

KEY FACTS IN CONTRACTS (KFIC) AND OTHER INFORMATION
- MUTUAL AID SPECIAL PERSONAL LOAN

You are kindly requested to read the following instructions before completing your loan application.

1.0 DOCUMENTS TO BE PRODUCED

1.1 The following documents should be submitted:

- (a) **Original & photocopy** of your recent **payslip** (not more than two months). Downloaded payslip will only be accepted with official seal, name, signature, date and post of signing officer.
- (b) **Original & photocopy** of National Identity Card and **Birth Certificate** of applicant (KYC record). Online Birth Certificate is acceptable.
- (c) Original & photocopy of bank document **showing account number and name of applicant.**
- (d) Original & Photocopy of bank statement showing name and address / Utility Bill (CEB or CWA or Mauritius Telecom) - not more than 3 months old of applicant (If utility bill is not in name of applicant, a written confirmation and copy of NIC should be secured from the utility bill account holder) or any other document showing relation (KYC record).
- (e) Certificate from your department stating that you are not under report, not on leave without pay, not on prolonged sick leave and not involved in a police case (Valid for 3 weeks).
- (f) Letter of undertaking (where applicable).
- (g) Documentary evidence for home loan purpose.

N.B : ***Save Time** by avoiding the **peak period** from 27th to 3rd of the next month and **peak hours** from 10.30 hrs to 14.00 hrs.*

2.0 ELIGIBILITY

2.1 **Civil Servants** only drawing a monthly salary of at least Rs 65,000 and subject to the maximum age of 65 only.

3.0 LOAN AMOUNT AND CONDITIONS

- 3.1 Loan amount will be based on the repayment capacity.
- 3.2 Applicants are notified that the existing loan balance would be set off automatically and the net amount would be disbursed.
- 3.3 The Association reserves the right to make amendments to any of its loan policies and/or procedures at any point in time. The Association furthermore reserves the right to apply such amendments to loans already approved and granted.
- 3.4 The actual loan amount is based on eligibility and is not necessarily the same as the amount applied for.
- 3.5 Application should be submitted by loanee in person.

4.0 LOAN PERIOD

- 4.1 Loans can be refunded in a maximum period of **240 months** depending on the age of the applicant.

Note : About two months moratorium will be provided on loan repayment, thus the first deduction will be made by end of the 2nd month. Consequently, the loan period will be extended accordingly and the interest accrued during this period will be deferred and claimed after the maturity of the loan. This deferred interest would be indicated in the periodic loan statement issued to clients.

5.0 NOTES:

- 5.1 The applicant must sign at part 2 of the application form and should write in his/her own handwriting in the space provided at section 2.1 of the application form the following : “Read and approved: good for the sum of Rupees in principal to which shall be added the accrued interest.”
- 5.2 For all new loans, the following deductions will be made:
- (1) The mutual solidarity contribution for the loan (Note : The solidarity contribution on loan is non-refundable and is payable to offset the loan in case of death);
 - (2) The processing fee.
- 5.3 The Association reserves the right not to approve a loan application in case of default of payment on any existing loans contracted by a loanee.
- 5.4 In case of default of payment on the part of a loanee, the total outstanding loan balance will be recovered by judicial process.
- 5.5 Shareholders may download copies of the application form from the Web Site of the Association at the address: www.mcsmutualaid.com
- 5.6 The Association reserves the right to reject a loan application after assessing risk profile of the Applicant and to keep in abeyance the loan application of an applicant who is in litigation with the Association until the final outcome of the case.
- 5.7 There should not be any overwriting or use of correction fluid on the application form. All photocopies must be clear; all signatures affixed must be identical to that on the National Identity Card of bearer.

- 5.8 Shareholders are informed that it is mandatory for the Association to make necessary enquiry from the Mauritius Credit Information Bureau (MCIB) before approving, increasing or renewing any loan facilities and to provide the MCIB with relevant information regarding the present loan.
- 5.9 According to Section 52A of the Bank of Mauritius Act, it is mandatory that the 'Know Your Customer' (KYC) records of our members be submitted to the KYC Registry of the Bank of Mauritius.
- 5.10 In case a borrower is proceeding on any overseas leave, he/she shall communicate in writing to the Association his/her overseas address, prior to leaving the country. Non submission of such information would be **a breach of the loan contract/agreement.**
- 5.11 In case borrower is abroad and the Standing Order Instruction has failed and no deduction can be effected from his/her salary, the matter will be treated as a case of defrauding the Association of its property. The Association will proceed with legal action against the borrower via the **Central Criminal Investigation Department and Interpol**. The Association will also inform the borrower's employer or institution of the above matter with the assistance of Embassies and Ministry of Home Affairs in the relevant countries.
- 5.12 When a loan renewal is granted to a member, the first EMI of the loan renewal will be deducted after two months. Consequently, the two instalments of the previous loan will be deducted from the capital balance of the new loan. For example, if the new loan is granted in March, the first EMI will be demandable in May. However, the EMI for March and April receivable for the previous loan will be deducted from the capital balance of the new loan.
- 5.13 For a loan buyback, the approval of a loan will be effective when a confirmation is received as to whether the amount due to the other institution(s) has been settled.
- 5.14 A loan contract is valid when the proceeds of the loan have been credited to the account of the Applicant who is alive.
- 5.15 Your request will be resolved on the spot if this is possible. In case you are not satisfied, you may refer to the 'Complaints Handling Policy and Procedures' as available on **www.mcsmutualaid.com**
- 5.16 Approval of loan is subject to terms and conditions.

Further information may be obtained by phone on the following numbers:

213 0200 (queries on existing loan accounts)

212-4000 (general information)

6.0 MODE OF PAYMENT

- 6.1 Loan proceeds will be directly credited to applicant's bank account, as far as possible, within 3 working days.

7.0 RATE OF INTEREST

- 7.1 Interest rate is currently at **11.85 % p.a.** The rate of interest is calculated daily based on the outstanding capital and is tagged to the Mutual Aid Base Rate (MBR). The interest rate will be automatically adjusted in case of any percentage change in the said MBR. Consequently, the loan maturity date may be increased or reduced to take into account fluctuations in interest rate during the loan period. Please note that the monthly loan instalment will remain the same.

8.0 FEES

- 8.1 Applicants for all loans will be required to pay a one off processing fee of **1.25 %** on the loan amount together with a Mutual Solidarity Contribution (MSC) of **4.50 % - 5.50 %** to write off the loan in case of death. The effective date of the MSC is when the loan has been disbursed. Applicants will be charged Rs50 as Bank of Mauritius (MCIB) fee. The MSC to be applied depends on age as follows:

SN.	AGE	MSC RATE - %
1	Up to 45	4.50
2	More than 45 up to 60	5.00
3	More than 60	5.50

9.0 LOAN TABLE – Interest Rate 11.85 % p.a. (effective 15.12.2022) (based on 50% deduction).

MAXIMUM LOAN AMOUNT Rs	MINIMUM SALARY PER MONTH Rs	MONTHLY INSTALMENT
		240 MONTHS Rs
500,000	65,000	5,453
1,000,000	65,000	10,906
1,500,000	65,000	16,360
2,000,000	65,000	21,813
2,500,000	65,000	27,266
3,000,000	65,439	32,719
3,500,000	76,345	38,173
4,000,000	87,252	43,626

The above figures have been rounded off to the nearest rupee and actual figures may differ.