



Your Ref:
Our Ref: ROM/GEN/2016/001
Date: 25 January 2016

TO ALL LICENSEES

Dear Sirs

REGISTRAR'S DIRECTIONS NO. 1 OF 2016

We refer to the above matter.

2 It has come to the Registrar's attention that some licensees have been involved in the following practices:

- a) Informing borrowers/potential borrowers that they can be granted only weekly loans because this is a "new law" by the Government.
- b) Offering short-term loans of less than one month in duration, which are repeatedly "re-financed" or "renewed" such that borrowers do not repay any part of the principal or interest, but simply a 10% "administrative fee" repeatedly.
- c) Splitting a single loan into numerous component parts such that when a borrower is unable to repay any component part of the loan on time, a late charge of \$60 for each component is levied.

The Registrar views the above practices as misleading and abusive, and these practices must discontinue.

3 Through Registrar's Directions No. 1 of 2016, the Registrar hereby directs all licensees to cease the said practices and to implement measures to prevent the same. The complete details are in the Directions enclosed, and the Directions take effect from 26 January 2016.

4 Licensees are cautioned that should they engage in any of the acts mentioned in paragraphs 2(a) to (c), and this comes to the attention of the Registrar, they will be investigated, and dealt with accordingly if any breaches of the relevant legislation are found.

Yours faithfully



Janica Tan (Ms)
for REGISTRAR OF MONEYLENDERS

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