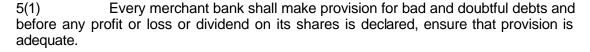
## Directive 5 (Amendment) 2005

11 March 2005

## **DIRECTIVES TO MERCHANT BANKS**

## **Provision for Bad and Doubtful Debts**



- 5(2) The Authority may if it thinks fit require a merchant bank to maintain a general provision for bad and doubtful debts in Singapore in addition to the specific provision already maintained by that merchant bank.
- 5(3) MAS Notice 1005 provides that in the case of a merchant bank incorporated outside Singapore, the general provision for bad and doubtful debts may be determined and maintained at the head office. However, such a merchant bank shall maintain specific provision in Singapore for any bad and doubtful debt in respect of the operations of its branch or office in Singapore.

<sup>&</sup>lt;sup>1</sup> Referred to in MAS Notice 1005 as collective impairment provisions for groups of similar loans.

Referred to in MAS Notice 1005 as individual impairment provisions.