



Media Statement

BANKS TO WORK CLOSELY WITH CUSTOMERS ON FUNDING AND REFINANCING

ABS' assurance follows MinLaw's latest legislative move

Singapore, 3 Nov 2020 - The Ministry of Law has introduced a legislative framework to enable eligible businesses that have been severely impacted by Covid-19 to renegotiate or to terminate certain contracts. Parties whose contracts are affected as a result could face consequent constraints in their operating income and cash flows.

The Association of Banks in Singapore assures borrowers that banks will work closely with their affected customers to explore funding and refinancing solutions to help ease their near-term financial strain. As mentioned in June, banks would continue to consider credit accommodations, including loan covenant revisions and waivers where relevant, and will take into account the current circumstances of customers in their deliberation.

Affected SMEs can consider tapping on the "Extended Support Scheme – Standardised", which allows qualifying SMEs to temporarily defer 80% of principal repayments on their secured loans, hire purchase agreements, as well as loans granted under Enterprise Singapore's schemes. Borrowers that require additional help can also approach their bank or finance company for more customised restructuring arrangements.

-The End -

About The Association of Banks in Singapore:

The Association of Banks in Singapore (ABS) plays an active role in promoting and representing the interests of the banking community in Singapore. In doing so, ABS works closely with the relevant government authorities towards the development of a sound financial system in Singapore. Since its establishment in 1973, ABS has promoted common understanding among its members and projected a unifying voice on banking issues. It has brought its members closer together through various guidelines and banking practices as well as the support of projects of mutual benefit to face the challenges of the financial and banking community in Singapore. Today, ABS has a membership of more than 150 local and foreign banks. More information on ABS is available on the website: www.abs.org.sg.

Contact Details:

Catherine Ong Associates

Catherine Ong

Tel: (65) 9697 0007

Email: cath@catherineong.com

Ashley Silitonga

Tel: (65) 9025 3532

Email: ashley@catherineong.com