

C. Overdraft

PRODUCT DISCLOSURE SHEET (Read this Product Disclosure Sheet before you decide to take out the Overdraft Facility Secured against Time Deposit. Be sure to also read the terms in the letter of offer. Seek clarification from your institution if you do not understand any part of this document or the general terms)	OCBC Bank Malaysia Berhad Product : Overdraft Facility Secured against Time Deposit Date : 09 Nov 2022
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1. What is this product about?

- An Overdraft Facility secured against Time Deposit.
- Purpose: Personal contingencies.
- The product can only offered to Residents as per definition of “Resident” outlined in section 213 of the Financial Services Act 2013.
- The eligible entry age is 18 years of age, and the expiry of the credit facilities should not exceed age 65 of the borrowers/chargors and subject to terms and conditions imposed by the Bank.
- Minimum Overdraft limit of RM10,000 and not exceeding RM5 million per borrower.
- Overdraft is repayable on demand. Bank will review the overdraft account periodically and may demand for repayment and/or revise Overdraft facility limit from time to time, on such terms as Bank deems fit.

2. What do I get from the product?

- Overdraft Limit : RM 100,000.00 (90% of the value of the Time Deposit on prevailing exchange rate)
- Interest Rate :

Subject	SBR (From 09 Nov 2022)
Standardised Base Rate (SBR)	2.75%
Interest Rate	SBR* + 4.55%**
Effective Lending Rate	7.30%

*SBR means the Standardised Base Rate

**Spread : Includes credit and liquidity risk premiums, operating costs, and profit margin

*Note: The effective lending rate of 7.30% per annum (p.a.) is calculated as 2.75% + 4.55%** per annum, on the basis that the Standardised Base Rate remains constant at 2.75% per annum throughout the tenure. However, you should note that the Standardised Base Rate fluctuates from time to time, which will in turn affect the effective lending rate accordingly.*

Note: The above example is only for illustration. The illustration may not show the specific circumstances or obligations of each Overdraft.

3. What is the Standardised Base Rate (SBR)?

The SBR we offer on this product is based on the benchmark rate specified by Bank Negara Malaysia. The benchmark rate is currently set as the Overnight Policy Rate (OPR). Which reflects the monetary policy

stance as decided by the Monetary Policy Committee of Bank Negara Malaysia.

4. What are the possible scenarios to trigger a change in the SBR?

The SBR can rise or fall due to changes in the benchmark rate, i.e. changes in the Overnight Policy Rate (OPR).

5. Historical SBR for the past 3 years



• What are my obligations?

- Ensure Overdraft is utilized within the approved limit.
- Interest shall be calculated on daily outstanding balance and debited into the Overdraft account at the end of each calendar month and shall be paid/serviced monthly.
- Prompt payment of monthly interest charges.
- To repay Overdraft facility as and when demanded by bank.
- The borrower is required to charge monies in Time Deposit to the Bank to secure the Overdraft facility, at the Margin of Advance specified in the Letter of Offer. The monies in the Time Deposit to be charged to the Bank must belong to the borrower or the borrower jointly with the borrower's spouse or parents or siblings.
- If the joint owner of the monies in the Time Deposit is a non-resident (as defined in section 213 of the Financial Services Act 2013), the borrower will be subjected to Notice 2 of Bank Negara Malaysia (BNM)'s Foreign Exchange Administration Rules where there is either a requirement to register or seek prior approval from BNM.
- As and when the SBR changes resulting in changes to the monthly instalment amount payable by you, Bank will give you no less than 7 calendar days' notice, on the revised monthly instalment amount which you shall pay.
- If you make loan repayment/financing payment via a standing order, you should change the instalment amount whenever there is a change to the SBR.

If your loan tenure extends beyond your retirement age, you may need to prepare funds such as from EPF or savings, to service the loan payments. However, please be reminded that serving the loan beyond your

retirement age might reduce your retirement funds and possibly disrupt your retirement plans.

6. What are the fees and charges I have to pay?

NOTE: The list of fees and charges below are payable by you, as the borrower(s) and the property owner(s), to third parties for their services or as required under the laws and regulations. The list is intended for general reference and may not be exhaustive. You should seek advice from the respective professionals for the particulars of the fees and charges.

Property

- **Stamp duties** to the Lembaga Hasil Dalam Negeri (LHDN), for the instruments for purchase and transfer of property to you as property owner(s), at the rates prescribed in the Stamp Act 1949
- **Legal fees** to lawyers for preparation of purchase and transfer documents and related services, at the rates prescribed in the Solicitors Remuneration Order
- **Registration or filing fees, search fees** to land office or high court, as the case may be, at the rates prescribed by the respective authorities and laws
- **Quit rent and assessment** to state and local authorities at the rates prescribed by the respective laws and regulations
- **Maintenance charges** to developer or management corporation for property under strata title, at the rates prescribed by the developer or management corporation or applicable laws and regulations
- **Perfection of transfer** if you purchase the property under master title, then in addition to above, you will need to pay the above fees and charges again upon issuance of the individual or strata title for your property, at such rates as may be prescribed by the respective parties
- **Valuation fees** to valuer to ascertain the value of your property, at the rates prescribed by the Board of Valuers, Appraisers and Estate Agents Malaysia
- **Disbursements** incurred for attending to above matters
- **Services tax** to LHDN, for services
- **Houseowner insurance premiums** to the insurance company, to insure your property from the risks set out in paragraph 10 below, at the premiums determined by the insurance company.

Loan

- **Stamp duties** to LHDN, for loan documents, at the rates prescribed in the Stamp Act 1949
- **Legal fees** to lawyers for preparation of loan documents and related services, at the rates prescribed in the Solicitors Remuneration Order
- **Registration or filing fees, search fees** to land office or high court, as the case may be, at the rates prescribed by the respective authorities and laws
- **Perfection of charge** if you purchase the property under master title, then in addition to above, you will need to pay the above fees and charges again upon issuance of the individual or strata title for your property, at such rates as may be prescribed by the respective parties
- **Disbursements** incurred for attending to above matters
- **Services tax** to LHDN, for services

IMPORTANT NOTICE : You need to pay the fees and charges above directly to the respective parties i.e. the lawyers, state and local authorities, developer or management corporation, valuer, etc. If you do not pay the fees and charges above, bank has rights under the loan documents to debit the fees and charges from your loan account and pay the fees and charges to the respective

parties, which means that you will pay the loan interest rates on the fees and charges. To avoid incurring such additional interest, you should promptly pay the fees and charges.

Bank's fees and charges

For full list of fees and charges imposed by and payable to our bank, please visit our website <https://www.ocbc.com.my/personal-banking/fees-and-charges.html>

Subject to Government Taxes (if applicable)

- **Commitment fee** - A fee of 1% per annum on the daily unutilised portion of the Overdraft where the total or aggregate Overdraft Facilities with the Bank exceeds RM 250,000-00 or such other limit as may be determined by the Bank.
- **Interest on Overdraft Excess** – If the Overdraft limit is exceeded for any reason whatsoever, interest at the rate of 1% per annum above the Prescribed Rate or such other rate as may from time to time stipulated by the Bank will be levied on the amount in excess of the Overdraft limit, from the date that the excess is incurred up to the date that the excess is settled.

7. What if I fail to fulfil my obligations?

- Your Overdraft facility is repayable on demand. If you fail to comply with the Bank's demand by the date specified by the Bank, the outstanding sums under the Facilities shall become immediately due and payable. The Bank may take such steps as it may deem appropriate, to recover the Facility, including enforcing any security it may have. Any default in repayment of the Overdraft facility may result in your other facilities with OCBC Bank (Malaysia) Berhad/OCBC Al-Amin Bank Berhad to be suspended, recalled, cancelled or terminated.
- The Bank shall be entitled to enforce the security by uplifting the Time Deposit, converting the foreign currency to Ringgit Malaysia at such exchange rate as may be determined by the Bank at its sole and absolute discretion and applying the amount towards payment of all monies due and owing under the Overdraft facility. If the Time Deposit is insufficient to fully settle the amount due and owing under the Overdraft facility, legal action may be taken by Bank against you for recovery of the outstanding balance.
- The Bank has the right to consolidate and set-off by notice to you, any credit balance in your account(s) maintained with us against any outstanding balance in the Overdraft account.
- Legal action can be taken against you if you do not keep up with payments on the Overdraft facility. The security may be enforced and you will have to bear all costs. You are also responsible to settle any shortfall after the security is enforced.

8. What if I fully settle the loan before its maturity?

No penalty will be charged since there is no lock-in period.

9. Do I need any insurance /takaful coverage?

- No.

10. What are the major risks?

- As the Overdraft facility is secured against the Time Deposit at the Margin of Advance specified in the Letter of Offer, you have to be prepared to provide additional security or repay the Overdraft facility if the Margin of Advance drops below the percentage specified in the Letter of Offer due to foreign exchange fluctuations.
- The interest rate on this Overdraft facility varies if Standardised Base Rate (SBR) changes and shall be at the rate as published by the Bank from time to time. An increase in your effective lending rate may result higher interest amount to be paid by you.
- If you have problems meeting your loan obligations, contact us early to discuss repayment alternatives.

11. What must I do if there are changes to my contact details?

- It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner. To update us on your latest contact information, please call our OCBC Contact Centre at 03-8317 5000.
- Please quote your loan account number when request for the change of your contact details.

12. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives.
- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counseling, financial education and debt restructuring for individuals. You can contact AKPK at :

**Tingkat 8, Maju Junction Mall
1001, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-2616 7766
E-mail : enquiry@akpk.org.my**

- If you wish to complaint on the products or services provided by us, you may contact us at :

Customer Assurance Unit

OCBC Bank – Service Transformation
Menara OCBC
No. 18 Jalan Tun Perak
50050 Kuala Lumpur

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

Customer Contact Centre (BNMTELELINK)

Bank Negara Malaysia
P.O.Box 10922
50929

Tel: 1-300-88-5465 (1-300-88-LINK)
Overseas: 603-2174-1717
Operating Hours: 9.00 a.m. – 5.00 p.m. (Monday – Friday except public holiday)
Web form: telelink.bnm.gov.my

13. Where can I get further information?

- For inquiries , please contact us at : 03-8317 5000

OCBC Bank (Malaysia) Berhad

Menara OCBC
18 Jalan Tun Perak
50050 Kuala Lumpur Malaysia

“The POWER! Programme is a programme conducted by AKPK which aims to empower young and first-time borrowers with the knowledge to effectively manage their finances. To enrol, please call 1800-88-2575 or visit www.akpk.gov.my for more information.”

14. Other overdraft packages available

- Overdraft secured against other cash collaterals.

IMPORTANT NOTE: YOUR OVERDRAFT FACILITY MAY BE RECALLED/ CANCELLED IF YOU DO NOT KEEP UP WITH YOUR REPAYMENTS. LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO FULFIL YOUR OBLIGATIONS.

This information provided in this disclosure sheet is valid from 09 November 2022

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