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Notification No. B 37 — The Moneylenders (Amendment) Bill is published for general information. It was introduced in Parliament on 6 November 2023.

Moneylenders (Amendment) Bill

Bill No. 37/2023.

Read the first time on 6 November 2023.

A BILL

intituled

An Act to amend the Moneylenders Act 2008.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Moneylenders (Amendment) Act 2023 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

5 Amendment of section 2

2. In the Moneylenders Act 2008 (called in this Act the principal Act), in section 2, after the definition of “book”, insert —

““business day” means any day other than a Saturday, Sunday or public holiday;”.

10 Amendment of section 13

3. In the principal Act, in section 13(11), replace “7 days” with “7 business days”.

Amendment of section 14

15 4. In the principal Act, in section 14(11), replace “7 days” with “7 business days”.

Amendment of section 16

5. In the principal Act, in section 16 —

(a) replace subsection (1) with —

20 “(1) If any event in subsection (3) occurs, the licensee in question must notify the Registrar in writing of the occurrence not later than 7 business days after the licensee becomes aware of the event.”;

(b) delete subsection (2);

25 (c) in subsection (3), replace “subsections (1) and (2)” with “subsection (1)”;

(d) in subsection (3)(e)(i), insert “or” at the end;

(e) in subsection (3)(e), replace sub-paragraphs (ii) and (iii) with —

30 “(ii) any substantial shareholder of the licensee;”;

- (f) in subsection (4), delete “or (2)”;
- (g) in subsection (4)(b), replace “7 days” with “7 business days”; and
- (h) in subsection (5), delete “, (2)”.

Amendment of section 17

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6. In the principal Act, in section 17(14), replace “7 days” with “7 business days”.

Amendment of section 29

7. In the principal Act, in section 29(2), replace paragraph (c) with —

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“(c) does not state the rate of interest expressed as a percentage per annum, month or other period that the licensee charges for offering loans;”.

Amendment of section 34

8. In the principal Act, in section 34(2), replace paragraph (b) with —

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“(b) sent by —

- (i) prepaid post to an address in Singapore, or by electronic communication to an email address, as specified by the borrower; or
- (ii) any other method that is agreed in writing between the licensee and the borrower.”.

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Amendment of section 35

9. In the principal Act, in section 35 —

(a) after subsection (4), insert —

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“(4A) A licensee shall be guilty of an offence if the licensee, without reasonable excuse, demands payment from a borrower of any sum (not being a sum for or on account of stamp duties or fees payable by or under this Act or any other written law) on

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account of costs, charges or expenses other than or in excess of the permitted fees.”; and

(b) in subsection (5), after “subsection (4)”, insert “or (4A)”.

Amendment of section 38

5 **10.** In the principal Act, in section 38(1) —

(a) in paragraph (a), delete “on or after 30 November 2018”;

(b) in paragraph (a)(ii), replace “of 5 years” with “starting on the date on which the licensee receives the form or copy (as the case may be) and ending 5 years”; and

10 (c) in paragraph (b), replace “on or after 30 November 2018, for a period of” with “for a period starting on the date on which the licensee issues the note of contract and ending”.

Amendment of section 54

11. In the principal Act, in section 54 —

15 (a) in the definition of “borrower information”, in paragraph (b), after “section 66”, insert “or 66A”;

(b) after the definition of “borrower information”, insert —

““business report” means a report prepared by the designated credit bureau under section 74A(1);”;

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(c) in the definition of “credit report”, in paragraph (a)(iii), delete “and” at the end;

(d) in the definition of “credit report”, in paragraph (b), insert “and” at the end;

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(e) in the definition of “credit report”, after paragraph (b), insert —

“(c) enabling a licensee to assess whether a loan may be granted to a borrower or to a class or description of borrowers to which a borrower belongs;”;

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(f) in the definition of “data”, after paragraph (b), insert —

“(ba) any information in a business report;”;

- (g) in the definition of “data”, in paragraph (d), replace “or loan information report” with “, business report or loan information report”;
- (h) in the definition of “loan information report”, delete “using borrower information provided by at least one licensee”; and
- (i) after the definition of “public agency”, insert —
 - ““public record” means any document, record or information filed or lodged with, or contained in any register kept or maintained by, a public agency, where any person may, whether or not on payment of a fee —
 - (a) inspect the register, document or record; or
 - (b) obtain —
 - (i) a copy of or an extract from the document, record or information; or
 - (ii) an extract from the register;”.

Amendment of section 57

12. In the principal Act, in section 57 —

- (a) renumber the section as subsection (1) of that section;
- (b) in subsection (1) (as renumbered by paragraph (a)), replace paragraphs (a) and (b) with —
 - “(a) to prepare and provide reports in accordance with the provisions of this Part;
 - (b) to serve as a repository of data from which the Registrar or any public agency may obtain data for any purpose specified in this Act;

(c) to maintain a record of persons to whom a licensee is prohibited from granting a loan, and to assist in giving effect to such prohibition.”; and

5 (c) after subsection (1), insert —

“*(2)* In addition to the functions under subsection (1), the designated credit bureau must undertake any other function that may be prescribed by the Minister in relation to protecting the interest of licensees, borrowers or potential borrowers.”.

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Amendment of section 66

13. In the principal Act, in section 66 —

(a) delete subsection (2);

(b) replace subsection (4) with —

15 “*(4)* Before submitting any information mentioned in subsection (1) to the designated credit bureau under subsection (3), the licensee must —

(a) verify the information and applicant’s identity against either or a combination of the following:

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(i) genuine, complete and up-to-date documents provided by the applicant;

(ii) the same or supporting information relating to the applicant from any public record; and

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(b) inform the applicant in writing —

(i) that the information is to be submitted to the designated credit bureau for the purpose of producing a credit report in relation to the applicant; and

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(ii) that any of that information submitted to the designated credit bureau may be disclosed by the designated credit bureau to —

(A) the Registrar; and 5

(B) any public agency, if the Registrar is satisfied that the information is necessary for policy formulation or review by the public agency.”; and 10

(c) in subsection (8), delete “(2).”.

New section 66A

14. In the principal Act, after section 66, insert —

**“Obtaining, etc., information and requesting credit report
in relation to surety** 15

66A.—(1) This section applies where an application for a loan is made to a licensee by an applicant with one or more sureties.

(2) Subject to subsection (3), a licensee must, before granting any loan to the applicant, comply with —

(a) the requirements of section 66(1) and (4)(a) in respect of each surety of the applicant, as if a reference to an applicant in those provisions were a reference to the surety; and 20

(b) the requirement of section 66(3) to submit the information mentioned in section 66(1) (called in this paragraph the required information) to the designated credit bureau as if a reference to the required information in relation to the applicant were a reference to the required information in relation to the surety. 25 30

(3) The Minister may, under section 66(1)(d) as it applies to a surety of the applicant under subsection (2), prescribe different types of information to be obtained by a licensee from the surety.

(4) A licensee may, before deciding whether to grant a loan to an applicant, submit a request to the designated credit bureau for a credit report in relation to any surety of the applicant.

(5) A request for a credit report under subsection (4) —

(a) must be submitted in the prescribed manner; and

(b) must be accompanied by —

(i) a declaration that —

(A) the licensee is submitting the request to assess the creditworthiness of the surety; and

(B) the licensee has a valid licence issued under section 5 at the time of the request; and

(ii) any other document or information that the Minister may prescribe for the purposes of this subsection.

(6) A licensee must, if the licensee intends to grant the loan to the applicant, inform the designated credit bureau, in the prescribed manner and before granting the loan, of any change in the surety's information submitted under section 66(3) read with subsection (2)(b).

(7) To avoid doubt, a licensee is not required to seek the consent of a surety of an applicant before submitting a request to the designated credit bureau for a credit report in relation to the surety under subsection (4).

(8) Any licensee who, without reasonable excuse, contravenes subsection (2) or (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 or to imprisonment for a term not exceeding 6 months or to both.

(9) Any licensee who submits under subsection (5)(b)(i) a declaration that is false shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$30,000 or to imprisonment for a term not exceeding 12 months or to both.”.

Amendment of section 67

15. In the principal Act, in section 67 —

(a) replace subsection (1) with —

“(1) Where a licensee declines to grant a loan to an applicant for a loan, the licensee must, within one business day after the day that the licensee informs the designated credit bureau under section 66(7)(b) of the reason or reasons for so declining —

(a) in the case of a credit report obtained under section 66(5)(b) in relation to the applicant — dispose of the credit report (including any information in the credit report); and

(b) in the case of any credit report obtained in accordance with a request submitted under section 66A(4) in relation to a surety of the applicant — dispose of the credit report (including any information in the credit report).”;

(b) in subsection (2)(a), after “section 66(5)(b)”, insert “, and any credit report obtained in accordance with a request submitted under section 66A(4),”.

Amendment of section 69

16. In the principal Act, in section 69 —

(a) in subsection (1), after “section 66(5)(b)”, insert “or 66A(4)”;

(b) in subsection (3)(a), after “section 66”, insert “, 66A”;

(c) after subsection (3), insert —

“(3A) Despite subsection (3), a licensee may disclose —

(a) any borrower information of the licensee (including any such information in a credit report) —

(i) to an assistant of the licensee to enable the assistant to collect any debt on behalf of the licensee;

(ii) to a contractor or agent engaged by the licensee to enable the contractor or agent to maintain or support the licensee's information system; or

(iii) to any public agency to enable any of the licensee's officers or employees to inspect or obtain any public record relating to —

(A) an applicant for a loan from the licensee; or

(B) a borrower to whom a loan has been granted by the licensee; or

(b) any specified borrower information of the licensee —

(i) to any prescribed credit bureau for the purpose of obtaining any report from that prescribed credit bureau to assess the creditworthiness of any applicant for a loan or any borrower to whom a loan has been granted by the licensee; or

(ii) to any other person that may be prescribed for any purposes related to the welfare and protection of applicants for loans, borrowers and sureties.”; and

(d) after subsection (5), insert —

“(6) In this section —

“information system” means computer servers and network equipment operated, maintained or used by a licensee for the purposes of the licensee’s business of moneylending, and any other electronic device that contains borrower information of the licensee;

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“prescribed credit bureau” means —

(a) a credit bureau that is for the time being licensed under the Credit Bureau Act 2016; or

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(b) an organisation which provides information to a person to assess the creditworthiness of an individual in relation to one or more transactions between the person and the individual, where such information is —

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(i) provided for gain or profit; or

(ii) provided on a routine, non-profit basis as an ancillary part of a business carried on for gain or profit,

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that may be prescribed as such;

“specified borrower information” means one or more types or classes of borrower information that the Registrar may, by written notice to one or more licensees, specify for the purposes of this Part.”.

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Amendment of section 70

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17. In the principal Act, in section 70(1), replace paragraph (b) with —

“(b) protect any information (including information in a credit report, business report, loan information report or other document) in the licensee’s possession or under the licensee’s control, that the licensee has obtained or received under or for the purposes of this Act, by making reasonable security arrangements to —

(i) prevent unauthorised access to, unauthorised collection, use, disclosure, copying, modification or disposal of, or similar risks in relation to, the information; and

(ii) prevent the loss, damage or compromise of any storage medium or device on which the information is stored.”.

Amendment of section 73

18. In the principal Act, in section 73(1)(d), replace “in any credit report” with “mentioned in that section”.

Amendment of section 74

19. In the principal Act, in section 74 —

(a) in subsection (1), replace “a person under section 66(5)(a)” with “an applicant for a loan under section 66(5)(a) or a surety of an applicant for a loan under section 66A(4)”;

(b) after subsection (1), insert —

“(1A) For the purposes of subsection (1)(a), different types of information may be prescribed in respect of different classes or descriptions of persons who are the subject of a credit report, or different classes or descriptions of licensees.”;

(c) in subsection (3), after “section 66(5)(a)”, insert “or 66A(4)”;

(d) in subsection (3)(b), replace “a fee in addition to that which is approved by the Registrar under subsection (2)” with “a fee not exceeding an amount that is approved by the

Registrar, in addition to the fee mentioned in subsection (2)”; and

(e) in subsection (4), replace paragraph (a) with —

“(a) the licensee has —

- (i) in the case of a request by a licensee under section 66(5)(a) — submitted the declaration mentioned in section 66(6)(a) and any other document or information prescribed under section 66(6)(b); or 5 10
- (ii) in the case of a request by the licensee under section 66A(4) — submitted the declaration mentioned in section 66A(5)(b)(i) and any other document or information prescribed under section 66A(5)(b)(ii); or”. 15

New section 74A

20. In the principal Act, after section 74, insert —

“Business report in relation to licensee

74A.—(1) Subject to subsections (2) and (4), the designated credit bureau may, upon the request of a licensee, prepare and deliver to the licensee a report (called in this section a business report) in relation to the licensee — 20

(a) for the purposes of facilitating or assisting the licensee to develop or improve strategies, standards or practices in respect of the business of moneylending carried on or conducted by the licensee; and 25

(b) that is prepared using one or more of the following:

(i) borrower information provided by — 30

(A) the licensee; or

(B) the licensee and one or more other licensees;

(ii) any information in a credit report in relation to —

5 (A) applicants for loans from the licensee; and

(B) borrowers to whom loans have been granted by the licensee;

10 (iii) any information relating to the applicants and borrowers mentioned in sub-paragraph (ii) that is processed by the designated credit bureau in the course of preparing, providing or maintaining a credit report in relation to those applicants and borrowers.

15 (2) A business report must not contain any information that the Minister may prescribe.

(3) For the purposes of subsection (2), different information or types of information may be prescribed in respect of business reports prepared and delivered for different classes or descriptions of licensees.

20 (4) The designated credit bureau may, for every business report prepared and delivered to a licensee under subsection (1), charge a fee not exceeding an amount that is approved by the Registrar.”.

Amendment of section 75

25 **21.** In the principal Act, in section 75 —

(a) in subsection (1)(a), after “section 74”, insert “, a business report under section 74A”;

(b) in subsection (1)(b), delete “or” at the end;

30 (c) in subsection (1)(c), replace the full-stop at the end with “; or”;

(d) in subsection (1), after paragraph (c), insert —

“(d) discharging the functions of the designated credit bureau under section 57.”;

(e) in subsection (2), replace “The designated credit bureau and any of its officers or employees must not disclose (whether in the form of a credit report or loan information report or otherwise)” with “Subject to section 77(3A), the designated credit bureau and any of its officers or employees must not disclose (whether in the form of a credit report, business report or loan information report or otherwise)”;

(f) in subsection (2)(a), after “section 74”, insert “or 74A”; and

(g) after subsection (2), insert —

“(2A) Nothing in subsections (1) and (2) prevents the designated credit bureau that is a licensed credit bureau under the Credit Bureau Act 2016 from using or disclosing any borrower information that is also customer information within the meaning given by that Act, if the use or disclosure of such information is required or permitted by or under that Act.”.

Amendment of section 77

22. In the principal Act, in section 77 —

(a) in subsection (1), after “a loan information report”, insert “in relation to the person”;

(b) in subsection (1), replace paragraph (a) with —

“(a) that is prepared using one or more of the following:

- (i) borrower information provided by at least one licensee;
- (ii) any information in a credit report in relation to the person;
- (iii) any information relating to the person or a loan granted to the

person, that is processed by the designated credit bureau in the course of preparing, providing or maintaining a credit report in relation to the person; and”;

(c) after subsection (3), insert —

“(3A) Despite subsections (1) and (3) and section 75(2), where the designated credit bureau is required to provide a loan information report to a person (*P*) under subsection (1), the designated credit bureau or any of its officers or employees may disclose the loan information report to any other person, if the designated credit bureau has *P*’s written consent for the disclosure.”.

New section 77A

23. In the principal Act, after section 77, insert —

“Disposal of report delivered in error

77A.—(1) If the Registrar is aware that any of the following has been wrongly delivered to a person:

- (a) a credit report under section 74(1);
- (b) a business report under section 74A(1);
- (c) a loan information report under section 77(1),

the Registrar may, by written notice, direct the person to dispose of that report (including any information in that report) by a specified date.

(2) A person who receives a written notice mentioned in subsection (1) must comply with the Registrar’s direction by the date specified in the written notice, or any later date that the Registrar may allow.

(3) Any person who, without reasonable excuse, contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$30,000 or to imprisonment for a term not exceeding 12 months or to both.”.

Amendment of section 79

24. In the principal Act, in section 79(2), replace “7 days” with “7 business days”.

Amendment of section 80

25. In the principal Act, in section 80(2)(b), replace “policy research and formulation” with “policy formulation or review”.

New section 81A

26. In the principal Act, after section 81, insert —

“Registrar may share information pursuant to data sharing direction

81A.—(1) Despite anything in this Act, the Registrar may share any borrower or loan information under the Registrar’s control with any Singapore public sector agency in accordance with and to the extent permitted by a data sharing direction given to the Registrar.

(2) In determining whether the Registrar is authorised to share borrower or loan information under a data sharing direction mentioned in subsection (1), any restriction or limitation (whether express or implied) imposed under this Act on the Registrar as to the sharing or disclosure of the information is disregarded.

(3) In this section —

“borrower or loan information” means any information (including personal data) relating to any borrower or class or description of borrowers, or any loan or class or description of loans, obtained by the Registrar from a licensee or the designated credit bureau under or for the purposes of this Act;

“control” and “Singapore public sector agency” have the meanings given by section 2(1) of the Public Sector (Governance) Act 2018;

“data sharing direction” means a direction given under section 4 of the Public Sector (Governance) Act 2018 on the sharing of information or re-identification of anonymised information under the control of a Singapore public sector agency;

“personal data” means data about an individual who can be identified from that data.”.

Saving and transitional provisions

27.—(1) Where —

(a) sections 13(11), 14(11), 16(1) and (4)(b), 17(14) and 79(2) of the unamended Act require any act, event or occurrence to be notified to the Registrar not later than or within 7 days after the act, event or occurrence (or awareness of the act, event or occurrence); and

(b) the period of 7 days has not expired on the commencement date,

the act, event or occurrence may be notified to the Registrar not later than or within 7 business days (as defined in section 2 of the principal Act on or after the commencement date) after the act, event or occurrence (or awareness of the act, event or occurrence) instead.

(2) For a period of 2 years after the date of commencement of any provision of this Act, the Minister may, by regulations, prescribe such additional provisions of a saving or transitional nature consequent on the enactment of that provision as the Minister may consider necessary or expedient.

(3) In this section —

“commencement date” means the date of commencement of sections 2, 3, 4, 5, 6 and 24 of this Act;

“unamended Act” means the Moneylenders Act 2008 as in force immediately before the commencement date.

EXPLANATORY STATEMENT

This Bill seeks to amend the Moneylenders Act 2008 (the Act) for the following main purposes:

- (a) to permit (but not require) a licensed moneylender (licensee) to request the designated credit bureau for a credit report in relation to a surety of an applicant for a loan without the surety's consent before deciding whether to grant a loan to the applicant;
- (b) to permit the designated credit bureau to prepare and deliver a business report to a licensee on the licensee's request;
- (c) to expand —
 - (i) the list of persons to whom licensees can disclose borrower information; and
 - (ii) the circumstances under which the designated credit bureau may use and disclose borrower information;
- (d) to permit the Registrar of Moneylenders (the Registrar) to share any borrower or loan information under the Registrar's control with any Singapore public sector agency in accordance with and to the extent permitted by a data sharing direction given to the Registrar;
- (e) to empower the Registrar to direct a person to dispose of a credit report, business report or loan information report wrongly delivered to the person;
- (f) to facilitate digitisation by licensees by permitting licensees to provide the 6-monthly statements of account to borrowers by any other method which both parties agree;
- (g) to require licensees to take additional measures in respect of record keeping requirements and security arrangements to protect information obtained or received under or for the purposes of the Act;
- (h) to enact a new offence if a licensee, without reasonable excuse, makes a wrongful demand of payment from a borrower;
- (i) to extend the time from 7 days to 7 business days for licensees and the designated credit bureau to notify the Registrar of certain events, or after licensees become aware of certain events;
- (j) to expand the functions of the designated credit bureau.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 2 to insert a new definition of "business day".

Clause 3 amends section 13(11) to require a licensee to notify the Registrar in writing not later than 7 business days (instead of 7 calendar days) after any person ceases to be employed or engaged by the licensee as an assistant (defined in section 2 of the Act).

Clause 4 amends section 14(11) to require a licensee to notify the Registrar in writing not later than 7 business days (instead of 7 calendar days) after the licensee becomes aware that any person ceases to take part (whether directly or indirectly) in the management of the licensee's business of moneylending, or ceases to be a director of the licensee.

Clause 5 amends section 16 to require a licensee to notify the Registrar in writing not later than 7 business days (instead of 7 calendar days) —

- (a) after the licensee becomes aware that any event in the amended subsection (3) occurs (a requirement under the amended subsection (1)); and
- (b) if required by the Registrar, after the licensee becomes aware that any further event in relation to that event has occurred (a requirement under the amended subsection (4)).

The clause also deletes subsection (2) which is spent, and makes consequential amendments to subsections (3), (4) and (5) arising from the deletion of subsection (2).

Finally, the clause makes a technical amendment to delete subsection (3)(e)(ii) and (iii) and to insert a new subsection (3)(e)(ii). Under the new subsection (3)(e)(ii), a licensee is only required to notify the Registrar of the lodgment of a written notice of the appointment of an interim judicial manager under section 94(5)(a) of the Insolvency, Restructuring and Dissolution Act 2018 in respect of any substantial shareholder of the licensee. The current requirement to notify the Registrar of such a lodgment in respect of any partner of the licensee or any manager of the licensee (where the licensee is a limited liability partnership) is no longer applicable. This is because section 7(1) and (2) of the Act provides that from 29 March 2019, all licensees must be companies.

Clause 6 amends section 17(14) to require a licensee to notify the Registrar in writing not later than 7 business days (instead of 7 calendar days) after the licensee becomes aware that any person ceases to be a substantial shareholder of the licensee.

Clause 7 amends section 29(2)(c) to presume, unless the contrary is proved, that any advertising or marketing material or any business letter, circular or other document issued or published by a licensee contains information which is false or misleading in a material particular if it does not state the rate of interest expressed as a percentage per annum, month or other period that the licensee charges for

offering loans. The amendment permits these materials or documents to state that interest is charged at a rate that is not per annum.

Clause 8 amends section 34(2)(b) to permit a licensee to send a statement of account under subsection (1) to a borrower by any other method agreed in writing between the licensee and the borrower (in addition to the methods specified in the current subsection (2)(b)).

Clause 9 amends section 35 to insert a new subsection (4A) to make it an offence if a licensee, without reasonable excuse, demands payment from a borrower of any sum (not being a sum for or on account of stamp duties or fees payable by or under the Act or any other written law) on account of costs, charges or expenses other than or in excess of the permitted fees. The clause also makes a consequential amendment to subsection (5) arising from the insertion of the new subsection (4A).

Clause 10 amends section 38(1) to require a licensee to keep, or cause to be kept —

- (a) under paragraph (a)(ii) — every loan application form, and a copy of every document supporting the application, received by the licensee, in the case where the loan application is approved, for a period starting on the date on which the licensee receives the loan application form or copy of the supporting document (as the case may be) and ending 5 years after the date on which the loan is fully repaid or on which the contract for the loan is otherwise terminated; and
- (b) under paragraph (b) — the note of contract in the prescribed form for every loan granted to a person by the licensee for a period starting on the date on which the licensee issues the note of contract and ending 5 years after the date on which the loan is fully repaid or on which the contract for the loan is otherwise terminated.

Clause 11 amends section 54 to insert new definitions of “business report” and “public record”; and to amend the existing definitions of “borrower information”, “credit report”, “data” and “loan information report”.

Clause 12 amends section 57 to specify the amended functions of the designated credit bureau. These are —

- (a) to prepare and provide reports in accordance with the provisions of Part 3A (Collection, use and disclosure of borrower information and data);
- (b) to serve as a repository of data from which the Registrar or any public agency may obtain data for any purpose specified in the Act;
- (c) to maintain a record of persons to whom a licensee is prohibited from granting a loan, and to assist in giving effect to such prohibition; and

- (d) any other function that may be prescribed by the Minister in relation to protecting the interest of licensees, borrowers or potential borrowers.

The clause also makes a technical amendment to renumber section 57 as section 57(1).

Clause 13 amends section 66 to specify the obligations of a licensee before it submits any information mentioned in subsection (1) to the designated credit bureau under subsection (3). Under the amended subsection (4), the licensee must —

- (a) verify the information and applicant's identity against either or a combination of the following:
 - (i) genuine, complete and up-to-date documents provided by the applicant;
 - (ii) the same or supporting information relating to the applicant from any public record (defined in the amended section 54); and
- (b) inform the applicant in writing —
 - (i) that the information is to be submitted to the designated credit bureau for the purpose of producing a credit report in relation to the applicant; and
 - (ii) that any of that information submitted to the designated credit bureau may be disclosed by the designated credit bureau to the Registrar, and any public agency if the Registrar is satisfied that the information is necessary for policy formulation or review by the public agency.

The clause also deletes the existing subsection (2), which is now part of the amended subsection (4) with minor changes, and makes a technical amendment to subsection (8) arising from the deletion of subsection (2).

Clause 14 inserts a new section 66A which applies where a loan application is made to a licensee by an applicant with one or more sureties. The new section 66A(2) and (3) —

- (a) imposes similar requirements on a licensee, before granting any loan to an applicant, to comply with the requirements of —
 - (i) section 66(1) and (4)(a) in respect of each surety of the applicant, as if a reference to an applicant in those provisions were a reference to the surety; and
 - (ii) the requirement of section 66(3) to submit the information mentioned in section 66(1) (called the required information) to the designated credit bureau as if a reference to the required

information in relation to the applicant were a reference to the required information in relation to the surety; and

- (b) empowers the Minister, under section 66(1)(d) as it applies to a surety of the applicant under the new section 66A(2), to prescribe different types of information to be obtained by a licensee from the surety.

The new section 66A(4) permits (but does not require) a licensee, before deciding whether to grant a loan to an applicant, to submit a request to the designated credit bureau for a credit report relating to any surety of the applicant. Under the new section 66A(5), if the licensee decides to submit a request, the request —

- (a) must be submitted in the prescribed manner;
- (b) must be accompanied by a declaration that —
 - (i) the licensee is submitting the request to assess the creditworthiness of the surety; and
 - (ii) the licensee has a valid licence issued under section 5 at the time of the request; and
- (c) must be accompanied by any other document or information that the Minister may prescribe for the purposes of the new section 66A(5).

Under the new section 66A(6), if a licensee intends to grant the loan to the applicant, the licensee must inform the designated credit bureau, in the prescribed manner and before granting the loan, of any change in the surety's information submitted under section 66(3) read with the new section 66A(2)(b).

The new section 66A(7) provides that to avoid doubt, a licensee is not required to seek the consent of a surety of an applicant before submitting a request to the designated credit bureau for a credit report in relation to the surety under the new section 66A(4).

Finally, the new section 66A(8) and (9) provides that any licensee shall be guilty of an offence —

- (a) if the licensee, without reasonable excuse, contravenes the new section 66A(2) or (6); or
- (b) if the licensee submits under the new section 66A(5)(b)(i) a declaration that is false.

Clause 15 amends section 67 to update a licensee's obligations in relation to credit reports obtained from the designated credit bureau. The amended subsection (1) requires a licensee which declines to grant a loan to an applicant to dispose of a credit report (including any information in the credit report) obtained under section 66(5)(b) in relation to the applicant, or in accordance with a request submitted under the new section 66A(4) in relation to a surety of the

applicant, within one business day after the day (instead of on the same day) that the licensee informs the designated credit bureau under section 66(7)(b) of the reason or reasons for so declining.

The amended subsection (2)(a) requires a licensee who enters into a contract for a loan with a borrower to also keep or cause to be kept any credit report obtained in accordance with a request submitted under the new section 66A(4) for the purposes of the loan for a period of 5 years after the date on which the loan is fully repaid or on which the contract for the loan is otherwise terminated.

Clause 16 amends section 69 to expand the purposes for which a licensee may request borrower information from the designated credit bureau, and the purposes for which and list of persons to whom a licensee may disclose borrower information. The amended subsection (1) permits a licensee and any of its officers or employees to request from the designated credit bureau any borrower information (including a credit report relating to a person) of the licensee or any other licensee for the purposes of the new section 66A(4).

The amended subsection (3)(a) permits a licensee and any of its officers or employees to disclose to the designated credit bureau, any borrower information of the licensee or any other licensee (including any such information in a credit report) to the extent that the borrower information is required to be submitted under the new section 66A.

The new subsection (3A) permits a licensee to disclose —

- (a) any borrower information of the licensee (including any such information in a credit report) —
 - (i) to an assistant of the licensee to enable the assistant to collect any debt on behalf of the licensee;
 - (ii) to a contractor or agent engaged by the licensee to enable the contractor or agent to maintain or support the licensee's information system (defined in the new subsection (6)); or
 - (iii) to any public agency to enable any of the licensee's officers or employees to inspect or obtain any public record (defined in the amended section 54) relating to an applicant for a loan from the licensee or to a borrower to whom a loan has been granted by the licensee; or
- (b) any specified borrower information (defined in the new subsection (6)) of the licensee —
 - (i) to any prescribed credit bureau (defined in the new subsection (6)) for the purpose of obtaining any report from that prescribed credit bureau to assess the creditworthiness of

any applicant for a loan or any borrower to whom a loan has been granted by the licensee; or

- (ii) to any other person that may be prescribed for any purposes related to the welfare and protection of applicants for loans, borrowers and sureties.

Clause 17 amends section 70(1)(b) to expand a licensee's duty to protect any information (including information in a credit report, business report, loan information report or other document) in the licensee's possession or under the licensee's control, that the licensee has obtained or received under or for the purposes of the Act, by making reasonable security arrangements to —

- (a) prevent unauthorised access to, unauthorised collection, use, disclosure, copying, modification or disposal of, or similar risks in relation to, the information; and
- (b) prevent the loss, damage or compromise of any storage medium or device on which the information is stored.

Clause 18 makes a technical amendment to section 73(1)(d), following the amendment to section 70(1)(b), to provide that where a person's licence is revoked or has expired, the person's duties under section 70(1) are to continue to protect the information mentioned in the amended section 70(1).

Clause 19 amends section 74 to mainly extend the obligations of the designated credit bureau in relation to a licensee's request for a credit report under the new section 66A. The amended subsection (1) requires the designated credit bureau (upon receiving a request by a licensee) to prepare and deliver to the licensee a credit report in relation to an applicant for a loan under section 66(5)(a) or a surety of an applicant for a loan under the new section 66A(4). The new subsection (1A) empowers the Minister, for the purposes of subsection (1)(a), to prescribe different types of information in respect of different classes of persons who are the subject of a credit report, or different classes of licensees.

The amended subsection (3) permits the designated credit bureau, by agreement with a licensee making a request for a credit report in relation to a surety of an applicant under the new section 66A(4), to deliver a credit report containing information in addition to that prescribed under subsection (1)(a). In addition, the amended subsection (3)(b) permits the designated credit bureau to charge the licensee, for a credit report containing additional information referred to in subsection (3)(a), a fee not exceeding an amount that is approved by the Registrar, in addition to the fee mentioned in subsection (2).

The amended subsection (4)(a) prohibits the designated credit bureau from delivering a credit report to a licensee if the designated credit bureau is not satisfied that the licensee has —

- (a) in the case of a request by a licensee for a credit report in relation to an applicant under section 66(5)(a) — submitted the declaration mentioned in section 66(6)(a) and any other document or information prescribed under section 66(6)(b); or
- (b) in the case of a request by the licensee for a credit report in relation to any surety of the applicant under the new section 66A(4) — submitted the declaration mentioned in the new section 66A(5)(b)(i) and any other document or information prescribed under the new section 66A(5)(b)(ii).

Clause 20 inserts a new section 74A in relation to business reports (defined in the amended section 54). The new section 74A(1) permits the designated credit bureau, upon the request of a licensee, to prepare and deliver to the licensee a business report in relation to the licensee —

- (a) for the purposes of facilitating or assisting the licensee to develop or improve strategies, standards or practices in respect of the business of moneylending carried on or conducted by the licensee; and
- (b) that is prepared using one or more of the following:
 - (i) borrower information provided by the licensee, or the licensee and one or more other licensees;
 - (ii) any information in a credit report in relation to applicants for loans from the licensee, and borrowers to whom loans have been granted by the licensee;
 - (iii) any information relating to the applicants and borrowers mentioned in sub-paragraph (ii) that is processed by the designated credit bureau in the course of preparing, providing or maintaining a credit report in relation to those applicants and borrowers.

The new section 74A(2) specifies that a business report must not contain any information that the Minister may prescribe; and the new section 74A(3) provides that different information or types of information may be prescribed in respect of business reports prepared and delivered for different classes or descriptions of licensees.

The new section 74A(4) permits the designated credit bureau, for every business report prepared and delivered to a licensee under the new section 74A(1), to charge a fee not exceeding an amount that is approved by the Registrar.

Clause 21 amends section 75 to expand the purposes for which the designated credit bureau may use borrower information, and the list of persons to whom the designated credit bureau may disclose borrower information. The amended subsection (1) permits the designated credit bureau and any of its officers or

employees to use any borrower information received from any licensee for the purpose of —

- (a) producing and delivering a business report under the new section 74A; and
- (b) discharging the functions of the designated credit bureau under the amended section 57.

The clause makes a technical amendment to subsection (2) to make the prohibition from disclosing borrower information in that subsection subject to the new section 77(3A). The amended subsection (2)(a) permits the designated credit bureau and any of its officers or employees to disclose borrower information to a licensee to the extent that the borrower information has been required or permitted to be disclosed under the new section 74A.

Finally, the new section 75(2A) provides that nothing in subsections (1) and (2) prevents the designated credit bureau that is a licensed credit bureau under the Credit Bureau Act 2016 from using or disclosing any borrower information that is also customer information within the meaning given by the Credit Bureau Act 2016, if the use or disclosure of such information is required or permitted by or under the Credit Bureau Act 2016.

Clause 22 amends section 77 to clarify some provisions relating to a loan information report and expand the list of persons to whom the designated credit bureau may disclose a loan information report. The amended subsection (1) makes it clear that the designated credit bureau must, upon the request of a person, provide the person with a loan information report in relation to the person. The clause also amends subsection (1)(a) to provide that the loan information report is to be prepared using one or more of the following:

- (a) borrower information provided by at least one licensee;
- (b) any information in a credit report in relation to the person;
- (c) any information relating to the person or a loan granted to the person, that is processed by the designated credit bureau in the course of preparing, providing or maintaining a credit report in relation to the person.

The new section 77(3A) provides that despite subsections (1) and (3) and section 75(2), where the designated credit bureau is required to provide a loan information report to a person (*P*) under subsection (1), the designated credit bureau or any of its officers or employees may disclose the loan information report to any other person, if the designated credit bureau has *P*'s written consent for the disclosure.

Clause 23 inserts a new section 77A relating to the disposal of reports delivered in error. The new section 77A(1) empowers the Registrar, if he or she is aware that

a credit report, business report or loan information report has been wrongly delivered to a person, by written notice, to direct the person to dispose of that report (including any information in that report) by the date specified.

The new section 77A(2) requires a person who receives a written notice mentioned in the new section 77A(1) to comply with the Registrar's direction by the date specified in the written notice, or any later date that the Registrar may allow.

The new section 77A(3) provides that any person who, without reasonable excuse, contravenes the new section 77A(2) shall be guilty of an offence. The maximum punishment is a fine not exceeding \$30,000 or imprisonment for a term not exceeding 12 months or both.

Clause 24 amends section 79(2) to require the designated credit bureau to notify the Registrar within 7 business days (instead of 7 calendar days) after the occurrence of any of the following events:

- (a) any change of any of its executive officers other than a director or the chief executive officer of the designated credit bureau;
- (b) any other event that the Minister may prescribe.

Clause 25 amends section 80(2)(b) to align the purpose (for which the Registrar may, by written notice, direct the designated credit bureau to provide to the Registrar the information mentioned in subsection (1)) with the purpose in section 81(1), namely policy formulation or review.

Clause 26 inserts a new section 81A in respect of the Registrar sharing information pursuant to a data sharing direction given under the Public Sector (Governance) Act 2018. The new section 81A(1) permits the Registrar, despite anything in the Act, to share any borrower or loan information (defined in the new section 81A(3)) under the Registrar's control (defined in the new section 81A(3)) with any Singapore public sector agency (defined in the new section 81A(3)) in accordance with and to the extent permitted by a data sharing direction (defined in the new section 81A(3)) given to the Registrar. The new section 81A(2) provides that in determining whether the Registrar is authorised to share borrower or loan information under a data sharing direction, any restriction or limitation (whether express or implied) imposed under the Act on the Registrar as to the sharing or disclosure of the information is disregarded.

Clause 27 provides for saving and transitional provisions. The clause further empowers the Minister to make regulations to prescribe additional provisions of a saving or transitional nature consequent on the enactment of any provision of the Bill, as the Minister may consider necessary or expedient. The Minister has power to do so only within 2 years after the date of commencement of the provision.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
