

CAUTIONARY STATEMENT TO BORROWER

The Registrar of Moneylenders has become aware of some undesirable conduct by licensed moneylenders and has on 30 December 2016, issued directions to all licensed moneylenders to cease such conduct immediately. Such conduct includes:

- (a) Offering a short-term loan of less than one month in duration with the intent of collecting more administrative fees:
- Such a loan is repeatedly “renewed”; and
 - The borrower keeps paying an “administrative fee” of up to 10% of the principal amount of the loan.
- (b) Granting a loan or “re-loan” to “renew” or “re-finance” an existing debt with the intent of collecting more administrative fees:
- The “renewed” or “re-financed” loan is used to extinguish or reduce an existing debt with the same moneylender;
 - The borrower keeps paying an “administrative fee” of up to 10% of the principal amount of the “renewed” or “re-financed” loan; and
- (c) Splitting one loan into two or more smaller loans with the intent of collecting more late fees:
- The loan is structured such that when a borrower cannot repay any of the smaller loans on time, a late fee (eg, \$60) for each and every late smaller loan is charged.

BEWARE OF ACCEPTING SUCH LOANS FROM LICENSED MONEYLENDERS.

If your licensed moneylender has given you such a loan, please lodge a formal complaint with the Registrar of Moneylenders at 45 Maxwell Road, Level 7, The URA Centre (East Wing), Singapore 069118.

Acknowledgement

I, _____ (Name of Borrower), acknowledge that I have read and understood this cautionary statement, or if I cannot read it, that it has been explained to me and I have understood it.

Signature of Borrower:

Date: