

REGISTRY OF MONEYLENDERS

REGISTRAR'S DIRECTIONS ON

ADVERTISING & MARKETING ACTIVITIES OF LICENSED MONEYLENDERS

1. Introduction

Pursuant to Section 16(3) read with Section 26(1) of the Moneylenders Act (Cap. 188), these Directions relate to the issue, publication and contents of advertising or marketing materials of licensees, and the advertising and marketing activities of licensees (“Advertising & Marketing Directions”). These Directions are without prejudice to the requirement for all advertisements to also conform with all other Singapore laws, and with all relevant guidelines issued by statutory and regulatory authorities in Singapore.

2. Advertising and marketing channels

2.1. Subject to paragraph 2.2, licensees are permitted to advertise their moneylending business in the following media only:

- a. Business or consumer directories in print or online media;
- b. Internet websites belonging to the licensee; and
- c. Advertisements 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.

2.2. Notwithstanding paragraph 2.1, the following advertising and marketing channels are **not** permitted:

- 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 are related to gambling or other unrelated subjects.
- b. Paid-for internet links (also known as “sponsored links”), appearing on internet search engine results pages or on any other Internet webpage.

Note 1: 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.

Note 2: For the avoidance of doubt, a paid-for internet link on a search engine results page will not be regarded as a listing on a business or consumer directory under paragraph 2.1(a).

- c. Directories in print medium where 10% or more of the listings and advertisements appearing therein, by number of advertisers or total page coverage, are placed by licensed moneylenders.
- d. Directories in online medium which consist solely of listings and advertisements of moneylenders and which are advertised in any manner or which are engineered in the same manner as described in paragraph 2.2a.
- e. Listings and advertisements in print and online business and consumer directories which are not under the categories of moneylenders, moneylending or financial services.

*Note 3: For the avoidance of doubt, a posting on the main page of a business or consumer directory is **not** permitted.*

- f. Online advertisements that are not on the licensee’s business website or in an online business directory.

*Note 4: For the avoidance of doubt, advertising on internet social media sites (e.g. “Facebook”) or video hosting sites (e.g. “YouTube”) is **not** permitted.*

- g. Advertisements placed near the licensee’s approved place of business but beyond the immediate exterior wall of the approved place of business.

*Note 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.*

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

Note 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.

*Note 7: An advertisement or marketing material extended via the media mentioned at paragraph 2.2(h) of these Directions, through a business/consumer directory that **promotes the moneylending business of any specific licensee** is **not** permitted.*

- 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. 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.

- k. Further to paragraph 2.2(j), 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 any existing borrower of B or any applicant for B's loans to A.

2.3 All other advertising channels apart from those set out in paragraph 2.1 (and not already prohibited under paragraph 2.2) are not permitted.

3. Contents of advertisements or marketing materials

3.1. Any advertisement or marketing material 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.

3.2. An advertisement or a marketing material shall not —

- a. contain a material misrepresentation¹;
- 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 an advertisement or marketing material is found to have misled the borrower, in addition to committing the offence of failing or refusing to comply with a direction, a licensee who issues or publishes the advertising or marketing material may also be committing an offence punishable under Section 16(4) of the Act.

3.3. An advertisement shall contain the following information:

- a. the business name as stated in the licence;

Note 8: For the avoidance of doubt, the licensee is responsible for any advertisement put up by the licensee or an agent appointed by the licensee even if the advertisement does not bear the name of the licensee's moneylending business. For example, if a licensee puts up an online advertisement which says "Follow this link if you want personal loans", the licensee will still be responsible for the advertisement notwithstanding that it does not specifically mention the licensee's moneylending business by name.

¹ Examples include an advertisement or marketing material 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.

- 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) of the licensee which has (have) been approved by the Registrar;

*Note 9: For the avoidance of doubt, displaying a non-approved landline or a mobile telephone number in any advertisement, including any sign placed on the immediate exterior of a licensee's approved place of business is **not** permitted.*

- d. where it states a contact person, it shall state only the name of any officeholder or employee of the licensee to whom the advertisement relates 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 as 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 apply.

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

3.4. No advertisement or marketing material shall attempt to induce or attract persons to borrow money to gamble or pay off gambling debts.

3.5. Apart from indicating that the business has been licensed by the Registrar, no advertisement shall contain any statement suggesting that the licensee's moneylending business has been approved by any other Government agency.

3.6. No advertisement shall ask borrowers to provide their SingPass User-ID and Password.

4. Direction to alter, withdraw, remove or discontinue an advertisement

4.1. Where the Registrar issues to a licensee any direction in writing, requiring the licensee to alter, withdraw, remove or discontinue their advertisement, 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 Section 16(4) of the Moneylenders Act.

5. Offences under the Moneylenders Act

5.1. The attention of all licensees is drawn to Section 26(3) of the Moneylenders Act, which provides that non-compliance with directions issued under Section 26(1) 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.

5.2. In addition, under Section 16(4) of the Moneylenders Act, any licensee whose advertisement is 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.

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

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ANNEX A

With reference to para 3.2(d) of the Advertising & Marketing Directions, advertisements by licensees must not target any of the following groups for the purpose of attracting, encouraging or inducing them to obtain a loan.

- (a) Foreign workers, including foreign domestic workers;
- (b) Low/No income earners.

Note 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.