

8 August 2014

The Editor  
Straits Times Forum

Dear Sir,

We thank Mr Raymond Koh Bock Swi for his feedback ("Review credit process for seniors"; July 29).

The Monetary Authority of Singapore's rules already provide flexibility to retirees who have the means to finance their credit card spending. Individuals aged above 55 may qualify for a credit card if they meet a minimum annual income requirement of \$15,000. This is lower than the \$30,000 minimum income requirement for other applicants. This income may come from non-salaried sources, including interest, rental and investment income. Those who are not able to meet the minimum annual income requirement of \$15,000 may still be able to qualify for a credit card if they hold net personal assets exceeding \$750,000.

It is a commercial decision of the banks whether or not to approve a credit facility. Banks will generally use one or more of the following criteria to assess a credit application:

- The applicant's account relationship with the bank;
- The applicant's income and financial commitments;
- The applicant's credit report obtained from a credit bureau;
- The bank's prior knowledge of the applicant's financial affairs;
- The evaluation of any security/guarantee provided.

Banks may also have different internal policies, guidelines and procedures on credit processing and approval.

Yours sincerely,

Ong-Ang Ai Boon, Mrs  
Director