

Police Advisory on Unlicensed Moneylending Borrowers

Dear Employers,

The Police have observed that a small number of foreign workers and foreign domestic workers (FDWs) have borrowed money from loansharks or unlicensed moneylenders (UMLs) to settle financial difficulties or help their friends settle debts with other UMLs. In some instances, those who borrowed money from loansharks also assisted the illegal activities by either becoming a runner or harasser. Some have even lent their bank accounts to facilitate these activities.

You can protect your FDW from falling prey to unscrupulous loansharks or UMLs by doing the following:

- Instruct your FDW to stay away from loansharks/UMLs and not to assist them in any manner.
- Warn your FDW of the severe consequences if they are caught assisting the loansharks in illegal activities. Their work passes will also be revoked.
- Call the Police at **999** or the X-Ah Long hotline at **1800-924-5664**, if you suspect your FDW could be involved in any UML activities.

Advisory

- Under the Moneylenders' Act (Revised Edition 2010), when a bank account or ATM card of any person is used to facilitate the business of unlicensed moneylending, that person is presumed to have assisted the UML in carrying out the illegal business.



Case Study

In September 2017, a 31-year old male Indian national was charged in Court for allegedly issuing loans to FDWs through word-of-mouth at the vicinity of Tanjong Katong.

Preliminary investigations revealed that the suspect had issued loans to more than 30 FDWs and foreign workers with a 20% monthly interest.

Penalties

For assisting in the business of UML:

- Fine between \$30,000 and \$300,000;
- Imprisonment for a term of up to four years; and
- Caning of up to six strokes.

For acting on behalf of an UML to commit harassment:

- Imprisonment for a term of up to 5 years;
- Fine between \$5,000 and \$50,000; and
- Caning of between 3 and 6 strokes.

