

# QUESTIONS AND ANSWERS FOR COVID-19 RESPONSE

## Housing Loan Assistance

FIJI NATIONAL PROVIDENT FUND



### 1. Who is eligible for this assistance?

- Any member affected by the COVID-19 pandemic, who qualifies for FNPf relief assistance (unemployment/reduced pay);
- He/she must have an existing home loan and made arrangements for a loan repayment holiday (moratorium) with their lenders by 31 March, 2021;
- The member must be the legal owner of the property concerned; and
- He/she must reside in the property under mortgage.

### 2. When would this assistance open and when does it end?

The assistance will open from 1 April and close on 30 June 2021.

### 3. What is minimum and maximum monthly loan repayment that members can apply for?

The minimum repayment term is three (3) months and the maximum term is twelve (12) months

### 4. How will we know if members have sufficient balances for their home loan repayments?

Members will need to visit FNPf office to obtain their COVID-19 Housing Eligibility Statement.

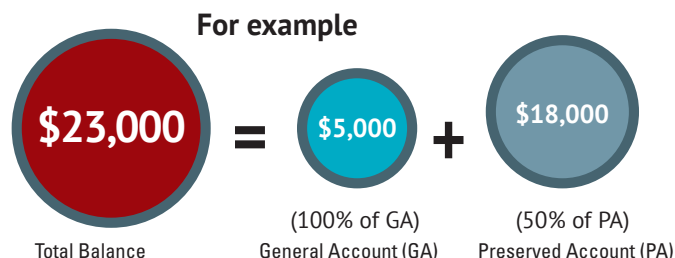
### 5. How do we determine how many months can the member pay from their FNPf?

This is determined by your COVID-19 housing eligibility. If you have enough in your General Account (GA) to meet 3 to 12 months repayment, then your loan repayment will be paid out from your GA. Otherwise, you can access up to 50% of your Preserved Account (PA) to make up for the repayments. You can determine how much you take from your FNPf savings based on repayment period being applied for and your monthly repayment amount.

Please note that FNPf will only take a charge on the amount drawn from your PA, if you are accessing your PA for a second time, and if the amount drawn, individually or with co-owners of the property, is equal to or over \$9,000.00

### 6. What is the eligibility calculations for this assistance?

You can access 100% of your General Account (balance at the time of application) and 50% of your Preserved Account balance at commencement date (1 April 2021).



**Therefore your eligibility for this assistance is \$14,000 – i.e \$5,000 (100% of GA) plus \$9,000 (50% of PA).**

### 7. Is there a minimum account balance required for members to maintain in their FNPf account?

A minimum of \$35.00 will remain in your General Account, which is the standard premium for Special Death Benefit (SDB) that provides a cover of \$8,500.

### 8. Is Government top up applicable?

No, Government top-up is available for this assistance. Funds will be drawn from your FNPf accounts.

## 9. If there are two of us paying the loan, can we both apply for this assistance?

### Yes you can both apply; provided

- That one or all parties are eligible for the FNPF COVID-19 Relief Assistance;
- The person that is directly affected by COVID-19 pandemic must apply;
- That the property was under a moratorium with the banks/lenders by 31 March, 2021;
- You are both the legal owners of the property (your names are both on the title);
- The mortgaged property is your principal place of residence;
- Joint applicants must apply together (1 application per property); and
- Each can only apply once, one property only, for this assistance

## 10. How do I work out the money that will be taken from my General and Preserved Account for this loan repayment?

### a) Single Applicant

Using the example in No.6, and assuming that your loan repayment is \$800 a month. Then for 12 months; your total repayment would be \$9,600 (\$800 X 12). We will then draw the \$9,600 accordingly by taking \$5000 from your GA and \$4,600 from your PA.

### b) Multiple Applicant

Using the same example but with multiple – in this case 2 applicants. Loan payable is \$9,600 for 12 months

Account Balances	Member A	Member B
General Account (100%)	\$5,000	\$3,000
Preserved Account (50%)	\$9,000	\$3,000

Member A decides to pay \$8,000 from his account and Member B will pay the remaining balance of \$1,600. Deduction from Member A and B accounts are as follows:

Account Balances	Member A	Member B
General Account (100%)	\$5,000	\$1,600
Preserved Account (50%)	\$3,000	\$0

Again, it is important that members seek advice and discuss their options before you make a decision on how much to withdraw from your accounts. As once the application has been lodged and processed, FNPF will not accept amended applications.

## 11. Can I apply for a longer repayment period (over 12 months) if I have sufficient funds?

The Fund has allowed for a maximum of 12 months repayment period for now. This decision may be reviewed later.

## 12. Can I keep my GA and instead use my 50% PA balance?

All FNPF pre-retirement withdrawal assistance draws from the GA only. Likewise, this assistance requires you to use your GA eligibility before you can access your PA.

## 13. So, which amount will be charged by FNPF? And why the charge?

FNPF will only take a charge on the amount drawn from your PA, if you are accessing your PA for the second time for any amount equal to or above \$9,000.

The charge is to safeguard your interest. In a worst-case scenario, and should you contemplate selling your property or if the bank forecloses on the loan, then the charge ensures that this amount is repaid to your account after the settlement of the sale of your property.

## 14. Will the FNPF rule of the replenishment of the amount drawn from my PA still apply under this assistance?

Yes, it will apply. For any funds drawn from PA, the rule is that

all incoming contributions will be directed towards your PA balance for five (5) years or until the amount withdrawn has been recovered; whichever comes first.

## 15. Will I be able to access this assistance if I have un-acquitted housing transfers with FNPF?

Yes, you will be assisted if:

- You provide all receipts to acquit for the funds withdrawn or
- Provide a statutory declaration on how the withdrawn funds were utilized.

## 16. How do I lodge my application?

The applications will be lodged through your banks/lenders. You will need to complete the application form COVID19-U02 and provide all the requirements that is listed on the form – these will be provided to your banks/lenders who will then lodge your applications with FNPF.

## 17. Do we need to physically submit our application with FNPF after we have lodged our application with the banks/ /lenders?

No. The banks/lenders will forward us your applications.

## 18. Can we upload our own application through the member Portal instead of going to the banks/lenders?

No. The process requires you to submit your application to the banks//lenders.

## 19. How long will it take to process this application?

Once received from the banks/lenders and with all requirements provided, processing will take between 8 to 30 working days.

- No charge placed – 8 working days;
- Charged placed – up to 30 working days.

## 20. Are there any fees applicable?

The following fees apply:

Consent fees; this is the responsibility of property owners to clear before the charge can be registered, otherwise this will delay processing time. Lodgment fees at Registrar of Titles office. These must be paid by the member upfront.

## 21. What are the pre-conditions for placement of FNPF Charge?

Final approval will be given upon clearance of the following requirements:

- i) Upon grant of consent from the lessor/landlord
- ii) Withdrawal of any caveat placed over the property where applicable
- iii) Lodgment slip as confirmation that FNPF charge has been lodged at Registrar of Titles office.

This approval is valid for 30 working days from the date of this letter. Applications will be declined on the expiry of this approval should the conditions mentioned above (i to iii) are not met.

## 22. What documents will I need to submit with my application?

- The latest certified copy of title, not more than 1month old;
- Valid photo ID.

The banks/lenders will provide us with the following:

- Latest home loan account statement;
- Home loan monthly repayments;
- Moratorium agreement with member;
- Copy of Original offer and latest variation letter
- Any other document specified in the COVID-19-U02 form or required during the process.

## 23. How often will the payments be done?

A lump sum will be paid out of FNPF to your home loan account to cover for the loan repayment period that you applied for.

## 24. How can we check on the status of our application?

You can call us on 3238269 or 3307811, alternatively you can email us on [covidhousing@fnpf.com.fj](mailto:covidhousing@fnpf.com.fj) or view through the MyFNPF App.