

LICENSED MONEYLENDER CONVICTED

1. The Registry of Moneylenders (ROM), a division of the Insolvency & Public Trustee's Office, first brought charges in the Subordinate Courts on 3 May 2011 against George Phua ("Phua") of Capital Alliance Credit.
2. Phua pleaded guilty to, and was convicted of 30 charges for various offences under the Moneylenders Act and Moneylenders Rules in the District Court today. A further 60 charges were taken into consideration for the purposes of sentencing. A summary of the charges against Phua may be found at [Annex A](#).
3. The hearing has been adjourned to Thursday, 15 September 2011 at 2.30pm when the plea in mitigation and submissions on sentencing will be made to the Court.
4. The next court mention date for licensed moneylenders who are facing charges are:

Date	Licensed moneylenders involved
12 September 2011 (Monday) Court 23	<ul style="list-style-type: none">• Ng Gim Li of JXM Investment Pte Ltd• Goh Siong Kiat of Bez One Credit

5. ROM carries out regular inspections of licensed moneylenders. Where breaches of the law are found, enforcement measures are taken, including the suspension or revocation of licences, warnings and prosecutions. Those convicted of breaches of the Moneylenders Act and Rules face a fine of up to \$40,000 and / or an imprisonment term of up to two years on each charge.
6. ROM would like to take this opportunity to urge members of the public to report instances of suspected breaches of the law by licensed moneylenders to the Registry, so that investigations can be conducted. The public can call ROM at 6325 2585 or email ipto_romp@ipto.gov.sg

9 SEPTEMBER 2011

**REGISTRY OF MONEYLENDERS
INSOLVENCY & PUBLIC TRUSTEE'S OFFICE
MINISTRY OF LAW**

Annex A

Charges against Geroge Phua Chye Hee of Capital Alliance Credit

George Phua Chye Hee held a moneylending licence from 6 May 2009 to 5 May 2010. He faces a total of 90 charges, which include:

- Furnishing misleading information to the Registrar of Moneylenders
- Granting a loan without having received from the borrower a duly completed application form
- Failing to require the borrower to provide reliable and independent documentary evidence in support of information provided in the loan application form
- Failing to inform the borrower of the terms and conditions of the loan in writing
- Making a note of contract in which the principal or rate of interest is not stated or truly stated
- Granting loans to borrowers when the outstanding unsecured loan amounts owed by the borrowers in question exceeded the prescribed limit of two months' income of these borrowers
- Granting loans to borrowers when the outstanding unsecured loan amounts owed by the borrowers in question exceeded the prescribed limit of four months' income of these borrowers
- Granting loans to borrowers who did not meet the minimum income requirements or did not have any income or assets

ANNEX B

Charges against Ng Gim Li of JXM Investment Pte Ltd

Ng Gim Li held a moneylending licence from 8 September 2005 to 7 September 2010. She faces a total of 14 charges, which include:

- Recklessly furnishing false information to the Registrar of Moneylenders
- Granting loans to borrowers when the outstanding unsecured loan amounts owed by the borrowers in question exceeded the prescribed limit of two months' income of these borrowers
- Failing to provide a statement of account to a borrower who has an existing loan

Charges faced by Goh Siong Kiat of Bez One Credit

Goh Siong Kiat held a moneylending licence from 19 March 2010 to 18 March 2011. He faces a total of five charges, which include:

- Failing to provide a statement of account to a borrower who has an existing loan contract
- Failing to issue a receipt to the borrower upon receiving loan repayment amounts in cash from the borrower
- Failing to obtain, on a copy of a receipt, the signature of the person making payment in respect of a loan, where the person's signature would acknowledge that he had received the receipt

Note 1 : The law does not prohibit licensed moneylenders from granting loans to persons earning less than \$20,000 a year. What is prohibited is the grant of an unsecured loan

of more than \$3,000 to a Singapore citizen or permanent resident (“Singapore borrowers”) earning less than \$20,000 a year where the loan does not fall under an exception in rule 21 of the Moneylenders Rules. An example of such an exception is an unsecured loan to pay for medical treatment.

Note 2 : The law also prohibits a moneylender from granting an unsecured loans to which rule 21 does not apply, to a Singapore borrowers exceeding 4 months of his annual income of at least \$30,000; or 2 months of his annual income of at least \$20,000 but less than \$30,000.