



Permanent Ref. KF1

THE MAURITIUS CIVIL SERVICE MUTUAL AID ASSOCIATION LTD.

KEY FACTS IN CONTRACTS (KFIC) AND OTHER INFORMATION
RETIREMENT SAVINGS SCHEME LOAN

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

1.0 DOCUMENTS TO BE PRODUCED

| SN | The following documents should be submitted: |
|----|---|
| 1 | Original & Photocopy of applicant's National Identity Card and Birth Certificate (KYC record) . Online Birth Certificate is acceptable. |
| 2 | Applicant's recent payslip (not more than 1 month). <i>E-payslip is acceptable.</i> |
| 3 | Letter from Ministry/Department certifying that applicant is: not under report, not on leave without pay, not involved in a police case, not on prolonged sick leave and also was not on prolonged sick leave recently. Please note that the letter is valid for 4 weeks. <i>E-certificate is acceptable.</i> |
| 4 | Original & Photocopy of bank document showing bank account number and name of applicant (if changed). |
| 5 | 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). <i>E-bills are acceptable.</i> |
| 6 | Letter of undertaking (where applicable). |
| 7 | Retirement Savings Scheme (RSS) statement from the Association. |
| 8 | Letter stating purpose of loan for any loan as from Rs1.5m. |
| 9 | Documentary evidence for (i) home loan purpose; or (ii) application of any loan as from Rs3m. |
| 10 | Letter for check-off to SICOM Ltd (applied for parastatal bodies). |

ADDITIONAL UNDERTAKING FOR THE FOLLOWING DEPARTMENTS

| SN | NAMES OF DEPARTMENT | SN | NAMES OF DEPARTMENT |
|----|--|----|--|
| 1 | Private Secondary Education Authority (PSEA) | 7 | Small and Medium Enterprises Development Authority (SMEDA) |
| 2 | Mauritius Telecom (MT) | 8 | Pensioners Sicom |
| 3 | Mauritius Ports Authority (MPA) | 9 | Pensioners (Loans Based On More Than One Pension) |
| 4 | State Informatics Ltd (SIL) | 10 | Cotton Bay |
| 5 | National Transport Corporation - NTC (NRB) | 11 | Mauritius Network Services (MNS) |
| 6 | National Empowerment Foundation (NEF) | | |

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 LOAN AMOUNT AND MODE OF PAYMENT

- 2.1 The ceiling of **RSS loan** is **100 %** of RSS accrued benefits. All loans excluding Home Loan is capped at **Rs7m (excluding higher end post employees who are in the civil service)**. Loan will be based on the **repayment capacity**. Please refer to the loan table overleaf for details of eligibility. The actual loan amount is based on eligibility and is not necessarily the same as the amount applied for. **For all loans of Rs3m and above, the loan contract shall be signed by the loanee and guarantors in presence of officers of the Association.**
- 2.2 No Personal loan ceiling is applicable for higher end post employees who are in the civil service reckoning 10 years' service or more and drawing a monthly income of Rs 50,000 or more but subject to 55% deduction limit and up to 65 years.
- 2.3 Applicants are notified that the existing loan balance would be set off automatically and the **net amount** would be disbursed.
- 2.4 Loan proceeds will be directly credited to applicant's bank account.
- 2.5 The applicant for a loan of Rs7m shall not have a past history of defaults and no arrears in loans (Mutual Aid and other institutions).
- 2.6 The minimum loan application amount should not be less than Rs15,000. The disbursement amount should not be less than Rs5,000.
- 2.7 Application should be submitted by loanee in person.
- 2.8 Allowances of a permanent nature may be considered for loan eligibility purposes.

3.0 LOAN PERIOD AND DEDUCTION

3.1 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.

3.2 In no case shall the total Mutual Aid deduction exceed **55%** of the monthly eligible income / 40% of total monthly income of pensioners.

4.0 RATE OF INTEREST

4.1 Rate of interest for RSS Loan is **7.00% p.a** (*Effective 05.02.2025*).

4.2 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.

5.0 FEES AND TERMS AND CONDITIONS FOR LOANS SECURED AGAINST RETIREMENT SAVINGS SCHEME (RSS).

5.1 Applicant will be required to pay a one off processing fee of **1 %** on the loan amount together with 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.

5.2 Applicant will be charged **Rs150** as Bank of Mauritius (MCIB) fee. Loan amount can be up to 100% of accrued RSS (capital + interest). 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 50 | 5.00 |
| 3 | More than 50 | 5.50 |

5.3 Loans against RSS for applicants aged 65 and above at the time of application:

5.3.1 No Mutual Solidarity Contribution is charged for those who are above 65 years age.

5.3.2 In case of death for those who have taken loan on RSS, loan outstanding balance shall be written off against the pledged RSS.

5.3.3 In case of default in payment on the part of the loanee for those who have taken loan on RSS for reasons other than death, outstanding loan balance will be immediately net off against the pledged RSS subject to rules of the Mutual Aid Association.

5.3.4 The minimum loan application amount should not be less than Rs15,000. The disbursement amount should not be less than Rs5,000.

6.0 LOAN ELIGIBILITY FOR PENSIONERS

(a) For pensioners aged more than 65 up to **70 years**: Maximum loan of Rs1,000,000.
For pensioners **above 70 Years** : Maximum loan of **Rs100,000**.

(b) Loans are payable as follows:

| SN | AGE (YEARS) | MAXIMUM REPAYMENT - PERIOD (YEARS) |
|----|--------------|------------------------------------|
| 1 | 60 | 10 |
| 2 | 61 | 9 |
| 3 | 62 | 8 |
| 4 | 63 | 7 |
| 5 | 64 | 6 |
| 6 | 65 and above | 5 |

| | |
|------------|---|
| 7.0 | GENERAL CONDITIONS |
| 7.1 | 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. |
| 7.2 | Approval of loan is subject to terms and conditions. |
| 7.3 | Application for a new loan can be made after 6 monthly payments subject to risk and repayment capacity assessment. |
| 7.4 | However, if the maximum eligible loan has not been reached, the renewal can be done the next month itself subject to risk and repayment capacity assessment. |
| 7.5 | Shareholders may download copies of the application form from our website: www.mcsmutualaid.mu |
| 7.6 | The Association reserves the right to reject a loan application after assessing the risk profile of the Applicant/Guarantor 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. |
| 7.7 | There should not be any overwriting or use of correction fluid on the application form. However in case of overwriting there must be signature. All photocopies must be clear; all signatures affixed must be identical to that on the National Identity Card of bearer. |
| 7.8 | 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 . |
| 7.9 | In case borrower is abroad and the Standing Order Instruction has failed and no deduction can be effected from guarantor's salary, the matter will be treated <u>as a case of defrauding the Association</u> of its property. The Association will proceed with legal action against the borrower and guarantor(s) 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 <u>Embassies and Ministry of Home Affairs in the relevant countries</u> . |
| 7.10 | 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. |
| 7.11 | 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. |
| 7.12 | 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. |
| 7.13 | 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 |
| | Further information may be obtained by phone as follows: 213-0200 (Queries on existing loan accounts) 212-4000 (General Information) 213 0333 (Complaints) |

8.0 INDICATIVE LOAN TABLE - Interest Rate 7.00 % p.a (effective 05.02.2025) (based on 55% deduction.

| MAXIMUM LOAN AMOUNT | MINIMUM SALARY PER MONTH | MONTHLY INSTALMENT | MAXIMUM LOAN AMOUNT | MINIMUM SALARY PER MONTH | MONTHLY INSTALMENT |
|---------------------|--------------------------|--------------------|---------------------|--------------------------|--------------------|
| | | 240 MONTHS | | | 240 MONTHS |
| Rs | Rs | Rs | Rs | Rs | Rs |
| 100,000 | 1,410 | 775 | 1,500,000 | 21,145 | 11,629 |
| 200,000 | 2,819 | 1,551 | 1,600,000 | 22,554 | 12,405 |
| 300,000 | 4,229 | 2,326 | 1,700,000 | 23,964 | 13,180 |
| 400,000 | 5,639 | 3,101 | 1,800,000 | 25,373 | 13,955 |
| 500,000 | 7,048 | 3,876 | 1,900,000 | 26,783 | 14,731 |
| 600,000 | 8,458 | 4,652 | 2,000,000 | 28,193 | 15,506 |
| 700,000 | 9,867 | 5,427 | 2,100,000 | 29,602 | 16,281 |
| 800,000 | 11,277 | 6,202 | 2,200,000 | 31,012 | 17,057 |
| 900,000 | 12,687 | 6,978 | 2,300,000 | 32,422 | 17,832 |
| 1,000,000 | 14,096 | 7,753 | 2,400,000 | 33,831 | 18,607 |
| 1,100,000 | 15,506 | 8,528 | 2,500,000 | 35,241 | 19,382 |
| 1,200,000 | 16,916 | 9,304 | 2,600,000 | 36,650 | 20,158 |
| 1,300,000 | 18,325 | 10,079 | 2,700,000 | 38,060 | 20,933 |
| 1,400,000 | 19,735 | 10,854 | - | - | - |

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