

Finance Companies (Exemption from sections 23(1) and 25(2)) Regulations 2009

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No. S 210

FINANCE COMPANIES ACT (CHAPTER 108)

FINANCE COMPANIES (EXEMPTION FROM SECTIONS 23(1) AND 25(2)) REGULATIONS 2009

In exercise of the powers conferred by sections 53(2) and 57 of the Finance Companies Act, the Monetary Authority of Singapore hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Finance Companies (Exemption from sections 23(1) and 25(2)) Regulations 2009 and shall come into operation on 12th May 2009.

Definitions

2. In these Regulations, unless the context otherwise requires —

“business customer” means any customer which is a company or a person registered to carry on business under the Business Registration Act (Cap. 32);

“cheque” has the same meaning as in section 73 of the Bills of Exchange Act (Cap. 23);

“company” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“investment product” has the same meaning as in section 2(1) of the Financial Advisers Act (Cap. 110);

“securities exchange” has the same meaning as in section 2 of the Securities and Futures Act (Cap. 289).

Exemption of Hong Leong Finance Limited

3.—(1) The Authority hereby exempts Hong Leong Finance Limited (referred to in these Regulations as HLF) from —

- (a) sections 23(1)(a) and 25(2) of the Act in respect of the business of opening current accounts with a facility for —
 - (i) the issuance of cheques;
 - (ii) the payment of cheques drawn on the finance company; and
 - (iii) the collection of cheques drawn,
by a business customer of HLF which has an existing credit facility with HLF;
- (b) section 23(1)(b) of the Act in respect of the business of entering into or offering to enter into, or facilitating the entering into by a person of, a contract or an arrangement the effect of which is to enable a business customer of the finance company to hedge, cover or change the amount of a liability or an entitlement —
 - (i) from one foreign currency to another foreign currency or to Singapore dollars; or
 - (ii) from Singapore dollars to a foreign currency;
- (c) section 23(1)(b) and (c) of the Act in respect of the following activities: