

# 100% Personal Loan Guarantee Scheme Fact Sheet

The 100% Personal Loan Guarantee Scheme (“**PLGS**”) is operated by HKMC Insurance Limited (“**HKMCI**”), a wholly owned subsidiary of The Hong Kong Mortgage Corporation Limited.

<b>Objective</b>	To provide a source of financing to unemployed individuals who are suffering from cessation of main recurrent incomes from employment in Hong Kong during the Coronavirus Disease 2019 pandemic.
<b>Application Period</b>	From 28 April 2021 to 27 October 2021
<b>Eligible Borrower</b>	
<b>Eligibility</b>	<p>Borrowers must:</p> <ul style="list-style-type: none"> <li>- be Hong Kong permanent residents holding a valid Hong Kong identity card aged 18 years old or above;</li> <li>- have been unemployed for at least 2 months at the time of loan application;</li> <li>- neither be undischarged bankrupts, nor be subject to any bankruptcy petition or proceedings at the time of loan application and shall maintain valid bank accounts in Hong Kong; and</li> <li>- be able to produce proof of cessation of main recurrent incomes from employment in Hong Kong.</li> </ul> <p>Self-employed individuals (only for those who currently do not have any loans or credit facilities guaranteed under the SME Financing Guarantee Scheme), free-lancers, gig or casual workers are also eligible upon the production of a declaration of unemployment and proof of a loss of main recurrent incomes from employment / occupation in Hong Kong.</p>
<b>Documents Required</b>	<p>Borrowers are required to provide the following documents:</p> <ul style="list-style-type: none"> <li>- copy of the Hong Kong Identity Card showing permanent residence status;</li> <li>- copy of the latest proof of residential address issued within 3 months;</li> <li>- documentary proofs of previous employment and having main recurrent incomes for at least 3 months during the period between January 2020 and February 2021 (“<b>Specified Period</b>”) (also see Note 1);</li> </ul>

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	<ul style="list-style-type: none"> <li>- a written declaration as included in the Loan Application Form and proof of unemployment and cessation of main recurrent incomes for at least 2 months at the time of loan application; and</li> <li>- other information and documents as required by the HKMCI.</li> </ul> <p>Notes:</p> <ol style="list-style-type: none"> <li>1. If Borrowers who became unemployed in the first quarter of 2020 are not able to provide proof of employment and main recurrent income for at least 3 months during the Specified Period, the participating lenders (“<b>Lenders</b>”) will deal with such cases with discretion by considering their proof of employment and main recurrent income in 3 months prior to unemployment.</li> <li>2. Borrowers are required to maintain valid bank accounts in Hong Kong.</li> </ol>
<b>Eligible Loan</b>	
<b>Maximum Loan Amount per Borrower</b>	<p>The lower of:</p> <ul style="list-style-type: none"> <li>- 6 times the average monthly income for any 3 months during the Specified Period; or 6 times the average monthly assessable income as calculated with reference to the tax demand note for the year of assessment 2019/2020; and</li> <li>- HK\$80,000.</li> </ul> <p>Minimum loan amount per Borrower is HK\$5,000.</p>
<b>Loan Type</b>	Term loans only

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<b>Interest Rate and Interest Rebate</b>	<p>The annualised percentage rate is 1%.</p> <p>Borrowers will receive full rebate of the interest payments made after the loan and interests are fully repaid by the end of the scheduled repayment period, which is 6 years at maximum, despite any interim delinquencies.</p>
<b>Relevant Fees and Charges</b>	<p>No handling fees, set up fees or prepayment penalty will be charged.</p> <p>In case of overdue repayment, overdue interest and/or charge may be levied. Also, in case of failure to repay (e.g. due to returned cheque or rejected autopay), charges may be incurred. Details of overdue interest and/or charge and charges on failure to repay will be specified by the Lender.</p>
<b>Use of Loan Proceeds by Borrower</b>	<p>There is no restriction on the use of loan proceeds.</p>
<b>Repayment</b>	<p>Maximum repayment period is 6 years.</p> <p>Borrowers may apply for principal moratorium for the first 12 months from the drawdown of the loans.</p> <p>If a Borrower does not fulfil the repayment obligations, it may adversely affect the Borrower's credit records maintained at the credit reference agencies. The Lender will also follow up in accordance with its usual processes.</p>

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## Remarks

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For general enquiries, please contact:

1. the Lenders; or
2. the HKMCI

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PLGS Enquiry: [plgs\\_enquiry@hkmci.hk](mailto:plgs_enquiry@hkmci.hk)