

**REGISTRY OF MONEYLENDERS**  
**REGISTRAR'S DIRECTIONS NO. 1 OF 2019**  
**ILLEGAL LOAN AGENTS**

1 These Directions are made pursuant to sections 26(1) and 26(2)(c) of the Moneylenders Act (Cap. 188).

2 It has come to the attention of the Registry of Moneylenders (“Registry”) that licensees have granted loans which were brokered or facilitated by third parties who were not legally permitted to do so under the Moneylenders Act or the Employment of Foreign Manpower Act (Cap. 91A) (hereinafter referred to as an “illegal loan agent”). An illegal loan agent need not be a person who is directly on a licensee’s payroll, but includes a person who receives any financial benefit from brokering or facilitating a loan granted by a licensee to any borrower.

3 The Registry’s views on licensees which grant loans which are brokered or facilitated by such illegal loan agents are as follows:

- (a) This may amount to employing or engaging an assistant without the written approval of the Registrar, which is an offence under section 11A of the Moneylenders Act; and
- (b) Where the illegal loan agent is a foreigner, this may also amount to employing a foreign employee without a valid work pass, or abetting a foreigner to be self-employed without a valid work pass, which is an offence under section 5 or section 10 respectively of the Employment of Foreign Manpower Act.

4 In respect of paragraph 2, licensees must not grant any loan to any borrower, in the knowledge or reasonable belief that the loan application has been brokered or facilitated by an illegal loan agent. A licensee which does so may be regarded as:

- (a) carrying on the business of moneylending in such a manner as to render the licensee unfit to hold a licence, which is a ground for the Registrar to refuse to renew a licence under section 7(1)(d)(v) of the Moneylenders Act; or
- (b) conducting the business of moneylending in an improper manner, which is a ground for the Registrar to revoke or suspend a licence under section 9(1)(a)(iv) of the Moneylenders Act.

5 Licensees are hereby cautioned that should they be found by the Registry to have engaged in any of the acts mentioned in paragraphs 2 to 4, they will be investigated, and dealt with accordingly if any breaches of the Directions are found.

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

Dated this 16<sup>th</sup> day of July 2019

TAN BOON HENG  
REGISTRAR OF MONEYLENDERS  
MINISTRY OF LAW