



ON RESCHEDULING AND REFINANCING

Rescheduling is the agreement through which a new payment plan is drafted for the balance of a loan in arrears and can only be considered for special cases in which the client has fallen into arrears or their payment capacity has been compromised due to uncontrollable causes and there is borrower willingness to pay. It is considered acceptable only in the following cases:

- Theft of key tool machinery or equipment for the production process of the firm.
- Serious illness or death of the principal debtor spouse or children.
- Natural disasters involving total loss important part of the firm.
- Reassessment of payment capacity, it is determined that it has fallen relative to the time of the loan request.
- It also sets a maximum of three reschedulings for each client.

These grounds must be submitted with supporting documentation and a written formal request to this effect, considering the following:

- Source of income reviewing and reasonable estimate of payment capacity.
- Home and Business visit
- Payment history check
- Verification of guarantor outstanding debts with other MFIs or individuals.
- Verification, where appropriate, of the existence of the collateral commitments.
- Evidence of periodic monitoring of the home, location and customer activity.

Refinancing is the granting of a new loan for an amount equal to or greater than the previous loan, following cancellation of 50 % of loan principal. Requirements are:

- Good credit history (with arrears averaging no more than one day).
- Only possible after the second loan.
- Only granted once for each loan.
- Reassessment of their payment capacity.
- Verification of the collateral.
- Signature of new contract clauses in alignment to the previous contract.

For more information, contact:

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