Finance Companies Act (CHAPTER 108)

Table of Contents

Long Title

Part I PRELIMINARY

1 Short title

2 Interpretation

Part II LICENSING OF FINANCE COMPANIES

3 Licensing of finance companies

4 Use of words "finance company"

5 Examination of persons suspected of transacting financing business

- **6** Application for licence
- 7 Minimum capital requirements

7A Capital ratio

8 Restriction on opening of branches of finance company

9 Mergers, etc., of finance company

10 Control of takeovers of finance companies incorporated in Singapore

11 Arrangements affecting control of finance company incorporated in Singapore 12 Control of substantial shareholding in finance companies incorporated in Singapore

13 Power of Authority to require finance company that is incorporated in Singapore to obtain information as to beneficial interests in shares of finance company

14 Amendment of constitution of finance company

15 Revocation of licence

16 Effect of revocation of licence

17 Publication of list of finance companies

Part III RESERVE FUNDS, DIVIDENDS, BALANCE-SHEETS AND INFORMATION

18 Maintenance of reserve fund by finance companies

18A Maintenance of adequate provision for bad and doubtful debts

19 Restriction on payment of dividends by finance companies

20 Publication and exhibition of audited balance-sheet

21 Information and statistics to be furnished by finance companies

21A Monthly statements of advances, loans and credit facilities

21B Disclosure of interest by directors

Part IV REGULATION OF BUSINESS

22 Acknowledgment of indebtedness

23 Dealings by finance companies and credit facilities and limits

24 Dealing by finance company in its own shares, etc.

25 Restrictions on trade by finance companies

26 Restrictions on investments by finance companies

27 Restrictions on holding immovable property by finance companies

28 Control over finance companies in the acquisition of shares in companies

29 Power of Authority to secure compliance with sections 23, 26, 27 and 31

30 Notices to finance companies

31 Orders by Authority

Part V MINIMUM LIQUID ASSETS

32 Minimum holdings of liquid assets by finance companies

Part VI INSPECTION AND CONTROL OF FINANCE COMPANIES

33 Inspection and investigation of finance companies and production of books, etc.

34 Finance company unable to meet obligation to inform Authority

35 Action by Authority if finance company is unable to meet obligations or is conducting business to detriment of its depositors or creditors

36 Powers of Authority

37 Duration of control

38 Finance company under control of Authority to co-operate with Authority

39 Remuneration and expenses of Authority and others in certain cases

Part VII SUBMISSION OF ACCOUNTS AND DUTIES OF AUDITORS

40 Directors to submit copy of profit and loss account

41 Appointment and duties of auditors

Part VIII MISCELLANEOUS

42 Authority to administer Act

43 Prohibition against transacting of financing business on public holidays

44 Priority of specified liabilities

44A Priority of specified liabilities inter se

45 Moratorium

46 Memorandum and articles of association of finance company

- 47 Disqualification of directors of finance company
- 48 Penalty for offences not otherwise provided for
- 49 Offences by directors or managers
- 50 Falsification of books, documents, etc.
- 51 Holding out as finance company
- **52** Consent of Public Prosecutor
- **52A Jurisdiction of District Court**

53 Exemptions

54 Winding up provisions

55 Redemption of securities held by finance company

56 Operation of Act not to affect Companies Act

57 Regulations

Legislative History

Comparative Table

FINANCE COMPANIES ACT (CHAPTER 108)

(Original Enactment: Act 43 of 1967)

REVISED EDITION 2011

(15th July 2011)

An Act to license and control finance companies and for matters connected therewith.

[15th July 2011]

PART I

PRELIMINARY

Short title

1. This Act may be cited as the Finance Companies Act.

Interpretation

2. In this Act, unless the context otherwise requires —

"agreement" means an agreement whether formal or informal and whether express