

Second Loan Moratorium

Frequently Asked Questions

1. How long is the second moratorium?

As a result of continued negative impact on the economy due to the COVID-19 outbreak, Bank of Maldives is offering a second moratorium for all loans/financing currently in moratorium and due for repayment in September, October or November. We believe this will help customers with upcoming loan repayments following the first moratorium. Once the second moratorium is in effect, loan repayments will start in December.

2. What type of loans are applicable and what are excluded under the second loan moratorium?

All loans/financing facilities that are currently in moratorium and due for repayment in either September, October or November are eligible for a second moratorium.

3. How does the second moratorium work?

- The second moratorium is given on the loan repayment amount outstanding at the end of the first moratorium. This includes the simple interest that was charged during the first moratorium.
- Once you apply for the second moratorium, you will not be required to make any repayments until December 2020. The interest charged will not be compounded, ie interest on interest will not be charged.
- The tenor of your loan will be increased in line with the number of months you receive the second moratorium for. See table below for details.
- Once repayments are due in December, you will have to pay 20% less than your normal repayment amount for the next 6 months.

First Moratorium		Second Moratorium		
Moratorium Start date	Moratorium End date	Moratorium period	20% Reduced Payment for 6 months	Additional Tenor
01 Mar 2020	31 Aug 2020	3 months (Sep/Oct/Nov)	Dec 2020 – May 2021	3 months
01 Apr 2020	30 Sep 2020	2 months (Oct/Nov)	Dec 2020 – May 2021	2 months
01 May 2020	31 Oct 2020	1 month (Nov)	Dec 2020 – May 2021	1 month

4. Will I be charged interest during the second moratorium?

Yes, simple interest will continue to be charged on the outstanding balance but you are not required to make any repayments until December 2020. During the moratorium period, the Bank will not be compounding interest for these loans i.e. it will not be charging interest on interest.

5. Why does my loan balance show a high figure?

The second moratorium takes the balance amount from the end of your initial moratorium. This includes the simple interest that was charged on your outstanding balance from the first moratorium.

Note: interest on interest (or compound interest) was not charged.

6. Am I eligible?

All loans/financing facilities that are in moratorium and due for repayment in either September, October or November are eligible for a second moratorium.

7. When can I apply for the moratorium? Do I have to wait until the current moratorium is completed before applying?

Yes, customers can apply for the second moratorium once the current one is completed.

Customers starting repayment in:	Applications will start from:
September	8th September
October	1st October
November	1st November

8. How do I apply?

Application for the second moratorium will be available online through our website from 8th September 2020.

Click the Moratorium button on the website which will take you to a separate page to log-in. On this page, enter any of your account numbers and follow the instructions. Once you are logged-in you will see the loans which are applicable for the additional moratorium labeled with 'Second Moratorium Available'.

Select the "Second Moratorium Available" button, and click the "Second Moratorium" tab. You can view the new repayment amounts for your second moratorium under this tab. To apply, click 'Apply for Moratorium'.

If you face any issues during log-in, please call our Contact Centre at 3330200.

9. When will the second moratorium be available?

This is available for eligible customers from 8th September until 30th November 2020:

Customers starting repayment in:	Applications will start from:
September	8 th September
October	8 th October
November	8 th November

Please note that refunds will not be made for any payments deducted before you apply for the second moratorium.

10. Will the tenor or loan repayment period change?

The tenor will change depending on the length of your second moratorium. See table in Question 3.

11. Can I cancel the moratorium?

No. The moratorium is in effect a new facility with new terms and conditions. As with all loans, customers can apply to refinance this.

12. What will happen to the September repayment?

If your repayments are due in September and you apply for the second moratorium, you will not be required to make any repayments until December 2020. However, if you do not apply for the second moratorium, the September repayment will be auto-deducted on the due date (30th September for secured loans and 7th October for Lui loans).

Please note that refunds will not be made for any payments deducted before you apply for the second moratorium.

Application Process

13. How do I log-in?

Click on the “Moratorium” button on the BML website and log-in using any of your account numbers. Your account number is available on internet and mobile banking, at ATMs or printed on your cheque book.

14. The second moratorium button is not available on the moratorium portal.

The second moratorium button will be visible for customers once they are eligible to apply at the end of the current moratorium, as follows:

Customers starting repayment in:	Applications will start from:
September	8 th September
October	8 th October
November	8 th November

15. Once I apply for the moratorium for Lui loans and other unsecured loans, do I need to do anything else?

Once you agree to the terms of the second moratorium, you need not do anything else. The new moratorium will come into effect and your repayments will be deferred. You will receive a confirmation email within 5 working days.

16. What happens to secured loans?

Once you agree to the terms of the moratorium, we will upload a revised Sanction Letter within 5 working days to the moratorium portal. You will receive an SMS from us when this is uploaded to the portal. The revised Sanction Letter needs to be signed by all parties (borrowers, mortgagors and guarantors) and personally returned to any branch within 10 working days.

Once the process is complete, you will receive a confirmation SMS on your second moratorium.

17. Why am I required to visit a branch to return the Sanction Letter?

In order to ensure the documents are in order when the Sanction Letter is received and to avoid further delays in the process, we will check the Sanction Letter and provide confirmation that everything is in order. One signatory can visit the branch on behalf of multiple borrowers. For submission within Male' City, please take an online token from QueueBee. For branches outside of Male' City, you may visit the branch at your convenience within 10 working days of receiving the revised Sanction Letter.

If you do not have access to a branch and are unable to travel to the nearest branch, you may email the revised sanction letter and supporting documents to moratorium@bml.com.mv. Customers must ensure all required documents are sent as defined in the Checklist. We can only consider applications as being successfully received when the documents are received in order.

18. What happens if I am unable to submit the revised Sanction Letter within 10 working days?

Unfortunately the request for moratorium will be automatically cancelled if the revised Sanction Letter is not received within 10 working days. In our experience, many customers face delays in obtaining signatures where multiple borrowers are required to sign. Please note that we will accept digital signatures printed on the revised Sanction Letter.

19. After applying for the moratorium, will I be able to see my loan account balance on internet banking?

Yes. Your loan balance is available on internet/mobile banking. Interest that is accrued daily to your loan during the moratorium will be added to this. You will not be required to pay this for the period of the moratorium, and this is only displayed for your information.

20. Why has my monthly repayment amount increased after the second moratorium?

We introduced the moratorium for our customers as a way of easing the immediate financial burden of repaying loans. Repayments are deferred during the moratorium and spread over the remaining period of your loan, and is therefore reflected as an increase in your repayment.

How this works:

- Through this moratorium, we are deferring the principal amount and interest amount.
- During this period, we will not be compounding interest, ie we will not be charging interest on interest. Monthly interest will be calculated for the loan outstanding amount for the moratorium period. For the 6 months after your moratorium ends, you will have to pay 20% less than what you now pay for your loan repayment.
- Total interest accrued at the end of the moratorium period will be added to the loan amount and spread over the remaining period of your tenor. This results in an increase in your monthly repayment amount. To ease the burden on you, your loan repayment period is also extended.