The Mauritius Civil Service Mutual Aid Assn. Ltd

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KEY FACTS IN CONTRACTS (KFiC) AND OTHER INFORMATION – SPOUSE LOAN

1.0 Membership and loan facilities are available to surviving spouse of deceased Public Officers (formerly members of the Association) who are drawing a pension from the **Civil Service Family Protection Scheme Board/ Statutory Bodies Family Protection Fund. Loan facilities are extended to surviving spouse of deceased members of Municipal and District Councils.**

2.0 Applicants should buy three Class C shares amounting Rs330 in total.

3.0 LOAN ELIGIBILITY

SN.	APPLICANT'S AGE	LOAN AMOUNT (RS)
1	Up to 65	Based on repayment capacity
2	> 65 up to 70	1,000,000
3	Above 70	100,000

Loan can be refunded in a maximum period of **216 months** depending on the age of the applicant.

Repayment to be effected as follows:

SN	AGE	Repayment Period – years (Max)
1	60	10
2	61	9
3	62	8
4	63	7
5	64	6
6	65 and above	5

3.1 Renewal of loans can be made after 8 months. However, if maximum eligible deduction has not been reached, the renewal can be done (at the earliest) the next month.

3.2 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 SECURITY TO BE PROVIDED

SN.	AGE	GUARANTOR (should be a member of the Mutual Aid Association below the age of 60)
1	Less than 60	At least one
2	Above 60	none

5.0 GUARANTORS

5.1 **The following conditions shall apply if the loan is secured by a single guarantor:**

5.1.1 Personal guarantors must be members of the Mutual Aid.

5.1.2 In case the guarantor is a loanee the net pay into bank of the guarantor excluding bonuses, travelling, overtime and allowances other than rent should be **at least equal** to the monthly loan instalment of the loanee;

5.1.3 In case the guarantor is not a loanee, the net pay into bank excluding bonuses, travelling, overtime and allowances other than rent should **be at least twice** the loan instalment of the loanee;

5.1.4 The guarantor should be eligible for the loan amount applied for by the loanee and the latter's net pay must cover the full loan instalment.

5.1.5 The guarantor should also sign an undertaking that he is agreeable to be sole guarantor.

5.1.6 Guarantors can stand as surety for a total liability limit (loan balance) of Rs3m for monthly salary up to Rs50,000 and Rs4m for those earning above Rs50,000 monthly. Guarantors shall not be more than 5 years older than loanees.

5.1.7 Guarantor(s) cannot opt out once the application has been processed.

6.0 GENERAL CONDITIONS

6.1.0 **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.**

6.1.1 The loan repayment period may not exceed the retirement age of a guarantor, unless the latter's future pension is sufficient to repay the loan in case of default in payment.

6.1.2 The total deduction for a pensioner shall not exceed 40**%** of the total monthly eligible income of pensioners. Undertaking in own handwriting to be provided by the loanee regarding disclosure of other income, repayment capacity and no future request for loan rescheduling.

6.1.3 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.

6.1.4 Guarantors should be fully aware of their responsibilities when they guarantee a loan as mentioned in the loan contract.

6.1.5 In case the applicant bears the same surname of the guarantor he / she must disclose his/ her relationship on the loan application form.

6.1.6 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.

6.1.7 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.

6.1.8 In case of default in payment on the part of a loanee, the total outstanding loan balance will in the first instance be recovered from the salary of the guarantor (s). In the event that this is not possible, then recovery will be effected by judicial process from the loanee.

6.1.9 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.

6.1.10 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.

6.1.11 A loan contract is valid when the proceeds of the loan have been credited to the account of the Applicant who is alive.

6.1.12 Application should be submitted by loanee in person.

6.**1.13 Members have the option to secure the traditional Personal Loan with a collateralised security.**

6.1.14 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.

6.1.15 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**

6.1.16 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)

7.0 DOCUMENTS TO BE PRODUCED

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SN	**The following documents should be submitted:5**
1	Original & Photocopy of **applicant**'s **National Identity Card** and **Birth Certificate (KYC record)**. Online Birth Certificate is acceptable.
2	**Original** pension Certificate issued by the **Civil Service Family Protection Scheme Board or Statutory Bodies Family Protection Fund** as applicable. *E-pension slip is acceptable.*
3	Original & Photocopy of bank document showing bank account number and name of **applicant (if changed)**.
4	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-bills are acceptable.*
5	Original and photocopy of Marriage Certificate of applicant.
6	Original and photocopy of Death Certificate of spouse.
7	Original & Photocopy of **guarantor/s' National Identity Cards** and **Birth Certificates (KYC record)**. Online Birth Certificate is acceptable.
8	**Guarantor/s'** recent **payslips** (not more than 1 month). *E-payslip is acceptable.*
9	Original & Photocopy of bank statement showing name and address / Utility Bill (CEB or CWA or Mauritius Telecom) - not more than 3 months old of **guarantor/s** (If utility bill is not in name of **guarantor/s**, 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-bills are acceptable.*
10	Letter of undertaking (where applicable).
11	Letter stating purpose of loan for any loan as from Rs1.5m.
12	Documentary evidence for (i) home loan purpose; or (ii) application of any loan as from Rs3M.

ADDITIONAL UNDERTAKING FOR THE FOLLOWING DEPARTMENTS (APPLICABLE FOR GUARANTOR)

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.*

8.0 LOAN CHARGES

8.1 Applicants will be required to pay a one off processing fee of **1 %** on the loan amount and 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 upon disbursement of the loan. Loanees 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 50	5.00
3	More than 50	5.50

9.0 MODE OF PAYMENT

9.1 Loan proceeds will be directly credited to applicant's bank account.

9.2 For all new loans, the following deductions will be made :

(1) the Mutual Solidarity **Contribution** for the loan
(*Note : the* ***Contribution*** *on loan is non-refundable and is payable to offset the loan in case of death*);

(2) the processing fee.

9.3 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.

10.0 REIMBURSEMENT OF LOAN

10.1 Loan deduction will be made directly from the pension of the applicant.

10.2 In case an applicant proceeds abroad, he/she should make prior arrangement to service the loan through a bank standing order before departure.

10.3 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**.

10.4 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 as a case of defrauding the Association 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 Embassies and Ministry of Home Affairs in the relevant countries.

11.0 RATE OF INTEREST

11.1 Interest which is currently **9.30 % p.a**. 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.

12.0 LOAN TABLE – **Interest rate 9.30 % p.a. (*effective 02.02.2023*)** (based on 40% deduction)

	Period 120 Months		Period 108 Months	
Loan Amount	Minimum Pension	Deductions	Minimum Pension	Deductions
Rs	Rs	Rs	Rs	Rs
15,000	481	192	514	206
20,000	642	257	685	274
30,000	962	385	1,028	411
40,000	1,283	513	1,370	548
50,000	1,604	642	1,713	685
60,000	1,925	770	2,055	822
70,000	2,245	898	2,398	959
80,000	2,566	1,026	2,740	1,096
90,000	2,887	1,155	3,083	1,233
100,000	3,208	1,283	3,426	1,370
200,000	6,415	2,566	6,851	2,740
300,000	9,623	3,849	10,277	4,111
400,000	12,831	5,132	13,702	5,481
500,000	16,038	6,415	17,128	6,851
600,000	19,246	7,698	20,554	8,221
700,000	22,453	8,981	23,979	9,592
800,000	25,661	10,264	27,405	10,962
900,000	28,869	11,547	30,830	12,332
1,000,000	32,076	12,831	34,256	13,702

	Period 96 Months		Period 84 Months	
Loan Amount	Minimum Pension	Deductions	Minimum Pension	Deductions
Rs	Rs	Rs	Rs	Rs
15,000	555	222	609	244
20,000	740	296	812	325
30,000	1,110	444	1,218	487
40,000	1,481	592	1,624	650
50,000	1,851	740	2,030	812
60,000	2,221	888	2,436	975
70,000	2,591	1,036	2,842	1,137
80,000	2,961	1,185	3,248	1,299
90,000	3,331	1,333	3,654	1,462
100,000	3,702	1,481	4,060	1,624
200,000	7,403	2,961	8,121	3,248
300,000	11,105	4,442	12,181	4,873
400,000	14,806	5,923	16,242	6,497
500,000	18,508	7,403	20,302	8,121
600,000	22,209	8,884	24,363	9,745
700,000	25,911	10,364	28,423	11,369
800,000	29,613	11,845	32,483	12,993
900,000	33,314	13,326	36,544	14,618
1,000,000	37,016	14,806	40,604	16,242

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

TD / SB / 18.03.24