

ERRANT LICENSED MONEYLENDER CONVICTED AND SENTENCED

1. The Registry of Moneylenders (ROM), a division of the Insolvency and Public Trustee's Office, brought charges in the Subordinate Courts on 7 May 2012 against Chua Kwang Yong, the sole proprietor of licensed moneylending business, Gary Credit. Chua held a moneylending licence from 25 September 2009 to 24 September 2010, which was not renewed after it expired.
 2. A total of 38 charges were preferred against Chua:
 - Eleven of the charges relate to breaches under Rule 19(1) of the Moneylenders Rules for granting an unsecured loan exceeding the prescribed limit of \$3,000 to a borrower with an annual income below \$20,000.
 - Five of the charges relate to breaches under Rule 20(1)(b) of the Moneylenders Rules for granting an unsecured loan to a borrower with an annual income between \$20,000 and \$30,000, and thereby causing the outstanding loan amount to exceed the prescribed limit of two months of the borrower's income.
 - One charge relates to a breach under Rule 20(1)(a) of the Moneylenders Rules for granting an unsecured loan to a borrower with an annual income more than \$30,000, and thereby causing the outstanding loan amount to exceed the prescribed limit of four months of the borrower's income.
 - The remaining 21 charges relate to breaches under Section 24(7) of the Moneylenders Act for recklessly furnishing false information to the Registrar.
 3. On 15 October 2012, Chua pleaded guilty in the Subordinate Courts and was convicted on 11 charges:
 - Three for granting an unsecured loan exceeding the prescribed limit of \$3,000 to a borrower with an annual income below \$20,000;
 - Another three for granting an unsecured loan to a borrower with an annual income between \$20,000 and \$30,000, and thereby causing the outstanding loan amount to exceed the prescribed limit of two months of the borrower's income;
 - One charge for granting an unsecured loan to a borrower with an annual income more than \$30,000, and thereby causing the outstanding loan amount to exceed the prescribed limit of four months of the borrower's income; and
 - Four charges for recklessly furnishing false information to the Registrar.
- The remaining 27 charges were taken into consideration by the Court.
4. Chua was sentenced to a fine of \$101,000 (in default 46 weeks' imprisonment).
 5. ROM carries out regular inspections of licensed moneylenders. Where breaches of moneylending laws are found, enforcement measures are taken, including the suspension or revocation of licences, forfeiture of security deposits, 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. Seven licensed moneylenders have been convicted and fined since 2011.

15 OCTOBER 2012

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