

Email dated 3 September 2020 to PLIs

Subject : Extension of Principal Moratorium (PM) and Pre-approved Principal Payment Holiday Scheme (PPPHS) under SME Loan Guarantee Scheme (SGS)

Dear All,

I refer to our letter dated 30 September 2019 and the enclosed Information Sheet of September 2019 for Principal Moratorium (PM), our email of 28 April 2020 and the enclosed Information Sheet of April 2020 for Pre-approved Principal Payment Holiday Scheme (PPPHS), and our subsequent email of 15 July 2020 for the new arrangement of PM as attached.

[Attachment :

Information Sheet of September 2019 for PM

Information Sheet of April 2020 for PPPHS

Email dated 15 July 2020 to PLIs on New Arrangement of PM]

Please be informed that -

- (1) the application period for PM under SGS is extended to 31 March 2021, and the maximum duration of principal moratorium is increased from 12 months to 18 months. The loan guarantee period can also be extended correspondingly.
- (2) The PPPHS, which covers SGS loans, has been extended for a further six months to April 2021.

In accordance with the above, the Information Sheet of September 2019 for PM (with last revisions made on 15 July 2020) and the Information Sheet of April 2020 for PPPHS would be revised as below –

Information Sheet of September 2019 for PM and Email dated 15 July 2020 to PLIs on New Arrangement of PM

Part (II) (3) : would be replaced by “**Under the new relief measure, a Lender may offer a Borrower: (a) not more than 12 months principal moratorium period for each request of the Borrower; and (b) in aggregate, not more than 18 months principal moratorium period during the term of the Facility.**”

Part (II) (5) : would be replaced by “**The new relief measure is effective from 4 September 2019 up to 31 March 2021.**”

Part (VII)(18) : would be removed.

Information Sheet of April 2020 for PPPHS

Part (II) (4) : would be replaced by “**PPPHS is applicable to all eligible Borrowers with SGS loans, except Borrowers that have approved with a total of 18 months’ principal moratorium (“PM”) launched by the Trade and Industry Department (“TID”) on 4 September 2019.**”

Except the above changes and changes in our email of 15 July 2020, other parts of the Information Sheets remain valid.

Should you have any questions, please contact Polly LAM at 2398 5362 or Tammy WONG at 3403 6406.

Polly LAM
SME Loan Guarantee Scheme Unit
Trade and Industry Department