

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

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### **FINANCE COMPANIES ACT (CHAPTER 108, SECTIONS 53(2) AND 57)**

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

**Rg 3**

**G.N. No. S 210/2009**

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## **Citation**

1. These Regulations may be cited as the Finance Companies (Exemption from sections 23(1) and 25(2)) Regulations.

## **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:

(i) financing foreign currency denominated securities; and

(ii) financing foreign currency denominated invoices under