

REGISTRY OF MONEYLENDERS

REGISTRAR'S DIRECTION ON

MOTOR VEHICLE LOANS

1. Introduction

Pursuant to section 45(1) read with s 45(2)(c) of the Moneylenders Act 2008 (“MLA”), this Direction relates to the granting of motor vehicle loans by exempt moneylenders.

2. Granting of Motor Vehicle Loans

2.1. Every exempt moneylender shall comply with Notice 642 issued by the Monetary Authority of Singapore (“MAS”) on motor vehicle loans (“Notice 642”), when granting any loan

- a. for the purchase of a motor vehicle; or
- b. to a company for the purpose of enabling that company to grant a loan for the purchase of a motor vehicle or to enter into a hire-purchase agreement with a customer of the company for the hiring of a motor vehicle.

2.2. For the purpose of this Direction, Notice 642 as may be updated by the MAS from time to time, insofar as it relates to the activities for which the exemption is granted, shall be construed as constituting a part of this Direction and references in Notice 642 to –

- a. “bank” shall be read as a reference to “exempt moneylender”; and
- b. “credit facility” shall be read as a reference to “loan”.

3. Consequences of non-compliance with Direction

3.1. The attention of all exempt moneylenders is drawn to section 45(3) of the MLA, which provides that a failure or refusal to comply with any direction issued under section 45(1) of the MLA is an offence punishable on conviction with a fine not exceeding \$20,000. Non-compliance with directions may also lead to the revocation of an exemption under section 91(8) of the MLA.

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