

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.

Important Note to Loan Applicants under the PLGS:

HKMCI wishes to alert the members of the public to beware of anyone offering to make loan applications or obtain approval for a loan under the PLGS for a fee.

Loan applicants are reminded that:

1. they need not engage or appoint any third party (except the participating lenders under the PLGS (“**Lenders**”)) to apply for a loan under the PLGS. Any loan application prepared by or submitted through a third party may incur unnecessary financial costs or loss to the applicant and expose the applicant’s personal data to the risk of disclosure to or misuse by an unscrupulous third party;
2. they should apply for a loan under the PLGS directly through the Lenders which will provide assistance without levying any application fee or handling fee; and
3. the Lenders and HKMCI will not tolerate any illegal conduct (e.g. making a false declaration or using a false instrument) and will report suspected illegal conduct to the relevant law enforcement agencies.

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Objective	To provide a source of financing to individuals who are suffering from loss of main recurrent incomes from employment in Hong Kong during the COVID-19 pandemic.
Application Period	The application period is until 30 April 2023. (Application period has closed)
Eligible Borrower	
Eligibility	<p><i>An eligible borrower must:</i></p> <ul style="list-style-type: none"> (a) be a Hong Kong permanent resident holding a valid Hong Kong identity card who is aged 18 or above; (b) have been unemployed and have suffered from loss of main recurrent incomes from employment or business in Hong Kong at the time of loan application: <ul style="list-style-type: none"> (i) for an individual under employment – have been unemployed for at least 2 consecutive months; or (ii) for a self-employed individual who carried on any business in Hong Kong (only for those who currently do not have any loan or credit facilities guaranteed under the SME Financing Guarantee Scheme (“SFGS”)^(Note 1) – have the individual’s business ceased for at least 2 consecutive months; or (iii) for free-lancers, gig or casual workers – have been unemployed or ceased business (as the case may be) in Hong Kong for at least 2 consecutive months; (c) be neither undischarged bankrupt, nor subject to any bankruptcy petition or proceedings at the time of loan application^(Note 2) and shall maintain valid bank account(s) in Hong Kong; and (d) (in relation to application of an existing borrower for top-up loan) – be unemployed at the time of top-up loan application and not be having any outstanding default of more than 60 days for any existing loan(s) of the borrower under the PLGS at the time of application for top-up loan and loan drawdown. <p>^(Note 1) An individual who is currently carrying on any business (whether by sole-proprietorship, partnership or privately</p>

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	<p>owned limited company) in Hong Kong may apply for financing under the SFGS operated by the HKMCI.</p> <p>(Note 2) The Lender shall check with credit reference agency(ies), other service provider(s) or relevant authorities before loan drawdown to confirm the borrower’s fulfilment of this criterion.</p>
Documents Required	<p>An eligible borrower is required to provide the following documents at the time of loan application^(Note 3):</p> <ul style="list-style-type: none"> (a) copy of the Hong Kong Identity Card showing permanent residence status; (b) copy of the latest proof of residential address issued within 3 months; (c) documentary proofs of: <ul style="list-style-type: none"> (i) previous employment or business activities in Hong Kong; and (ii) having main recurrent incomes derived therefrom for at least 3 months during the period between January 2020 and February 2022 (“Specified Period”)^(Note 4); (d) a written declaration of unemployment or cessation of business for at least 2 consecutive months (as included in the loan application form) and proof of a loss of main recurrent incomes from employment or businesses in Hong Kong; and (e) other information and documents as required by the HKMCI or the Lenders^(Note 5). <p>(Note 3) Loan applicants (including the existing borrowers submitting top-up applications for loans under the PLGS) should contact the Lenders to apply for loans under the PLGS. The Lenders will use their professional expertise, judgement and care in conducting customer due diligence, reviewing each application, and verifying the eligibility of each loan applicant before submitting the applications and relevant supporting documents to the HKMCI for review and approval.</p>

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	<p>(Note 4) The borrower who became unemployed or whose business ceased (for self-employed borrower) at the early stage of the pandemic (i.e. in the first quarter of 2020) may provide documentary proofs of previous employment or business in Hong Kong and having main recurrent incomes derived therefrom for at least 3 months during the period between July 2019 and February 2022.</p> <p>(Note 5) For the purpose of review and approval of application for a loan under the PLGS, loan applicants (including the existing borrowers submitting top-up applications for loans under the PLGS) must agree to cooperate with the Lender and/or the HKMCI to provide supporting documents and information as requested, and that the Lender and/or the HKMCI may verify documents and information from any source or in any manner as the Lender and/or the HKMCI may deem appropriate.</p>
Loan Terms	
Loan Type	Term loans only
Maximum Repayment Period	10 years
	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.
Maximum Principal Moratorium	<p>18 months within the repayment period</p> <p>Borrower may apply for principal moratorium at the time of application.</p>
Loan Limit	<p>HK\$100,000 per borrower</p> <p>All loans of all categories under the PLGS inclusive. Any amount of loans repaid or prepaid cannot be reborrowed.</p>

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Maximum Aggregate Loan Amount	<p>The lower of:</p> <p>(a) the Loan Limit minus the aggregate original amount of loan(s) approved for or drawn by the borrower under all categories (“Available Loan Amount”); and</p> <p>(b) 9 times the average monthly income for any 3 months during Specified Period or 9 times the average monthly assessable income as calculated with reference to the tax demand note for any of the financial years 2019-2020 or 2020-2021 or 2021-2022.</p> <p><u>In relation to top-up loan:</u></p> <ul style="list-style-type: none"> - the borrower shall apply via the same Lender of the original loan(s) granted under the PLGS; - the borrower may benefit from a streamlined application process if (i) the loan amount for top-up loan application is not more than HK\$34,000; <u>or</u> (ii) no new proofs of incomes are provided, the maximum top-up loan amount is (A) minus (B), whereby: <ul style="list-style-type: none"> (A) is the lower of (i) the Loan Limit; and (ii) $[(B) \div 6 \times 9]$. (B) is the aggregate original amount of loan(s) approved for or drawn by the borrower under the loans for PLGS for Unemployed Individuals. <p>Under the streamlined application process, the top-up loan borrower is required to complete the loan application form and submit the application to the same Lender with (i) a copy of the borrower’s Hong Kong identity card showing permanent residence status, and (ii) a copy of the latest proof of Hong Kong residential address issued within 3 months. The Lender and/or HKMCI may require the borrower to provide other information and documents to support the top-up loan application ^(Note 5).</p>
Interest Rate and Interest Rebate	<p>The annualised percentage rate is 1%.</p> <p>Borrowers will receive full rebate of the interest payments after the loan and interests are fully repaid by the end of the repayment period, despite any interim delinquencies.</p>

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Relevant Fees and Charges	<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 by the Lender. Also, in case of failure to repay (e.g. due to returned cheque or rejected autopay), charges may be incurred to the Lender. Details of overdue interest and/or charge and charges on failure to repay will be specified by the Lender.</p>
Use of Loan Proceeds by Borrower	No restriction

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Remarks

The PLGS is operated by the HKMCI and is subject to the relevant terms and conditions. The copyright to the contents of this document is owned by the HKMCI.

For general enquiries, please contact:

1. the Lenders (refer to the below list of Lenders and their respective hotline); or
2. the HKMCI.

Name of Lenders	Hotlines
1. Bank of China (Hong Kong) Limited	3988 2128
2. Bank of Communications (Hong Kong) Limited	2239 5559
3. The Bank of East Asia, Limited	2211 1211 (Mon–Fri 9:00 – 20:00 Sat 9:00 – 13:30)
4. China CITIC Bank International Limited	2287 6767
5. China Construction Bank (Asia) Corporation Limited	2779 5533
6. Chiyu Banking Corporation Limited	2232 3625
7. Dah Sing Bank, Limited	2529 1338 (Mon-Fri 9:00 – 17:00)

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Name of Lenders	Hotlines
	Sat 9:00 – 13:00)
8. Hang Seng Bank, Limited	2997 3882 (Mon-Fri 9:00 – 18:00 Sat 9:00 – 13:00)
9. The Hongkong and Shanghai Banking Corporation Limited	2996 7288
10. Industrial and Commercial Bank of China (Asia) Limited	2189 5588
11. Nanyang Commercial Bank, Limited	2622 2633
12. Shanghai Commercial Bank Limited	2818 0282
13. Standard Chartered Bank (Hong Kong) Limited	3408 1628
14. ZA Bank Limited	3665 3665

HKMCI PLGS Hotline: 2536 0392
 PLGS Enquiry: plgs_enquiry@hkmci.hk