



公 司 註 冊 處
COMPANIES REGISTRY

**Guidelines on
Licensing Conditions
of Money Lenders Licence**

**April 2026
(effective from 1 August 2026)**

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Introduction

Under the Money Lenders Ordinance (Cap. 163) (“MLO”), no person shall carry on business as a money lender without a licence granted under section 11 of the MLO. A licence shall be subject to such conditions as the licensing court may impose.

This set of Guidelines aims to provide guidance to money lenders who hold a licence granted under the MLO to carry on business as a money lender in Hong Kong (“the licensees”) on the requirements of the licensing conditions. It should be read in conjunction with the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Licensed Money Lenders) issued by the Registrar of Money Lenders (“the Registrar”) (as revised from time to time), which provides guidance to licensees on the implementation of effective measures to mitigate the risks of money laundering and terrorist financing.

The Guidelines are without prejudice to the requirements of the MLO and licensees should continue to comply with all the provisions of the MLO and all other laws in Hong Kong as are applicable to them.

In cases of doubts, licensees are advised to seek independent legal advice as they see fit.

Registrar of Money Lenders
April 2026

Background of Revisions of Licensing Conditions

The Guidelines were first introduced in 2016 with the imposition of ten additional licensing conditions on money lenders licences.

To combat the use of deceptive tactics by fraudsters who claim to be financial intermediaries for money lending to induce intending borrowers to engage them for arranging loans with money lenders and charge very high fees under different pretexts in the process, ten additional licensing conditions have been imposed on money lenders licences since **1 December 2016**. The additional licensing conditions seek to facilitate effective enforcement of the statutory ban on separate fee charging by licensed money lenders and their connected parties, ensure better protection of the personal privacy of intending borrowers, enhance transparency and disclosure, and promote the importance of prudent borrowing.

Further, to better regulate the money lending business and to protect the interests of loan referees and to ensure compliance with the anti-money laundering and counter-financing of terrorism (“AML/CFT”) requirements applicable to licensed money lenders, two more licensing conditions have been imposed on all money lenders licences on the grant or renewal of a licence **since 11 October 2018**.

To address increasing public concern about over-indebtedness and to ensure better regulation of money lending-related practices, an additional licensing condition and two revised licensing conditions have been imposed on all money lenders licences on the grant or renewal of a licence **since 16 March 2021**. The additional licensing condition requires licensed money lenders to carry out an assessment of the borrower’s ability to make repayments under the loan agreement in an affordable manner prior to granting unsecured personal loans and seeks to encourage responsible lending on the part of licensed money lenders. The two revised licensing conditions strengthen the regulation over money-lending advertisements and enhance protection of the information of loan referees.

To address the issue of excessive borrowing, particularly unsecured personal loans among low-income earners, and better safeguard public interest, an additional licensing condition and two revised licensing conditions have been imposed on all money lenders licences **with effect from 1 August 2026**. The additional licensing condition introduces a “Debt Servicing Ratio” cap for unsecured personal loans to the low-income earners. The two revised licensing conditions prohibit the money lenders from requesting borrowers to provide loan referees in loan applications and strengthen the regulation over money-lending advertisements.

Licensing Conditions 1, 2, 3, 4 and 5¹

Condition 1

Before entering into any agreement for loan, the money lender

- (a) shall ask the intending borrower to state whether or not he has entered into or signed any agreement (“the third party agreement”) with any person (“third party”) for or in relation to the procuring, negotiation, obtaining or application of the loan, guaranteeing or securing the repayment of the loan (other than an agreement with solicitors instructed by the intending borrower for the provision of legal services solely);
- (b) shall state in writing the intending borrower’s reply in relation to Condition 1(a) above in the loan agreement; and
- (c) if the intending borrower’s reply in relation to Condition 1(a) above is in the affirmative, shall further
 - (i) obtain from the intending borrower the name and address of the third party;
 - (ii) state in writing in the loan agreement the name and address of the third party and whether the money lender is in any way related to the third party and the nature of such relationship;
 - (iii) ask the intending borrower to personally provide a copy of the third party agreement; and
 - (iv) attach the third party agreement to the loan agreement.

Condition 2

The money lender shall not grant or agree to grant any loan to any intending borrower if the intending borrower’s reply in relation to Condition 1(a) above is in the affirmative, unless the third party as identified in Condition 1(c) above:

- (a) is a person appointed by the money lender (“appointed third party”) for or in relation to granting a loan to any intending borrower or any specified class of intending borrower, whether as to the procuring, negotiation, obtaining, application, guaranteeing or securing the repayment of such a loan; and

¹ References in the licensing conditions and this Guideline to the masculine gender include the feminine gender.

(b) has, specifically in respect of the loan, confirmed in writing to the money lender that

(i) he has not charged, recovered, demanded or received and will not charge, recover, demand or receive any fees, charges, reward or consideration, however named, from such intending borrower for or relating to the procuring, negotiation, obtaining or application of the loan or guaranteeing or securing the repayment of the loan; and

(ii) he has not otherwise agreed with the intending borrower that the intending borrower pays or would pay any fees, charges, reward or consideration, however named, to any other party whether for the purchase of any goods or services or not.

Condition 3

For the purposes of Condition 2,

(a) the money lender shall provide in writing to the satisfaction of the Commissioner of Police and the Registrar of Money Lenders the name, address and identification number (including identification card/passport, business registration and company number as applicable) of any appointed third party; and

(b) the third party as identified in Condition 1(c) above is not considered as an appointed third party until after the name and address of the appointed third party appear on the Register kept by the Registrar of Money Lenders.

Condition 4

- (a) The money lender shall not knowingly allow or permit any person, whether the money lender, or his partner, employer, employee, principal or agent or any person acting for him or any appointed third party, to charge, recover, demand or receive any fees, charges, reward or consideration, however named, from any borrower or intending borrower for or in relation to the procuring, negotiation, obtaining or application of a loan or guaranteeing or securing the repayment of a loan.
- (b) The prohibition in Condition 4(a) above also covers any fees, charges, reward or consideration, however named, to be paid by the borrower or intending borrower to the appointed third party or any other person as agreed between the borrower/intending borrower and the appointed third party, whether for the purchase of any goods or services or not.

Condition 5

Before entering into any agreement for loan, the money lender must give explanation to the intending borrower of all the terms of the agreement, in particular the terms in relation to repayment, namely,

- (a) the interest rate expressed as a rate per cent per annum and the total amount of interest payable under the agreement;
- (b) amounts of repayments, periodically and in total, under the agreement;
- (c) the possible consequences for any default in repayment, including –
 - (i) the taking into possession and sale of any security involved (including the property charged, if any); and
 - (ii) any overriding right of the money lender to demand an immediate repayment.

The money lender must also keep written or video or audio records which show that he complies with the requirements under this condition.

1. Conditions 1, 2, 3, 4 and 5 set out the obligations of licensees to undertake due diligence checks before entering into a loan agreement with an intending borrower.

Ascertaining the existence of third parties for or in relation to the loan

2. Before entering into any loan agreement, a licensee should ascertain from an intending borrower as to the existence of any third party involved in a loan transaction.
3. The licensee should ask the intending borrower whether he has entered into or signed any agreement, (“third party agreement”) with any third party (“third party”) for or in relation to the procuring, negotiation, obtaining or application of the loan, guaranteeing or securing the repayment of the loan.
4. The licensee should explain to the intending borrower that whether one will be regarded as a third party will depend on whether the intending borrower has entered into or signed any agreement with this party for or in relation to the procuring, negotiation, obtaining or application of the loan, guaranteeing or securing the repayment of the loan. To help the intending borrower understand the question, the licensee may specifically enquire if there is any of the following persons involved in any way in connection with the loan transaction:
 - (a) a person who claims to provide professional (e.g. accounting or legal) or financial assessment services (e.g. stress test, debt restructuring, property valuation or improving credit records, etc.) for facilitating the intending borrower to arrange the loan;
 - (b) a person who claims to be a representative of a bank or a money lender who can arrange a loan for the intending borrower;
 - (c) a person who requests the intending borrower to deposit a portion of the loan that would be obtained from the licensee with him for custody (whether as proof of the intending borrower’s cash flow allegedly to help improve the latter’s credit record for increasing the chance of arranging a low-interest loan later or otherwise); or
 - (d) a person who requests the intending borrower to pay a portion of the loan that would be obtained from the licensee to him or any

other party under different pretexts allegedly for the purchase of goods or services, e.g. purchasing an “investment fund”, or otherwise.

The above list is not exhaustive, and licensees are encouraged to seek other necessary clarification from the borrower as appropriate.

5. The licensee should explain to the intending borrower that the disclosure of the existence of any third party is to protect the intending borrower’s interests, as this is one of the measures to help ensure that the intending borrower would not be subject to separate fee charging by any third party.
6. Licensees must not do any act to dissuade or deter an intending borrower from disclosing the existence of a third party involved in the loan transaction.

Illustrative examples for reference

Case 1 – car dealers

If a car dealer introduces and refers vehicle loans provided by a licensee to an intending borrower and has entered into or signed an agreement for the purpose with the latter, he will be considered a third party even if the car dealer only receives a commission from the licensee and does not charge the intending borrower any fee. The licensee will have an obligation to register this car dealer with the Registrar of Money Lenders. On the other hand, if the car dealer does not enter into any separate agreement with the intending borrower for or in relation to the loan, he will not be considered as a third party under the Licensing Conditions.

Case 2 – friends and relatives

If the intending borrower is referred to the licensee by his friend or relative where the borrower has entered into any agreement with his friend or relative for or in relation to the procuring, negotiation, obtaining or application of the loan or guaranteeing or securing the repayment of the loan, such agreement should be regarded as a third party agreement and his friend or relative will be regarded as a third party under the Conditions.

Case 3 – authorised sales agents of licensees

A licensee may have employed sales agents for soliciting business for them. If the sales agent does not enter into or sign any separate agreement between himself and the intending borrower for or in relation to the procuring, negotiation, obtaining or application of the loan or guaranteeing or securing the repayment of the loan with the licensee concerned, that sales agent is not to be considered as a third party.

Case 4 – multiple referrals

In some cases, more than one third parties may be involved (e.g. an intending borrower engages Person A in applying for a loan. Person A then refers the case to Person B. Person B eventually refers the borrower's application to the licensee.). As long as any party has entered into an agreement with the intending borrower for or in relation to the procuring, negotiation, obtaining or application of the loan or guaranteeing or securing the repayment of the loan, he will be regarded as a third party. For instance, if only Person A enters into an agreement with the intending borrower while Person B has never entered into any agreement with the intending borrower, only Person A will be considered as a third party.

7. An agreement between the intending borrower and a solicitor in connection with the loan agreement is not regarded as a third party agreement if the solicitor is instructed by the intending borrower to solely provide legal services (e.g. vetting of the loan documentation). But if the solicitor also provides an intermediary service in relation to the granting of the loan, he is a third party and licensees must follow the required steps as stated in paragraphs 10 - 23 below. The licensee should explain this clearly to the intending borrower.
8. The intending borrower's response to the above question should be stated in writing and form part of the loan agreement. For easy reference, a sample form on the disclosure of the existence of any third party in relation to the loan can be found at **Annex 1**.

Where no third parties are involved

9. Where the intending borrower confirms that he has not entered into or signed any relevant agreement with any third parties, the licensee should state this in writing in the loan agreement. If a licensee has done any act to dissuade or deter an intending borrower from disclosing the existence of a third party, the licensee may be regarded as having breached Condition 1.

Third parties disclosed by intending borrowers

10. If the intending borrower confirms that he has entered into or signed an agreement with a third party for or in relation to the loan, the licensee should ask the intending borrower to personally provide a copy of the third party agreement.

Explanatory note

This is to ensure that the licensee can take appropriate steps to ascertain that the third party involved is his appointed third party who is registered with the Registrar of Money Lenders and that the third party agreement does not contain any clause that breaches the requirement on no separate fee charging.

11. The licensee should explain to the intending borrower that such third party agreement should be personally provided by the latter (and must not be through the appointed third party or any person connected with the third party), and that this is to ensure that the intending borrower is in full picture of what he has agreed with the third party.
12. The licensee should withhold from entering into a loan agreement with the intending borrower if the intending borrower fails to **personally** provide a copy of the third party agreement to the licensee so that he is unable to attach a copy of the third party agreement to the loan agreement.

13. A licensee should carefully check the name and address of the third party shown on the third party agreement provided by the intending borrower against the list of appointed third parties maintained by the Registrar [see paragraphs 24 to 33].
14. If the third party as shown on the third party agreement is not an appointed third party of the licensee whose appointment has been registered by the Registrar and appears in the Register kept by the Registrar, the licensee shall not enter into any loan agreement with the intending borrower.
15. Where the third party involved is an appointed third party of the licensee, the licensee should state in writing in the loan agreement:
 - (a) the name and address of the third party;
 - (b) whether the licensee is in any way related to the third party; and
 - (c) the nature of relationship between the licensee and the third party. (e.g. appointed third parties and, where applicable, parent company, subsidiary, fellow subsidiary etc.).

A sample form on recording the particulars of appointed third party involved in a loan agreement can be found at **Annex 2**.

16. The third party agreement obtained should then be attached to the loan agreement. In this regard, licensees should ensure that their appointed third parties are aware of this requirement and adopt proper practice in their course of dealings with intending borrowers so that there will not be any difficulty for intending borrowers to obtain and provide to the licensees a copy of the third party agreement.

Prohibition of fee charging by licensee's staff, agents and appointed third parties etc.

17. A licensee should not allow or permit any person, whether the licensee, his staff, agents, appointed third parties and other persons acting for the licensee to charge, recover, demand or receive any fees, charges, reward or consideration, however named, from any borrower or intending borrower for or in relation to the procuring, negotiation, obtaining or application of a loan or guaranteeing or securing the repayment of a loan.

18. Nor should a licensee allow or permit any appointed third party to, for or in relation to the loan, enter into or sign an agreement with the borrower or intending borrower under which the borrower or intending borrower shall pay any fees, charges, reward or consideration to any party, whether for the purchase of goods or services or not.
19. A licensee should not simply adopt a passive stance without taking appropriate steps to ascertain compliance with the licensing conditions and the MLO by his appointed third parties. In particular, he should check and ensure that there is no fee charging provision in the third party agreement provided by the intending borrower. He should also ensure that his appointed third parties are aware of and comply with the prohibition on charging prospective borrowers any fees under the licensing conditions and the MLO.
20. A licensee should not enter into the loan agreement with the borrower if the third party agreement contains any term/provision which shows that the third party has charged or intends to charge the borrower any fee (under whatever pretexts and however the fee is named), whether it is for the purchase of goods or services from the third party or another party. If a licensee is aware that an intending borrower has been charged any fees by his appointed third party, he should liaise with the appointed third party concerned for rectifying the problem and such third party agreement should be rescinded. If the appointed third party refuses, the licensee should terminate the appointment and bring the matter to the attention of Police and report the termination of appointment to the Registrar.

Illustrative example for reference

If the borrower is required by the third party to make a payment to another party after the loan has been granted, say, for the purchase of an investment fund unit, a licensee should not enter into a loan agreement with the borrower, and review whether the third party should continue to be appointed by him.

21. For each proposed loan transaction, a licensee should, before entering into the relevant loan agreement, obtain a written confirmation from the appointed third party involved that the appointed third party:

- (a) has not charged, recovered, demanded or received and will not charge, recover, demand or receive any fees, charges, reward or consideration, however named, from the intending borrower for or in relation to the procuring, negotiation, obtaining or application of the loan or guaranteeing or securing the repayment of the loan; and
 - (b) has not otherwise agreed with the intending borrower that the intending borrower pay or would pay any fees, charges, rewards or consideration, however named, to any other party whether for the purchase of any goods or services or not.
22. In addition to the requirement under paragraph 21 above, a licensee should check and ensure there is no fee charging provision in the third party agreement.
23. For ready reference, a sample form on the written confirmation to be provided by the appointed third party can be found at **Annex 3**.

Reporting of appointed third parties

24. Licensees should keep an updated list of all their appointed third parties.
25. The Registrar has provided the following forms for use by licensees to report about their appointed third parties:
- (a) Notice of Particulars of Third Party Appointed by Licensed Money Lenders in relation to Granting of Loans (Form ML-ATP-1);
 - (b) Notice of Changes in Particulars of Appointed Third Party of Licensed Money Lenders (Form ML-ATP-2);
 - (c) Notice of Termination of Appointment of Appointed Third Party of Licensed Money Lenders (Form ML-ATP-3)

Samples of these forms can be found at **Annex 4**.

26. All forms should be properly completed and signed by the licensees.
27. For the purpose of reporting, a licensee should provide the name, address and identification number of any person appointed by him for or in relation to the granting of loans.

28. For an appointed third party who is an individual, a copy of his Hong Kong Identity Card or Passport (in the absence of a Hong Kong Identity Card) should be provided together with the relevant form. Alternatively, the appointed third party may present his/her original identification document in person at the Money Lenders Section for checking.
29. Particulars of appointed third party reported to the Registrar will generally be registered in two working days after receipt of the relevant form. Completed forms should therefore be delivered to the Registrar for registration as early as possible.
30. If the licensee submits the relevant form electronically through the Companies Registry's e-Services Portal to report the particulars of a third party appointed and has selected in the form that the appointed third party will present his/her original identification document in person at the Money Lenders Section, the form will be processed after completion of checking of the identification document.
31. A licensee should not grant a loan to an intending borrower if the loan involves an appointed third party whose particulars have not yet appeared on the Register kept by the Registrar.
32. Any subsequent changes in the particulars of an appointed third party should also be reported in writing to the Registrar within 21 days after the change by using Form ML-ATP-2 and the Registrar may in respect of any such change enter such particulars, or alter any particulars entered, in the Register as the Registrar thinks fit.
33. It will be in the licensees' own interest to report any cessation of their appointment of any third party to the Registrar as soon as possible, and in any case the licensee should report to the Registrar within 21 days after the cessation takes place by using Form ML-ATP-3. The Registrar will then update the list of appointed third parties of licensees kept in the Register of Money Lenders.

Pre-contractual explanation to intending borrowers

34. Before entering into any loan agreement, the licensee should clearly explain to the intending borrower all the terms and conditions of the loan agreement, in particular the terms of repayment, including:

- (a) the interest rate expressed as a rate per cent per annum;
- (b) the maximum amount of interest payable under the agreement;
- (c) the amounts of repayments periodically under the agreement;
- (d) the amount of repayment in total (sum of the principal and maximum amount of interest payable) under the agreement;
- (e) all the possible consequences for any default in repayment, in particular the licensee's taking into possession and sale of any security involved (including the property charged, if any); and
- (f) the overriding right (if any) of the licensee to demand an immediate repayment.

Explanatory note

This is to ensure that the intending borrower understands the terms and conditions of the loan agreement so that he is able to make a conscious decision whether to sign the loan agreement.

- 35. Even where the intending borrower states that there is no need for an explanation, the licensee should still comply with the requirement to provide an explanation before entering into any loan agreement.
- 36. Licensees should keep records which show their compliance with the requirement of giving explanation to the intending borrowers of all the terms and conditions of the agreement. The records can be kept in either one of the three formats: written, video or audio form. The records should show in details what have been explained to the intending borrowers. A mere acknowledgement by the intending borrower that the terms of the agreement have been explained to him is not sufficient.

Illustrative example for reference

If a licensee chooses to keep written records to show compliance with the requirement of explaining to an intending borrower, he should not ask the intending borrower to sign an acknowledgement simply declaring that the terms of the agreement have been explained to him.

The licensee may prepare a document with notes of the explanations given to the intending borrower with the date, time, and venue when the explanation takes place duly recorded, and a copy of the document signed by the licensee and the intending borrower should be given to the latter for retention and reference.

A sample form on the written record of explanation of terms of loan agreement given to intending borrower can be found at **Annex 5**.

Licensing Condition 6

Condition 6

The money lender shall not obtain or collect personal data of any person from another person or use such personal data obtained or collected from another person for the purpose of or in relation to the money lender's business (a) without the written confirmation from that other person that the disclosure/provision of such personal data by that other person for such use of the money lender is not in contravention of the provisions of the Personal Data (Privacy) Ordinance, Cap. 486; or (b) when the money lender has knowledge, or has reasonable grounds to believe, that the disclosure/provision of the personal data by that other person for such use of the money lender is likely to be in contravention of the provisions of the Personal Data (Privacy) Ordinance, Cap. 486. The money lender must also keep records which show that he complies with this requirement and the provisions of the Personal Data (Privacy) Ordinance.

Explanatory note

The above condition requires licensees to take steps to ensure that when collecting or receiving personal data from another person, they will not take part in any unlawful disclosure or use of personal data.

37. For the purpose of the money lending business, if licensees want to obtain or collect the personal data of any person from another party or use such data, they must:

- (a) obtain written confirmation from that party that the disclosure / provision of such personal data by that party for such use of the licensee is not in contravention of the provisions of the Personal Data (Privacy) Ordinance (Cap. 486);

AND

- (b) satisfy themselves that there is no reasonable ground to believe that the disclosure / provision of the personal data by that party for such use of the licensee is likely to be in contravention of the provisions of the Personal Data (Privacy) Ordinance.
38. For compliance with Condition 6(b), licensees must not merely rely on the written confirmation provided by that party without going through a proper procedure to satisfy themselves that the disclosure or provision of the personal data is not likely to be in contravention of the provisions of the Personal Data (Privacy) Ordinance. Generally speaking, licensees should, among other things –
- (a) request that party to explain how the personal data are obtained;
 - (b) ascertain whether that party may have access to the personal data in his current or previous employment(s);
 - (c) if so, ask that party to provide appropriate proof showing that the latter has been duly authorised to disclose or provide the personal data to the licensees; and
 - (d) if in doubt, licensees should contact the relevant employer(s) of the party to verify.
39. Licensees should be particularly vigilant if the party providing the personal data appear to be employed or has been employed by telecommunication service providers or financial institutions (such as banks, insurance companies and securities brokers).
40. For the purpose of Condition 6(a), licensees may accept a confirmation from the other parties covering the full duration of their service contracts instead of requiring a written confirmation from the other parties each time they collect or receive personal data from them. For the avoidance of doubt, the confirmation required under Condition 6(a) must be obtained before the personal data of any person is obtained or collected by the licensees from the other parties or used by the licensees for the purpose of or in relation to their money lending business.
41. Licensees must keep record of the written confirmation obtained and any other records which show their compliance with Condition 6 and the provisions of the Personal Data (Privacy) Ordinance. On record-keeping, licensees may refer to paragraphs 76 to 77 under Condition 12 for more practical guidance.

Illustrative example for reference

When a licensee is offered or provided with bulk personal data by a person who is a former employee of a bank, he should take reasonable steps to ascertain that person has the right to access and transfer the personal data concerned, e.g. ask that person for an appropriate proof of authorisation by the bank or consents given by the relevant customers of the bank to the disclosure or use of their personal data by the licensee.

Licensing Condition 7

Condition 7

The money lender shall not accept a subsidized flat provided by the Hong Kong Housing Authority as collateral for the loan to the borrower unless the borrower has produced to the money lender either–

- (a) a written confirmation from the Hong Kong Housing Authority that the necessary premium for removing the restrictions on alienation on the said flat has been fully paid; or
- (b) the written approval of the Director of Housing granting approval to mortgage or charge the said flat.

42. Before entering into a loan agreement which involves accepting a subsidized flat as collateral, the licensee must obtain from the borrower either of the following:

- (a) a written confirmation from the Hong Kong Housing Authority that the necessary premium for removing the restrictions on alienation on the relevant flat has been fully paid; or
- (b) the written approval of the Director of Housing to mortgage or charge the relevant flat.

The use or acceptance of a subsidized flat provided by Hong Kong Housing Authority as collateral without first removing the restrictions on alienation on the flat or obtaining the Director of Housing's relevant prior approval would render the licensee and the intending borrower liable to prosecution for an offence under the Housing Ordinance (Cap. 283) and the charge or mortgage concerned shall be void.

Licensing Condition 8

Condition 8

The Chinese version of any advertisement issued or published by the money lender for the purpose of the money lender's business as a money lender must clearly show the Chinese characters “放債人牌照號碼” immediately followed by the number of the money lender's licence.

43. Licensees must ensure that the number of the money lender's licence must be clearly shown in any advertisement issued or published for the purpose of the money lender's business.
44. While section 26(3) of the MLO requires that advertisements issued or published for the purpose of the money lender's business must clearly show the words, “Money Lender's Licence No.” immediately followed by the number of the licence of the money lender, Condition 8 further provides that the Chinese characters “放債人牌照號碼” must be clearly shown in the Chinese version of any such advertisement and be immediately followed by the number of the money lender's licence.

Licensing Condition 9

Condition 9

Any advertisement in relation to the money lending business of a money lender issued or published by the money lender, in his own name or through any other person, whether in textual, audio or visual form, shall:

- (a) be fair and reasonable and not contain misleading information; and
- (b) contain the money lender's telephone hotline for handling complaints, and a risk warning statement as set out below or as revised and promulgated by the Registrar of Money Lenders from time to time (in the same language as that of the advertisement or the relevant part thereof). The money lender's telephone hotline and the risk warning statement shall be prominent and easily legible in the written or visual part of the advertisement. The risk warning statement shall also be clearly audible in the audio part of the advertisement:

- "忠告：借錢梗要還，咪俾錢中介"
- "Warning: You have to repay your loans. Don't pay any intermediaries."

Content of the advertisement

45. Any advertisement in relation to the money lending business of a licensee issued or published by the licensee, in his own name or through any other person (including but not limited to the licensee's agents and appointed third parties), must contain:

- (a) the licensee's telephone hotline for handling complaints; and
- (b) a risk warning statement :

["忠告：借錢梗要還，咪俾錢中介"]

["Warning: You have to repay your loans. Don't pay any intermediaries."]

OR

any other risk warning statements as revised and

promulgated by the Registrar from time to time.

46. In particular, if the licensee asks any other person, e.g. the licensee's agents or appointed third parties, to issue an advertisement about the licensee's money lending business, irrespective of whether or not such advertisement is issued in the name of the licensee, the requirement under Condition 9 will still apply to such advertisement and the licensee should ensure compliance with the Condition.
47. The display or broadcast of the required information as stated in paragraph 45 must be prominent and easily legible in the written or visual part of the advertisement and clearly audible in the audio part of an advertisement (as the case may be).
48. The risk warning statement must be displayed or broadcast in the same language as that of the advertisement itself (or the relevant part thereof). The use of a single language for display or broadcast of warning statement is acceptable for monolingual advertisements.
49. Practical guidance as to how the risk warning statement should be displayed or broadcast in different forms of advertisements so as to meet the requirements is set out in **Annex 6**.
50. The telephone hotline for handling complaints should be displayed (but not necessarily read out) in audio-visual advertisements. However, for audio advertisement with no visual display, such telephone hotline should be audible and clearly read out in a voice-over in the same pace as the other contents of the advertisement.
51. Any advertisement in relation to the money lending business of a licensee issued or published by the licensee, in his own name or through any other person (including but not limited to the licensee's agents and appointed third parties), must be fair and reasonable and not contain information that may mislead or deceive members of the public reading, watching or listening to it.
52. To be fair and reasonable and not misleading, the advertisement should be accurate, balanced and in particular, does not emphasise any potential benefits of a product or service without also giving a fair and prominent indication of any relevant risks. Where benefits are subject to conditions, such conditions should be clearly displayed in the advertisement wherever practicable. Where there are limitations as to space, e.g. in poster advertisements and television commercials, the advertisement should include reference to the means by which further

information may be obtained.

53. Licensees must ensure that information contained in the advertisement or message conveyed by the advertisement is accurate and does not disguise, omit, diminish or obscure any relevant fact which will result in the information or message given to the intending borrower being insufficient, unclear, unfair or misleading.
54. Any important information must be in conspicuous text and placed in a conspicuous position in the advertisement. The use of fine print for the publication of important information may render the advertisement unfair, unreasonable or misleading.
55. An advertisement should not carry information that understates the costs of borrowing. Expressions such as “interest free”, “0% interest”, etc. would be misleading if in fact the borrower is required to pay any amount (by whatever name called) in excess of the principal amount of the loan in consideration of or otherwise in respect of the loan.
56. An advertisement should not carry information that overstates the ease of borrowing. A licensee must not in an advertisement state that an unsecured personal loan is available regardless of the borrower’s financial circumstances or status.

Illustrative example for reference

Case 1 – misleading information

Licensees should be careful with describing loans as “interest-free” loans in advertisements. If an advertisement states that certain loans are “interest-free”, it will give the impression that no interest or monthly fees will be payable for the loans, and if licensees will charge borrowers a monthly administrative or handling fee for such loans, the advertisement would be regarded as misleading.

Case 2 - important information to be in conspicuous text and position

Where an advertisement of a licensee purports to indicate the terms of interest on which he is willing to make loans, such

advertisement should show the interest proposed to be charged as a rate per cent per annum and in such manner as to be not less conspicuous than any other matter mentioned in the advertisement, for compliance with section 26 of the MLO and Condition 9.

Case 3 – information on types of loans and borrowers

Licensees should be cautious when mentioning the maximum amount of personal loans that can be granted in advertisements. In light of the Debt Servicing Ratio caps stipulated in Condition 16, any advertisement that fails to specify the types of personal loans and categories of intending borrowers or borrowers to which the maximum loan amount applies will be regarded as misleading.

Case 4 – guaranteed or no credit checks for unsecured personal loans

A statement or an implication that an unsecured personal loan is guaranteed or pre-approved, or is not subject to any credit checks or other assessment of the borrower's financial position would be regarded as misleading as the licensee is obliged to undertake an assessment of the financial status of the intending borrower before entering into an unsecured personal loan agreement pursuant to Condition 15.

Case 5 – misleading advertisement implying ease of borrowing and repayment

An advertisement should not contain messages which carry an impression that the borrower could repay the loan with ease and overstates the ease of borrowing. Such an advertisement may mislead or deceive members of the public reading, watching or listening to it and will be regarded as misleading.

Licensing Condition 10

Condition 10

- (a) The money lender and his debt collectors shall not try to recover debts, whether directly or indirectly, from anyone unless such person is in law indebted to him.
- (b) The money lender shall take all practicable steps and measures to ensure that personal data collected in the course of his business are protected against unauthorized or accidental access, processing, erasure or other use by any debt collectors, and shall at all times comply with the Personal Data (Privacy) Ordinance, Cap 486, Laws of Hong Kong, in the collection, use, holding and processing of such information or personal data.
- (c) The money lender and his debt collectors shall not, while trying to locate the whereabouts of debtors, harass anyone, adopt unlawful or improper debt collection practices.
- (d) The money lender shall, so far as reasonably practicable, maintain and monitor proper systems and procedures for handling complaints and/or inquiries relating to the loans lent by him in the ordinary course of business and the debt collection activities arising therefrom.
- (e) The money lender shall, so far as reasonably practicable, keep updated and accurate records of the debt collection activities of his debt collectors during the term of the licence.

57. Condition 10 sets out the obligation of licensees in connection with debt collection activities.
58. Licensees and their debt collectors, whether they are the staff of the licensees who are assigned the duty of debt collection or the staff of third party debt collection agencies appointed by the licensees to collect debts on their behalf, should act within the law and comply with Condition 10 in their debt collection activities. Whether the debt collector complies with the law and the relevant requirements under Condition 10 in his debt collection activities is a factor for determination of whether the licensee is a fit and proper person to carry on business as a money lender. Licensees must exercise proper care and diligence to monitor the debt collection activities of their debt collectors.

59. Licensees and their debt collectors must not try to recover debts, whether directly or indirectly, from anyone (e.g. referees, family members or friends of the debtors) unless such person is in law indebted to the licensees.
60. Licensees must take all practicable steps and measures to safeguard personal data collected in the course of business against unauthorised or accidental access, processing, erasure, loss or use by any debt collectors.
61. Licensees must not adopt any unlawful or improper debt collection practices. Licensees must also ensure that his debt collectors do not adopt any unlawful or improper practices in their debt collection activities.
62. Debt collectors should not be given a free hand as to debt recovery procedures. Licensees should have proper systems and procedures in place for monitoring the performance of their debt collectors, and should keep updated and accurate records of the debt collection activities of their debt collectors.

Licensing Condition 11

Condition 11

The money lender shall provide information relating to his money lending business during the term of the licence as may be required by the Registrar of Money Lenders or the Commissioner of Police and such information shall be provided within such time as the Registrar of Money Lenders or the Commissioner of Police may specify.

63. Licensees must provide information relating to their money lending businesses as required by the Registrar or the Commissioner of Police during the term of the respective licences.
64. Licensees must provide the required information within such time as specified by the Registrar or the Commissioner of Police.

Licensing Condition 12

Condition 12

The money lender must establish and maintain proper systems and procedures to ensure that the money lender, or his partners, employers, employees, principals or agents, any persons acting for him and any appointed third parties shall be informed of and observe the licensing conditions and the provisions of the Money Lenders Ordinance.

65. Licensees should establish and maintain proper systems and procedures to ensure that they themselves, their employees, agents, any persons acting for them and any appointed third parties are informed of and observe the licensing conditions and the provisions of the MLO.

Management and supervision

66. Detailed policies and procedures pertaining to authorisations and approvals, as well as the authority of key positions for the compliance of statutory obligations should be clearly defined and communicated to and followed by staff, agents, appointed third parties and any persons acting for the licensees.
67. Reporting lines should be clearly identified with supervisory and reporting responsibilities assigned to appropriate staff members.

Complaint handling

68. Licensees should establish proper and effective procedures to ensure the proper handling of customers' complaints and that appropriate remedial actions are taken.
69. Licensees should ensure that all their staff members, agents, appointed third parties and other persons acting for them who deal with intending borrowers or borrowers are aware of the complaint procedures and are able to provide customers with correct information about the procedures.

70. Licensees' complaint handling mechanism should be:
- (a) comprehensive in their coverage;
 - (b) transparent, accessible and affordable to customers;
 - (c) fair and impartial for all parties concerned;
 - (d) timely and efficient, with appropriate and measurable service pledge or performance standards;
 - (e) consistent in terms of approaches for the provision of redress; and
 - (f) able to reflect customer feedback and issues of concerns.
71. The complaint handling procedures should include the following:
- (a) Acknowledgment of receipt of complaints with a contact telephone number;
 - (b) Appropriate follow-up, including possible investigation, of allegations or concerns raised by the complainant;
 - (c) Availability of redress in appropriate circumstances; and
 - (d) Keeping of proper written record of the correspondences and processes.
72. The records of complaint handling to be maintained should include, but not limited to:
- (a) Details and nature of each complaint received including the name of the complainant and substance of the complaint;
 - (b) Follow-up actions taken including investigation conducted;
 - (c) Complaint handling result;
 - (d) Remedial actions taken; and
 - (e) Relevant documents and additional information relating to the complaints.
73. The records maintained should be sufficient to enable the Registrar to monitor the licensee's compliance with Condition 12.

74. A sample form for the records of information of complaint handling can be found at **Annex 7**.

Personnel and training

75. Appropriate personnel recruitment and training policies should be established with adequate consideration given to training needs to ensure compliance with the licensee's operational and internal control policies and procedures and all applicable legal and regulatory requirements to which the licensee is subject. In particular:-
- (a) Licensees should ensure that, for compliance with the MLO and the licensing conditions, adequate training suitable for the specific duties which their staff perform is provided to these persons both before they commence their duties and on an ongoing basis. Their staff should be made aware of how the licensing conditions apply to their duties, the licensee's statutory obligations and the possible consequences for failure to comply with the licensing conditions or statutory requirements.
 - (b) Managerial staff should have specific training on their responsibilities for supervising or managing staff, agents, appointed third parties and other persons acting for the licensee and performing random checks in the daily operations of the licensee to ensure compliance with the licensing conditions and relevant statutory provisions.
76. Licensees should also take appropriate steps to ensure that their agents, appointed third parties and other persons acting for them are aware of how the licensing conditions apply to their duties, the licensee's statutory obligations and the possible consequences for failure to comply with the licensing conditions or statutory requirements before they commence their duties.
77. Licensees are encouraged to consider using a mix of training techniques and tools in delivering training, depending on the available resources and learning needs of their staff, agents, appointed third parties and other persons acting for them. These techniques and tools may include on-line learning systems, focused classroom training, videos as well as paper-based or intranet-based procedural manuals.

Review of appointed third parties

78. Licensees should from time to time ascertain the appointed third parties' continuous compliance with the relevant requirements for the purposes of the licensees' continuous compliance with the licensing conditions and the provisions of the MLO, in particular should ensure that the appointed third parties do not charge borrowers or intending borrowers any fees for or in relation to the loans granted by licensees.

Record keeping

79. Licensees should keep adequate and up-to-date documentation regarding the licensees' compliance with licensing conditions and the statutory provisions of the MLO.

80. In particular, licensees should maintain proper records as required under the various licensing conditions including but not limited to:

- (a) Particulars of their appointed third parties;
- (b) Appointed third parties' written confirmations on not charging borrowers or intending borrowers any fees for or in relation to loans granted by licensees;
- (c) Written confirmations from any party from which personal data is obtained or collected that the disclosure / provision of such personal data is not in contravention of the provisions of the Personal Data (Privacy) Ordinance;
- (d) Records which show the licensees' compliance with the requirement on providing explanations to intending borrowers of the terms of the loan agreements;
- (e) Written confirmations or approvals by the relevant authorities produced by borrowers for loan agreements involving the acceptance of subsidized flats as collateral;
- (f) Written consents of referees, obtained on or before 31 July 2026, confirming their agreements to act as referees for the intending borrowers in respect of the loan applications; and
- (g) Written records of complaint handling.

Licensing Condition 13

Condition 13

The money lender is prohibited from requesting an intending borrower to provide, or obtaining from the intending borrower, any information of a referee in respect of the loan application. Where the money lender is already in possession of the information of a referee, the money lender shall not use such information or contact the referee for any purpose including purpose in relation to his money lending business.

For the purposes of this Condition, a referee is a person, other than the intending borrower, who has been named a referee by the intending borrower or who provides, upon request by the money lender, information about the intending borrower in respect of the loan application.

81. Licensees are not allowed (a) to request intending borrowers to provide, or (b) to obtain from the intending borrowers, any information of a referee in respect of loan applications. Licensees should obtain information about the intending borrowers from the intending borrowers directly or from other publicly available sources in order to assess the loan applications.
82. For loan referees or their information provided by intending borrowers on or before 31 July 2026, the licensees shall immediately cease to make use of such information of the referees. The licensees shall not contact the referee for any purpose including in relation to their money lending business (e.g. to enquire about the whereabouts of the borrower).
83. The role of a referee, if any and on or before 31 July 2026, is confined to the provision of information about an intending borrower in respect of the latter's loan application. The referee has no legal or moral obligation in relation to the loan, and shall not under any circumstances be liable for repayment of a loan.
84. By virtue of Condition 10(a), the licensee and his debt collectors shall not recover or attempt to recover debts, directly or indirectly, from a referee.

Licensing Condition 14

Condition 14

The money lender shall comply with the guideline on anti-money laundering and counter-financing of terrorism for licensed money lenders issued by the Registrar of Money Lenders (as revised from time to time).

85. Licensees must comply with the guideline on AML/CFT for licensed money lenders issued by the Registrar (as revised from time to time), which provides practical guidance to licensees and their senior management in devising and implementing policies, procedures and controls in relevant operational areas by reference to the AML/CFT requirements under Schedule 2 to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615).

Licensing Condition 15

Condition 15

The money lender shall, before entering into any agreement for unsecured personal loan or before granting any significant increase in the amount of loan under an agreement for unsecured personal loan, undertake an assessment of the intending borrower's or borrower's ability to make repayments under the loan agreement affordably and have due regard to the outcome of the assessment in respect of affordability.

In carrying out the assessment, the money lender shall consider:

- (a) the intending borrower's or borrower's current income and expenditure; and
- (b) the intending borrower's or borrower's ability to make repayments under the loan agreement:
 - (i) as they fall due over the life of the loan agreement;
 - (ii) without the intending borrower or borrower having to borrow to meet the repayments; and
 - (iii) without the repayments having a significant adverse impact on the intending borrower's or borrower's overall financial situation.

The money lender must also keep written or video or audio records which show that the requirements under this condition have been complied with.

Scope and purpose of Condition 15

86. Condition 15 applies to the granting of unsecured personal loans only.

87. The licensee is required to carry out a reasonable assessment of the intending borrower's or borrower's ability to make repayments in an affordable manner and without the repayments having a significant adverse impact on the intending borrower's or borrower's overall financial situation (hereinafter referred to as the "affordability assessment"). The licensee is also required to duly consider the

outcome of the affordability assessment before entering into any agreement for unsecured personal loan or before granting any significant increase in the amount of loan. The purpose of this Condition is to mitigate the risks of unaffordable borrowing, which may have adverse impact on the borrower and the licensee.

Reasonable assessment

88. The licensee must base the affordability assessment on sufficient information available to him at the time of conducting the assessment which enable him to carry out a reasonable assessment.
89. The extent and scope of the affordability assessment, the steps that the licensee must take and the evidence to be taken into account by the licensee to satisfy the requirement that the assessment is a reasonable one that is based on sufficient information, are dependent upon, and proportionate to, the individual circumstances of each case. The licensee should adopt a common sense approach and decide what is appropriate and proportionate in the circumstances of a particular case.
90. In deciding what steps are needed to make the affordability assessment a reasonable one, the licensee should consider the following factors (where applicable) in the assessment:
 - (a) the total amount of the principal and interest payable;
 - (b) the duration of the term for repayment of the loan;
 - (c) the frequency and amounts of the repayments;
 - (d) the interest rate;
 - (e) purpose of obtaining the loan;
 - (f) the employment or business of the intending borrower or borrower;
 - (g) current credit and financial information on the intending borrower or borrower; and
 - (h) any other potential adverse consequences for the intending borrower or borrower arising from a failure to make a repayment by the due date under the loan agreement.
91. If an increase in the amount of loan under a loan agreement is not itself significant but would result in there having been, since the last affordability assessment, a cumulative increase that is significant, then a further affordability assessment is required. This may be the case,

for example, where a number of consecutive increases have been made over a period, none of which is significant when considered in isolation but the aggregate sum of which is significant.

92. The requirement to conduct an assessment under Condition 15 applies irrespective of whether the intending borrower or borrower has previously borrowed from the licensee. It may be reasonable to take into account the information obtained in the course of the intending borrower's or borrower's previous dealings with the licensee as part of the assessment. However, in such a case, the licensee should also consider whether the passage of time could have affected the validity of the information and whether it is appropriate to update it.

Current income and expenditure

93. The licensee must take reasonable steps to determine the amount, or make a reasonable estimate, of the current income and expenditure of the intending borrower or borrower.
94. When assessing income, the licensee can include income other than salary and wages such as dividend and rental income. When assessing expenditure, the licensee should take into account payments needed to meet existing debts and essential living expenses and other expenditure which is hard to reduce to give a basic quality of life.
95. Where it is reasonably foreseeable that there is likely to be a reduction in the income or an increase in the expenditure of the intending borrower or borrower, which could have a material impact on the ability of the intending borrower or borrower to make repayments affordably and without the repayments significantly affecting the intending borrower's or borrower's overall financial situation, the licensee must take reasonable steps to estimate the amount of that reduction or increase (as the case may be) and take it into account in the assessment.
96. In carrying out the affordability assessment, the licensee may take into account the intending borrower's or borrower's savings and assets where it is reasonable to do so in the individual circumstances of the case.

Written policies and procedures and Record keeping

97. The licensee should establish, implement and maintain clear and effective written policies and procedures to enable it to carry out a reasonable assessment and to set out the principal factors it will take into account in carrying out the assessment.
98. The licensee is required to maintain a record of each transaction where an agreement for unsecured personal loan is entered into or there is a significant increase in the amount of loan under an agreement for unsecured personal loan. The record should be sufficient to enable the Registrar to monitor the licensee's compliance with Condition 15.

Licensing Condition 16²

Condition 16

The money lender shall not grant any unsecured personal loan to an intending borrower or borrower who is a low-income earner if, by granting the unsecured personal loan:

- (a) the Debt Servicing Ratio of the intending borrower or borrower exceeds the Debt Servicing Ratio cap; or
- (b) the repayment period of the unsecured personal loan exceeds the remaining term of the intending borrower's or borrower's employment contract.

The money lender shall, in relation to each unsecured personal loan, keep written, video or audio records which show that the requirements under this Condition have been complied with.

For the purposes of this Condition,

- (i) "Debt Servicing Ratio" means the ratio, expressed as a percentage, of the total monthly repayment obligations of unsecured personal loans of the intending borrower or borrower (including the unsecured personal loan being applied for) to his/her monthly income; and
- (ii) the definition of low-income earner, details of the applicable Debt Servicing Ratio caps and the details of the total monthly repayment obligations of unsecured personal loans for the Debt Servicing Ratio will be promulgated by the Registrar of Money Lenders and may be reviewed and revised by the Registrar of Money Lenders from time to time.

² For the avoidance of doubt, the numbering or placement of this Condition 16 may vary in individual money lenders licences but the guidance provided herein remains equally applicable irrespective of the numbering of this Condition.

Unsecured personal loans to low-income earners

99. In addition to the affordability assessment as required under Condition 15 (see also paragraphs 88 to 96), licensees shall specifically ascertain the Debt Servicing Ratio (“DSR”) of the intending borrowers or borrowers who are low-income earners before granting any unsecured personal loan.
100. Definition of low-income earners is set out in **Annex 8**.
101. For the purpose of this Condition, DSR is defined as the ratio, expressed as a percentage, of the total monthly repayment obligations of unsecured personal loans of the intending borrower or borrower to his/her monthly income.
102. When calculating the DSR, the licensees must take into account the total monthly repayments payable by the intending borrower or borrower to the relevant financial institutions (including banks and money lenders) for all of his/her outstanding unsecured personal loan amount (e.g. personal loans, credit card loans, revolving facilities, overdraft, etc.). For the avoidance of doubt, the total monthly repayments should also include the monthly repayment for the unsecured personal loan being applied for by the intending borrower or borrower.
103. The level of intending borrower’s or borrower’s monthly income and their corresponding DSR caps are set out in **Annex 8**.
104. To ascertain the DSR of the intending borrower or borrower, the licensee should either:
- (a) assess the affordability of intending borrower or borrower based on his/her personal credit reference report under the Credit Data Smart³ (“CDS”) if the licensee has joined the CDS;

OR

³ “Credit Data Smart” is a new operating model aiming to provide choices for the provision of consumer credit reference service to credit providers, which is developed by the Hong Kong Association of Banks, The Hong Kong Association of Restricted Licence Banks and Deposit-taking Companies, and the Hong Kong S.A.R. Licensed Money Lenders Association Limited, with the support of the Hong Kong Monetary Authority.

- (b) where the licensee has not joined the CDS, ask the intending borrower or borrower to provide a written declaration on his/her financial obligations and attach the written declaration to the loan agreement.

For easy reference, a sample form for written declaration by the intending borrower or borrower mentioned in (b) above can be found at **Annex 9**.

- 105. If the DSR of an intending borrower or borrower exceeds the cap corresponding to his/her monthly income, the licensee shall not grant any unsecured personal loan to the intending borrower or borrower.
- 106. Where the intending borrower or borrower is a low-income earner and is employed under a fixed-term employment contract, the repayment period for any unsecured personal loan should not exceed the remaining term of the intending borrower's or borrower's employment contract. If the intending borrower or borrower is employed under multiple fixed-term employment contracts, the repayment period for any unsecured personal loan shall not extend beyond the last expiry date of these employment contracts.

Record keeping

- 107. The licensee is required to maintain a record of each granting of unsecured personal loan to an intending borrower or borrower who is a low-income earner. The records kept should be sufficient to enable the Registrar to monitor the licensee's compliance with Condition 16.

Annex 1

Licensing Condition 1(b)
Sample form on disclosure of
the existence of third parties by intending borrower

Disclosure of the existence of third parties by intending borrower

Confirmation from [_____] (intending borrower)

To: (*Name of licensee*)

I / We, (*Name of the intending borrower*), holder of [Hong Kong Identity Card No. _____] / [BR Certificate No. _____] / [Company Number _____] * at (*address*) refer to my / our application to you for a loan and hereby confirm that:

(1) I / We

* [have entered into or signed an agreement with a third party]

* [have not entered into or signed any agreement with any third party] for or in relation to the procuring, negotiation, obtaining or application of the loan, guaranteeing or securing the repayment of the loan (other than any agreement with solicitors instructed by me / us for the provision of legal services solely);

(2) The name and address of the third party are as follows:

Name of third party 1: _____

Address of third party 1 : _____

Name of third party 2: _____

Address of third party 2 : _____

(Please set out particulars of other third parties on a separate sheet signed by the intending borrower bearing the same date if there are more than two third parties)

I / We hereby provide a copy of each of the agreement with the third party or parties and understand that such agreement(s) will be attached to the loan agreement.

IMPORTANT NOTE:

Please note that it is an offence for a person to fraudulently induce a money lender to lend money by false or misleading statement or dishonest concealment of material facts.

You should make full and honest disclosure of the above information on the involvement of any third parties in relation to the loan for the protection of your own interests.

Signature:

Name:

Date:

**Delete where appropriate*

Licensing Condition 1(c)(ii)
Sample form on recording the particulars of
appointed third party involved in a loan agreement

Particulars of appointed third party involved in a loan agreement

I / We (*Name of Money Lender*) confirm that :

Please tick the relevant box

The following third party is involved in the loan agreement

Name of third party : _____

Address of third party : _____

I / We have appointed the above third party.

I am / We are related to the appointed third party

Nature of my / our relationship with the appointed third party :

(Please select at least one item below)

Holding company of the Money Lender

Subsidiary of the Money Lender

Fellow subsidiary (i.e. subsidiary of the holding company of the Money Lender)

Others : (please specify)

Signature :

Name :

Position :

Name of

Money Lender :

Date :

(Please record particulars of each appointed third party on a separate sheet.)

Annex 3

Licensing Condition 2(b)
Sample form on confirmation by
appointed third party on the charging of fees

Confirmation from appointed third party

To: *(Name of licensee)*

I / We *(Name of appointed third party)* refer to the application of *(Name of intending borrower)* (“the intending borrower”) for a loan from you and hereby confirm that:

- (a) I / We have not charged, recovered, demanded or received and will not charge, recover, demand or receive any fees, charges, reward or consideration, however named, from the intending borrower for or relating to the procuring, negotiation, obtaining or application of the loan or guaranteeing or securing the repayment of the loan; and
- (b) I / We have not otherwise agreed with the intending borrower that, for or relating to the loan, the intending borrower pay or would pay any fees, charges, reward or consideration, however named, to any other party whether for the purchase of any goods or services or not.

Signature:

Name:

Date:

Annex 4

<p style="text-align: center;">Licensing Condition 3 Sample form on reporting by licensees of particulars or changes in particulars of or termination of appointment of appointed third parties of licensees</p>
<p>List of Forms</p>
<p>(1) Form ML-ATP-1</p> <p style="padding-left: 40px;">Notice of Particulars of Third Party Appointed by Licensed Money Lenders in relation to Granting of Loans</p>
<p>(2) Form ML-ATP-2</p> <p style="padding-left: 40px;">Notice of Changes in Particulars of Appointed Third Party of Licensed Money Lenders</p>
<p>(3) Form ML-ATP-3</p> <p style="padding-left: 40px;">Notice of Termination of Appointment of Appointed Third Party of Licensed Money Lenders</p>

持牌放債人為批出貸款而委任的第三方詳情通知書
Notice of Particulars of Third Party Appointed by
Licensed Money Lenders in relation to Granting of Loans

放債人檔案號碼 MLR Number

1 持牌人姓名／名稱 Name of Money Lender Licensee

2 持牌人提供的電話查詢號碼 Licensee's Enquiry Telephone Number

3 持牌人委任的第三方的詳情

Particulars of the third party appointed by the Licensee

姓名／名稱 Name

地址 Address

身分證明 Identification

A 適用於個人 For Individual

(必須提供獲委任的第三方的身分證明文件 The identification document of the appointed third party must be provided)

(a) 詳情 Details

請在適用的空格內加上✓號 Please tick the relevant box

香港身分證號碼
Hong Kong Identity Card Number

OR

護照
Passport

<input type="text"/>	<input type="text"/>
----------------------	----------------------

簽發國家／地區
Issuing Country/Region

號碼
Number

3A 持牌人委任的第三方的詳情 (續上頁)

Particulars of the third party appointed by the Licensee (cont'd)

(b) 交付身分證明文件的方式 Mode of Submission of Identification Document

請在適用的空格內加上✓號 Please tick the relevant box

獲委任的第三方親身到放債人註冊辦事處出示其身分證明文件正本

The appointed third party will present his/her original identification document in person at the Money Lenders Section

隨本表格交付獲委任的第三方的身分證明文件副本

A copy of the identification document of the appointed third party is submitted with this Form

B 適用於法人團體、獨資、合夥或其他非法人團體

For Body Corporate, Sole-proprietorship, Partnership or unincorporated body of persons

商業登記號碼 Business Registration Number

簽署 Signed:

姓名 Name:

持牌放債人 Money Lender Licensee /
持牌放債人的授權代表 Authorised Person of Licensee*

日期 Date:

日 DD / 月 MM / 年 YYYY

*請刪去不適用者 Delete whichever does not apply

提交人資料 Presentor's Reference

姓名 Name :

電話 Telephone :

傳真 Fax No. :

持牌放債人委任的第三方的詳情更改通知書
Notice of Changes in Particulars of Appointed Third Party
of Licensed Money Lenders

放債人檔案號碼 MLR Number

1 持牌人姓名／名稱 Name of Money Lender Licensee

2 持牌人提供的電話查詢號碼 Licensee's Enquiry Telephone Number

3 持牌人委任的第三方的詳情更改

Changes in Particulars of the Appointed Third Party of the Licensee

A. 現時在放債人登記冊登記的詳情

Particulars Currently Registered in the Register of Money Lenders

姓名／名稱 Name

地址 Address

身分證明 Identification

(a) 適用於個人 For Individual

請在適用的空格內加上✓號 Please tick the relevant box

香港身分證號碼
Hong Kong Identity Card Number

OR

護照
Passport

簽發國家／地區
Issuing Country/Region

號碼
Number

(b) 適用於法人團體、獨資、合夥或其他非法人團體

For Body Corporate, Sole-proprietorship, Partnership or unincorporated body of persons

商業登記號碼 Business Registration Number

B. 更改詳情 Details of Change(s)

只須填報有更改的項目 Please complete item(s) with change(s) only

姓名／名稱 Name

--

地址 Address

--

身分證明 Identification

(a) 適用於個人 For Individual

(必須提供獲委任的第三方的身分證明文件 The identification document of the appointed third party must be provided)

(i) 詳情 Details

請在適用的空格內加上✓號 Please tick the relevant box

香港身分證號碼

Hong Kong Identity Card Number

--

OR

護照

Passport

--

簽發國家／地區
Issuing Country/Region

--

號碼
Number

(ii) 交付身分證明文件的方式 Mode of Submission of Identification Document

請在適用的空格內加上✓號 Please tick the relevant box

獲委任的第三方親身到放債人註冊辦事處出示其身分證明文件正本

The appointed third party will present his/her original identification document in person at the Money Lenders Section

隨本表格交付獲委任的第三方的身分證明文件副本

A copy of the identification document of the appointed third party is submitted with this Form

(b) 適用於法人團體、獨資、合夥或其他非法人團體

For Body Corporate, Sole-proprietorship, Partnership or unincorporated body of persons

商業登記號碼 Business Registration Number

--

簽署 Signed:

日期

姓名 Name:

Date:

持牌放債人 Money Lender Licensee /
持牌放債人的授權代表 Authorised Person of Licensee*

日 DD / 月 MM / 年 YYYY

*請刪去不適用者 Delete whichever does not apply

提交人資料 Presentor's Reference

姓名 Name :

電話 Telephone :

傳真 Fax No. :

持牌放債人委任的第三方的終止委任通知書
Notice of Termination of Appointment of
Appointed Third Party of Licensed Money Lenders

放債人檔案號碼 MLR Number

1 持牌人姓名／名稱 Name of Money Lender Licensee

2 持牌人提供的電話查詢號碼 Licensee's Enquiry Telephone Number

3 現通知放債人註冊處處長，下述人士已於 _____年 _____月 _____日停任上述持牌人為批出貸款而委任的第三方。

I / We * hereby notify the Registrar of Money Lenders that the following person has ceased to be the appointed third party of the abovenamed Money Lender Licensee in relation to the granting of loans with effect from the date of _____.

4 停任持牌人委任的第三方的人士的詳情

Particulars of the person who ceased to be the appointed third party of the Licensee

姓名／名稱 Name

地址 Address

身分證明 Identification

(A) 適用於個人 For Individual

請在適用的空格內加上✓號 Please tick the relevant box

香港身分證號碼
Hong Kong Identity Card Number

OR

護照
Passport

<input type="text"/>	<input type="text"/>
----------------------	----------------------

簽發國家／地區
Issuing Country/Region

號碼
Number

(B) 適用於法人團體、獨資、合夥或其他非法人團體

For Body Corporate, Sole-proprietorship, Partnership or unincorporated body of persons

商業登記號碼 Business Registration Number

簽署 Signed:

姓名 Name :

日期 Date:

持牌放債人 Money Lender Licensee /
持牌放債人的授權代表 Authorised Person of
Licensee*

日 DD / 月 MM / 年 YYYY

*請刪去不適用者 Delete whichever does not apply

提交人資料 Presentor's Reference

姓名 Name :

電話 Telephone :

傳真 Fax No. :

Licensing Condition 5
Sample form for recording explanation of terms
of loan agreement given to intending borrower

Confirmation of explanation of loan agreement by money lender

I confirm that I have explained to the intending borrower at the time and place set out below all the terms of the following loan agreement, in particular the terms in relation to repayment, namely,

- (a) the interest rate expressed as a rate per cent per annum and the total amount of interest payable under the agreement;
- (b) amounts of repayments, periodically and in total, under the agreement;
- (c) the possible consequences for any default in repayment, including –
 - (i) the taking into possession and sale of any security involved (including the property charged, if any); and
 - (ii) any overriding right of the money lender to demand an immediate repayment.

Loan agreement / Contract no. / Reference No.	
Name of Intending Borrower	
Date of explanation	
Time	
Venue	

Signature of staff : _____

Name of staff : _____

Position of staff : _____

Name of Money Lender : _____

Acknowledged by intending borrower

Signature : _____

Name of Intending
Borrower : _____

Date : _____

Annex 6

Licensing Condition 9 Guidance for meeting the requirements on the display / broadcast of risk warning statement for different types of advertisements	
Form of advertisement	Manner of display / broadcast accepted as meeting the requirements
Audio advertisement with no visual display (e.g. Radio broadcast)	<ul style="list-style-type: none"> ● The warning statement should be audibly and clearly read out in a voice-over at the end of each broadcast. ● The warning statement should be read out in the same pace as other contents of the advertisement.
Audio-visual advertisement (including television, cinema or video clips on internet)	<ul style="list-style-type: none"> ● Where the warning statement appears in an independent screenshot, the statement should be displayed visually at the end of the advertisement for at least 3 seconds together with a clear read-out for the same duration. <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> ● The warning statement should be shown clearly at the bottom of the screen throughout the entire advertisement with the height of each Chinese character of the statement be at least 1/15 of the screen and / or height of the capital letters of the English statement be at least 1/20 of the screen, together with a clear read-out in the same pace as other contents of the advertisement. ● The warning statement should be displayed in darker colour than the background and there should be clear contrast in colour between the background or backdrop of the advertisement and the warning statement.
Advertisement in print	<ul style="list-style-type: none"> ● The warning statement should be displayed in text in at least 50 per cent of the font size, same font type and colour as the other contents of the

Form of advertisement	Manner of display / broadcast accepted as meeting the requirements
	advertisement that bear the largest font size.
Internet advertisement	<ul style="list-style-type: none"> ● For a website banner which links to another website, it is acceptable for the warning statement to be shown on the landing page instead of in the banner. The warning statement should be displayed in text in at least 50 per cent of the font size, same font type and colour as the other contents that bear the largest font size on the landing page. ● For advertisements with a static screen on the internet, the guidance above for advertisement in print applies. ● For audio-visual advertisement on the internet, the guidance above for the display of warning statement in audio-visual advertisements applies.
SMS advertising message on mobile phones	<ul style="list-style-type: none"> ● The warning statement should be displayed as an independent paragraph in the SMS message. ● Where the SMS message links to another advertising website, it is acceptable for the warning statement to be shown on the landing page instead of in the SMS message. In that case, the warning statement should be displayed in text in at least 50 per cent of the font size, same font type and colour as the other contents that bear the largest font size on the landing page.

Licensing Condition 12
Sample form for recording information on complaint handling

Record of Complaint Handling

Sequence Number: _____

Basic Information of Complaint

Date of receipt: _____

Complaint channel: Complaint hotline / Email / Fax / Post / In person

Information of Complainant

Name: _____

Contact: _____

Loan agreement number: _____

Details of Complaint

Nature of complaint: _____

Follow-up actions including investigation taken

Investigation result: _____

Remedial actions taken

Date of completion: _____

Handling staff: _____

Reviewing staff: _____

Date: _____

Licensing Condition 16
Definition of low-income earners and
details of the Debt Servicing Ratio caps

Definition of a low-income earner

With effect from 1 August 2026

An intending borrower or borrower with a monthly income of HK\$12,000 or less.

[*Note:*

- (a) If the intending borrower or borrower does not have a fixed income, the licensee must calculate the intending borrower's or the borrower's average monthly income, based on his/her income record from the latest 3 months or 12 months, whichever is the higher.
- (b) The current income of the intending borrower or borrower should be used in the DSR calculation and no expected future income increase should be taken into account.]

DSR Cap

With effect from 1 August 2026

The level of intending borrower's or borrower's monthly income and their corresponding DSR caps are set out as follows –

Borrower's monthly income	DSR cap
HK\$6,000 or less	Not exceeding 35%
From HK\$6,001 to HK\$12,000	Not exceeding 40%

Illustrative examples for reference

Assuming that an intending borrower with a monthly income of HK\$6,000 wishes to apply for an unsecured personal loan from the licensee, the corresponding DSR cap is 35% and the maximum monthly repayment amount for the intending borrower is 35% of the intending borrower's monthly income (i.e. HK\$2,100).

Case 1 – monthly repayment amount does not exceed the maximum monthly repayment amount

If (a) the intending borrower applies for a loan of HK\$20,000 to be repaid in 12 monthly instalments from a licensee and (b) the licensee intends to charge an effective rate of interest of 30% for the loan, the monthly repayment amount for the intending loan would be HK\$1,937.5.

Provided that the intending borrower has no other outstanding unsecured personal loans, the total monthly repayment amount would be HK\$1,937.5 and the DSR of the intending borrower would be 32.3% (i.e. $\text{HK\$1,937.5} \div \text{HK\$6,000}$).

The DSR of the intending borrower does not exceed the DSR cap, and the total monthly repayment amount is less than the maximum monthly repayment amount under the DSR cap (i.e. HK\$2,100). Hence, the licensee CAN grant the unsecured personal loan to the intending borrower.

Case 2 – monthly repayment amount exceeds the maximum monthly repayment amount

If (a) the intending borrower applies for a loan to HK\$20,000 to be repaid in 6 monthly instalments from a licensee and (b) the licensee intends to charge an effective rate of interest of 30% for the loan, the monthly repayment amount for the intending loan would be HK\$3,625.

Provided that the intending borrower has no other outstanding

unsecured personal loans, the total monthly repayment amount would be HK\$3,625 and the DSR of the intending borrower would be 60.4% (i.e. HK\$3,625 ÷ HK\$6,000).

The DSR of the intending borrower exceeds the DSR cap, and the total monthly repayment amount is greater than the maximum monthly repayment amount under the DSR cap (i.e. HK\$2,100). Hence, the licensee shall NOT grant the unsecured personal loan to the intending borrower.

Case 3 – total monthly repayment amount exceeds the maximum monthly repayment amount

If (a) the intending borrower applies for a loan of HK\$20,000 to be repaid in 12 monthly instalments from a licensee and (b) the licensee intends to charge the borrower an effective rate of interest of 30% for the loan, the monthly repayment amount for the intending loan would be HK\$1,937.5.

If the intending borrower has a HK\$1,000 monthly outstanding financial obligation of unsecured personal loans with other institutions, the total monthly repayment amount would be HK\$2,937.5 (i.e. HK\$1,000 + HK\$1,937.5) and the DSR of the intending borrower would be 48.9% (i.e. HK\$2,937.5 ÷ HK\$6,000).

The DSR of the intending borrower exceeds the DSR cap, and the total monthly repayment amount of the intending borrower is greater than the maximum monthly repayment amount under the DSR cap (i.e. HK\$2,100). Hence, the licensee shall NOT grant the unsecured personal loan to the intending borrower.

Case 4 – total monthly repayment amount does not exceed the maximum monthly repayment amount

If (a) the intending borrower applies for a loan of HK\$10,000 to be repaid in 11 monthly instalments from a licensee and (b) the licensee intends to charge the borrower an effective rate of interest of 20% for the loan, the monthly repayment of the intending loan would be HK\$1,000.

If the intending borrower has a HK\$500 monthly outstanding financial obligation of unsecured personal loans with other institutions, the total monthly repayment amount would be HK\$1,500 (i.e. HK\$500 + HK\$1,000) and the DSR of the intending borrower would be 25% (i.e. HK\$1,500 ÷ HK\$6,000).

The DSR of the intending borrower does not exceed the DSR cap and the total monthly repayment amount is less than the maximum monthly repayment amount under the DSR cap (i.e. HK\$2,100). Hence, the licensee CAN grant the unsecured personal loan to the intending borrower.

For the avoidance of doubt, in addition to ascertain the DSR of the intending borrower, licensees must also carry out an affordability assessment of the intending borrower and duly consider the outcome of the affordability assessment, as required by Licensing Condition 15, before granting the unsecured personal loan to the intending borrower who is a low-income earner.

Licensing Condition 16
Sample form for self-declaration by intending borrower / borrower
of financial obligations of unsecured personal loans

Self-declaration of financial obligations of unsecured personal loans
(e.g. personal loans, credit card loans, revolving facilities, overdraft, etc.)

Declaration from [_____] (intending borrower / borrower)

To: *(Name of licensee)*

I, *(Name of the intending borrower / borrower)*, holder of Hong Kong Identity Card No. *(Hong Kong Identity Card no.)* at *(address)* refer to my application to you for an unsecured personal loan and hereby declare that:

(Please tick the relevant box)

- I do not have any outstanding financial obligations of unsecured personal loans.
- I have the following outstanding financial obligations of unsecured personal loans:

Name of Banks / Licensed Money Lenders / Other institutions	Type of Loans	Amount of Loan (HK\$)	No. of Remaining Installment (in Month)	Monthly Repayment (HK\$)	Outstanding Amount (HK\$)
<i>Total Amount of Outstanding Unsecured Personal Loans (HK\$)</i>					

I certify that:

- (i) all information given above is complete, true and correct; and
- (ii) I understand that it is an offence for a person to fraudulently induce a licensed money lender to lend money by false or misleading statement or dishonest concealment of material facts.

Signature : _____

Name of Intending Borrower / Borrower : _____

Date : _____