

REGISTRY OF MONEYLENDERS

REGISTRAR'S DIRECTIONS ON

ADVERTISING & MARKETING ACTIVITIES OF LICENSED MONEYLENDERS

Introduction

1 Pursuant to s 29(3) read with s 45(1) of the Moneylenders Act 2008 ("MLA"), these directions relate to the issuance, publication and contents of advertising and marketing materials of licensees, and the advertising and marketing activities of licensees. These directions are without prejudice to the requirement for all advertising and marketing materials to conform with all other laws and relevant guidelines issued by other statutory and regulatory authorities.

Advertising and marketing channels

2 Subject to paragraph 3, licensees are permitted to advertise their moneylending business in the following manner only:

- (a) Business or consumer directories in print or online media;
- (b) Internet websites belonging to the licensee; and
- (c) Advertising and marketing materials¹ placed within the approved place of business, or on the exterior side of the wall, door, shutter, gate or window of the approved place of business.

3 The following are **not** permitted:

Websites and internet postings

- (a) Business websites of licensees which are engineered, such as through manipulating website content and metadata to include keywords relating to gambling (for example, "football betting", "casino", etc.) to appear in the result of searches on internet search engines, or to be displayed alongside online content that is related to gambling.
- (b) Paid-for internet links (also known as "sponsored links"), appearing on internet search engine results pages or on any other Internet webpage.²

¹ These materials referred to here and in paragraph 3(g) include all visual displays such as light boxes, television screens, bunting, prints on uniforms, and posters, and any audio devices set up in the circumstance mentioned in paragraph 3(j) of these directions.

² For the avoidance of doubt, it is permissible for a licensee to use search engine optimisation to optimise the search ranking of the link to the licensee's business website; and a paid-for internet link on a search engine results page (such as Google business listing) will not be regarded as a listing on a business or consumer directory under paragraph 2(a).

(c) Advertising and marketing materials on internet social media sites (e.g. “Facebook”) or video hosting sites (e.g. “YouTube”) for the purpose of promoting the moneylending business/products.³

Directories

(d) Directories in print medium where 10% or more of the listings and advertising and marketing materials appearing therein, by number of advertisers or total page coverage, are placed by licensed moneylenders.

(e) Directories in online medium which consist solely of listings and advertising and marketing of moneylenders and which are advertised in any manner or which are engineered in the same manner as described in paragraph 3(a).

(f) Listings and advertising and marketing materials in print or online business and consumer directories which are not under the categories of moneylenders, moneylending or financial services⁴.

Physical paraphernalia

(g) Advertising and marketing materials placed near the licensee’s approved place of business but beyond the immediate exterior wall/surface of the approved place of business.⁵

Electronic communications

(h) Advertising and marketing materials, regardless of the source, in the form of Short Message Service (“SMS”) messages, other forms of instant messaging such as WhatsApp and WeChat, and emails sent to the general public, patrons of the licensee or former patrons of the licensee, promoting the licensee’s moneylending business.⁶

³ For the avoidance of doubt, a licensee may share general information relating to borrowing on social media sites as long as there is no promotion of the licensee’s moneylending business or products.

⁴ For the avoidance of doubt, a posting on the main page of a business or consumer directory is **not** permitted (e.g. a banner on an online business directory’s main page).

⁵ For the avoidance of doubt, the placement of any signboard, mobile signage, light box or banner on the walkway outside the licensee’s shop unit, or on the parapet overhanging the walkway, is **not** permitted.

⁶ For the avoidance of doubt, a licensee may communicate with its existing customers through SMS messages, other forms of instant messaging, and emails on matters pertaining to their outstanding loans; and the advertising or marketing materials extended via the media mentioned at paragraph 3(h) of these Directions, through a business/consumer directory that **promotes the moneylending business of any specific licensee** is **not** permitted.

Other forms of solicitation

- (i) Soliciting loans outside a licensee's approved place of business, for instance, via unsolicited calls, or through marketing agents operating in public places which are outside the approved place of business.
- (j) Advertising and marketing materials in the form of audio messages that when broadcast, are audible from outside the approved place of business, promoting the licensee's moneylending business.
- (k) A licensee (*A*) entering into any arrangement with another licensee (*B*) for *B* to promote *A*'s business of moneylending, or to refer to *A* any existing borrower of *B* or any applicant for *B*'s loans.
- (l) Further to paragraph 3(k), a licensee (*B*) must not abet another licensee (*A*)'s infringement of the Advertising and Marketing Directions through *B* promoting *A*'s business of moneylending, or through *B* referring to *A*, any existing borrower of *B* or any applicant for *B*'s loans.

4 For the avoidance of doubt, all other advertising and marketing activities not mentioned in either paragraph 2 or 3 are also not permitted.

Contents of advertising and marketing materials

5 All advertising and marketing materials must be clear and easily understood by the audience being addressed. They must not contain information that may mislead or deceive members of the public reading, watching or listening to them.

6 Advertising and marketing materials shall not —

- (a) contain a material misrepresentation;⁷
- (b) omit to state a material fact;
- (c) contain any information which cannot be verified;
- (d) target any vulnerable demographic specified in Annex A.

If advertising and marketing materials are found to have misled any person, in addition to committing the offence of failing or refusing to comply with a direction, a licensee who issues or publishes the advertising and marketing materials may also be committing an offence punishable under s 29(4) of the MLA.

⁷ Examples include advertising and marketing materials carrying information that:

- a. Creates an unjustified expectation about the results that can be achieved by the licensee or a borrower (e.g. understating the cost of borrowing or overstating the ease of borrowing).
- b. Contains graphics that could convey an impression that is inaccurate or inconsistent with the nature of the loan product or the risks to the borrower in taking up the loan product.

7 Advertising and marketing materials shall contain the following information:

- (a) the business name as stated in the licence;⁸
- (b) where it states a business address, it shall state only the address of the licensee's place of business as approved by the Registrar;
- (c) where it states a contact number, it shall state only the land telephone line(s)⁹ of the licensee which has (have) been approved by the Registrar;
- (d) where it states a contact person, it shall state the official name of any officeholder or employee of the licensee to whom the advertising and marketing materials relate and whose office-holding or employment has been approved by the Registrar;
- (e) where it purports to offer a discounted rate(s), or any other special offer; e.g. payment holiday/waiver, it shall also state:
 - (i) whether there are any fees payable at any point in time which are not a result of the borrower defaulting on the loan; and
 - (ii) additional information, such as the qualifying criteria for the loan or any special terms and conditions which may apply.

Where the advertising and marketing materials are in print or other written representation, the above required information must be in conspicuous text and placed in a conspicuous position. The use of fine print for the publication of the above-mentioned items is not permitted.

8 No advertising and marketing materials shall attempt to induce or attract persons to borrow money to gamble or pay off gambling debts.

9 Apart from indicating that the business has been licensed by the Registrar, no advertising and marketing materials shall contain any statement suggesting that the licensee's moneylending business has been approved by any other Government agency.

10 No advertising and marketing materials shall ask borrowers to provide their SingPass User-ID and Password.

⁸ For the avoidance of doubt, the licensee is responsible for any advertising and marketing materials put up by the licensee or an agent appointed by the licensee even if the said materials do not bear the name of the licensee's moneylending business. For example, if a licensee puts up online advertising and marketing materials which say "Follow this link if you want personal loans", the licensee will still be responsible for the advertising and marketing materials, notwithstanding that it does not specifically mention the licensee's moneylending business by name.⁹ For the avoidance of doubt, displaying a non-approved landline or a mobile telephone number in any advertising and marketing materials, including any sign placed on the immediate exterior of a licensee's approved place of business, is **not** permitted.

Direction to alter, withdraw, remove or discontinue the advertising and marketing materials

11 Where the Registrar issues to a licensee any direction in writing, requiring the licensee to alter, withdraw, remove or discontinue any advertising and marketing materials, the licensee shall comply with the direction within the timeline notified by the Registrar. A failure to comply with such a direction shall constitute non-compliance with a direction of the Registrar, an offence under s 45(3) of the MLA.

Offences under the Moneylenders Act 2008

12 The attention of all licensees is drawn to s 45(3) of the MLA, which provides that non-compliance with directions issued under s 45(1) of the MLA shall be an offence punishable on conviction with a fine not exceeding \$20,000. Non-compliance with directions may also result in the revocation of licence by the Registrar.

13 In addition, under s 29(4) of the MLA, any licensee whose advertising or marketing materials are found to contain false or misleading information shall be guilty of an offence and is liable on conviction to a fine of up to \$20,000 or to imprisonment of up to 6 months or both.

14 For the purposes of these Directions, the term “licensee” includes any assistant of the licensed moneylender.

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ANNEX A

With reference to paragraph 6(d) of the directions, advertising and marketing materials by licensees must not target any of the following groups for the purpose of attracting, encouraging or inducing them to obtain a loan.

- (a) Work permit holders⁹, including foreign domestic workers¹⁰⁺⁰;
- (b) Low/No income earners.

⁹“Work permit” is defined in the Employment of Foreign Manpower (Work Passes) Regulations 2012.

¹⁰ For the avoidance of doubt, displaying messages such as “Foreign domestic workers are welcome” or “Instant cash for foreign domestic workers” on the immediate exterior of a licensee’s approved place of business or on the licensee’s website is not permitted.