

BANKING ACT

(CHAPTER 19, SECTION 78 (2))

BANKING (INDUCEMENT TO USE CREDIT CARD OR CHARGE CARD FOR PURCHASE OF RESIDENTIAL PROPERTY) REGULATIONS

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Citation

1. These Regulations may be cited as the Banking (Inducement to Use Credit Card or Charge Card for Purchase of Residential Property) Regulations.

Definitions

2. In these Regulations —

"residential property" means any house or flat in Singapore which is permitted to be used under any written law as a dwelling-house, and includes any such house or flat which is in the course of being constructed;

"required cash amount" means the difference between the purchase price of a residential property and the relevant amount under Notice to Banks 632 issued by the Authority under section 55A of the Act, in respect of which a purchaser of the residential property would not be able to obtain a credit facility from a bank by virtue of that Notice.

Prohibition of inducement to use credit card or charge card in respect of purchase of residential property

3.—(1) No bank or financial institution which issues any credit card or charge card shall make any representation or act in a manner which is intended to or is likely to induce, urge or encourage any person to use such credit card or charge card to pay any part of the required cash amount in relation to the purchase of a residential property.

(2) Any bank or financial institution which contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part thereof during which the offence continues after conviction.

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