

MAS and Financial Industry Support Measures



FOR INDIVIDUALS – Ease Cashflow

Facility	Features
<p>Defer Repayment of Residential Property Loans¹</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> • Purchase loans and mortgage equity withdrawal loans, including Debt Reduction Plans • Owner-occupied (HDB and private) and investment properties 	<ul style="list-style-type: none"> • Borrowers can choose to defer repayment of principal or both principal and interest up to 31 Dec 2020. • Where there is deferment of principal and interest payments, interest will accrue only on the deferred principal amount i.e. interest-on-interest is waived. • Borrowers can choose to extend the loan tenure by up to the corresponding deferment period. • After the deferment period, the loan amount together with the interest accrued on the deferred principal amount will be fully amortised over the remaining loan tenure (i.e. no balloon repayment). • The deferment will not cause the loan to be reflected as a restructured loan in the borrowers' credit bureau report. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> • Opt-in basis, for borrowers whose mortgage repayments are no more than 90 days past due as at 6 Apr 2020. • No need for borrowers to demonstrate any impact from COVID-19. • Granted expeditiously in response to borrowers' request for deferment. • Borrowers are not subject to the total debt servicing ratio (TDSR) or mortgage servicing ratio (MSR) when applying for deferment. <p><u>Customer Education</u></p> <ul style="list-style-type: none"> • Borrowers will be given illustrations of: <ul style="list-style-type: none"> ○ the monthly repayment amount (if any) during the deferment period and the monthly repayment amount when they resume regular repayments; ○ the additional interest that will accrue over the deferment period; and ○ the total interest payable by borrowers over the entire loan tenure before and after opting for the deferral of payment.

¹ABS refers to this measure as “Special Financial Relief Programme (Mortgages)”

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FOR INDIVIDUALS – Ease Cashflow

Facility	Features
<p>[NEW]</p> <p>Defer Repayment of Commercial and Industrial Property Loans</p>	<ul style="list-style-type: none"> • Borrowers can choose to defer repayment of principal up to 31 Dec 2020. • Borrowers can choose to extend the loan tenure by up to the corresponding deferment period. • The deferment will not cause the loan to be reflected as a restructured loan in the borrowers' credit bureau report.
<p>Scope:</p> <ul style="list-style-type: none"> • Purchase loans and mortgage equity withdrawal loans, including Debt Reduction Plans • Commercial and industrial property loans 	<p><u>Eligibility</u></p> <ul style="list-style-type: none"> • Opt-in basis, for borrowers with loan repayments that are current (i.e. no outstanding repayment) as at 1 Feb 2020. • No need for borrowers to demonstrate any impact from COVID-19. • Granted expeditiously in response to borrowers' request for deferment. • Borrowers are not subject to the total debt servicing ratio (TDSR) when applying for deferment.
	<p><u>Customer Education</u></p> <ul style="list-style-type: none"> • Borrowers will be given illustrations of: <ul style="list-style-type: none"> ○ the monthly repayment amount during the deferment period and the monthly repayment amount when they resume regular repayments; and ○ the total interest payable by borrowers over the entire loan tenure before and after opting for the principal deferment, and tenure extension, if applicable.

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Facility	Features
<p>[NEW]</p> <p>Defer Repayment of New Mortgage Equity Withdrawal Loans Granted after 6 April 2020</p> <p>Scope:</p> <ul style="list-style-type: none"> Mortgage equity withdrawal loans secured on residential, commercial and industrial properties 	<ul style="list-style-type: none"> Borrowers can choose to defer repayment of principal or both principal and interest up to 31 Dec 2020. Options may vary between different banks and finance companies. Where there is deferment of principal and interest payments, interest will accrue only on the deferred principal amount i.e. interest-on-interest is waived. Borrowers can choose to extend the mortgage tenure by up to the corresponding deferment period. After the deferment period, the loan amount together with the interest accrued on the deferred principal amount will be fully amortised over the remaining loan tenure (i.e. no balloon repayment). The deferment will not cause the loan to be reflected as a restructured loan in the borrowers' credit bureau report. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> Opt-in basis, for borrowers with mortgage equity withdrawal loans (MWLs) that are granted on or after 6 Apr 2020. <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This measure helps individuals (including sole proprietors) facing temporary cashflow issues to monetise the equity in their existing properties to meet business expenses and family needs, and have the flexibility to make repayments at a later date.</i> <i>This measure supplements the above relief measures for residential mortgages, and for commercial and industrial property loans.</i> <i>With this additional measure, borrowers can apply for payment deferrals on their MWLs, regardless of when the loans were granted.</i> <ul style="list-style-type: none"> No need for borrowers to demonstrate any impact from COVID-19. Property loan rules for obtaining new MWLs (e.g. total debt servicing ratio and loan-to-value limits) continue to apply. <p><u>Customer Education</u></p> <ul style="list-style-type: none"> Borrowers will be given illustrations of: <ul style="list-style-type: none"> the monthly repayment amount (if any) during the deferment period and the monthly repayment amount when they resume regular repayments; and the total interest payable by borrowers over the entire loan tenure before and after opting for the repayment deferment, and tenure extension, if applicable.

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FOR INDIVIDUALS – Ease Cashflow

Facility	Features
<p>[NEW]</p> <p>Defer Repayment of Renovation Loans</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> Renovation loans 	<ul style="list-style-type: none"> Borrowers can choose to defer repayment of both principal and interest up to 31 Dec 2020. Interest will accrue only on the deferred principal amount i.e. interest-on-interest is waived. Borrowers can choose to extend the loan tenure by up to the corresponding deferment period. After the deferment period, the loan amount together with the interest accrued on the deferred principal amount will be fully amortised over the remaining loan tenure (i.e. no balloon repayment). The deferment will not cause the loan to be reflected as a restructured loan in the borrowers' credit bureau report. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> Opt-in basis, for borrowers whose loan repayments are no more than 90 days past due at the point of application. No need for borrowers to demonstrate any impact from COVID-19. Granted expeditiously in response to borrowers' request for deferment. <p><u>Customer Education</u></p> <ul style="list-style-type: none"> Borrowers will be given illustrations of: <ul style="list-style-type: none"> the monthly repayment amount when they resume regular repayments; and the total interest payable by borrowers over the entire loan tenure before and after opting for the principal deferment, and tenure extension, if applicable.

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FOR INDIVIDUALS – Ease Cashflow

Facility	Features
<p>[NEW]</p> <p>Defer Repayment of Education / Study / Student Loans</p> <p>Scope:</p> <ul style="list-style-type: none"> Full-time and part-time programmes at local and foreign <u>private</u> tertiary institutions [i.e. non-MOE student loans] 	<ul style="list-style-type: none"> Borrowers can choose to defer repayment of both principal and interest up to 31 Dec 2020. Interest will accrue only on the deferred principal amount i.e. interest-on-interest is waived. Borrowers can choose to extend the loan tenure by up to the corresponding deferment period. After the deferment period, the loan amount together with the interest accrued on the deferred principal amount will be fully amortised over the remaining loan tenure (i.e. no balloon repayment). The deferment will not cause the loan to be reflected as a restructured loan in the borrowers' credit bureau report <p><u>Eligibility</u></p> <ul style="list-style-type: none"> Opt-in basis, for borrowers whose loan repayments are no more than 90 days past due at the point of application. No need for borrowers to demonstrate any impact from COVID-19. Granted expeditiously in response to borrowers' request for deferment. <p><u>Customer Education</u></p> <ul style="list-style-type: none"> Borrowers will be given illustrations of: <ul style="list-style-type: none"> the monthly repayment amount when they resume regular repayments; and the total interest payable by borrowers over the entire loan tenure before and after opting for the repayment deferment, and tenure extension, if applicable.

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FOR INDIVIDUALS – Ease Cashflow

Facility	Features
<p>[NEW]</p> <p>Defer Repayment of Motor Vehicle Loans and Hire-Purchase Agreements, Subject to Case-By-Case Assessment</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> • Motor vehicle loans and hire-purchase agreements • Subject to case-by-case assessment 	<ul style="list-style-type: none"> • Borrowers with car loans who are affected by the COVID-19 pandemic and are in need of payment deferment can approach their respective banks and finance companies to discuss suitable repayment plans. • In its assessment, the bank or finance company will take into account factors such as the borrowers’ financial condition, need for the use of a motor vehicle, current market value of the motor vehicle and its estimated market value after the deferment period (if applicable). • If a payment deferment is granted, borrowers can discuss with their bank or finance company on extending the loan tenure by up to the corresponding deferment period. This will ease the borrowers’ monthly instalments when they resume regular repayments. • The deferment will not cause the loan to be reflected as a restructured loan in the borrowers’ credit bureau report.
<p>[NEW]</p> <p>Extend Repayment of Debt Consolidation Plans (DCP)</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> • Debt Consolidation Plans 	<ul style="list-style-type: none"> • Borrowers who are on DCP can apply to extend the loan tenure of their existing DCP for up to 5 years, anytime from 18 May to 31 Dec 2020. • The extension of loan tenure will not cause the loan to be reflected as a restructured loan in the borrowers’ credit bureau report. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> • Opt-in basis, for borrowers who are impacted by COVID-19 (impact on income required) and whose repayments are between 30 and 90 days past due at the point of application. • Granted expeditiously in response to borrowers’ request for deferment. <p><u>Customer Education</u></p> <ul style="list-style-type: none"> • Borrowers will be given illustrations of: <ul style="list-style-type: none"> ○ the monthly repayment amount before and after the tenure extension; and ○ the total interest payable by borrowers over the entire loan tenure before and after the tenure extension.

MAS and Financial Industry Support Measures



FOR INDIVIDUALS – Ease Cashflow

Facility	Features
<p>Defer Insurance Premium Payments</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> Life and long-term health insurance policies 	<ul style="list-style-type: none"> Policyholders can apply to their insurer to defer premium payments for up to six months while maintaining insurance coverage during this period. Premium deferment is available for individual life and long-term health insurance policies with a premium due date or policy renewal date between 1 Apr to 30 Sep 2020. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> For policyholders facing financial difficulties.
<p>Flexible Premium Instalment Plans</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> General insurance policies (e.g. for vehicle and property) 	<ul style="list-style-type: none"> Policyholders can apply to their insurer for instalment payment plans while maintaining insurance protection for paid-up period. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> For policyholders facing financial difficulties.

MAS and Financial Industry Support Measures



FOR INDIVIDUALS – Reduce Debt Obligations

Facility	Features
<p>[NEW]</p> <p>Easier Refinancing or Repricing of Investment Property Loans</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> • Purchase loans and mortgage equity withdrawal loans • Investment properties 	<ul style="list-style-type: none"> • Borrowers with investment property loans can apply to refinance or reprice their loans, without being subject to the total debt servicing ratio (TDSR) and mortgage servicing ratio (MSR) under MAS' property loan rules², up to 31 Dec 2020. • Consequently, borrowers who do not meet TDSR and MSR will not need to commit to a debt repayment plan to repay 3% of their outstanding loan amount over 3 years. • Borrowers can rely on this exemption to refinance or reprice their loans to lower their monthly payments. Any subsequent application to defer property loan repayments will be assessed by on a case-by-case basis. • Individuals will need to consider the contractual penalties involved if they refinance or reprice their loans within the lock-in period.
<p>Lower Interest on Personal Unsecured Credit³</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> • Credit cards and other revolving credit lines 	<ul style="list-style-type: none"> • Borrowers can choose to convert outstanding unsecured debt from credit cards and other revolving credit lines to a term loan anytime from 6 Apr to 31 Dec 2020. • Key features of term loan: <ul style="list-style-type: none"> ○ Effective interest rate capped at 8%. ○ Tenure of up to 5 years. Borrowers can choose a suitable loan tenure based on his ability to service monthly repayment e.g. 2%-3% of loan amount. ○ No early repayment penalty. ○ Not reflected as a restructured loan in borrowers' credit bureau reports. ○ Unutilised credit limit with lender will not be made available after conversion. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> • Opt-in basis for borrowers who are impacted by COVID-19 (at least 25% loss of income after 1 Feb 2020; proof of impact on income required) and whose repayments are between 30 and 90 days past due at the point of application. • Singapore Citizen or Permanent Resident. • Granted expeditiously in response to borrowers' request for conversion.

² Borrowers are not subject to TDSR, MSR and loan-to-value (LTV) limits when they refinance their loans for owner-occupied residential properties.

³ ABS refers to this measure as "Special Financial Relief Programme (Unsecured)"

MAS and Financial Industry Support Measures



FOR INDIVIDUALS – Ensure Access to Basic Banking Services

Facility	Features
<p>[NEW]</p> <p>Waiver Of Fall-Below Bank Account Service Fees and Failed GIRO Deduction Charges</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> Retail bank account service fees 	<ul style="list-style-type: none"> Individuals who are not able to meet the relevant minimum average daily or monthly balances for their retail bank accounts can apply to have fall-below service fees waived up to 31 Dec 2020. Individuals who have set up GIRO arrangements for automated deductions of payments (e.g. for insurance premium and electricity/phone bill payments) from their retail bank accounts can apply to have bank fees for any failed deductions waived up to 31 Dec 2020. This does not affect any action that payee companies may take for failed payments, including late payment fees (if applicable). <p><u>Eligibility</u></p> <ul style="list-style-type: none"> Opt-in basis, for individuals who are impacted by COVID-19 (impact on income required).

MAS and Financial Industry Support Measures



FOR SMEs

Facility	Features
<p>Defer Payment of Principal on Secured SME Term Loans⁴</p> <p>Scope:</p> <ul style="list-style-type: none"> All fully secured term loans, regardless of type of collateral, taking into account bank's internal haircuts <p>[See Appendix for details]</p>	<ul style="list-style-type: none"> Borrowers can choose to defer payment of principal and pay only interest up to 31 Dec 2020. Borrowers can choose to extend the loan tenure by up to the corresponding principal deferment period. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> Opt-in basis, for borrowers whose loan repayments are no more than 90 days past due as at 6 Apr 2020. No need for borrowers to demonstrate any impact from COVID-19. Granted expeditiously in response to borrowers' request for deferment, but requests may be denied in exceptional cases. <p><u>Customer Education</u></p> <ul style="list-style-type: none"> Borrowers will be given illustrations of: <ul style="list-style-type: none"> the monthly payment amount during the interest-only payment period, and the monthly repayment amount when they resume regular repayments; the additional interest (arising from the accrual of interest on the deferred principal amount) that they will pay during the interest-only payment period; and the total interest payable by the borrowers over the entire loan tenure before and after opting for the principal deferment.
<p>Lower Interest on SME Loans</p>	<ul style="list-style-type: none"> MAS to lend at an interest rate of 0.1% per annum for a two-year tenor to eligible financial institutions under the <i>MAS SGD Facility for ESG Loans</i>, to support their lending to SMEs. <ul style="list-style-type: none"> Applies to banks and finance companies participating in Enterprise Singapore's Enhanced Enterprise Financing Scheme – SME Working Capital Loan and Temporary Bridging Loan Programme. Works together with enhancements in ESG Loan Schemes to lower SME borrowing costs.
<p>Flexible Premium Instalment Plans</p> <p>Scope:</p> <ul style="list-style-type: none"> General insurance policies (e.g. vehicle and property) 	<ul style="list-style-type: none"> Policyholders can apply to their insurer for instalment payment plans while maintaining insurance protection for paid-up period. <p><u>Eligibility</u></p> <ul style="list-style-type: none"> For policyholders facing financial difficulties.

⁴ABS refers to this measure as "Special Financial Relief Programme (SME)"



Appendix – FAQs on Relief Measures for SMEs

1. What is the definition of “SME”?

Banks and finance companies define their SME customer segment based on different criteria. As a package, this relief should minimally apply to customers with: i) annual sales turnover of up to S\$100m; or ii) employment size up to 200 workers.

2. How should movable collateral and floating charges be treated?

“Fully secured” would refer to all collateral that the bank and finance company currently accepts for SME term loans. For movable collateral and floating charges, the bank and finance company may apply its internal haircuts to determine whether the loan is “fully secured” in relation to the package.

3. Does the relief apply if the loan is no longer “fully secured” during the deferment period due to a decline in collateral value?

The relief should apply throughout the deferment period so long as the loan was “fully secured” at the point of application for the relief.

4. How should other facilities granted to SMEs be treated?

The package only applies to fully secured term loans, but banks and finance companies may extend the relief to partially secured term loans at their own initiative. In relation to other types of facilities, like those related to trade finance, banks and finance companies should make efforts to support their customers during this period of economic disruption.

5. For loans that mature prior to 31 December 2020, how would the extension of tenure apply?

As set out in the package, borrowers who opt in can choose to extend the loan tenure up to the corresponding principal deferment period.

For example, if a borrower opts into the relief on 1 July 2020, and its loan tenure ends on 1 September 2020, the borrower may choose to extend the loan tenure by 6 months, i.e. until end-February 2021.