



MAS NOTICE 645A

17 February 2020

Last revised on 6 November 2020

NOTICE TO BANKS
BANKING ACT, CAP 19

COMPUTATION OF TOTAL DEBT SERVICING RATIO FOR PROPERTY LOANS

1. This Notice is issued pursuant to section 55(1) of the Banking Act (Cap. 19) (the “Act”) and applies to all banks in Singapore.

[MAS Notice 645A (Amendment No. 3) 2020]

- 1A. The expressions used in this Notice shall, except where the context otherwise requires, have the same meaning as in the Act or paragraph 2 of MAS Notice 645.

[MAS Notice 645A (Amendment) 2020]

2. For the purposes of paragraph 22(c) of MAS Notice 645 for the period beginning on the effective date of this Notice and ending on 8 November 2020 (both dates inclusive), paragraphs 3, 6 and 21B of MAS Notice 645 do not apply to any credit facility that is for the purchase of, or is otherwise secured by Property and any Re-financing Facility, if all of the following conditions are met:

- (a) upon the Borrower’s request, the loan repayment terms have been changed to defer, for a period (referred to in this paragraph as the “deferral period”), the repayment of —
 - (i) the principal or any part of it; or
 - (ii) both principal and interest or any part of the principal, interest or both;
- (b) under the loan repayment terms that have been changed in accordance with sub-paragraph (a), no interest is charged on the deferred repayment of interest (where applicable);
- (c) the cumulative deferral period does not exceed 12 months;
- (d) the date on which the option to purchase was granted or where there is no option to purchase, the date of the sale and purchase agreement is prior to 6 April 2020.

[MAS Notice 645A (Amendment) 2020]

[MAS Notice 645A (Amendment No. 2) 2020]

[MAS Notice 645A (Amendment No. 3) 2020]

- 2A. For the purposes of paragraph 22(c) of MAS Notice 645 for the period beginning on 9 November 2020 and ending six months after the date the Ministry of Health announces its revision of its risk assessment of the Disease Outbreak Response System Condition to “Green” in respect of COVID-19 (hereinafter referred to in this Notice as the “End Date”) (both dates inclusive), paragraphs 3, 6 and 21B of MAS Notice 645 do not apply to any credit facility that is for the purchase of, or is otherwise secured by Property and any Re-financing Facility, if all of the following conditions are met:

- (a) upon the Borrower's request, the loan repayment terms have been changed to defer, for a period (referred to in this paragraph as the "deferral period"), the repayment of —
 - (i) the principal or any part of it; or
 - (ii) both principal and interest or any part of the principal, interest or both;
- (b) where the loan repayment terms have been changed to defer the repayment of the interest or any part thereof in accordance with sub-paragraph (a)(ii), no interest is charged on the deferred repayment of interest unless the Borrower has requested that the amount of interest for which repayment is deferred should be regarded as part of the principal amount of the loan;
- (c) the cumulative deferral period does not exceed 36 months.

[MAS Notice 645A (Amendment No. 3) 2020]

- 2B. To avoid doubt, the references to a "Borrower" in paragraph 2 and 2A include a Borrower who had committed to a Debt Reduction Plan.

[MAS Notice 645A (Amendment) 2020]

[MAS Notice 645A (Amendment No. 2) 2020]

[MAS Notice 645A (Amendment No. 3) 2020]

- 2C. For the purposes of paragraph 22(c) of MAS Notice 645 for the period beginning on 6 May 2020 and ending on 8 November 2020 (both dates inclusive), paragraphs 3 and 6 of MAS Notice 645 do not apply to any Re-financing Facility that a bank may grant, where the date on which the option to purchase was granted or where there is no option to purchase, the date of the sale and purchase agreement, is prior to 6 April 2020.

[MAS Notice 645A (Amendment No. 2) 2020]

[MAS Notice 645A (Amendment No. 3) 2020]

- 2D. For the purposes of paragraph 22(c) of MAS Notice 645 for the period beginning on 9 November 2020 and ending on the End Date (both dates inclusive), paragraphs 3 and 6 of MAS Notice 645 do not apply to any Re-financing Facility that a bank may grant.

[MAS Notice 645A (Amendment No. 3) 2020]

3. This Notice takes effect on 18 February 2020.

* Notes on History of Amendments

1. MAS Notice 645A (Amendment) 2020 with effect from 6 April 2020.
2. MAS Notice 645A (Amendment No. 2) 2020 with effect from 6 May 2020.
3. MAS Notice 645A (Amendment No. 3) 2020 with effect from 9 November 2020.