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**MONEYLENDERS ACT 2008
(ACT 31 OF 2008)**

MONEYLENDERS RULES 2009

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In exercise of the powers conferred by section 37 of the Moneylenders Act 2008, the Minister for Law hereby makes the following Rules:

PART I

LICENSING OF MONEYLENDERS

Citation and commencement

1. These Rules may be cited as the Moneylenders Rules 2009 and shall come into operation on 1st March 2009.

Particulars to be provided for applications

2.—(1) Before approving an application for the issue or renewal of a licence, the Registrar may require the applicant to produce such evidence as he may reasonably specify to determine if there exists any ground for refusing the application under section 7 of the Act.

(2) Without prejudice to the generality of paragraph (1), the Registrar may require the applicant to produce —

- (a) particulars of the bank account of the applicant;

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- (b) particulars of any manager, director, partner or substantial shareholder of the applicant; and
 - (c) particulars of all outstanding loans previously made by the applicant, or by any company, partnership or limited liability partnership of which he is or was a substantial shareholder, director, partner or manager (as the case may be).

(2A) Without prejudice to the generality of paragraph (1), the Registrar may require the applicant or any person who is or will be managing the business of the applicant to take and pass a written test on his knowledge and understanding of the provisions of the Act and the rules made under the Act.

[S 475/2011 wef 22/08/2011]

(2B) The test under paragraph (2A) shall be conducted in such manner and on such date as the Registrar determines.

[S 475/2011 wef 22/08/2011]

(3) Before approving a place of business for moneylending under section 10 of the Act, the Registrar may require the applicant for the issue of a licence or the licensee (as the case may be) to produce such evidence as he may reasonably specify to determine if there exists any ground for not approving that place of business under section 10 of the Act.

(4) Without prejudice to the generality of paragraph (3), the Registrar may require the applicant or licensee to produce particulars of the place and evidence of his ownership or occupation of the place.

Security deposit

3.—(1) A security deposit placed with the Accountant-General under section 5(5)(c), 6(4)(c) or 10(3)(c) of the Act for any place of business shall, unless the Registrar has given notice under section 11(2) of the Act of his intention to forfeit the deposit or any part of it, be returned to the licensee on the cessation of the licensee's business of moneylending at the place.

(2) Where, after having given the notice referred to in paragraph (1), the Registrar does not forfeit the deposit or forfeits

a part of it, he shall return the deposit or the part of the deposit (as the case may be) which is not forfeited to the licensee.

(3) Where a licensee —

- (a) ceases to conduct a business of moneylending at a place; and
- (b) applies for approval under section 10 of the Act to carry on such business at another place,

the security deposit for the first-mentioned place may be transferred and placed with the Accountant-General as the security deposit for the second-mentioned place, unless the Registrar has forfeited the deposit or has given notice under section 11(2) of the Act of his intention to forfeit the deposit.

Form of licence

4. A licence issued under section 5 of the Act or renewed under section 6 of the Act shall be in such form as the Registrar may determine.

Fees

5.—(1) The non-refundable application fee payable under section 5(3)(b) of the Act in respect of an application for the issue of a licence shall be \$600.

(2) The licence fee for the issue or renewal of a licence under section 8(1) of the Act shall be \$1,320 for every period of 12 months of the licence or part thereof.

(3) The licence fee for each additional place of business of a licensee under section 8(3) of the Act shall be \$1,320 for every period of 12 months or part thereof remaining of the period of the licence from the date of approval of that place of business for moneylending under section 10 of the Act.

(4) If the period remaining of the licence from the date referred to in paragraph (3) is less than 12 months, the fee of \$1,320 referred to in that paragraph shall be reduced by an amount to be computed as follows:

\$110 x (12 — A),

where A is the number of months remaining of the period of the licence from the date referred to in paragraph (3) (a period of less than one month being treated as a full month).

[S 304/2010 wef 01/07/2010]

(5) If the Registrar requires an applicant for the issue or renewal of a licence or a person who is or will be managing the applicant's business to take a test under rule 2(2A), then the applicant shall pay to the Registrar a non-refundable registration fee of \$130 (inclusive of goods and services tax) for every person required to take the test.

[S 475/2011 wef 22/08/2011]

PART II

REGULATION OF BUSINESS OF MONEYLENDING

Principal place of business

6.—(1) An applicant for the issue of a licence who intends to conduct his business of moneylending at 2 or more places of business shall, when applying to the Registrar under section 10 of the Act for approval of such places of business for moneylending, notify the Registrar in writing which of those places will be his principal place of business.

(2) A licensee who intends to conduct his business of moneylending at any place of business in addition to any place or places of business already approved under section 10 of the Act shall, when applying to the Registrar under that section for approval of such additional place of business for moneylending, notify the Registrar in writing which of those places will be his principal place of business.

(3) A licensee who intends to change his principal place of business for the conduct of his business of moneylending shall notify the Registrar in writing of this before carrying out such change.

(4) For the purposes of the Act and these Rules, all notices, letters and other correspondence from the Registrar to a licensee may be sent by ordinary or registered mail to his principal place of business as last notified by the licensee under this rule.

Replacement licence

7.—(1) A licensee shall apply to the Registrar for a replacement licence reflecting the correct particulars in any of the following circumstances:

- (a) if he intends to change his principal place of business;
- (b) if he intends to conduct his business of moneylending under a different name;
- (c) if, being an individual, partnership or limited liability partnership, the licensee intends to appoint an individual to manage the licensee's business of moneylending in the absence of the individual or (as the case may be) partners who are individuals and managing the business;
- (d) if the appointed individual referred to in sub-paragraph (c) ceases to manage the licensee's business of moneylending.

(2) An application under paragraph (1) shall be made in writing no later than 7 days before the change is due to take effect, and the licensee shall surrender his existing licence to the Registrar at the time of application.

(3) A licensee may apply to the Registrar for a replacement licence on the ground that his licence has been lost or destroyed, and the Registrar may issue a replacement licence to the licensee if he is satisfied that the licence has been lost or destroyed.

(4) An application under paragraph (3) shall be accompanied by a fee of \$50 and such information or documents as the Registrar may require.

Licensee to inform borrower of terms of loan

8. For the purposes of section 19(1) of the Act, every licensee shall, before granting any loan to a borrower, inform the borrower in writing as to all of the following matters:

- (a) the rate of interest to be charged on the loan expressed as a percentage per annum;
- (b) whether interest will be computed on the daily outstanding balance of the loan or the outstanding balance at some

other interval of time, or on a simple interest basis on the amount of the loan;

- (c) the date or day when the interest on the principal will be credited to the loan account as payable;
- (d) the rate of interest (if any) to be charged on late payment of the principal and interest;
- (e) whether late interest (if any) will be computed on the daily outstanding balance of the overdue amount or on the overdue amount at some other interval of time;
- (f) whether any permitted fees will be charged and, if so, what the permitted fees are, how they are or will be computed and the circumstances under which they will be charged;
- (g) in the case of a term loan —
 - (i) the frequency of the instalment payments if the borrower does not default on any payment;
 - (ii) the amount of each such instalment payment;
 - (iii) the portions of each such instalment payment that will be appropriated to repayment of the principal, payment of the interest (excluding late interest) and payment of the permitted fees (if any); and
 - (iv) the total number of instalments and the total amount the borrower will pay over the entire term of the loan if he does not default on any payment.

Loan application

9.—(1) A licensee shall not grant a loan to a borrower unless he has received from the borrower a duly completed application form which states all of the following:

- (a) particulars of the borrower, namely —
 - (i) if the borrower is an individual, his full name (including any alias), date of birth, personal identification number (such as his NRIC number, birth certificate number or passport number),

nationality, residential address and telephone number;

- (ii) if the borrower is a body corporate, its name, address of its place of business or registered office, telephone number, date and place of incorporation and incorporation number, and the names, personal identification numbers and residential addresses of its substantial shareholders, directors and persons employed in an executive capacity; or
- (iii) if the borrower is a partnership, limited liability partnership or unincorporated association, its name, address of its place of business or registered office, telephone number, date and place of registration and registration number, the names, personal identification numbers and residential addresses of its partners who are individuals (if applicable) and persons employed in an executive capacity, and the names, places of incorporation, incorporation numbers and addresses of the places of business or registered offices of its partners which are corporations (if applicable);

(b) the particulars referred to in sub-paragraph (a) of the surety.

(2) The licensee shall require the borrower to provide reliable and independent documentary evidence in support of all information provided in the loan application form, and verify the information against such evidence.

(3) The licensee shall extend a copy of the duly completed loan application form to the borrower, and another copy thereof to his surety (if any), at the time the loan is granted.

(4) A licensee who contravenes paragraph (1), (2) or (3) shall be guilty of an offence and shall be liable on conviction —

(a) in a case where the offender is an individual, to a fine not exceeding \$10,000; and

(b) in any other case, to a fine not exceeding \$20,000.

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- (5) This rule is without prejudice to —
- (a) any duty of the moneylender to obtain such information as may be necessary to enable him to comply with rules 19 and 20; and
 - (b) the provisions of the Moneylenders (Prevention of Money Laundering and Financing of Terrorism) Rules 2009 (G.N. No. S 73/2009).

Note of contract for loan

10. The note of a contract for a loan referred to in section 20(1)(a) of the Act shall be in Form 1 in the Schedule or a form which includes all the terms and particulars in that Form, whether worded in the same way or differently but to the same effect.

Interest

11.—(1) Where the contract for a loan does not provide for the payment of equal instalments of principal and interest at equal intervals of time, the computation of the interest charged on the loan shall be based on the amount of principal remaining after deducting from the original principal the total payments made by or on behalf of the borrower which are appropriated to principal.

(2) The maximum rate of interest referred to in section 23(6) of the Act shall be —

- (a) in the case of a secured loan not exceeding \$3,000 granted to an individual whose annual income on the date of the grant for the loan is less than \$20,000, 12% per annum; and
- (b) in the case of an unsecured loan not exceeding \$3,000 granted to an individual whose annual income on the date of the grant for the loan is less than \$20,000, 18% per annum.

(3) In the case of a loan that does not exceed \$3,000 granted to an individual whose annual income on the date of the grant for the loan is less than \$20,000, the maximum rate of late interest referred to in section 23(6) of the Act shall be the rate of interest charged on the amount of the loan actually disbursed.

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- (4) In paragraph (2) and subject to paragraph (5) —
- “secured loan” means any loan given with security;
- “unsecured loan” means any loan given without security.
- (5) For the purposes of paragraph (2), where —
- (a) a loan is given with security; and
 - (b) the market value of the assets constituting the security at the time of application for the loan is less than the amount of the loan,

then the amount of the loan that is equal to such market value shall be treated as a secured loan, and the balance thereof shall be treated as an unsecured loan.

Permitted fees

12. For the purposes of section 22 of the Act, a licensee may impose the following costs, charges and expenses in respect of every loan granted by him, provided that such costs, charges and expenses have been agreed to by the borrower:

- (a) a fee for accepting the application for the grant of the loan;
- (b) in the case of a loan on revolving credit, a fee for the grant or the renewal of the loan, and a fee for drawing down on the loan;
- (c) a fee for making any payment in a manner other than by way of any type of electronic funds transfer specified by the licensee;
- (d) a fee for each occasion of late repayment of principal or late payment of interest (including any late interest);
- (e) a fee for each occasion the terms of the contract for the loan are varied at the request of the borrower;
- (f) a fee for every cheque drawn by or on behalf of the borrower which is dishonoured by the bank on which it is drawn when presented by the licensee;

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- (g) a fee for every unsuccessful deduction from a bank account through interbank GIRO for payment by or on behalf of a borrower to the licensee;
 - (h) in the case of a term loan, a fee for the early redemption (whether partial or in full) of the loan, and a fee for the early termination of the contract (whether due to the default of the borrower, redemption of the loan or otherwise) for the loan;
 - (i) legal costs incurred for the recovery of the loan.

Statements of account

13. The statement of account required under section 21(1) of the Act to be supplied by a licensee to every borrower at least once every half year ending on 30th June or 31st December shall contain the following particulars:

- (a) the business name of the licensee;
- (b) the address of the place of business of the licensee at which the loan was taken or the address of the licensee's principal place of business;
- (c) the telephone number of the place of business at which the loan was taken or the telephone number of the licensee's principal place of business;
- (d) the date on which the loan was granted, the principal or credit limit of the loan, and the rate of interest charged on the loan expressed as a percentage per annum or the amount of interest charged;
- (e) the total principal, interest (including late interest) and permitted fees (if any) due and outstanding as at the beginning of that half-year period;
- (f) in the case of a loan granted on revolving credit, a list of the amount and date of every drawdown in that half-year period;
- (g) a list of every item of interest (including late interest) and permitted fees (if any) payable by the borrower, the amount

of each item and the date each amount was payable in that half-year period;

- (h) a list of payments received by the licensee in respect of the loan, and the date of each payment, in that half-year period;
- (i) the portions of each payment referred to in paragraph (h) appropriated to the repayment of principal, the payment of interest (including late interest) and the payment of permitted fees (if any); and
- (j) the total principal, interest (including late interest) and permitted fees (if any) due and outstanding as at the end of that half-year period.

Accounts and other documents to be kept

14.—(1) For the purposes of section 24(1) of the Act, a licensee shall keep or cause to be kept the accounts and documents referred to in that provision for a period of not less than 5 years from —

- (a) the date the loan is fully repaid; or
- (b) the date the contract for the loan is otherwise terminated, whether such loan is made or fully repaid, or such contract is terminated, before, on or after 1st March 2009, as the case may be.

(2) The following accounts and documents are to be kept for the purposes of section 24(1)(a) and (c) of the Act:

- (a) loan application forms for loans made by him and copies of documentary evidence in support thereof;
- (b) a cash account book;
- (c) a loan account book; and
- (d) a list of borrowers.

(3) The licensee shall keep or cause to be kept all accounts and documents referred to in section 24(1) of the Act and in paragraph (2) in English.

(4) The licensee shall keep or cause to be kept the entries in the accounts and documents referred to in paragraph (2)(a), (b) and (c) in a chronological order.

(5) The accounts and documents referred to in paragraph (2) may be kept in an electronic form.

(6) A licensee who contravenes paragraph (3) or (4) shall be guilty of an offence and shall be liable on conviction —

(a) in the case where the offender is an individual, to a fine not exceeding \$5,000; and

(b) in any other case, to a fine not exceeding \$10,000.

Cash account book

15.—(1) The cash account book referred to in rule 14(2)(b) shall be in Form 2 in the Schedule.

(2) The amount of every sum received or paid by a licensee in respect of his business of moneylending shall be entered in the cash account book —

(a) at the time of the receipt or payment; and

(b) in a chronological order.

(3) The accounts of a licensee in the cash account book shall be balanced on a daily basis, and the accounts for each day shall be so balanced no later than 14 days from the end of the month in which that day falls.

(4) A licensee who contravenes paragraph (1), (2) or (3) shall be guilty of an offence and shall be liable on conviction —

(a) in the case where the offender is an individual, to a fine not exceeding \$5,000; and

(b) in any other case, to a fine not exceeding \$10,000.

Loan account book

16.—(1) The loan account book referred to in rule 14(2)(c) shall be in Form 3 of the Schedule.

(2) A licensee shall keep or cause to be kept his loan account book in the following manner:

(a) a separate account shall be kept for each loan in the book;

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- (b) the loans shall be numbered consecutively in the book;
 - (c) every amount of repayment or sum paid to account —
 - (i) shall be entered in the book as it occurs together with the date of its occurrence and a reference to the relevant entry of the cash account book referred to in rule 14(2)(b); and
 - (ii) shall be appropriated in the book to principal, interest (including late interest) and permitted fees (if any);
 - (d) when a loan is fully repaid or settled, an entry to that effect shall be made in the book and its account shall be closed;
 - (e) when a loan is renewed, an entry shall be made to that effect in the book, the account for the loan before its renewal shall be closed and the balance transferred to the account of the renewed loan.
- (3) A licensee who contravenes paragraph (1) or (2) shall be guilty of an offence and shall be liable on conviction —
- (a) in the case where the offender is an individual, to a fine not exceeding \$5,000; and
 - (b) in any other case, to a fine not exceeding \$10,000.

List of borrowers

17.—(1) The list of borrowers referred to in rule 14(2)(d) shall set out the following particulars of every borrower to whom the licensee has granted one or more loans:

- (a) the name of the borrower in full;
 - (b) his personal identification number (such as his NRIC number, birth certificate number or passport number) or incorporation or registration number (as the case may be); and
 - (c) the account number or numbers of the loan or loans.
- (2) The licensee shall enter or cause to be entered in the list of borrowers the names of the borrowers in an alphabetical order according to their surnames.

(3) A licensee who contravenes paragraph (1) or (2) shall be guilty of an offence and shall be liable on conviction —

- (a) in the case where the offender is an individual, to a fine not exceeding \$5,000; and
- (b) in any other case, to a fine not exceeding \$10,000.

PART III

UNSECURED LOANS TO CITIZENS AND PERMANENT RESIDENTS OF SINGAPORE

Definitions of this Part

18.—(1) In this Part, unless the context otherwise requires —

“affiliated corporation”, in relation to a moneylender that is a corporation, means —

- (a) its related corporation incorporated in Singapore; or
- (b) its related corporation incorporated outside Singapore that has a branch or office in Singapore;

“corporation” has the same meaning as in the Companies Act (Cap. 50);

“loan” includes a loan on revolving credit that may be drawn down and repaid at any time and from time to time in any amount subject to a limit approved by the moneylender; and a reference to the amount or outstanding amount of a loan, in the case of a loan on a revolving credit, is a reference to such approved limit;

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

“moneylender” means a licensed moneylender or an exempt moneylender;

“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;

“related corporation” has the same meaning as in the Companies Act (Cap. 50);

“Singapore borrower” means a borrower who is a citizen of Singapore or a permanent resident;

“unsecured loan” means any loan given without security or, in respect of any loan given with security, any part thereof which exceeds the market value of the assets constituting the security at the time of the application for the loan.

(2) In this Part —

(a) a Singapore borrower’s share of the amount of a loan granted jointly to him and one or more other persons is the amount derived by dividing the amount of the loan by the number of persons to whom the loan is granted; and

(b) a Singapore borrower’s share of the outstanding amount of a loan granted jointly to him and one or more other persons is the amount derived by dividing the outstanding balance of the loan by the number of persons from whom the loan is outstanding.

(3) In this Part, a reference to a loan granted by an affiliated corporation of a moneylender means, in the case of an affiliated corporation referred to in paragraph (b) of the definition of “affiliated corporation”, a loan granted using the branch or office of the affiliated corporation in Singapore.

Unsecured loans only for persons with minimum income or assets

19.—(1) A moneylender shall not grant any unsecured loan to a Singapore borrower, if the total of —

(a) the amount of the loan; and

(b) the outstanding amount of every unsecured loan previously granted by him (including, if it is a corporation, its

affiliated corporation) to the borrower or jointly to the borrower and one or more other persons,

exceeds \$3,000 unless, at the time of the grant of the loan, the annual income of the Singapore borrower is at least \$20,000, or his total net personal assets exceeds \$2 million.

(2) A moneylender shall not grant any unsecured loan jointly to 2 or more persons any of whom is a Singapore borrower, if the total of —

(a) the amount of the loan; and

(b) the outstanding amount of every unsecured loan previously granted by him (including, if it is a corporation, its affiliated corporation) to the Singapore borrower or jointly to the Singapore borrower and one or more other persons,

exceeds \$3,000 unless, at the time of the grant of the loan, the annual income of the Singapore borrower is at least \$20,000, or his total net personal assets exceeds \$2 million.

(3) Any moneylender who contravenes paragraph (1) or (2) shall be guilty of an offence and shall be liable on conviction —

(a) in a case where the offender is an individual, to a fine not exceeding \$10,000; and

(b) in any other case, to a fine not exceeding \$20,000.

Outstanding unsecured loan amount

20.—(1) A moneylender shall not grant any unsecured loan to a Singapore borrower, or jointly to 2 or more persons any of whom is a Singapore borrower, if this will result in the outstanding unsecured loan amount of the Singapore borrower exceeding —

(a) in a case where the annual income of the Singapore borrower is at least \$30,000, 4 months' income of the borrower; or

(b) in a case where the annual income of the Singapore borrower is at least \$20,000 but less than \$30,000, 2 months' income of the borrower.

(2) For the purposes of this rule, the outstanding unsecured loan amount of the Singapore borrower is the total of —

- (a) the amount of the unsecured loan referred to in paragraph (1) or, if the loan is granted jointly to him and one or more other persons, his share of that amount;
- (b) the outstanding amount of every unsecured loan previously granted by the moneylender (including, if it is a corporation, its affiliated corporation) to him; and
- (c) his share of the outstanding amount of every unsecured loan previously granted by the moneylender (including, if it is a corporation, its affiliated corporation) jointly to the Singapore borrower and one or more other persons.

(3) In determining whether the outstanding unsecured loan amount of a Singapore borrower exceeds the amount of income referred to in paragraph (1)(a) or (b), any interest (including late interest) and fees (including late payment fees) imposed by the moneylender or its affiliated corporation shall be disregarded.

(4) Any moneylender who contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction —

- (a) in a case where the offender is an individual, to a fine not exceeding \$10,000; and
- (b) in any other case, to a fine not exceeding \$20,000.

(5) This rule does not apply if the Singapore borrower has an annual income of at least \$120,000 or he has total net personal assets which exceed \$2 million.

Cases where rules 19 and 20 shall not apply

21.—(1) Rules 19 and 20 shall not apply to the following loans:

- (a) a loan for a business purpose;
- (b) a loan for the defraying of the costs of any medical treatment, where the moneylender has taken reasonable steps to ascertain that the proceeds of the loan will be applied only towards the defraying of such costs;

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- (c) a loan for 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 moneylender has taken reasonable steps to ascertain that the proceeds of the loan will be applied only towards the defraying of such expenses;
- (d) a renovation loan, where —
- (i) the moneylender has taken reasonable steps to ascertain that the proceeds of the loan will be applied only towards the defraying of the costs of renovations which have been or will be made;
 - (ii) the loan repayment period does not exceed 5 years;
 - (iii) in a case where the loan is granted jointly to the Singapore borrower and one or more other persons, that other person or each of those other persons is a spouse, child, parent or sibling of the Singapore borrower; and
 - (iv) the total of the following is not more than 6 months' income of the Singapore borrower or \$30,000, whichever is the lower:
 - (A) the amount of the loan or, where the loan is granted jointly to the Singapore borrower and one or more other persons, the Singapore borrower's share of the amount of the loan;
 - (B) the outstanding balance of every renovation loan previously granted to the Singapore borrower by the moneylender (including, if it is a corporation, its affiliated corporation); and
 - (C) the Singapore borrower's share of the outstanding balance of every renovation loan previously granted by the moneylender (including, if it is a corporation, its affiliated corporation) jointly to the Singapore borrower and one or more other persons;

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- (e) a loan for the furnishing of any security to the Government in connection with the employment of a foreign domestic worker;
 - (f) a loan for the furnishing of any security to the Government in connection with an application for the deferment of any liability under the Enlistment Act (Cap. 93);
 - (g) a loan for the repayment of any amount owing by the Singapore borrower under another loan which has become unsecured as a result of a fall in the value of the security given for it, where the moneylender has taken reasonable steps to ensure that the proceeds of the loan are paid to the moneylender who granted that other loan;
 - (h) a loan to an officer (other than a director) or employee of the moneylender where the total of the following does not exceed one year's emoluments of that officer or employee:
 - (i) the amount of the loan; and
 - (ii) the aggregate of the outstanding balances of all loans previously granted by the moneylender to the officer or employee.

(2) In determining whether the total referred to in paragraph (1)(d)(iv) exceeds the amount referred to in that provision, any interest (including late interest) and fees (including late payment fees) imposed by the moneylender or its affiliated corporation shall be disregarded.

Merger or consolidation of, or acquisition by, moneylender

22.—(1) A moneylender who has granted a loan to a Singapore borrower, or to 2 or more persons any of whom is a Singapore borrower, shall give written notice to the Minister before the moneylender or (if it is a corporation) any of its affiliated corporations —

- (a) merges or consolidates with another moneylender which has granted a loan to the Singapore borrower or to 2 or more persons one of whom is the Singapore borrower;

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- (b) acquires all the shares in another moneylender which has granted a loan to the Singapore borrower or to 2 or more persons one of whom is the Singapore borrower; or
 - (c) acquires the business of another moneylender which has granted a loan to the Singapore borrower or to 2 or more persons one of whom is the Singapore borrower.

(2) If, upon the merger, consolidation or acquisition, the outstanding unsecured loan amount of the Singapore borrower exceeds the amount referred to in regulation 20(1)(a) or (b) (whichever is applicable) —

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

shall take such steps within such period as may be specified by the Minister by notice in writing to it to ensure that the outstanding unsecured loan amount of the Singapore borrower ceases to be in excess of that amount.

(3) For the purposes of this rule, the outstanding unsecured loan amount of the Singapore borrower is the total of —

- (a) the outstanding amount of every unsecured loan previously granted by the moneylender referred to in paragraph (1) (including, if it is a corporation, its affiliated corporation) to him;
- (b) the outstanding amount of every unsecured loan previously granted by the other moneylender referred to in paragraph (1) (including, if it is a corporation, its affiliated corporation) to him;
- (c) his share of the outstanding amount of every unsecured loan previously granted by the moneylender referred to in paragraph (1) (including, if it is a corporation, its affiliated

corporation) jointly to the Singapore borrower and one or more other persons; and

- (d) his share of the outstanding amount of every unsecured loan previously granted by the other moneylender referred to in paragraph (1) (including, if it is a corporation, its affiliated corporation) jointly to the Singapore borrower and one or more other persons.

(4) In determining whether the outstanding unsecured loan amount of the Singapore borrower exceeds the amount referred to in regulation 20(1)(a) or (b), any interest (including late interest) and fees (including late payment fee) imposed by the moneylender or its affiliated corporation shall be disregarded.

(5) Any moneylender who contravenes paragraph (1) or (2) shall be guilty of an offence and shall be liable on conviction —

- (a) in a case where the offender is an individual, to a fine not exceeding \$10,000; and

- (b) in any other case, to a fine not exceeding \$20,000.

(6) This rule does not apply if the Singapore borrower has an annual income of at least \$120,000 or he has total net personal assets which exceed \$2 million.

PART IV

MISCELLANEOUS PROVISIONS

Certificate of exemption

23. Every certificate of exemption granted by the Minister under section 35(1) of the Act shall be in such form as may be approved by the Minister.

Fees for exemption

24. The following fees shall be payable for exemptions granted under section 35(1) of the Act and any extension thereof granted under section 35(2) of the Act:

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-
- (a) a fee of \$3,000 for every one year of the period of exemption or extension (or part thereof) where the person exempted intends to grant only personal or consumer loans to individuals;
 - (b) a fee of \$1,000 for every one year of the period of exemption or extension (or part thereof) where the person exempted intends to grant loans other than those specified in paragraph (a); or
 - (c) a fee of \$4,000 for every one year of the period of exemption or extension (or part thereof) where the person exempted intends to grant loans referred to in paragraphs (a) and (b).

Search fee

25. There shall be charged a fee of \$25 for every application to the Registrar for information as to whether a person is or was licensed or exempted under the Act, the period of a licence or exemption, and the conditions of an exemption.

Revocation

26. The Moneylenders Rules (R 1) are revoked.

THE SCHEDULE

FORM 1

Rule 10

MONEYLENDERS ACT 2008
(ACT 31 OF 2008)

FORM OF NOTE OF CONTRACT

Loan Account No.: _____

NOTE OF CONTRACT
MONEYLENDERS ACT 2008
(ACT 31 OF 2008)**IMPORTANT INFORMATION FOR BORROWER AND SURETY OR THEIR AGENTS**

- (1) This loan is subject to the Moneylenders Act and its Rules.
- (2) For an unsecured loan of up to \$3,000 to an individual whose annual income is less than \$20,000, the interest charged on the loan must not exceed 18% per annum.
- (3) For secured loans of up to \$3,000 to an individual whose annual income is less than \$20,000, the interest charged on the loan must not exceed 12% per annum.
- (4) If you do not understand English, the moneylender or his agent is required to explain to you the terms of this Note of Contract in a language which you understand, before this Note of Contract is signed by you.
- (5) The moneylender must attach to this Note of Contract a schedule of repayment (if the loan is a term loan), which must include the frequency of the instalment payments if there is no default, the amount of each instalment payment, a breakdown of the amounts that go to repaying principal, paying interest and paying fees, and the total number of instalments and the total amount the borrower will pay over the entire term of the loan if there is no default. The moneylender or his agent must explain the schedule clearly to you.
- (6) Except where the repayment of the loan is to be made in equal instalments, the interest to be charged on the loan is to be calculated on a reducing balance basis.

THE SCHEDULE — *continued*

- (7) The borrower is advised to repay the principal and interest due to the moneylender promptly on such date as agreed upon between you and the moneylender to avoid having to incur late interest and late fees.
- (8) The moneylender must, upon receiving any cash payment under the loan, issue to the payer a receipt stating, among other things, the amount paid and the date of payment. Such payment may include repayment of principal, payment of interest or late interest, and payment of late fees or other fees.
- (9) A copy of this Note of Contract duly completed, together with the repayment schedule (if any), must be given to you.
- (10) Please do not sign or accept this Note of Contract if any part of it is not properly filled in.

I. To be completed by moneylender

Business name of moneylender: _____

Business address: _____

Licence number: _____

Name of borrower: _____

Personal identification number
or incorporation or registration number
(whichever is applicable): _____

Name of surety(ies): _____

Personal identification number
or incorporation or registration number
(whichever is applicable): _____

Particulars of loan

(a) Date of loan (dd/mm/yyyy): _____

(b) Loan account no.: _____

(c) Mode of loan disbursement: _____

Cash Interbank transfer Cheque —

Date of cheque _____

Cheque no. and Bank _____

(d) Principal \$ _____

THE SCHEDULE — *continued*

(e) Rate of Interest (per annum) _____ %	
(f) Rate of late interest (per annum) _____ %	
(g) Details of security (if any)	

II To be completed by borrower(s)	
I/We*, the borrower(s), desire to borrow from the moneylender the sum of \$_____ (hereinafter called "the principal") and promise to repay to the moneylender the principal with interest thereon at the rate of ___ percent per annum from the date hereof until the principal and interest are fully repaid.	
I/We*, the borrower(s) acknowledge receiving the principal of \$_____, from the moneylender/moneylender's agent*.	
<i>If the borrower or his agent does not understand English:</i>	
I/We* acknowledge that the moneylender/moneylender's agent* has explained to me/us* the terms of this Note of Contract, including the "Important Information" and any schedule of repayment attached, and the acknowledgments above, in _____ (a language/dialect) which I/we* understand.	
Signature of borrower(s)/borrower's agent*	Signature of moneylender/moneylender's agent*
_____	_____
Date: _____	Date: _____

THE SCHEDULE — *continued*

III To be completed by surety(ies)	
<p>I/We*, the surety(ies), acknowledge that the moneylender has agreed to grant to the borrower a loan of \$_____ (hereinafter called "the principal") in accordance with the terms and conditions of this Note of Contract. I/we* jointly and severally agree that, if default is made by the borrower in repayment of the principal or in payment of the interest or permitted fees thereon (including any part of such principal interest or fees), I/we* shall pay to the moneylender such principal, interest and fees as remains unpaid.</p> <p><i>If the Surety(ies) or his or their agent(s) does not or do not understand English:</i></p> <p>I/We* further acknowledge that the moneylender/moneylender's agent* has explained to me/us* the terms of this Note of Contract, including the "Important Information", in _____ (a language/dialect) which I/we* understand.</p>	
Signature of surety(ies)/agent(s) of surety(ies)* _____ Date: _____	Signature of moneylender/ moneylender's agent* _____ Date: _____
IV To be completed by borrower(s) and surety(ies)	
<p>We, the borrower(s) and surety(ies), further acknowledge that we received a copy of this Note of Contract, including the schedule of repayment (if any), after it had been signed by us/our agent(s)* and by the moneylender/moneylender's agent*, and before/at the time* the principal was disbursed to the borrower or his agent.</p> <p><i>If the borrower(s) or surety(ies) or his/their agents does not or do not understand English:</i></p> <p>I/We* further acknowledge that the moneylender/moneylender's agent* has explained to me/us* this acknowledgment of receipt of the Note of Contract in _____ (a language/dialect) which I/we* understand.</p>	
Signature of borrower/borrower's agent* _____ Date: _____	Signature of surety(ies)/agent of surety(ies)* _____ Date: _____

*Delete whichever is inapplicable.

THE SCHEDULE — *continued*

FORM 2

Rule 15(1)

MONEYLENDERS ACT 2008
(ACT 31 OF 2008)

FORM OF CASH ACCOUNT BOOK

Date	Entry no.	Description of transaction. ^a	Particulars of payer ^{ab}	Mode of payment, e.g. cash, cheque, interbank GIRO or others ^a	Receipt (\$)	Payment (\$)	Balance

^aIf the transaction is a payment made by, on behalf of, or to a borrower, to state the name of the borrower and loan account number. Please note that this form may also be used to record other payments made or moneys received by the licensee.

^{ab}To be completed if the payment is made in cash and the payer is not the borrower. If payer is a surety, to state only the full name of the surety. The particulars of the payer (other than a surety) to be entered in this column are —

- (a) his full name;
- (b) his personal identification number or incorporation or registration number (as applicable);
- (c) his address; and
- (d) his contact number.

- ^a(1) Record transaction ID No. for the payment made, e.g. cheque number, or interbank GIRO transaction number.
- (2) Retain a copy of the document(s) evidencing the transaction.

FORM 3

Rule 16(1)

MONEYLENDERS ACT 2008
(ACT 31 OF 2008)

FORM OF LOAN ACCOUNT BOOK

Particulars of loan	Particulars of borrower(s)	Particulars of surety(ies)
Loan account number: _____	Name of borrower(s): _____	Name of surety: _____
Previous loan account number (if any): _____	Personal identification, incorporation or registration number: _____	Personal identification, incorporation or registration number: _____
Date of loan: _____	Address: _____	Address: _____
Amount of loan (principal): _____	Contact no.: _____	Contact no.: _____
Interest rate per annum: _____		
Dates when repayments fall due: _____		
Tenure of loan: _____		

Repayment history

Date	Mode of payment, e.g. cash, cheque, interbank GIRO or others ^a	Total amount paid (\$) (D) = (A)+(B)+(C)	Amount paid towards principal (\$) (A)	Amount paid towards interest (including late interest) (\$) (B)	Amount paid towards permitted fees (Including late fees) (\$) (C)	Overdue and Outstanding principal (\$)	Cash Account Book Entry No.	Receipt No.

- ^a(1) Record transaction ID No. for the payment made, e.g. cheque number or interbank GIRO transaction number.
- (2) Retain a copy of the document(s) evidencing the transaction.

Made this 20th day of February 2009.

CHAN LAI FUNG
*Permanent Secretary,
Ministry of Law,
Singapore.*

[LAW 06/011/016; AG/LEG/SL/188/2004/1 Vol. 1]