

Guidance Notes on Microfinance Scheme

Entrepreneurial Training and Loan Application

1. Entrepreneurial Training under the Microfinance Scheme

Applicants for the Hong Kong Food Truck Pilot Scheme (**Food Truck Scheme**) may attend the entrepreneurial training courses offered by training bodies partnered with the Hong Kong Mortgage Corporation Limited (**HKMC**) under the Microfinance Scheme to enhance their skills in business and financial planning for the Food Truck Scheme application. Interested applicants may approach the training bodies set out in the table below or contact the HKMC Microfinance Unit hotline at 2536 0707 for further details.

| Training Body | Hotline |
|---------------------------------------------------------------|----------------|
| HKSKH Lady MacLehose Centre | 2436 2977 |
| The Hong Kong Federation of Youth Groups | 3595 0945 |
| The Society of Rehabilitation and Crime Prevention, Hong Kong | 3590 5908 |
| YMCA of Hong Kong | 2281 6033 |

The relevant training courses falling within the application period of the Food Truck Scheme will start to run from early April. Interested applicants may consider enrolling in the courses. Places are limited and will be allocated on a first-come, first-served basis. Applicants, however, please note that they may need to pay for the course fee. Participation of the course is not a pre-requisite for loan application, nor does it guarantee a successful loan application.

2. Application for Micro Business Start-up Loan or Self-employment Loan under the Microfinance Scheme

Applicants for the Food Truck Scheme may apply for either a Micro Business Start-up Loan or a Self-employment Loan under the Microfinance Scheme. Interested applicants are encouraged to submit a loan application to the HKMC as soon as possible, so that the HKMC can complete the loan application assessment and advise on the result as soon as possible, which may need to be factored into the financial projection required for the application under the Food Truck Scheme.

To kick start the application, applicants (and the guarantor, if any) are required to obtain a TransUnion Credit Report (**TU Report**) from TransUnion Limited before completing the Application Form for Micro Business Start-up Loan and Self-employment Loan (*for the Hong Kong Food Truck Pilot Scheme*) appended to this Annex. The issue date of the TU Report should not be more than 30 days before the signing date of the Application Form for Micro Business Start-up Loan and Self-employment Loan (*for the Hong Kong Food Truck Pilot Scheme*). Please note that applicants have to bear the cost of the TU Report. They may contact TransUnion Limited for more information (Tel: 2577 1816, website: www.transunion.hk).

For application details, please contact the HKMC:

The Hong Kong Mortgage Corporation Limited
34/F Cosco Tower (High Block)
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong
(Attn: Microfinance Unit)

Microfinance Hotline: 2536 0707
Email: mf_enquiry@hkmc.com.hk
Fax: 2536 9500

Completed application form together with the required documents* should be sent to the HKMC at the above address (Note: if the Food Truck Scheme applicant is a company or partnership, all shareholders or partners should each complete an application form and prepare required documents for a joint application to the HKMC).

* Required documents:

- (i) TU Report for each applicant and (if applicable) guarantor; and
- (ii) any other documents as required by The Hong Kong Mortgage Corporation Limited.

It will be made an approval condition for the Microfinance application that the Selected Applicants must obtain from the Tourism Commission the Notice of Conditional Recommendation under the Food Truck Pilot Scheme and provide to the HKMC. Subsequent to loan approval and loan drawdown, successful applicants are eligible for mentoring services throughout the loan tenor. For details of the Microfinance Scheme, please visit the following link:

http://www.hkmc.com.hk/eng/our_business/microfinance_scheme.html

Appendix 1:

Key Eligibility Criteria and Product Features of Microfinance Scheme for the Hong Kong Food Truck Pilot Scheme

| | Key Eligibility Criteria and Product Features |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Applicant(s)/ Guarantor (if applicable) | <ul style="list-style-type: none">• Individual aged 18 or above and holder of Hong Kong Identity Card• Not subject to any bankruptcy order or proceedings at the time of application• If the business is owned by more than one person, all partners and business owners must be co-borrowers |
| Maximum Loan Amount | \$300,000 |
| Interest Rate | Not higher than 9% per annum or 8% per annum if a satisfactory third-party guarantee is provided |
| Loan Tenor | 1 year, 2 years, 3 years, 4 years or 5 years |
| Repayment Arrangement - principal repayment holiday | Borrowers are required to pay interest only during the principal repayment holiday <ul style="list-style-type: none">• For loan tenor of 1 year : the first 3 months• For loan tenor of 2 and 3 years: the first 6 months• For loan tenor of 4 and 5 years: the first 12 months |

Appendix 2:

Application Form for Micro Business Start-up Loan and Self-employment Loan (*for* the Hong Kong Food Truck Pilot Scheme) provided by the Hong Kong Mortgage Corporation Limited can be found in the below link:

http://www.tourism.gov.hk/english/foodtruck/files/Appendix_MFS_Application_Form.pdf

Tourism Commission
Commerce and Economic Development Bureau
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