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**BANKING ACT
(CHAPTER 19)**

**BANKING
(CREDIT CARD AND CHARGE CARD)
REGULATIONS 2013**

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In exercise of the powers conferred by section 78(1) and (2) of the Banking Act, the Monetary Authority of Singapore hereby makes the following Regulations:

PART I**GENERAL****Citation and commencement**

1. These Regulations may be cited as the Banking (Credit Card and Charge Card) Regulations 2013 and shall come into operation on 1st December 2013.

Definitions

2. In these Regulations, unless the context otherwise requires —

“affiliated corporation”, in relation to a card issuer or financial institution, means any of the following:

- (a) a related corporation of the card issuer or financial institution, as the case may be, that is incorporated in Singapore;
- (b) where the card issuer or financial institution, as the case may be, has a related corporation that is incorporated outside Singapore —
 - (i) any branch or office of the related corporation that is located in Singapore; or
 - (ii) such branch or office of the related corporation that is located outside Singapore as may be designated by the Authority by notice in writing to the card issuer or financial institution;

“business card” means a credit card or charge card issued to —

- (a) a sole proprietor;
- (b) a partner of a partnership, other than a limited liability partnership; or
- (c) an employee of a sole proprietor or any such partnership,

where, under the terms of use of the credit card or charge card, the sole proprietor or partnership bears sole liability, or joint and several liability with the cardholder, for —

- (i) any amount charged to the credit card or charge card; or
- (ii) any amount charged to the credit card or charge card for the purposes of the business of the sole proprietor or partnership,

but does not include —

- (A) a credit card or charge card where the employee or partner is solely liable for any amount charged to the credit card or charge card;
- (B) a corporate purchasing card; or
- (C) a credit card or charge card which was applied for on the basis that it was not for any business purpose;

“business card with no personal liability” means a business card issued to an employee of a sole proprietor or partnership (other than a limited liability partnership) where, under the terms of use of the business card, the sole proprietor or partnership bears sole liability for any amount charged to the business card;

“cardholder” means an individual who has been issued a credit card or charge card, or a supplementary credit card or supplementary charge card;

“card issuer” means any person carrying on a business of issuing credit cards or charge cards in Singapore;

“corporate card” means a credit card or charge card issued to an employee or officer (being a director, member of the committee of management, chief executive, manager, secretary or other similar officer) of a body corporate where, under the terms of use of the credit card or charge card, the body corporate bears sole liability, or joint and several liability with the cardholder, for —

- (a) any amount charged to the credit card or charge card; or
- (b) any amount charged to the credit card or charge card for the purposes of the business of the body corporate,

but does not include —

- (i) a credit card or charge card where the employee or officer is solely liable for any amount charged to the credit card or charge card; or
- (ii) a corporate purchasing card;

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- “corporate card with no personal liability” means a corporate card issued to an employee or officer (being a director, member of the committee of management, chief executive, manager, secretary or other similar officer) of a body corporate where, under the terms of use of the corporate card, the body corporate bears sole liability for any amount charged to the corporate card;
- “corporate purchasing card” means a credit card or charge card issued for the purpose of purchasing goods or services, other than services for entertainment purposes, on behalf of a body corporate, a partnership or a sole proprietor, where the body corporate, partnership or sole proprietor bears sole liability for all amounts charged to the credit card or charge card;
- “credit card” or “charge card” has the same meaning as in section 56 of the Act but excludes any credit card or charge card referred to in section 57G(a) or (c) of the Act;
- “deposit”, in relation to a finance company, has the same meaning as in section 2 of the Finance Companies Act (Cap. 108);
- “direct insurer” has the same meaning as in section 1A of the Insurance Act (Cap. 142);
- “director group” has the same meaning as in paragraph 1 of the Fifth Schedule to the Act;
- “emoluments”, in relation to an individual, means the salary and bonuses of the individual but does not include any allowances;
- “excluded employee”, in relation to a direct insurer, means an insurance agent who has entered into an agreement in writing with the direct insurer to arrange, as agent for the direct insurer, any contract of insurance;
- “finance company” has the same meaning as in section 2 of the Finance Companies Act;

“financial institution” means any person who is licensed, approved, registered or otherwise regulated by the Authority under any written law;

“guaranteed charge card” means a charge card that is guaranteed by a guarantor but does not include —

(a) a charge card referred to in section 57G(b) of the Act; or

(b) a charge card that could be issued by the card issuer on the basis that the applicant satisfies any of the criteria referred to in regulation 8(2)(a) or (b)(i) or (ii);

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“guaranteed credit card” means a credit card that is guaranteed by a guarantor but does not include —

(a) a credit card referred to in section 57G(b) of the Act; or

(b) a credit card that could be issued by the card issuer on the basis that the applicant satisfies any of the criteria referred to in regulation 8(2)(a) or (b)(i) or (ii);

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“guarantor” means an individual who guarantees the repayment of all amounts charged to or outstanding on a credit card or charge card;

“IRAS” means the Inland Revenue Authority of Singapore established under section 3 of the Inland Revenue Authority of Singapore Act (Cap. 138A);

“lender” means a financial institution or any of its affiliated corporations which issues a credit card or a charge card, or grants a non-card credit facility, to a person;

“medical treatment” has the same meaning as in regulation 2 of the Central Provident Fund (MediShield Scheme) Regulations (Cap. 36, Rg 20);

“merchant bank” means a merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap. 186);

“non-card credit facility” means —

- (a) any advance, loan or other facility granted by a lender to a customer whereby the customer has access to any funds or financial guarantee provided by the lender; or
- (b) any other liability incurred by a lender on behalf of a customer of the lender,

other than by way of issue of a credit card or charge card by the lender or in relation to a credit card or charge card issued by the lender;

“permanent resident” means any individual who is not subject to any restriction as to his period of residence in Singapore imposed under the provisions of any written law relating to immigration for the time being in force;

“principal cardholder” means the cardholder under whose credit card or charge card any supplementary credit card or charge card has been issued;

“purchase rate” means the interest rate which applies to credit granted for the purchase of goods and services using a credit card or charge card, as specified under the terms of use of the credit card or charge card agreement between a cardholder and a card issuer;

“share” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“Singapore cardholder” means a cardholder who is a citizen of Singapore or a permanent resident, and does not include the holder of a supplementary credit card or supplementary charge card in his capacity as a supplementary cardholder;

“Singapore guarantor” means a guarantor who is a citizen of Singapore or a permanent resident.

References in relation to credit cards or charge cards

3.—(1) For the purposes of these Regulations, a reference to a fully secured credit card or charge card is a reference to a credit card or charge card where —

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- (a) the amount that is outstanding on the credit card or charge card and all supplementary cards is —
- (i) secured by specified deposits; or
 - (ii) guaranteed by any bank, merchant bank or finance company, other than the bank, merchant bank or finance company that issued the credit card or charge card;
- (b) the amount of the specified deposits or the guarantee, as the case may be —
- (i) is not less than \$10,000 at the time of the application for the credit card or charge card; and
 - (ii) is not at any time during the period the principal cardholder holds the credit card or charge card less than the higher of the following:
 - (A) \$10,000;
 - (B) the amount that is outstanding on the credit card or charge card and all supplementary cards; and
- (c) the card issuer has obtained security or legally binding undertakings, or taken any other action, to ensure that, unless and until the amount that is outstanding on the credit card or charge card and all supplementary cards is fully paid up —
- (i) the specified deposits will not be withdrawn by the principal cardholder; or
 - (ii) the guarantee will not be withdrawn by the bank, merchant bank or finance company.
- (2) For the purposes of these Regulations, a reference to a partially secured credit card or charge card is a reference to a credit card or charge card where —
- (a) the amount that is outstanding on the credit card or charge card and all supplementary cards is —
 - (i) secured by specified deposits; or

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- (ii) guaranteed by any bank, merchant bank or finance company, other than the bank, merchant bank or finance company that issued the credit card or charge card;
 - (b) the amount of specified deposits or the guarantee, as the case may be —
 - (i) is not less than \$10,000 at the time of the application for the credit card or charge card; and
 - (ii) is not at any time during the period the principal cardholder holds the credit card or charge card less than \$10,000; but
 - (iii) may at any time during the period the principal cardholder holds the credit card or charge card, be less than the amount that is outstanding on the credit card or charge card and all supplementary cards; and
 - (c) the card issuer has obtained security or legally binding undertakings, or taken any other action, to ensure that, unless and until the amount that is outstanding on the credit card or charge card and all supplementary cards is not more than the difference between the credit limit of the credit card or charge card and the amount of specified deposits —
 - (i) the specified deposits will not be withdrawn by the principal cardholder; or
 - (ii) the guarantee will not be withdrawn by the bank, merchant bank or finance company.
- (3) For the purposes of this regulation —
- (a) a reference to the principal cardholder means the cardholder, if no supplementary card is issued under the cardholder's credit card or charge card;
 - (b) a reference to a supplementary card means any supplementary card that has been issued under a principal cardholder's credit card or charge card;
 - (c) a reference to the amount outstanding on a credit card or charge card and all supplementary cards does not include any

fees, interest and charges (including late payment charges) relating to the use of any of those cards;

- (d) a reference to the credit limit of a cardholder's credit card means, where one or more supplementary credit cards issued under the credit card have separate credit limits from that credit card, the sum of the credit limits of that credit card and the supplementary credit cards;
- (e) a reference to the credit limit of a cardholder's charge card means, where one or more supplementary charge cards issued under the charge card have separate credit limits from that charge card, the sum of the credit limits of that charge card and all such supplementary charge cards;
- (f) "specified deposits" means one or more deposits in the name of the cardholder, whether solely or jointly with one or more persons, or a private investment vehicle of the principal cardholder, placed with any bank, merchant bank or finance company; and
- (g) "private investment vehicle", in relation to a cardholder, means a body corporate or trust established by or on behalf of the cardholder for the purpose of managing or holding assets of the cardholder.

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References in relation to non-card credit facilities

4.—(1) For the purposes of these Regulations, a reference to a fully secured non-card credit facility is a reference to a non-card credit facility where, at the time the facility is given, the specified value of the assets against which the facility is secured is not less than the amount of the credit granted by the lender under the facility.

(2) For the purposes of these Regulations, a reference to a partially secured non-card credit facility is a reference to a non-card credit facility where, at the time the facility is given, the specified value of the assets against which the facility is secured is less than the amount of the credit granted by the lender under the facility.

(3) For the purposes of these Regulations, a reference to a fully unsecured non-card credit facility is a reference to a non-card credit facility given without any security.

(4) In this regulation, “specified value”, in relation to assets, means —

- (a) the market value of the assets; or
- (b) where there is no established market value of the assets referred to in sub-paragraph (a), such other value as may be approved by the Authority; and if at the material time no other value is approved by the Authority, the assets shall be treated as being of no value.

References in relation to credit limits

5.—(1) For the purposes of these Regulations, a reference to the aggregate credit limit of a cardholder (other than a supplementary cardholder) with a card issuer is a reference to the sum of all of the following amounts:

- (a) the sum of the credit limits of all credit cards issued to the cardholder, by the card issuer and, if one or more supplementary credit cards have been issued under such credit cards having separate credit limits from the principal cards, of all such supplementary credit cards;
- (b) the sum of the credit limits of all charge cards issued to the cardholder by the card issuer and, if one or more supplementary charge cards have been issued under such charge cards having separate credit limits from the principal cards, of all such supplementary charge cards;
- (c) the sum of the credit limits of all fully unsecured non-card credit facilities granted to the cardholder by the card issuer;
- (d) the sum of the credit limits of all partially secured non-card credit facilities granted to the cardholder by the card issuer.

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(1A) For the purposes of these Regulations, a reference to the aggregate credit limit of a supplementary cardholder with a card issuer

is a reference to the sum of the following credit limits granted by the card issuer to the supplementary cardholder:

- (a) the sum of the credit limits of all supplementary credit cards issued to that supplementary cardholder under a credit card of the same principal cardholder;
- (b) the sum of the credit limits of all supplementary charge cards issued to that supplementary cardholder under a charge card of the same principal cardholder.

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(2) For the purposes of these Regulations, a reference to the maximum credit limit of a Singapore cardholder with a card issuer is a reference to an amount not exceeding —

- (a) in a case where the Singapore cardholder only holds fully unsecured or partially secured credit cards or charge cards issued by the card issuer, his overall credit limit;
- (b) in a case where the Singapore cardholder only holds fully secured credit cards or charge cards issued by the card issuer, the amount of the deposit or deposits in the name of the Singapore cardholder which secure the credit limits of the credit cards or charge cards; and
- (c) in a case where the Singapore cardholder holds both fully secured credit cards or charge cards, and fully unsecured or partially secured credit cards or charge cards, all issued by the same card issuer, the higher of the following amounts:
 - (i) the Singapore cardholder's overall credit limit;
 - (ii) the amount of the deposit or deposits in the name of the Singapore cardholder which secure all the fully secured credit cards or charge cards referred to in this sub-paragraph.

(3) In these Regulations, “overall credit limit”, in relation to a Singapore cardholder, means —

- (a) where the annual income of the Singapore cardholder is less than \$30,000, 2 times his monthly income; and

- (b) where the annual income of the Singapore cardholder is \$30,000 or more, 4 times his monthly income.

References to amounts outstanding

6.—(1) For the purposes of these Regulations, a reference to the aggregate outstanding card amount of a Singapore cardholder with a card issuer is a reference to the aggregate of all of the following amounts:

- (a) the sum of all amounts outstanding on —
- (i) all credit cards and charge cards (other than guaranteed credit cards, guaranteed charge cards, corporate cards and business cards) issued to the Singapore cardholder by the card issuer or any of its affiliated corporations; and
 - (ii) all supplementary credit cards and supplementary charge cards issued under any credit card or charge card referred to in sub-paragraph (i); and
- (b) where the Singapore cardholder is also a Singapore guarantor for one or more guaranteed credit cards or guaranteed charge cards issued by the card issuer or any of its affiliated corporations, the sum of all amounts outstanding on such guaranteed credit cards and guaranteed charge cards.

(2) For the purposes of these Regulations, a reference to the total outstanding unsecured amount of a Singapore cardholder with a card issuer is a reference to the aggregate of all of the following amounts:

- (a) the sum of all amounts outstanding on —
- (i) all fully unsecured or partially secured credit cards and charge cards (other than guaranteed credit cards, guaranteed charge cards, corporate cards and business cards) issued to the Singapore cardholder by the card issuer or any of its affiliated corporations;
 - (ii) all supplementary credit cards and supplementary charge cards issued under any credit card or charge card referred to in sub-paragraph (i);

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- (b) where the Singapore cardholder is also a Singapore guarantor for one or more fully unsecured or partially secured guaranteed credit cards or guaranteed charge cards issued by the card issuer or any of its affiliated corporations, the sum of all amounts outstanding on such guaranteed credit cards and guaranteed charge cards;
- (c) the sum of all amounts outstanding on all fully unsecured or partially secured non-card credit facilities (other than the loans referred to in paragraph (9)) granted to the Singapore cardholder by the card issuer or any of its affiliated corporations.

(3) For the purposes of paragraphs (2)(a) and (b) and (8)(b) and regulation 23(4), the amounts outstanding on a partially secured credit card or charge card is the amount by which the amount outstanding on the card exceeds the amount of deposit or deposits against which the card is secured.

(4) For the purposes of paragraphs (2)(c) and (9)(i)(ii)(B) and regulation 23(4), the amounts outstanding on a partially secured non-card credit facility is the amount by which the amount outstanding on the facility exceeds the value of the assets against which the facility is secured, being —

- (a) the latest market value of the assets documented in the lender's records; or
- (b) where such latest market value is not available —
- (i) the market value of the assets at the time the facility was given; or
 - (ii) where there was no established market value of the assets referred to in sub-paragraph (i), the value approved by the Authority under regulation 4(4)(b).

(5) For the purposes of paragraphs (2)(c) and (8)(a), where a non-card credit facility is granted jointly to an individual and one or more other persons, the individual's amounts outstanding shall be derived by dividing the outstanding balance of the joint facility by the number of persons to whom the facility was granted.

(6) For the purpose of determining the aggregate outstanding card amount and total outstanding unsecured amount of a Singapore cardholder —

- (a) a reference to a credit card or charge card issued by a card issuer shall include a credit card or charge card issued by another card issuer with whom the first-mentioned card issuer merges or consolidates, or whose business (in respect of the issue of credit cards and charge cards) the first-mentioned card issuer acquires; and
- (b) a reference to a fully unsecured or partially secured non-card credit facility granted by a card issuer or any of its affiliated corporations includes a fully unsecured or partially secured non-card credit facility granted by another person with whom the card issuer or its affiliated corporation, as the case may be, merges or consolidates, or whose business (in respect of the granting of fully unsecured or partially secured non-card credit facilities) the card issuer or its affiliated corporation, as the case may be, acquires.

(7) For the purposes of these Regulations, a reference to the cumulative total outstanding unsecured amount of a Singapore cardholder is a reference to the sum of all total outstanding unsecured amounts of the Singapore cardholder with every lender which has issued any credit card or charge card, or granted any non-card credit facilities, to the Singapore cardholder.

(8) For the purpose of determining the cumulative total outstanding unsecured amount of a Singapore cardholder, the following may be excluded:

- (a) the amount of any loans specified in paragraph (9) that are granted to the Singapore cardholder by any lender;
- (b) where the Singapore cardholder is also a Singapore guarantor for one or more fully unsecured or partially secured guaranteed credit cards or guaranteed charge cards, up to 80% of the total amounts outstanding on all those guaranteed credit cards and guaranteed charge cards;

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- (c) annual fees in respect of fully unsecured or partially secured credit cards and charge cards issued, and fully unsecured or partially secured non-card credit facilities granted, by any lender to the Singapore cardholder;
 - (d) any transaction, fees, interest and charges (including late payment charges) in respect of which the Singapore cardholder has raised a dispute with the lender which charged the transaction or which imposed the fees, interest or charges;
 - (e) any fees, interest and charges charged on —
 - (i) the annual fees referred to in sub-paragraph (c); and
 - (ii) any transaction, fees, interest and charges referred to in sub-paragraph (d); and
 - (f) amounts outstanding which accrue interest at an effective interest rate of zero.
- (9) The loans for the purposes of paragraphs (2)(c) and (8)(a) are loans for any of the following purposes:
- (a) the furnishing of any security to the Government in connection with any application for the deferment of any liability under the Enlistment Act (Cap. 93);
 - (b) the furnishing of any security to the Government in connection with the employment of a foreign domestic worker;
 - (c) the defraying of expenses which are directly attributable to a course of education, including tuition fees and the costs of accommodation, textbooks and computer equipment, where the lender who granted the loan has taken reasonable steps to ascertain that the proceeds of the loan will be applied only towards the defraying of such expenses;
 - (d) the business of a sole proprietor or partnership (other than a limited liability partnership) of which the Singapore cardholder is the sole proprietor or a partner, as the case may be;

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- (e) the repayment of any amount owing by the Singapore cardholder under another non-card credit facility which has ceased to be fully secured as a result of a fall in the value of the security given for that facility, where the lender who granted the loan has taken reasonable steps to ensure that the proceeds of the loan are paid to the person who granted that facility;
- (f) any renovation (the loan being referred to in this sub-paragraph as a renovation loan), where —
- (i) the lender who granted the renovation loan has taken reasonable steps to ascertain that the proceeds of the renovation loan will only be applied towards the defraying of the costs of renovations which have been made or will be made;
 - (ii) the renovation loan repayment period does not exceed 5 years;
 - (iii) in the case of a renovation loan granted jointly to the Singapore cardholder and one or more other persons (referred to in this sub-paragraph as a joint renovation loan), that other person or each of those other persons is —
 - (A) a spouse, child, parent or sibling of the Singapore cardholder; or
 - (B) a fiancé or fiancée of the Singapore cardholder, as the case may be, and the Singapore cardholder has provided or agreed to provide a copy of his marriage certificate to the lender not more than 3 months after the first disbursement of the renovation loan; and
 - (iv) the aggregate of the following (save for any fees, interest or charges (including late payment charges) imposed by the lender who granted the loan) is not more than 6 months' income of the Singapore cardholder or \$30,000, whichever is the lower:

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- (A) the amount of the renovation loan, or the amount of the Singapore cardholder's share of the joint renovation loan (derived by dividing the amount of that loan by the number of persons to whom the loan is granted), as the case may be;
 - (B) the sum of all amounts outstanding on both of the following:
 - (BA) all earlier renovation loans granted to the Singapore cardholder by the same lender;
 - (BB) the Singapore cardholder's share of all earlier joint renovation loans granted by the same lender (derived in respect of each such loan by dividing the outstanding balance on that loan by the number of persons to whom that loan was granted);
 - (g) the defraying of the costs of any medical treatment, where the lender who granted the loan has taken reasonable steps to ascertain that the proceeds of the loan will be applied only towards the defraying of such costs;
 - (h) the subscription of shares (the loan being referred to in this sub-paragraph as a share financing loan), where —
 - (i) the aggregate of the following does not exceed 80% of the amount to be paid by the Singapore cardholder for the subscription of those shares:
 - (A) the amount of the share financing loan granted by the lender or, where part of the loan may be used for a purpose other than the subscription of those shares, the amount of the loan which is to be used for the subscription of those shares;
 - (B) all other loans obtained by the Singapore cardholder from any other person for the subscription of those shares or, where part of the loans may be used for a purpose other than

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- for the subscription of those shares, the amounts of the loans which are to be used for the subscription of those shares;
- (C) all the discounts, rebates and other benefits granted by any person to the Singapore cardholder in relation to the subscription of those shares; and
- (ii) the lender referred to in sub-paragraph (i)(A) has taken reasonable steps to ensure that sub-paragraph (i) is complied with, including obtaining a written declaration from the Singapore cardholder as to both of the following:
- (A) whether the Singapore cardholder has obtained any loan from any other person for the subscription of those shares, the amount of such loan (and where part of the loan is to be used for purposes other than the subscription of those shares, the amount of the loan which is to be used for the subscription of those shares) and other relevant details of such loan;
- (B) whether the Singapore cardholder has received any discount, rebate or other benefit from any other person in relation to the subscription of those shares, and the amount and other details of such discount, rebate or benefit;
- (i) any purpose where the loan is made to the Singapore cardholder in his capacity as an officer (other than a director) or employee (other than an excluded employee of a direct insurer) of the lender (other than a finance company) granting the loan, where —
- (i) the duration of employment as set out in the contract of employment of the Singapore cardholder is for at least one continuous year or, where the duration of employment is less than one continuous year, the terms of the contract allow for the duration of employment to be extended beyond one year; and

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- (ii) the aggregate of the following is not more than one year's emoluments of the Singapore cardholder:
- (A) the loan amount (other than in relation to loans granted for any of the purposes specified in sub-paragraphs (a) to (h));
 - (B) the aggregate of the amounts outstanding on all earlier fully unsecured or partially secured non-card credit facilities (other than in relation to loans granted for any of the purposes specified in sub-paragraphs (a) to (h)) granted by way of a loan or loans by the lender to the Singapore cardholder, in his capacity as an officer or employee of the lender;
 - (C) the total outstanding unsecured amount of the Singapore cardholder with the lender;
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- (j) the repayment of any amount owing by the Singapore cardholder under a loan granted for any of the purposes specified in sub-paragraphs (a) to (i) ("original loan") where the lender is not the person who granted the original loan and the lender has taken reasonable steps to ensure that the proceeds of the loan are paid to the person who granted that original loan;
[S 319/2015 wef 01/06/2015]
- (k) the repayment of any amount owing by the Singapore cardholder under a loan granted for the purpose specified in sub-paragraph (j) ("original refinancing loan") where the lender is not the same as the person who granted the original refinancing loan and the lender has taken reasonable steps to ensure that the proceeds of the loan are paid to the person who granted that original refinancing loan.
[S 319/2015 wef 01/06/2015]
- (10) For the avoidance of doubt —
- (a) where the aggregate of the amounts referred to in paragraph (9)(h)(i) exceeds 80% of the amount to be paid by the Singapore cardholder for the subscription of the shares,

then the entire amount of the share financing loan for the subscription of those shares referred to in paragraph (9)(h)(i)(A) shall be included in determining the total outstanding unsecured amount or cumulative total outstanding unsecured amount of the Singapore cardholder; and

- (b) where the aggregate of the amounts referred to in paragraph (9)(i)(ii) exceeds one year's emoluments of the Singapore cardholder as an officer or employee of the lender, the total of sub-paragraphs (A), (B) and (C) of paragraph (9)(i)(ii) shall be included in determining the total outstanding unsecured amount or cumulative total outstanding unsecured amount of the Singapore cardholder.

Application of these Regulations

7. These Regulations shall not apply to any of the following:
- (a) any corporate purchasing card;
 - (b) any corporate card with no personal liability;
 - (c) any business card with no personal liability.

PART II

ISSUE OF CARDS, ETC., AND INCREASING CREDIT LIMITS

Minimum requirements for issuance of credit cards and charge cards

- 8.—(1) This regulation shall not apply to —
- (a) the issue of any credit card or charge card referred to in section 57G(b) of the Act;
 - (b) the issue of a supplementary credit card or supplementary charge card if the card issuer complies or has complied with this regulation in respect of the principal cardholder; or
 - (c) the sending or giving of a credit card or charge card under the circumstances set out in regulation 10(2).

(2) Subject to paragraph (3), a card issuer shall not issue a fully unsecured or partially secured credit card or charge card to an individual who is a citizen of Singapore or a permanent resident unless, at the time of application for the card —

- (a) in the case of an individual who is 55 years of age or below, he has an annual income of at least \$30,000;
- (b) in the case of an individual who is above 55 years of age, he has —
 - (i) an annual income of at least \$15,000;
 - (ii) total net personal assets exceeding \$750,000;
 - (iii) a guarantor other than a Singapore guarantor; or
 - (iv) a Singapore guarantor with an annual income of at least \$30,000; or
- (c) the individual already holds a fully unsecured or partially secured credit card or charge card (other than by way of a supplementary credit card or supplementary charge card) pursuant to paragraph (2)(a) or (b)(i) or (ii) issued by the card issuer.

(3) Subject to paragraph (4), a card issuer may issue to an individual who is a citizen of Singapore or a permanent resident, a fully unsecured or partially secured corporate card or business card notwithstanding that the individual does not fulfil the applicable requirement specified in paragraph (2)(a), (b) or (c) if, at the time of application for the card —

- (a) the individual is to travel or is to be posted to a foreign country for the purposes of the business of the body corporate, partnership or sole proprietor concerned; and
- (b) the corporate card or business card is required for the purchase of goods or services for or in connection with such travel, posting or business.

(4) A card issuer which issues a corporate card or business card pursuant to paragraph (3) shall specify a period of validity for the card that takes into consideration what would be a reasonable period for

which the use of the corporate card or business card is required for the purposes referred to in that paragraph.

(5) Any card issuer which contravenes paragraph (2) or (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(6) It shall be a defence for a card issuer charged with an offence under paragraph (5) in relation to paragraph (2) to prove that, at the time of application for the card —

- (a) it had taken all reasonable steps to verify that the individual fulfilled the applicable requirement specified in paragraph (2)(a), (b) or (c); or
- (b) it had taken all reasonable steps to verify the existence of the circumstances specified in paragraph (3)(a) and (b).

(7) A card issuer must not issue a partially or fully secured credit card or charge card to an individual who is a citizen of Singapore or a permanent resident unless any amount that may become outstanding on the credit card or charge card —

- (a) is secured by specified deposits amounting in the aggregate to not less than \$10,000; or
- (b) is guaranteed by any bank, merchant bank or finance company, other than the card issuer, for an amount not less than \$10,000.

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(8) If a card issuer has issued a partially secured credit card or charge card to an individual who is a citizen of Singapore or a permanent resident, the card issuer must ensure that, for the whole period specified in paragraph (10), the amount that is outstanding on the credit card or charge card is —

- (a) secured by specified deposits amounting in the aggregate to not less than \$10,000; or
- (b) guaranteed by any bank, merchant bank or finance company, other than the card issuer, for an amount not less than \$10,000.

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(9) If a card issuer has issued a fully secured credit card or charge card to an individual who is a citizen of Singapore or a permanent resident, the card issuer must ensure that, for the whole period specified in paragraph (10), the amount that is outstanding on the credit card or charge card is —

(a) secured by specified deposits amounting in the aggregate to not less than the higher of the following:

(i) \$10,000;

(ii) the amount that is outstanding on the credit card or charge card and all supplementary cards (if any); or

(b) guaranteed by any bank, merchant bank or finance company, other than the card issuer, for an amount not less than the higher of the following:

(i) \$10,000;

(ii) the amount that is outstanding on the credit card or charge card and all supplementary cards (if any).

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(10) The period specified in paragraphs (8) and (9) is —

(a) where the card that is issued by the card issuer is a supplementary credit card or a supplementary charge card, the whole period during which the principal cardholder holds the principal card; or

(b) in any other case, the period during which the cardholder holds the card.

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(11) A card issuer that breaches or fails to comply with paragraph (7), (8) or (9) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 and, in the case of a continuing offence under paragraph (8) or (9), to a further fine not exceeding \$2,500 for every day or part of a day during which the offence continues after conviction.

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(12) In paragraphs (7), (8) and (9), “specified deposits” has the same meaning as in regulation 3(3).

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Minimum requirements for issuance of supplementary cards

9.—(1) This regulation shall only apply to a supplementary credit card or supplementary charge card where the principal cardholder concerned is a Singapore cardholder.

(2) Subject to paragraph (3), a card issuer shall not issue a supplementary credit card or supplementary charge card to any individual who is below 18 years of age, except where the individual requires the use of the card for the purposes of his overseas travel.

(3) A card issuer which issues a supplementary credit card or supplementary charge card pursuant to paragraph (2) shall specify a period of validity for the card that takes into consideration what would be a reasonable period for which the use of the card is required for the purpose of the individual's overseas travel.

(4) Any card issuer which contravenes paragraph (2) or (3) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(5) It shall be a defence for a card issuer charged with an offence under paragraph (4) to prove that it had taken all reasonable steps to verify that the individual required the use of the supplementary credit card or supplementary charge card for the purposes of his overseas travel.

New credit card or charge card

10.—(1) Subject to paragraph (2), a card issuer shall not send or give any credit card or charge card to an individual unless the individual has requested for it in a document signed by him.

(2) Paragraph (1) shall not apply to the following:

- (a) the sending or giving of a credit card or charge card (referred to in this regulation as a replacement card) by a card issuer to an individual in the renewal or replacement of a credit card or charge card —
 - (i) which has been reported as lost or damaged;
 - (ii) which has been invalidated on suspicion of any fraud involving the credit card or charge card; or

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- (iii) the validity period of which is due to expire,
where the replacement card is of the same kind as the credit card or charge card so renewed or replaced;
- (b) the sending or giving of a credit card or charge card (referred to in this regulation as an additional card) by a card issuer to an individual who is already the holder of a credit card or charge card (not being a supplementary credit card or supplementary charge card) issued by the card issuer, if —
- (i) the card issuer discloses to the individual the fees, interest and charges (including late payment charges) and terms of use associated with the additional card;
 - (ii) the individual is not liable for any amount charged to the additional card until the individual has communicated his acceptance of the terms of use associated with the additional card to the card issuer in writing;
 - (iii) no additional credit is granted in respect of the additional card to the individual over and above the individual's existing aggregate credit limit; and
 - (iv) the conditions set out in sub-paragraphs (ii) and (iii) are communicated to the individual at or before the time of the sending or giving of the additional card;
- (c) the sending or giving of a supplementary credit card or supplementary charge card (referred to in this regulation as an additional supplementary card) to an individual who is already the holder of a supplementary credit card or supplementary charge card issued in respect of the same principal cardholder by the card issuer if —
- (i) the card issuer discloses to the principal and supplementary cardholders the fees, interest and charges (including late payment charges) and terms of use associated with the additional supplementary card;

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- (ii) the principal and supplementary cardholders are not liable for any amount charged to the additional supplementary card until both the principal and supplementary cardholders have communicated their acceptance of the terms of use associated with the additional supplementary card to the card issuer in writing;
 - (iii) no additional credit is granted in respect of the additional supplementary card to the supplementary cardholder over and above the aggregate of the credit limits of the supplementary credit cards and supplementary charge cards already issued by the card issuer in respect of the same principal cardholder to that supplementary cardholder; and
 - (iv) the conditions set out in sub-paragraphs (ii) and (iii) are communicated to the principal and supplementary cardholders at or before the time of sending or giving of the additional supplementary card; or
- (d) the sending or giving of a credit card or charge card (referred to in this regulation as a substitute card) by a card issuer to an individual in substitution for a credit card or charge card for the sole purpose of enhancing the security features of the card substituted, where the substitute card is of the same kind as the card substituted.
- (3) For the purposes of paragraph (2)(a) and (d), a replacement card or a substitute card shall be treated as being of the same kind as the credit card or charge card being replaced or substituted, as the case may be, if the type, terms of use and branding, and the fees, interest and charges (including late payment charges) relating to the use, of the replacement card or substitute card, as the case may be, are the same as those of the credit card or charge card being replaced or substituted.
- (4) The card issuer shall, not less than 10 days before the date of the sending or giving of a substitute card referred to in paragraph (2)(d), notify the Authority of the same.

(5) Where, on or after 1st June 2014, an individual requests a card issuer for a credit card or a charge card (other than a replacement card, an additional card or a substitute card), the card issuer shall —

(a) obtain —

- (i) an indication from the individual of his preferred credit limit for that credit card or charge card or his preferred aggregate credit limit, in a document signed by him; or
- (ii) in the case of a guaranteed credit card or guaranteed charge card, indications from both the individual and his guarantor, in documents signed by each of them, of their preferred credit limit for that guaranteed credit card or guaranteed charge card; and

(b) obtain —

- (i) in the absence of a preferred credit limit or a preferred aggregate credit limit indicated pursuant to sub-paragraph (a)(i), before the credit card or charge card is issued, the consent of the individual in a document signed by him, for the amount of the credit limit or aggregate credit limit to be granted; or
- (ii) in the absence of a preferred credit limit indicated by the individual or the guarantor, as the case may be, pursuant to sub-paragraph (a)(ii), before the guaranteed credit card or guaranteed charge card is issued, the consent of the individual or his guarantor, as the case may be, in a document signed by him, for the amount of the credit limit to be granted.

(6) For the purpose of paragraph (5)(b) —

- (a) an individual shall be deemed to have consented to the credit limit or aggregate credit limit granted if he had agreed, in a document signed by him, to a credit limit or aggregate credit limit which was more than what was granted; or
- (b) in the case of a guaranteed credit card or guaranteed charge card —

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- (i) an individual shall be deemed to have consented to the credit limit for that guaranteed credit card or guaranteed charge card granted if he had agreed, in a document signed by him, to a credit limit which was more than what was granted; and
 - (ii) a guarantor shall be deemed to have consented to the credit limit granted for that guaranteed credit card or guaranteed charge card, if he had agreed, in a document signed by him, to a credit limit which was more than what was granted.

(7) Subject to regulation 14, a card issuer shall not, on or after 1st June 2014, issue a credit card or charge card with a credit limit —

- (a) in the case of a credit card or charge card that is not a guaranteed credit card or guaranteed charge card, that is greater than the preferred credit limit or preferred aggregate credit limit, as the case may be, the individual has indicated or consented to pursuant to paragraph (5)(a)(i) or (b)(i), as the case may be; and
- (b) in the case of a guaranteed credit card or guaranteed charge card, that is greater than the lower of the following:
 - (i) the preferred credit limit indicated or consented to by the individual pursuant to paragraph (5)(a)(ii) or (b)(ii), as the case may be;
 - (ii) the preferred credit limit indicated or consented to by the guarantor pursuant to paragraph (5)(a)(ii) or (b)(ii), as the case may be.

(8) Any card issuer which contravenes paragraph (1), (5) or (7) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(9) Any card issuer which contravenes paragraph (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

Increase in credit limit

11.—(1) As from and including 1st June 2014, a card issuer shall not —

- (a) increase a cardholder's aggregate credit limit unless the cardholder has requested for the increase in a document signed by him; or
- (b) in relation to a guaranteed credit card or guaranteed charge card, increase the credit limit for that guaranteed credit card or guaranteed charge card, unless the cardholder has requested for the increase in a document signed by him.

(2) Where a cardholder requests the card issuer for an increase under paragraph (1) in his aggregate credit limit or in the credit limit of his guaranteed credit card or guaranteed charge card, the card issuer shall —

- (a) obtain, not more than one month prior to the increase —
 - (i) an indication from the cardholder of his preferred aggregate credit limit in a document signed by him; or
 - (ii) in the case of a guaranteed credit card or guaranteed charge card, indications from both the cardholder and his guarantor, in documents signed by each of them, of their preferred credit limit for that guaranteed credit card or guaranteed charge card; and
- (b) obtain, not more than one month prior to the increase —
 - (i) in the absence of a preferred aggregate credit limit indicated pursuant to sub-paragraph (a)(i), the consent of the cardholder in a document signed by him, for the amount of the increase in the aggregate credit limit; or
 - (ii) in the absence of a preferred credit limit indicated by the cardholder or his guarantor, as the case may be, pursuant to sub-paragraph (a)(ii), the consent of the cardholder or the guarantor, as the case may be, in a document signed by him, for the amount of the increase in the credit limit.

(3) For the purpose of paragraph (2)(b) —

- (a) a cardholder shall be deemed to have consented to the amount of the increase in his aggregate credit limit if he had agreed, in a document signed by him, to an increase in his aggregate credit limit which was more than what was granted; and
- (b) in the case of a guaranteed credit card or guaranteed charge card —
 - (i) a cardholder shall be deemed to have consented to the increase in the credit limit for that guaranteed credit card or guaranteed charge card if he had agreed, in a document signed by him, to an increase in the credit limit which was more than what was granted; and
 - (ii) a guarantor shall be deemed to have consented to the increase in the credit limit for that guaranteed credit card or guaranteed charge card if he had agreed, in a document signed by him, to an increase in the credit limit which was more than what was granted.

(4) Subject to regulation 14, a card issuer shall not, in granting under paragraph (1) a cardholder an increase in his aggregate credit limit or an increase in the credit limit of his guaranteed credit card or guaranteed charge card, grant an increase that results in, as the case may be —

- (a) the aggregate credit limit of the cardholder being greater than the preferred aggregate credit limit which the cardholder has indicated or consented to pursuant to paragraph (2)(a)(i) or (b)(i), as the case may be; or
- (b) the credit limit of the guaranteed credit card or guaranteed charge card being greater than the lower of the following:
 - (i) the preferred credit limit indicated or consented to by the cardholder pursuant to paragraph (2)(a)(ii) or (b)(ii), as the case may be;
 - (ii) the preferred credit limit indicated or consented to by the guarantor pursuant to paragraph (2)(a)(ii) or (b)(ii), as the case may be.

(5) Any card issuer which contravenes paragraph (1), (2) or (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(6) Paragraph (1) does not apply to any increase in the aggregate credit limit of a supplementary cardholder, or increase in the credit limit of a guaranteed credit card or guaranteed charge card for a supplementary cardholder, as the case may be, where —

- (a) the increase in the credit limit or aggregate credit limit, as the case may be, is requested by the principal cardholder in a document signed by him and is for a purpose which has been specified by the Authority in writing to the card issuer;
- (b) the increase is granted by the card issuer only for a reasonable period of time and for a reasonable amount, taking into account the purpose of the request for the increase; and
- (c) the card issuer agrees with the principal cardholder not to recover from the supplementary cardholder such amounts as are outstanding on the supplementary card, which exceed —
 - (i) where the supplementary card is issued before 1 June 2014 and the supplementary cardholder has not been granted an increase in the credit limit of the supplementary card or the aggregate credit limit between that date and the date of the increase, the credit limit of the supplementary card or aggregate credit limit granted to the supplementary cardholder immediately before the increase; or
 - (ii) in any other case, the credit limit of the supplementary card or the aggregate credit limit granted to the supplementary cardholder in accordance with paragraph (4) or regulation 10(7), as the case may be, before the increase.

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(7) Paragraph (1) also does not apply to any increase in the aggregate credit limit of a supplementary cardholder, or increase in the credit limit of a guaranteed credit card or guaranteed charge card for a supplementary cardholder, where —

- (a) the increase in the credit limit or aggregate credit limit, as the case may be, is requested by the principal cardholder in a document signed by him; and
- (b) the supplementary cardholder is a child who is financially dependent on the principal cardholder.

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(8) In paragraph (7)(b), “child”, in relation to a cardholder, includes a stepchild and a child who has been de facto adopted by the cardholder, whether or not such adoption has been registered in accordance with the provisions of any written law.

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Credit checks with credit bureau

12.—(1) Subject to regulation 23A(1), a card issuer shall conduct comprehensive checks with one or more credit bureaus for the purpose of assessing the credit-worthiness of —

- (a) an individual, prior to issuing a credit card or charge card (other than a credit card or charge card referred to in regulation 10(2)) to that individual;
- (b) a cardholder, prior to increasing the aggregate credit limit granted by the card issuer to that cardholder, unless comprehensive checks with one or more credit bureaus had already been conducted for the purpose of assessing the credit-worthiness of that cardholder not more than one month prior to increasing the aggregate credit limit; and
- (c) a cardholder, upon receiving any information from any person that calls into question the credit-worthiness of that cardholder, unless checks with one or more credit bureaus had already been conducted for the purpose of assessing the credit-worthiness of that cardholder not more than 3 months prior to the information being received.

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(2) In addition to the requirements in paragraph (1), where the credit card or charge card referred to in that paragraph is a guaranteed credit card or guaranteed charge card (other than a guaranteed credit card or guaranteed charge card referred to in regulation 10(2)), the card issuer

shall also conduct comprehensive checks with one or more credit bureaus for the purpose of assessing the credit-worthiness of the guarantor or the Singapore guarantor of the card in the following circumstances:

- (a) prior to issuing that card;
- (b) prior to increasing the credit limit of that card, unless comprehensive checks with one or more credit bureaus had already been conducted for the purpose of assessing the credit-worthiness of the guarantor or Singapore guarantor, as the case may be, not more than one month prior to increasing the credit limit of that card;
- (c) upon receiving any information from any person that calls into question the credit-worthiness of the cardholder, guarantor or Singapore guarantor, unless checks with one or more credit bureaus had already been conducted for the purpose of assessing the credit-worthiness of the guarantor or Singapore guarantor, as the case may be, not more than 3 months prior to the information being received.

(3) In the case of a guaranteed credit card or guaranteed charge card issued pursuant to regulation 8(2)(b)(iv) to an individual, a card issuer shall, as from and including 1st June 2015, conduct comprehensive checks with one or more credit bureaus for the purpose of assessing the credit-worthiness of the cardholder in the event that the Singapore guarantor is not permitted, pursuant to regulation 16 or 17, to charge further amounts to any credit card or charge card issued by that card issuer to the guarantor.

(4) For the purposes of paragraphs (1), (2) and (3) and regulations 16(4)(c) and 17(6)(b)(ii), a card issuer shall, as from and including 1st June 2014, in relation to an individual, a cardholder, a guarantor or a Singapore guarantor, as the case may be, review all of the following in its comprehensive checks with one or more credit bureaus:

- (a) secured and unsecured amounts outstanding on all credit cards, charge cards and non-card credit facilities reported to the credit bureaus;

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- (b) secured and unsecured credit limits of all credit cards, charge cards and non-card credit facilities reported to the credit bureaus;
 - (c) the payment status of all credit cards, charge cards and non-card credit facilities reported to the credit bureaus.
- (5) For the purpose of paragraph (4) —
- (a) data on amounts outstanding and credit limits —
 - (i) shall exclude data concerning —
 - (A) any loan to a sole proprietor or partner of a partnership, for a business purpose;
 - (B) fully secured credit cards and charge cards; and
 - (C) non-card credit facilities that are fully secured by a deposit or deposits; and
 - (ii) may exclude data concerning any corporate card or business card; and
 - (b) data on payment status —
 - (i) shall exclude data concerning any loan to a sole proprietor or partner of a partnership, for a business purpose; and
 - (ii) may exclude data concerning any corporate card or business card.
- (6) For the purposes of paragraphs (1)(c) and (3), a card issuer need not conduct comprehensive checks if the card issuer has ceased to permit or will not permit any further amounts (other than the specified amounts) to be charged to any credit card or charge card issued, or to be drawn down on any fully unsecured or partially secured non-card credit facility granted, to that cardholder by the card issuer, until the amounts outstanding on all his credit cards and charge cards issued, and fully unsecured or partially secured non-card credit facilities granted, by the card issuer to that cardholder are paid in full.
- (7) For the purpose of paragraph (2)(c), a card issuer need not conduct comprehensive checks if the card issuer has ceased to permit or will not permit any further amounts (other than the specified

amounts) to be charged to any credit card or charge card issued, or to be drawn down on any fully unsecured or partially secured non-card credit facility granted, by the card issuer to the cardholder and guaranteed by that guarantor, until the amounts outstanding on all credit cards and charge cards issued, and fully unsecured or partially secured non-card credit facilities granted, by the card issuer to the same cardholder and guaranteed by that same guarantor are paid in full.

(8) For the purposes of paragraphs (6) and (7), the specified amounts are the following:

- (a) any fees, interest and charges (including late payment charges) relating to the use of any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, by the card issuer;
- (b) any outstanding amounts transferred by the card issuer —
 - (i) in the case of paragraph (6), from any credit card or charge card already issued, or any fully unsecured or partially secured non-card credit facility already granted, by the card issuer to the cardholder, to another credit card or charge card the card issuer has issued or will issue, or any fully unsecured or partially secured non-card credit facility the card issuer has granted or will grant, to the same cardholder; and
 - (ii) in the case of paragraph (7), from any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, to the cardholder by the card issuer and that is guaranteed by that guarantor, to another credit card or charge card the card issuer has issued or will issue, or any fully unsecured or partially secured non-card credit facility the card issuer has granted or will grant, to the same cardholder and that is guaranteed by that same guarantor.

(9) For the purposes of paragraphs (1)(c) and (2)(c), a card issuer need not conduct the comprehensive checks if the person providing the information refuses to identify himself to the card issuer, even after

the card issuer undertakes to the person that his identity will be kept confidential to any extent required by the person.

(10) Any card issuer which contravenes paragraph (1), (2), (3) or (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(11) Nothing in this regulation shall require a card issuer to conduct checks with any credit bureau in relation to a holder of a supplementary credit card or supplementary charge card in his capacity as a supplementary cardholder.

(12) For the avoidance of doubt, nothing in these Regulations shall require or permit the disclosure of any information to one or more credit bureaus in contravention of section 47 of the Act.

Checks on income or total net personal assets

13.—(1) This regulation shall not apply to any cardholder who will only be issued, or only holds, credit cards or charge cards referred to in section 57G(b) of the Act, and to whom no fully unsecured or partially secured non-card credit facility has been granted, by the card issuer or any of its affiliated corporations.

(2) A card issuer shall obtain —

- (a) prior to issuing a fully unsecured or partially secured credit card or charge card (other than a guaranteed credit card or guaranteed charge card) to an individual who has not already been issued any such credit card or charge card by the card issuer, the documents specified in Part I of the First Schedule; and
- (b) prior to increasing the aggregate credit limit granted to an individual who has already been issued a credit card or charge card referred to in sub-paragraph (a), the documents specified in Part II of the First Schedule, unless —
 - (i) the card issuer has already obtained such documents and, subject to regulation 22, such documents are dated not more than 3 months prior to the increase in the aggregate credit limit; or

(ii) the increase in the aggregate credit limit of the individual is fully secured.

(3) A card issuer shall, in relation to a guaranteed credit card or guaranteed charge card issued or to be issued to an individual, obtain —

(a) prior to issuing the credit card or charge card (other than a guaranteed credit card or guaranteed charge card referred to in regulation 10(2)) to the individual, the documents specified in Part III of the First Schedule; and

(b) prior to increasing the credit limit of the credit card or charge card, the documents specified in Part IV of the First Schedule, unless —

(i) the card issuer has already obtained such documents and, subject to regulation 22, such documents are dated not more than 3 months prior to the increase in the credit limit; or

(ii) the increase in the credit limit of the credit card or charge card is fully secured.

(4) Upon receiving any information from any person that calls into question the credit-worthiness of a cardholder of a fully unsecured or partially secured credit card or charge card (other than a guaranteed credit card or guaranteed charge card), a card issuer shall request the cardholder to provide the documents specified in Part II of the First Schedule, unless —

(a) the card issuer has already obtained such documents and, subject to regulation 22, such documents are dated not more than 3 months prior to the date the information is received;

(b) the card issuer has ceased to permit or will not permit any further amounts (save for the amounts referred to in regulation 12(8)(a) and (b)(i)) to be charged to any credit card or charge card issued, or to be drawn down on any fully unsecured or partially secured non-card credit facility granted, by the card issuer to that cardholder, until the amounts outstanding on all the credit cards and charge cards issued, and fully unsecured or partially secured non-card

credit facilities granted, by the card issuer to that cardholder are paid in full; or

- (c) the person providing the information refuses to identify himself to the card issuer, even after the card issuer undertakes to the person that his identity will be kept confidential to any extent required by the person.

(5) Upon receiving any information from any person that calls into question the credit-worthiness of a cardholder of a guaranteed credit card or guaranteed charge card, or a guarantor thereof, a card issuer shall request the guarantor to provide the documents specified in Part IV of the First Schedule, unless —

- (a) the card issuer has already obtained such documents and, subject to regulation 22, such documents are dated not more than 3 months prior to the date the information is received;
- (b) the card issuer has ceased to permit or will not permit any further amounts (save for the amounts referred to in regulation 12(8)(a) and (b)(ii)) to be charged to any credit card or charge card issued, or to be drawn down on any fully unsecured or partially secured non-card credit facility granted, by the card issuer to the cardholder and guaranteed by that guarantor, until the amounts outstanding on all the credit cards and charge cards issued, and fully unsecured or partially secured non-card credit facilities granted, by the card issuer to the same cardholder and guaranteed by that same guarantor are paid in full; or
- (c) the person providing the information refuses to identify himself to the card issuer, even after the card issuer undertakes to the person that his identity will be kept confidential to any extent required by the person.

(6) Any card issuer which contravenes paragraph (2), (3), (4) or (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(7) Nothing in this regulation shall require a card issuer to obtain documents to verify the income of a holder of a supplementary credit

card or supplementary charge card in his capacity as a supplementary cardholder.

PART III

CREDIT LIMITS AND CARDHOLDERS WITH PAST DUES

Maximum credit limit or overall credit limit

14.—(1) This regulation shall not apply to any Singapore cardholder who —

- (a) only holds credit cards or charge cards referred to in section 57G(b) of the Act issued by the card issuer or any of its affiliated corporations; and
- (b) has not been granted any fully unsecured or partially secured non-card credit facility (other than fully unsecured or partially secured non-card credit facilities referred to in regulation 6(9)) by the card issuer or any of its affiliated corporations.

(2) Subject to paragraphs (3A), (5), (8) and (8A) and regulation 23A(3), a card issuer shall not permit any amount to be charged to any credit card or charge card (other than a guaranteed credit card or a guaranteed charge card) issued to a Singapore cardholder —

- (a) if that would result in —
 - (i) the Singapore cardholder's aggregate outstanding card amount exceeding his maximum credit limit; or
 - (ii) the Singapore cardholder's total outstanding unsecured amount exceeding his overall credit limit; or
- (b) if —
 - (i) the Singapore cardholder's aggregate outstanding card amount already exceeds his maximum credit limit; or
 - (ii) the Singapore cardholder's total outstanding unsecured amount already exceeds his overall credit limit.

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(3) Subject to paragraphs (3A), (5), (8) and (8A), where the Singapore cardholder is also a Singapore guarantor, a card issuer shall not permit any amount to be charged to any credit card or charge card issued to the Singapore cardholder, or any credit card or charge card he guarantees —

(a) if that would result in —

- (i) the Singapore cardholder's aggregate outstanding card amount exceeding his maximum credit limit; or
- (ii) the Singapore cardholder's total outstanding unsecured amount exceeding his overall credit limit; or

(b) if —

- (i) the Singapore cardholder's aggregate outstanding card amount already exceeds his maximum credit limit; or
- (ii) the Singapore cardholder's total outstanding unsecured amount already exceeds his overall credit limit.

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(3A) Paragraphs (2) and (3) do not apply to a card issuer in respect of a Singapore cardholder for any of the periods specified in paragraph (3B) if, during the period, the card issuer does not permit the Singapore cardholder to charge any further amounts to any credit card or charge card issued by the card issuer to the Singapore cardholder.

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(3B) The periods referred to in paragraph (3A) are —

- (a) the period of 6 months from the date on which a card issuer becomes aware that the income of a Singapore cardholder has decreased, and that as a result of the decrease the Singapore cardholder's total outstanding unsecured amounts exceeds the Singapore cardholder's overall credit limit; or
- (b) the entire period during which the Singapore cardholder has a debt repayment arrangement with the card issuer to repay the card issuer in instalments.

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(4) For the purpose of paragraph (3), in determining the total outstanding unsecured amount of the Singapore cardholder, regulation 6(2)(b) shall be read as referring to the aggregate of the following:

- (a) the amounts outstanding on any fully unsecured credit card or charge card of which the Singapore cardholder is a guarantor;
- (b) the amount by which the amount outstanding on any partially secured credit card or charge card of which the Singapore cardholder is a guarantor exceeds the amount of deposit or deposits which the card is secured against.

(5) Notwithstanding paragraphs (2) and (3), the credit card or charge card may be charged with any amount if —

- (a) the amount being charged represents only fees, interest and charges (including late payment charges) relating to the use of any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, by the card issuer or any of its affiliated corporations, and included by the card issuer or the affiliated corporation in the aggregate outstanding card amount or the total outstanding unsecured amount, as the case may be;
- (b) subject to paragraphs (6) and (7) and regulation 16(2), the Singapore cardholder has an annual income of at least \$120,000 (or its equivalent in foreign currency) or his total net personal assets exceed \$2 million (or its equivalent in foreign currency); or
- (c) *[Deleted by S 319/2015 wef 01/06/2015]*

(6) Notwithstanding paragraph (5)(b), a card issuer that is a bank in Singapore shall not permit any amount to be charged to a credit card or charge card of a Singapore cardholder referred to in that paragraph if —

- (a) the Singapore cardholder is in a director group of the card issuer; and

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- (b) the charging would result in the Singapore cardholder's total outstanding unsecured amount exceeding 8 times his monthly income.

(7) If the Authority, having regard to the specific circumstances of a card issuer (including whether the credit evaluation and credit risk management practices of the card issuer are sufficiently robust to effectively monitor and manage credit risks), issues to the card issuer a written declaration that paragraph (5)(b) shall no longer apply to the card issuer in relation to any Singapore cardholder to whom the card issuer has issued a credit card or charge card, then that paragraph shall not apply to the card issuer in relation to such Singapore cardholder from the date of receipt of the declaration by the card issuer.

(8) Despite paragraphs (2) and (3), the credit card or charge card may be charged with any amount on or after 1 June 2015 if it is for the purpose of repaying any amount owed by the Singapore cardholder to any other lender, including fees, interest and charges (including late payment charges), where the card issuer has taken reasonable steps to ensure that the amount charged is paid to the lender for the purpose of repaying the amount owed to the lender.

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(8A) Despite paragraphs (2) and (3) but subject to regulations 8 and 17, if the amount owed to the lender has been paid under paragraph (8), the card issuer may —

- (a) permit further amounts to be charged to the Singapore cardholder's credit card or charge card; and
- (b) issue any other credit card or charge card to the Singapore cardholder.

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(9) Any card issuer which contravenes paragraph (2), (3) or (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

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(10) For the avoidance of doubt, nothing in this regulation shall prevent any card issuer from setting in respect of any credit card or charge card issued to a cardholder, a credit limit lower than the

maximum credit limit or the overall credit limit applicable to the cardholder.

Merger, etc., of card issuer affecting amounts outstanding of Singapore cardholder, etc.

15.—(1) A card issuer which has issued a credit card or charge card to a Singapore cardholder shall give written notice to the Authority before the card issuer or any of its affiliated corporations —

- (a) merges or consolidates with another card issuer which has issued a credit card or charge card, or a corporation which has granted a fully unsecured or partially secured non-card credit facility, to the same Singapore cardholder;
- (b) acquires all the shares in another card issuer which has issued a credit card or charge card, or a corporation which has granted a fully unsecured or partially secured non-card credit facility, to the same Singapore cardholder; or
- (c) acquires the business of another card issuer which has issued a credit card or charge card, or a person who has granted a fully unsecured or partially secured non-card credit facility, to the same Singapore cardholder.

(2) If, upon the merger, consolidation or acquisition, the Singapore cardholder's aggregate outstanding card amount exceeds his maximum credit limit, or his total outstanding unsecured amount exceeds his overall credit limit, then the following persons shall take such steps within such period as may be specified by the Authority by notice in writing to the person to ensure that the Singapore cardholder's aggregate outstanding card amount or total outstanding unsecured amount ceases to be in excess of his maximum credit limit or overall credit limit, as the case may be:

- (a) the card issuer or the card issuer that is formed as a result of the merger or consolidation (as the case may be);
- (b) if the entity that underwent or undertook the merger, consolidation or acquisition is an affiliated corporation of the card issuer, the card issuer.

(3) Any card issuer which contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(4) Any card issuer which contravenes paragraph (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part thereof during which the offence continues after conviction.

Cardholders who are 60 days or more past due

16.—(1) This regulation shall not apply —

- (a) to a holder of a supplementary credit card or supplementary charge card in his capacity as a supplementary cardholder; or
- (b) in relation to —
 - (i) any corporate card or business card; and
 - (ii) any loan to a sole proprietor or a partner of a partnership for a business purpose.

(2) Subject to paragraph (8) and regulation 23A(4), a card issuer shall not, on or after 1st June 2015, permit any amount (other than fees, interest and charges (including late payment charges) relating to the use of any credit card or charge card issued by the card issuer) to be charged to any credit card or charge card issued to a Singapore cardholder by the card issuer once any amount outstanding on any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, to the Singapore cardholder by the card issuer is past due for 60 consecutive days or more, until the requirements specified in paragraph (4) are fulfilled.

[S 319/2015 wef 01/06/2015]

(3) In determining whether a Singapore cardholder has any amount outstanding referred to in paragraphs (2) and (6), a card issuer may disregard the following:

- (a) annual fees in respect of any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, to the Singapore cardholder;

(b) any transaction, fees, interest and charges (including late payment charges) in respect of which the Singapore cardholder has raised a dispute with the lender which charged the transaction or which imposed the fees, interest or charges;

(c) any fees, interest and charges charged on —

(i) the annual fees referred to in sub-paragraph (a); and

(ii) any transaction, fees, interest and charges referred to in sub-paragraph (b).

(4) Subject to regulations 14 and 17(2), a card issuer may permit an amount to be charged to any credit card or charge card it has issued to a Singapore cardholder referred to in paragraph (2) only where —

(a) the amounts outstanding on all credit cards and charge cards issued and fully unsecured and partially secured non-card credit facilities granted, to the Singapore cardholder by the card issuer are no longer past due;

(b) the card issuer has or obtains the documents specified in Part V of the First Schedule for the purpose of assessing the credit worthiness of the Singapore cardholder or the guarantor, as the case may be, and, subject to regulation 22, the documents are dated not more than 3 months before the date that the Singapore cardholder is permitted to resume charging amounts; and

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(c) the card issuer conducts comprehensive checks in accordance with regulation 12(4) with one or more credit bureaus for the purpose of assessing —

(i) in the case of any credit card or charge card that is not a guaranteed credit card or guaranteed charge card, the credit-worthiness of the Singapore cardholder; or

(ii) in the case of guaranteed credit cards or guaranteed charge cards, the credit-worthiness of the Singapore cardholder and his guarantor,

unless such checks were conducted not more than one month prior to the date that the Singapore cardholder is permitted to resume charging amounts.

(5) For the purpose of paragraph (4)(b), a card issuer shall not be required to obtain the documents as referred to in that paragraph in any case where the card issuer has issued to the Singapore cardholder only —

(a) credit cards or charge cards referred to in section 57G(b) of the Act; or

(b) fully secured credit cards or charge cards,

and has not issued any other credit card or charge card, or granted any fully unsecured or partially secured non-card credit facilities, to the Singapore cardholder.

(6) Subject to paragraph (8) and regulation 23A(4), a card issuer shall not, on or after 1st June 2015 —

(a) issue any credit card or charge card (other than by the sending or giving of a credit card or charge card under the circumstances referred to in regulation 10(2)); or

(b) increase the aggregate credit limit granted,

to an individual who is a citizen of Singapore or a permanent resident and who has any amount outstanding on any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, by any lender that is past due for 60 consecutive days or more.

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(7) For the purpose of determining whether an individual has any amount outstanding referred to in paragraph (6), the card issuer may rely on information obtained through comprehensive checks with one or more credit bureaus and may supplement such information with information that is supported by credible evidence from an independent source.

(8) Notwithstanding paragraphs (2) and (6), a card issuer may, in relation to an individual referred to in paragraph (2) or (6) permit any loan to be charged to or drawn down on any credit card or charge card

issued to the individual, issue any credit card or charge card to the individual, or increase the individual's aggregate credit limit by any amount —

- (a) for any loan specified in regulation 6(9) to the individual; or
- (b) for the repayment of any sum owed by the individual to any other lender, where —
 - (i) the card issuer has taken reasonable steps to ensure that the proceeds of the loan or amounts are paid to the other lender for the purpose of repaying the amount owed to the other lender; and
 - (ii) the loan or amounts are not more than the sum owed to the other lender,

unless the amount of the loan or amounts (save for any fees, interest and charges, including late payment charges, which may be imposed by the card issuer in connection with the loan or amounts) would result in an increase in the individual's cumulative total outstanding unsecured amount.

(9) Any card issuer which contravenes paragraph (2), (4) or (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(10) Nothing in this regulation shall prevent a card issuer from transferring any amounts outstanding on any credit card or charge card issued, or fully unsecured or partially secured non-card credit facility granted, to a Singapore cardholder to any other credit card or charge card it has issued or will issue, or any fully unsecured or partially secured non-card credit facility it has granted or will grant, to the same cardholder.

Cardholders whose cumulative total outstanding unsecured amount exceeds their specified income for 3 consecutive months

17.—(1) This regulation shall not apply —

- (a) to any Singapore cardholder who, in relation to a card issuer or any of its affiliated corporations —

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- (i) only holds credit cards or charge cards referred to in section 57G(b) of the Act that are issued by the card issuer or its affiliated corporations; and
 - (ii) has not been granted any fully unsecured or partially secured non-card credit facility (other than the fully unsecured or partially secured non-card credit facilities referred to in regulation 6(9)) by the card issuer or its affiliated corporations;
- (b) in relation to any of the following:
- (i) a fully secured credit card or charge card;
 - (ii) any corporate card or business card; or
- (c) to a holder of a supplementary credit card or supplementary charge card in his capacity as a supplementary cardholder.
- (2) Subject to paragraphs (3A), (4) and (5) and regulation 23A(6), a card issuer shall not, on or after 1st June 2015 —
- (a) permit any amount (other than fees, interest and charges (including late payment charges) relating to the use of the card) to be charged to any fully unsecured or partially secured credit card or charge card (other than a guaranteed credit card or guaranteed charge card) issued by the card issuer to a Singapore cardholder whose cumulative total outstanding unsecured amount exceeds his specified income for 3 consecutive months, until the requirements specified in paragraph (6) are fulfilled;

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 - (b) issue any fully unsecured or partially secured credit card or charge card (other than by the sending or giving of a guaranteed credit card or guaranteed charge card, or a credit card or charge card under the circumstances set out in regulation 10(2)) to an individual who is a citizen of Singapore or a permanent resident whose cumulative total outstanding unsecured amount exceeds his specified income for 3 consecutive months; or

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- (c) increase the aggregate credit limit granted to a Singapore cardholder (save where the increase relates solely to an increase in the credit limit of a guaranteed credit card or guaranteed charge card) whose cumulative total outstanding unsecured amount exceeds his specified income for 3 consecutive months.

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[S 319/2015 wef 01/06/2015]

(3) For the purposes of paragraphs (2), (4), (5) and (6), in determining whether an individual's cumulative total outstanding unsecured amount has exceeded his specified income for 3 consecutive months, a card issuer may rely on information from one or more credit bureaus indicating that the individual's cumulative total outstanding unsecured amount for each of 3 consecutive calendar month ends has exceeded his specified income as evidence that the individual's cumulative total outstanding unsecured amount has exceeded his specified income for 3 consecutive months.

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(3A) Where a card issuer relies, under paragraph (3), on information from one or more credit bureaus as evidence that an individual's cumulative total outstanding unsecured amount has exceeded the individual's specified income for 3 consecutive months, the card issuer need only comply with paragraph (2)(a) within a reasonable time after obtaining that information from the credit bureau or bureaus (as the case may be).

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(4) Notwithstanding paragraph (2) and subject to regulations 14(6) and 16(2) and (6), a card issuer may, in relation to an individual referred to in paragraph (2), permit any amount to be charged to any fully unsecured or partially secured credit card or charge card issued to the individual, issue any fully unsecured or partially secured credit card or charge card to the individual, or increase the individual's aggregate credit limit by any amount, even where the individual's cumulative total outstanding unsecured amount exceeds his specified income for 3 consecutive months, if —

(a) the individual has specified income of at least \$120,000 (or its equivalent in foreign currency) or his total net personal assets exceed \$2 million (or its equivalent in foreign currency); or

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(b) the individual's cumulative total outstanding unsecured amount is reduced to less than his specified income at any time within the 3 months from the first of the 3 consecutive calendar month ends referred to in paragraph (3).

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[S 319/2015 wef 01/06/2015]

(5) Notwithstanding paragraph (2), a card issuer may, in relation to an individual referred to in that paragraph, permit any loan to be charged to or drawn down on any fully unsecured or partially secured credit card or charge card issued to the individual, issue any fully unsecured or partially secured credit card or charge card to the individual, or increase the individual's aggregate credit limit by any amount, even where the individual's cumulative total outstanding unsecured amount exceeds his specified income for 3 consecutive months, for —

(a) any loan specified in regulation 6(9) to the individual; or

(b) the repayment of any sum owed by the individual to any other lender, where —

(i) the card issuer has taken reasonable steps to ensure that the proceeds of the loan or amounts are paid to the other lender for the purpose of repaying the sum owed to other lender; and

(ii) the loan or amounts granted by the card issuer are not more than the sum owed to the other lender,

unless the amount of the loan or amounts (save for any fees, interest and charges (including late payment charges) which may be imposed by the card issuer in connection with the loan or amounts) would result in an increase in the Singapore cardholder's cumulative total outstanding unsecured amount.

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(6) Subject to regulations 14 and 16(2), a card issuer may permit an amount to be charged to any fully unsecured or partially secured credit

card or charge card it has issued to the Singapore cardholder referred to in paragraph (2)(a) only where —

- (a) the Singapore cardholder's cumulative total outstanding unsecured amount is reduced to less than his specified income; and

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- (b) for the purpose of assessing the credit-worthiness of the Singapore cardholder, the card issuer —

- (i) has or obtains documents to verify the Singapore cardholder's specified income that are, subject to regulation 22, dated not more than 3 months before the date that the Singapore cardholder is permitted to resume charging amounts to the Singapore cardholder's credit card or charge card; and

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- (ii) conducts comprehensive checks in accordance with regulation 12(4) with one or more credit bureaus (unless such checks have already been conducted not more than one month prior to the date that the Singapore cardholder is permitted to resume charging amounts to his credit card or charge card).

(7) For the purposes of this regulation, a card issuer may rely on the latest income data in its records, or obtain income documents from the Singapore cardholder, in determining the income of a Singapore cardholder.

(8) Any card issuer which contravenes paragraph (2) or (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

(9) Nothing in this regulation shall prevent a card issuer from transferring any amounts outstanding on any credit card or charge card it has issued, or on any fully unsecured or partially secured credit facility granted, to a Singapore cardholder, to any other credit card or charge card it has issued or will issue, or any fully unsecured or partially secured credit facility it has granted or will grant, to the same cardholder.

(10) In this regulation, “specified income”, in relation to a Singapore cardholder, is to be calculated as follows:

- (a) during the period from 1 June 2015 to 31 May 2017 (both dates inclusive), 2 times the Singapore cardholder’s annual income;
- (b) during the period from 1 June 2017 to 31 May 2019 (both dates inclusive), one and a half times the Singapore cardholder’s annual income; and
- (c) for any period on or after 1 June 2019, the Singapore cardholder’s annual income.

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Disclosure of finance and late payment charges, and information on amounts outstanding

18.—(1) A card issuer shall include, in a clear and conspicuous manner, the following information in its credit card or charge card bill issued to a cardholder:

- (a) any finance charge or late payment charge which is or will be imposed by the card issuer and the method of computing such charges;
- (b) any other penalty or consequence for late payment which is or will be imposed by the card issuer; and
- (c) a notice advising prompt settlement of the amount outstanding under the credit card or charge card bill.

(2) For the avoidance of doubt, nothing in paragraph (1) shall be taken to require any card issuer to impose finance charges or late payment charges in respect of its business of issuing credit cards or charge cards.

(3) Where, on or after 1st June 2015, a cardholder has not paid the prior month’s credit card or charge card bill in full by the payment due date set out in the prior month’s bill, the card issuer shall, in its next credit card or charge card bill (referred to in this regulation as the current month’s bill) to the cardholder or in a sheet attached on top of such bill, include the following information in a clear and conspicuous

manner (such as by using font or a sheet of a different colour) the following information:

- (a) in the form specified in Part I of the Second Schedule, in relation to a credit card —
 - (i) the length of time, in years and months, it will take to fully pay off the entire outstanding balance in the current month's bill; and
 - (ii) the total amount the cardholder will have to pay, including principal, interest and all applicable fees and charges, to fully pay off the entire outstanding balance in the current month's bill,

assuming the cardholder makes no further charges to the credit card and pays every month an amount equivalent to the minimum payment set out in the current month's bill on the payment due date set out in the current month's bill and on the payment due date for each subsequent month until the entire outstanding balance in the current month's bill is fully paid off;

- (b) in the form specified in Part II of the Second Schedule, in relation to both a credit card and a charge card, the outstanding balance in 6 months' time, including the principal, interest and all applicable fees, assuming the cardholder makes no further charges to the credit card or charge card and makes no payment in the next 6 months.

(4) For the purpose of paragraph (3) —

- (a) the computation of the interest shall be based on the applicable interest rate that the card issuer generally imposes on similar types of credit cards or charge cards; and
- (b) notwithstanding sub-paragraph (a), the computation of the interest may be based on —
 - (i) the purchase rate in lieu of the applicable interest rate and applied to the whole of the outstanding balance, even in relation to amounts that accrue at interest rates different from the purchase rate, provided the card

issuer discloses that interest charges will be higher than illustrated if there are amounts accruing at interest rates that are higher than the purchase rate; or

- (ii) promotional interest rates for the relevant promotion period, provided such promotional interest rates will be applied by the card issuer to the cardholder's credit card or charge card.

(5) In projecting the length of time to pay and the total amount to be paid referred to in paragraph (3)(a), where the projected outstanding balance in any subsequent month in the computation of such time and amount falls below the minimum payment set out in the current month's bill, the cardholder shall be assumed to pay the outstanding balance in that subsequent month in full on the payment due date for that subsequent month.

(6) Nothing in paragraph (3)(a)(ii) or (b) shall prevent a card issuer from —

- (a) providing a breakdown of the required information by product types (such as by purchases, cash advance and instalment plans), except that, in such a case, the card issuer shall also disclose the aggregate across product types in addition to the breakdown of the required information; or

- (b) including any additional information in the form specified in Part I or Part II of the Second Schedule.

(7) Any card issuer which fails to comply with paragraph (1), (3) or (6)(a) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000.

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(8) This regulation shall not apply to a supplementary cardholder if the card issuer complies or has complied with this regulation in respect of the principal cardholder.

PART IV
MISCELLANEOUS

Particulars to be furnished by card issuers

19.—(1) A card issuer shall furnish to the Authority, not later than 15 days after the last day of each month, or such longer period as may be specified by the Authority in any case by notice in writing, such particulars as the Authority may reasonably require.

(2) Any card issuer which contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part thereof during which the offence continues after conviction.

Requests *via* telephone

20. For the purposes of these Regulations, where a request (other than a request in relation to any credit card or charge card which would not result in an increase in an individual's aggregate credit limit) is made by an individual to a card issuer in the course of a telephone call which was made by the card issuer to the individual, the card issuer shall not act on the request unless —

- (a) the individual confirms in a separate telephone call made by the card issuer to the individual not less than 5 business days after the request that the card issuer should proceed with the individual's request, and there is an electronic record of the separate telephone call which satisfies paragraphs (a) and (b) of section 8 of the Electronic Transactions Act (Cap. 88); or
- (b) the individual confirms in a document signed by him (and not through any telephone call made by the card issuer to the individual) that the card issuer should proceed with his request.

Determining cumulative total outstanding unsecured amount

21. Where, for the purposes of these Regulations, a card issuer is required to determine the cumulative total outstanding unsecured amount of a Singapore cardholder, the card issuer may rely on

information obtained through comprehensive checks with one or more credit bureaus and may supplement such information obtained with information that is supported by credible evidence from an independent source.

Verifying annual income of cardholder or guarantor with no fixed monthly income

22. For the purposes of regulations 13(2)(b)(i), (3)(b)(i), (4)(a) and (5)(a) and 16(4)(b), read with the First Schedule, and 17(6)(b)(i), in verifying the annual income of a cardholder or guarantor, as the case may be, who does not have a fixed monthly income, a card issuer may rely on the most recent Notice of Assessment from IRAS pertaining to the cardholder or guarantor, as the case may be, even if such Notice is dated more than 3 months prior to the relevant event or date specified in regulation 13(2)(b)(i), (3)(b)(i), (4)(a) or (5)(a), 16(4)(b) or 17(6)(b)(i), as the case may be.

Verifying specified income of cardholder with no fixed monthly income

23.—(1) For the purposes of regulation 17(6)(b)(i), in verifying the specified income of a Singapore cardholder who does not have a fixed monthly income, a card issuer may rely on the most recent Notice of Assessment from IRAS pertaining to the cardholder even if the Notice is dated more than 3 months before the date specified in regulation 17(6)(b)(i).

(2) In paragraph (1), “specified income” has the same meaning as in regulation 17(10).

[S 319/2015 wef 01/06/2015]

Increasing aggregate credit limits, etc., on request

23A.—(1) A card issuer may increase the aggregate credit limit granted by the card issuer to a principal cardholder without complying with the requirements of regulation 12(1)(b) if the conditions in paragraph (8) are met.

(2) A card issuer may increase the aggregate credit limit granted by the card issuer to a principal cardholder who meets the description of an individual referred to regulation 13(2)(b) without complying with

the requirements of that provision if the conditions in paragraph (8) are met.

(3) A card issuer may permit amounts to be charged to a credit card or charge card issued to a principal cardholder who is a Singapore cardholder referred to in regulation 14(2) if the conditions in paragraph (8) are met despite —

(a) that it would result in —

- (i) the principal cardholder's aggregate outstanding card amount exceeding the principal cardholder's maximum credit limit; or
- (ii) the principal cardholder's total outstanding unsecured amount exceeding the principal cardholder's overall credit limit; or

(b) that —

- (i) the principal cardholder's aggregate outstanding card amount already exceeds the principal cardholder's maximum credit limit; or
- (ii) the principal cardholder's total outstanding unsecured amount already exceeds the principal cardholder's overall credit limit.

(4) A card issuer may permit amounts to be charged to any credit card or charge card it has issued to a principal cardholder who is a Singapore cardholder referred to in regulation 16(2) if the conditions in paragraph (9) are met despite that there is an amount outstanding that is past due for 60 days or more on —

(a) any credit card or charge card issued to the principal cardholder by the card issuer; or

(b) any fully unsecured and partially secured non-card credit facility granted to the principal cardholder by the card issuer.

(5) A card issuer may increase the aggregate credit limit granted to a principal cardholder who is a citizen of Singapore or a permanent resident referred to in regulation 16(6) and who has any amount outstanding on any credit card or charge card issued, or any fully unsecured or partially secured non-card credit facility granted, by any

lender that is past due for 60 consecutive days if the conditions in paragraph (8) are met.

(6) A card issuer may permit amounts to be charged to a fully unsecured or partially secured credit card or charge card issued by the card issuer to a Singapore cardholder referred to in regulation 17(2)(a) if the conditions in paragraph (9) are met despite that the requirements specified in regulation 17(6) have not been fulfilled.

(7) A card issuer may increase the aggregate credit limit granted to a principal cardholder who is a Singapore cardholder referred to in regulation 17(2)(c) whose cumulative total outstanding unsecured amount exceeds the principal cardholder's specified income (as defined in regulation 17(10)) for 3 consecutive months if the conditions in paragraph (8) are met.

(8) For the purposes of paragraphs (1), (2), (3), (5) and (7), the conditions are —

- (a) the principal cardholder requests the card issuer to increase the aggregate credit limit;
- (b) the request is made by the principal cardholder in a document signed by the principal cardholder;
- (c) the request is for a purpose that has been specified by the Authority in writing to the card issuer; and
- (d) the increase of the aggregate credit limit requested is for a reasonable amount, and for a reasonable period, taking into account the purpose of the request for the increase.

(9) For the purposes of paragraphs (4) and (6), the conditions are —

- (a) the principal cardholder requests the card issuer to permit the amounts to be charged;
- (b) the request is made by the principal cardholder in a document signed by the principal cardholder;
- (c) the request is for a purpose that has been specified by the Authority in writing to the card issuer; and

- (d) the amounts to be charged are reasonable and are to be charged within a reasonable period, taking into account the purpose of the request for the amounts to be charged.

(10) In this regulation, a reference to the principal cardholder means the cardholder, if no supplementary credit card or supplementary charge card is issued under the cardholder's credit card or charge card.

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Transitional provision

23B.—(1) Where a Singapore cardholder has at any time between 30 November 2013 and 31 May 2015 (both dates inclusive) a cumulative total outstanding unsecured amount with a card issuer that is more than the Singapore cardholder's annual income, regulation 17 does not apply in relation to the Singapore cardholder up to and including 31 May 2019.

(2) For the purpose of determining the Singapore cardholder's cumulative total outstanding unsecured amount under paragraph (1), a card issuer may —

- (a) rely on information obtained through comprehensive checks with one or more credit bureaus; and
- (b) supplement such information obtained with other information that is supported by credible evidence from an independent source (such as bills issued by other lenders).

[S 319/2015 wef 01/06/2015]

Revocation

24. The Banking (Credit Card and Charge Card) Regulations 2004 (G.N. No. S 27/2004) are revoked.

FIRST SCHEDULE

Regulations 13 and 16(4)

DOCUMENTS TO BE OBTAINED BY CARD ISSUER

PART I

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
1.	A fully unsecured or partially secured credit card or charge card to be issued pursuant to regulation 8(2)(a) or (b)(i)	Documents to verify the annual income of the individual.
2.	A fully unsecured or partially secured credit card or charge card to be issued pursuant to regulation 8(2)(b)(ii)	Documents to verify the total net personal assets of the individual; and where the documents show that the total net personal assets of the individual does not exceed \$2 million (or its equivalent in foreign currency), documents to verify the annual income of the individual shall also be obtained.
3.	A fully unsecured or partially secured credit card or charge card that is not referred to in item 1 or 2	Documents to verify either the annual income or the total net personal assets of the individual.

PART II

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
1.	A Singapore cardholder who has been issued any fully unsecured or partially secured credit card or charge card on the basis that he has an annual income of at least \$120,000 (or its equivalent in foreign currency) or total net personal assets that exceed \$2 million (or its equivalent in foreign currency)	Where the card issuer intends to permit the Singapore cardholder's aggregate outstanding card amount to exceed his maximum credit limit, or his total outstanding unsecured amount to exceed his overall credit limit, documents to verify that either his annual income is at least \$120,000 (or its equivalent in foreign currency) or his total net personal assets exceeds \$2 million (or its equivalent in foreign currency); and, in any

FIRST SCHEDULE — *continued*

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
		other case, documents to verify the annual income of the Singapore cardholder.
2.	A Singapore cardholder not referred to in item 1	Documents to verify the annual income of the Singapore cardholder.
3.	A cardholder not referred to in item 1 or 2	Documents to verify either the annual income or the total net personal assets of the cardholder.

PART III

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
1.	A guaranteed credit card or guaranteed charge card guaranteed by a Singapore guarantor	Documents to verify the annual income of the Singapore guarantor.
2.	A guaranteed credit card or guaranteed charge card that is not referred to in item 1	Documents to verify either the annual income or the total net personal assets of the guarantor.

PART IV

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
1.	A guaranteed credit card or guaranteed charge card guaranteed by a Singapore guarantor having an annual income of at least \$120,000 (or its equivalent in foreign currency) or total net personal assets that exceed \$2 million (or its equivalent in foreign currency)	Where the card issuer intends to permit the Singapore guarantor's aggregate outstanding card amount to exceed his maximum credit limit, or his total outstanding unsecured amount to exceed his overall credit limit, documents to verify that either his annual income is at least \$120,000 (or its equivalent in foreign currency) or his total net personal assets exceeds \$2 million (or its equivalent in foreign currency); and, in any other case, documents to verify

FIRST SCHEDULE — *continued*

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
		the annual income of the Singapore guarantor.
2.	A guaranteed credit card or guaranteed charge card guaranteed by a Singapore guarantor not referred to in item 1	Documents to verify the annual income of the Singapore guarantor.
3.	A guaranteed credit card or guaranteed charge card that is not referred to in item 1 or 2	Documents to verify either the annual income or total net personal assets of the guarantor.

PART V

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
1.	A Singapore cardholder who has been issued a credit card or charge card on the basis that the Singapore cardholder has an annual income of at least \$120,000 (or its equivalent in foreign currency) or total net personal assets that exceed \$2 million (or its equivalent in foreign currency)	Where the card issuer intends to permit the Singapore cardholder's aggregate outstanding card amount to exceed his maximum credit limit, or his total outstanding unsecured amount to exceed his overall credit limit, documents to verify that either his annual income is at least \$120,000 (or its equivalent in foreign currency) or his total net personal assets exceeds \$2 million (or its equivalent in foreign currency); and, in any other case, documents to verify the annual income of the Singapore cardholder.
2.	A Singapore cardholder, other than one referred to in item 1, who has been issued a credit card or charge card pursuant to regulation 8(2)(a) or (b)(i) or (ii)	Documents to verify the annual income of the Singapore cardholder.
3.	A Singapore cardholder who has been issued a guaranteed credit card or guaranteed charge card pursuant to regulation 8(2)(b)(iii)	Documents to verify either the annual income or the total net personal assets of the guarantor.

FIRST SCHEDULE — *continued*

<i>S/No.</i>	<i>Type of card</i>	<i>Documents required</i>
4.	A Singapore cardholder who has been issued a guaranteed credit card or guaranteed charge card pursuant to regulation 8(2)(b)(iv) on the basis of a Singapore guarantor having an annual income of at least \$120,000 (or its equivalent in foreign currency) or total net personal assets that exceed \$2 million (or its equivalent in foreign currency)	Where the card issuer intends to permit the Singapore guarantor's aggregate outstanding card amount to exceed his maximum credit limit, or his total outstanding unsecured amount to exceed his overall credit limit, documents to verify that either his annual income is at least \$120,000 (or its equivalent in foreign currency) or his total net personal assets exceeds \$2 million (or its equivalent in foreign currency); and, in any other case, documents to verify the annual income of the Singapore guarantor.
5.	A Singapore cardholder, other than one referred to in item 4, who has been issued a guaranteed credit card or guaranteed charge card pursuant to regulation 8(2)(b)(iv)	Documents to verify the annual income of the Singapore guarantor.

Note: For the avoidance of doubt, where a Singapore cardholder falls into more than one of the categories referred to in items 1 to 4, a card issuer shall be required to obtain documents for each category the Singapore cardholder falls into.

SECOND SCHEDULE

Regulation 18(3) and (6)(b)

DISCLOSURE REQUIRED FOR CARDHOLDERS WHO DID NOT PAY
THEIR PRIOR MONTH'S BILLS IN FULL

PART I

DISCLOSURE FOR CREDIT CARDS PURSUANT
TO REGULATION 18(3)(a)

<i>Outstanding Balance</i>	<i>[current month's bill's outstanding balance]</i>	<i>Payment Due Date</i>	<i>[current month's bill's payment due date]</i>
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 SECOND SCHEDULE — *continued*
Pay your bills in full to avoid further interest and finance charges.

WARNING: If you do not pay the outstanding balance in full, you will be subject to [the effective interest rate that the card issuer generally imposes on similar types of cards]% interest on [the balances and transactions that attract such an effective interest rate e.g. the outstanding balance and all new transactions charged].

For example, if you pay only [the amount, in dollars and cents, equivalent to the current month's bill's minimum payment] each month,

you will pay off fully what you currently owe only after [the length of time referred to in regulation 18(3)(a)(i)]	the total you will need to pay, even without charging new transactions to your card, is about [the total amount referred to in regulation 18(3)(a)(ii)]
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PART II

 DISCLOSURE FOR CREDIT CARDS AND CHARGE CARDS
 PURSUANT TO REGULATION 18(3)(b)

WARNING: [In the case of credit cards, “If you do not even make the minimum payment”][In the case of charge cards, “If you do not make full payment”], you will also be charged [the charges for not making the minimum/full payment e.g. late fees of \$X every month]. Your past due payment status will be reflected in your credit bureau report and may negatively affect your application for a new loan in the future. Legal action may also be taken.

For example, if you do not make any payment,

after 6 months	the amount you owe, even without charging new transactions to your card, will increase to about [the outstanding balance in 6 months' time referred to in regulation 18(3)(b)]
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Made this 29th day of November 2013.

RAVI MENON
Managing Director,
Monetary Authority of Singapore.

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