Press Release

100% Personal Loan Guarantee Scheme to Receive Applications

HKMC Insurance Limited (HKMCI) announced that the 100% Personal Loan Guarantee Scheme (PLGS), which was introduced by the Financial Secretary earlier in the 2021-22 Budget, will start receiving applications from 28 April 2021 (Wednesday) for six months.

From 28 April, applicants may apply through the following 10 participating banks in Hong Kong, including Bank of China (Hong Kong) Limited, The Bank of East Asia, Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, Dah Sing Bank, Limited, Hang Seng Bank, Limited, The Hongkong and Shanghai Banking Corporation Limited, Industrial and Commercial Bank of China (Asia) Limited, Shanghai Commercial Bank Limited, and Standard Chartered Bank (Hong Kong) Limited. In addition, Chiyu Banking Corporation Limited and ZA Bank Limited will start receiving applications in May, and some other lenders will join later on. The relevant list and dates will be publicised after confirmation. The list of participating lenders and their enquiry hotlines are available on the PLGS dedicated webpage (https://www.hkmc.com.hk/eng/our_business/plgs.html).

The Financial Secretary, Mr Paul Chan, said, "Hong Kong's economy has been hard hit by the COVID-19 pandemic, and the labour market faces severe challenges. This scheme aims to provide a supplementary financing option to individuals suffering from cessation of main recurrent incomes, to help them tide over the interim difficulty."

Eligible applicants of the scheme have to be Hong Kong permanent residents

aged 18 or above, who have been unemployed for at least two months at the time of loan application, and who can demonstrate cessation of main recurrent incomes from employment in Hong Kong. Loan applicants also need to provide proofs of their previous employment and main recurrent incomes for at least three months during the period from January 2020 to February 2021 ("specified period"). The maximum amount of the loan per applicant is six times the average monthly income within the specified period[1], or HK$80,000, whichever is the lower. The maximum repayment period is six years, with an option of principal moratorium for the first 12 months to alleviate the immediate repayment burden. The effective interest rate is fixed at 1% per annum. A borrower will receive a full refund of the interest paid after the loan is fully repaid at or by the end of the repayment period.

For enquiries, please call the PLGS Hotline at 2536 0392.

HKMC Insurance Limited
27 April 2021

[1] Six times the average monthly income for any three months within the specified period; or six times the average monthly assessable income as calculated with reference to the tax demand note for year of assessment 2019/2020.