

# Frequently Asked Question

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## HSBC Personal Loan

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## **1. Product Information**

### **1.1. What are secured and unsecured loans?**

Secured loans are loans which are supported by assets, such as property or term deposits. Secured loans are available over a longer period than unsecured loans and at lower interest rates. Generally, unsecured loans do not need to be supported by security other than a salary pledge from your employer.

### **1.2. How do I choose between a personal loan and an overdraft facility?**

Overdrafts are linked to your current account and are used to manage short term cash flows. Personal loans however are designed for specific purchases or projects and are available over a much longer period.

### **1.3. What purposes can the money I borrow be used for?**

A personal loan can be used for many purposes, such as the purchase of home furnishings, car, holiday, weddings, studies or refinancing of existing debts to name but a few.

Personal loans should not be used for investment purposes, nor for the acquisition of property.

For housing projects, please contact us for an appointment with our Home Loan specialists.

### **1.4. What are the features and benefits of our personal loan?**

- Repay monthly
- Competitive variable interest rates
- Fast approval and disbursement
- No security required for unsecured personal loan

### **1.5. What are the different loan tenor I can apply for?**

- Unsecured personal loan for a maximum term of 5 years (Self-Employed) or 7 years (Salaried).
- Secured (cash secured) loan for a maximum term of 10 years.
- Education Loan (secured by property) for a maximum term of 13 years including a moratorium on capital of up to 4 years.

### **1.6. What are the interest rates and fees associated with our personal loan?**

- For latest interest rate, please contact us for free quotation.
- A handling fee of 1% is payable upon disbursement of unsecured personal loans.

Note: For personal loan secured by property, you will also need to provide for the Government's Registration Fee. We do not charge monthly ledger or service fees.

- For the latest fees and charges, please refer to our Tariff of Charges.

### **1.7. How quickly will I receive the funds once my loan is approved?**

We will disburse the loan within 24 hours once the facility offer letter has been signed and all terms and conditions have been met.

### **1.8. Do I need to provide Life Assurance?**

No, you do not need to provide Life Assurance when contracting a loan. However it is recommended that you have adequate life cover in place as part of your financial security and peace of mind.

### **1.9. How often do I have to make repayments?**

Repayments are usually made on a monthly basis and are debited from your designated HSBC account.

### **1.10. What will be my monthly repayment?**

The key factors that will affect your repayments are: the loan amount, the actual interest rate being charged, and the term of the loan.

### **1.11. Are there any fees if I repay my Personal Loan early?**

No early repayment fee is charged for settlement of unsecured personal loan.

## **2. Application**

### **2.1. How can I apply for a personal loan?**

Please call at any branch or contact us for an appointment.

### **2.2. Who is eligible to apply for a personal loan?**

Our personal loans are available to Mauritian citizens over 18 years with a minimum monthly income of Rs25,000.

### **2.3. How much can I borrow?**

As a responsible lender, we review and assess each file individually. As a guide, your total monthly credit repayments for all of your loans, leasing, etc should not exceed 40% of your gross monthly salary.

For an unsecured personal loan, you may borrow up to a maximum of 15 times (existing customer) or 10 times (new customer) your gross monthly income depending on your repayment capacity and provided you do not have any other loans and/or leasing.

As part of the assessment, a credit check will be also conducted with the Mauritius Credit Information Bureau.

### **2.4. What security do I need to provide to be eligible for a Personal Loan?**

You do not need to give any security for an unsecured personal loan. Only your salary from your employer needs to be pledged and no other security required. For secured personal loans, a term deposit or property needs to be provided as security.

### **2.5. I have applied for a personal loan, how can I check on the status of my application?**

Your Relationship Manager or Personal Banker is the main contact for all your banking services. They will regularly keep you informed on the status of your application. Please contact him/her directly, or call our Customer Service on 800-1234.

## 2.6. Is there an application fee?

1% of the loan amount is payable as application fee and deducted at the time of disbursement. Please refer to our Tariff of Charges for the latest fees and charges.

## 2.7. I have an existing personal loan with HSBC, can I apply for a top up?

Yes. Kindly contact us, we will be happy to assist you.

## 2.8. I would like to switch my current loan to HSBC, what should I do?

Please contact us for an appointment, we will be pleased to assist you.

For a free assessment, check on our website for a list of required documents to bring.

## 2.9. Can I apply for a personal loan in joint names?

You may apply for a joint secured loan.

## 3. Servicing Information

### 3.1. How do I receive my loan statements?

You may access your loan statements anytime through our Internet Banking Service. If you have chosen to receive paper statement, these will be issued and mailed twice yearly.

For online statements:

- First register to our Internet Banking services online on [hsbc.co.mu](http://hsbc.co.mu) or contact us.
- Click on options: Statement/Advices > Select E-Statement/E-advice in the drop down menu. You will be then prompted to select an option.
- Click on Submit to confirm your request

### 3.2. How do I change the account from which my repayments are debited from?

You may advise us in writing or call at any branch to make the change. We will require the consent of all parties if the account to be debited is a joint account.

### 3.3. Can I change the frequency of my repayments?

All your personal loans repayments are done on a monthly basis. You may request to change the repayment date, however this may impact the amount of interest that is payable on the loan.

### 3.4. What should I do if I am having problems meeting my repayments?

We understand that life is not always easy and that is why we are here to help you. Losing a job, divorce, an illness or a death in the family are just some of the things that can cause a delay in paying your loan. If you are experiencing any difficulty and unable to keep up with your loan payments, contact us as soon as possible and we will work with you to try to make the best of a difficult situation.

Please remember that if you have provided security such as your home, this may be repossessed if you fail to keep up with your loan repayment.

Disclaimer : This document is for information purposes only. For more information, please refer to terms and conditions or [contact us](#) for any further queries.

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