing, etc.				
17. Soaps, vegetables and animal oils and fats				
18. Chemicals, chemical products (including petroleum products and coal)				
19. Basic metals, metal products and machinery (including repairs)				
20. Non-metallic mineral products, including building materials (e.g. clay, cement, asbestos, plaster, etc.)				
21. Transport equipment (including repairs)				
22. Other manufacturing				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>

CLASSIFICATION OF LOANS AND ADVANCES AND INTEREST RATES
IN SINGAPORE

OF AS AT CLOSE OF BUSINESS ON

PART I — *continued*

	<i>Loans and Advances</i>	<i>Rate of Interest % p.a.</i>		
		<i>Minimum</i>	<i>Maximum</i>	<i>Average</i>
CONSTRUCTION —				
*23. Building and construction				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
GENERAL COMMERCE —				
24. Import, export and wholesale trade				
25. Retail trade				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
PROFESSIONAL AND PRIVATE INDIVIDUAL —				
26. (a) For business purposes				
(b) For private purposes				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
MISCELLANEOUS —				
27. Transport, storage and communication				
28. Hotels, restaurants and boarding houses				
(a) Hotel construction				
(b) Others				
29. Building and co-operative societies				
30. Building developers and real estate agents				
31. Financial institutions (excluding banks)				
(a) Finance companies				
(b) Insurance companies				
(c) Others				
32. Religious and charitable institutions				
33. Entertainment and recreation				
34. All others				
Sub-Total ..	<hr/>	<hr/>	<hr/>	<hr/>
Total ..	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

* Refers to contractors, building and engineering firms.

..... *Manager.*

Date: *Accountant.*

Name of Bank As at

PART II

	<i>Amounts of Loans and Advances</i>	<i>No. of Customers</i>
	\$	
Up to but not exceeding \$5,000		
Exceeding \$5,000 but not exceeding \$10,000		
Exceeding \$10,000 but not exceeding \$50,000		
Exceeding \$50,000 but not exceeding \$100,000		
Exceeding \$100,000 but not exceeding \$500,000		
Exceeding \$500,000 but not exceeding \$1,000,000		
Exceeding \$1,000,000 but not exceeding \$5,000,000		
Exceeding \$5,000,000		
Total ..		

PART III

Total Loans and Advances

	<i>(a)</i> <i>Granted</i>	<i>(b)</i> <i>Utilised</i>	<i>(b)</i> <i>(a)</i> %
	\$	\$	
(i) Singapore Government and other Singapore Public Authorities and Utilities			
(ii) Agriculture			
(iii) Mining and Quarrying			
(iv) Manufacturing			
(v) Construction			
(vi) General Commerce			
(vii) Professional and Private Individuals			
(viii) Miscellaneous			
Total ..			

THIRD SCHEDULE

THE BANKING ACT
(Chapter 19)

Section 26 (2) (c).

STATEMENT OF INCOME AND EXPENDITURE IN RESPECT
OF SINGAPORE BUSINESS

OF FOR THE YEAR ENDED
(Including Data for National Income and Balance of Payments Statistics)

(To nearest \$)

A. — INCOME

Earned Income	Singapore \$	Malaysia \$	United Kingdom \$	Other Sterling Area \$	North America \$	Rest of the World \$	Total \$
1. Discount and Interest:							
(a) On loans and advances:							
(i) Inter-bank ..							
(ii) Other ..							
(b) On trade bills ..							
(c) On Govt. securities ..							
(d) On other Public Authorities securities ..							
(e) On other securities ..							
(f) Other ..							
Sub-Total ..							
2. Commission, Inland Exchange and Other Bank Charges ..							
3. Profit on Foreign Exchange Transactions ..							
4. Dividends ..							
5. Rents ..							
6. Bad Debt Recoveries ..							
7. Profit on Realisation or Redemption of Investments and Other Assets ..							
8. All Other Income ..							
Total Income ..							

B. — EXPENDITURE

	Singapore \$	Malaysia \$	United Kingdom \$	Other Sterling Area \$	North America \$	Rest of the World \$	Total \$
1. Interest Paid and Payable on:							
(a) Current accounts ..							
(b) Savings accounts ..							
(c) Fixed deposits ..							
(d) Inter-bank borrowings ..							
(e) Other borrowings ..							
Sub-Total ..							
2. Salaries, Wages, Allowances and Bonuses (including Directors' fees)							
3. Contributions to Central Provident Fund, Superannuation Funds and Pensions paid by the bank							
4. Stationery and Office Materials ..							
5. Rents ..							
6. Taxes on:							
(a) Income ..							
(b) Land and others ..							
Sub-Total ..							
7. Bad Debts written off and Provision for Bad Debts and similar Contingencies							
8. Depreciation ..							
9. Losses on Realisation or Redemption of Investments and other Assets							
10. All Other Expenditure (excluding Capital Expenditure shown below)							
Total Expenditure ..							

C. — BALANCE OF INCOME OVER EXPENDITURE/EXPENDITURE OVER INCOME FOR THE YEAR \$

D. — CAPITAL EXPENDITURE

	New \$	Used \$	Total \$
1. Cost of Buildings ..			
2. Cost of Renovation of Old Buildings ..			
3. Cost of Machinery and Equipment ..			
4. Cost of Motor Vehicles ..			
5. Cost of Fixtures and Fittings ..			
6. Cost of Land ..			
7. Other Capital Expenditure ..			
Total Capital Expenditure ..			

E. — CAPITAL ASSETS SOLD \$

F. — AMOUNT OF STAMP DUTY ON CHEQUES \$

..... Manager.

Date: Accountant.

FOURTH SCHEDULE

Section
80 (1).

BANKS

Algemene Bank Nederland N. V.
Asia Commercial Banking Corporation, Limited
Ban Hin Lee Bank, Berhad
Bangkok Bank, Limited
Bank Negara Indonesia 1946
Bank of America National Trust and Savings Association
The Bank of Canton, Limited
Bank of China
The Bank of East Asia, Limited
Bank of India
Bank of Singapore, Limited
The Bank of Tokyo, Limited
Banque Indosuez
The Chartered Bank
The Chase Manhattan Bank National Association
Chung Khiaw Bank, Limited
The Development Bank of Singapore, Limited
The Eastern Bank, Limited
Far Eastern Bank, Limited
First National City Bank
Four Seas Communications Bank, Limited
The Hongkong and Shanghai Banking Corporation
Indian Bank
Indian Overseas Bank
The Industrial and Commercial Bank, Limited
Kwangtung Provincial Bank
Kwong Lee Bank, Berhad
Lee Wah Bank, Limited
Malayan Banking, Berhad
Mercantile Bank, Limited
The Mitsui Bank, Limited
Oversea-Chinese Banking Corporation, Limited
Overseas Union Bank, Limited
United Commercial Bank
United Malayan Banking Corporation, Berhad
United Overseas Bank, Limited