

Finance Companies Bill

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Bill No: 37/1967

Read the first time: 5th December 1967

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Explanatory Statement

Expenditure of Public Money

Finance Companies Bill

Bill No. 37/1967

Read the first time on 5th December 1967.

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

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows: —

PART I

PRELIMINARY

Short title and commencement

1. This Act may be cited as the Finance Companies Act, 1967, and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Interpretation

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

“auditor” means any person approved by the Commissioner as a finance company auditor for the purposes of this Act;

“Commissioner” means the person appointed by the Minister under section 28 of this Act to hold the office of Commissioner of Finance Companies;

“company” means a company incorporated or registered under the Companies Act, 1967 (Act of 1967), or pursuant to any corresponding previous written law;

“deposit” means a loan of money at interest or repayable at a premium but does not include a loan to a company or other body corporate upon terms involving the issue of debentures or other securities;

“depositor” means a person entitled, or prospectively entitled, to repayment of a deposit whether made by him or not;

“director” includes any person occupying the position of director of a finance company by whatever name called and includes a person in accordance with whose directions or instructions the directors of a finance company are accustomed to act and an alternate or substitute director;

“finance company” means any company licensed under this Act, to carry on financing business, and all branches and offices in Singapore of such a company shall be deemed to be one finance company for the purposes of this Act;

“financing business” means the business of —

- (a) borrowing money from the public, by acceptance of deposits and issuing certificates or other documents acknowledging or evidencing indebtedness to the public and undertaking to repay the money on call or after an agreed maturity period, which period shall be not less than one month of the original acceptance of any deposit; and
- (b) lending money to the public or to a company deemed to be related to the finance company by virtue of section 6 of the Companies Act, 1967 (hereinafter in this Act referred to as the “related company”) on the basis that the public or the related company undertakes to repay the money, whether within an agreed period of time or not, or by instalments;

“public company” means a company incorporated in Singapore other than a private company.

PART II

LICENSING OF FINANCE COMPANIES