

Press release

LMLA Urges Members to Offer Flexible Debts Relief Plan to Borrowers with Financial Difficulties Affected by the Pandemic

(Hong Kong, 25 August 2020) The Hong Kong S.A.R. Licensed Money Lenders Association Ltd. ("LMLA" or the "Association") has recently conducted its annual general meeting. In consideration of the impact of the COVID-19 pandemic on Hong Kong's economy and businesses, **Mr Akihiro Nagahara, Founding and Current Chairman of LMLA and Managing Director and Chief Executive Officer of United Asia Finance Limited**, on his opening remarks at the annual general meeting, called on all members of the Association to help alleviate the financial difficulties of the borrowers by offering flexible debts relief plans to those who encountered difficulties caused by COVID-19 outbreak. In addition, LMLA will continue to spend more effort on consumer education. Recently, the Hong Kong Association of Banks, The DTC Association and LMLA have jointly reviewed and updated the latest version of the pamphlet on "**Financial Health**", which is endorsed by The Hong Kong Monetary Authority. Members of LMLA are encouraged to share the pamphlet with people in need of loan services whenever applicable as part of the efforts to enhance consumer education in order to raise awareness of problems caused by unsustainable debts and the importance of sound financial management.

As a member of Consumer Credit Forum, LMLA has been working closely and meeting regularly with HKAB and The DTC Association on consumer credit industry issues. **Mr. Akihiro Nagahara** also called on all LMLA's members to actively consider joining the Interbank Debt Relief Plan, a framework agreement jointly formulated by HKAB, The DTC Association and LMLA, to facilitate debtors with financial difficulties to negotiate with their lenders on a single platform in order to alleviate their financial burden.

Established more than 20 years, LMLA launched its code of money lending practices and aims to express the industry's opinions on problems encountered by the money lending industry through ongoing communication with the government and relevant organisations. LMLA also commits to enhancing consumer education and elevating the transparency of industry.

The revised edition of the Code of Money Lending Practice ("Code of Practice") was released in 2018. The objective of the Code of Practice aims to achieve self-regulation and self-monitoring amongst the money lending industry by setting out clear guidelines with regard to the money lending operations, daily routines, and customer relationship management, which can strengthen customer confidence in the industry. Members of LMLA are obliged to follow the Code of Practice as the minimum service standards in their dealings with customers. It also promotes the corporate culture of treating the customers fairly so as to ensure that while customers obtain the loan services, their interests are sufficiently protected.

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About The Hong Kong S.A.R. Licensed Money Lenders Association Ltd.

Established in 1999, The Hong Kong S.A.R. Licensed Money Lenders Association Ltd. ("LMLA") is the representative association with the longest history in the money lending industry of Hong Kong. Members of LMLA include the major money lenders with extensive retail branch network and/or significant market shares in Hong Kong. The purpose of its establishment is to serve the interests of the industry, and in the meantime to protect the interests of the public and customers. LMLA represents the industry to work and liaise closely with government and relevant organisations, committing effort to in the process to provide them a better understanding of the money lending industry and the practical difficulties arising on the operations encountered by the money lenders.

Photos of LMLA



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