



OCBC BANK LAUNCHES SINGAPORE'S FIRST 2-IN-1 KIDS PROTECTION AND SAVINGS PLAN FOR PRE-TERTIARY EDUCATION
The OCBC School Plan helps parents pay for their child's education, protect them from unforeseen circumstances and save for the future

Singapore, 15 February 2006 – OCBC Bank continues to break new ground in offering innovative and new wealth management solutions for the man-in-the-street with its latest product offering, the OCBC School Plan. This innovative 2-in-1 kids' plan, comprising the School Protection Plan and the OCBC School Savings Account, is the first in Singapore that lets parents of young children plan, save and protect their kids when they are in the primary, secondary and pre-university levels.

"All education plans in the current market are focused only on university education. Parents with newborns or young children have no options when it comes to saving for their early schooling years. Recognising this, we decided to develop an all-in-one solutions plan that is totally dedicated to your children when they are young – from protecting him or her and covering their basic education expenses during the pre-tertiary schooling years, to helping you save for their financial security in the future," said Mr Nicholas Tan, Head Group Wealth Management, OCBC Bank.

"This plan helps young parents tackle many of the real-life financial problems they will face when their children are of school-going age. Firstly, it helps to defray the cost of basic education from as early as primary school. With more and more schools going independent, the cost of putting your child through a better secondary education will definitely increase over the years. Secondly, any spare cash can be used to give your child the little extra that can make the difference, for example, enrolling for supplementary tuition. Thirdly, parents have complete peace of mind long after the last premium is paid at Year Six, as the plan starts paying cash back from Year Seven onwards."

The OCBC School Plan is a 2-in-1 plan comprising the following:

School Protection Plan

The School Protection Plan, underwritten by OAC Insurance, is an insurance plan designed to help offset children's basic schooling expenses for the primary, secondary and junior college levels. Parents have a choice of either a 12 or 18 years insurance plan, with the shortest premium payment period available. Premiums are paid only for the first six years, after which parents will start receiving annual payouts by the end of Year Six.

At the end of the plan, parents will receive a lump sum maturity benefit payout. In the event of death or total and permanent disability of the parent who bought the School

Protection Plan, the premium will be waived for the outstanding insurance term. However, the School Protection Plan will continue to pay the annual payouts and the maturity benefits at the end of the stipulated period, which leaves the child free to continue his/her studies without having to worry about his education expenses.

Illustration of how the School Protection Policy works

Monthly savings	= \$676.24
Annual savings	= \$7817.70 (Premium)
Total premium paid	= \$46,906.20 (6 years)
Survival Benefit	= 3% (Yrs 6 – 11) and 12% (Yrs 12 – 17)
	= (\$1,200 x 6) + (\$4,800 x 6)
	= \$36,000

The child will receive \$1,200 and \$4,800 in each year of his/her primary and secondary / junior college education respectively.

Investment Growth	= Projected 3.58% p.a.
Maturity Benefit Payout	= \$38,321
Total Benefit	= \$74,321 (Survival Benefit + Maturity Benefit)

Based on OCBC Wealth Management findings, the basic expenses are \$862 p.a. for Primary; \$2,382 p.a. for Secondary and \$2,616 p.a. for Junior College. The yearly payouts aim to cover most of the child's basic schooling expenses, including school fees, meal allowances, uniforms and textbooks.

OCBC School Savings Account

The OCBC School Savings Account is a trust savings account that parents can open for their child from as young as a month old to a maximum of nine years old. When the OCBC School Plan is taken up, an OCBC School Savings Account will be opened in the parent(s)' name with the child as the beneficiary of the account. The minimum initial deposit is S\$100 and there are no monthly account fees which means this account works harder for your child's savings.

The interest rate for the OCBC School Savings Account is pegged to the highest tier of the prevailing OCBC Statement Savings Account for amounts above S\$250,000. This rate at 0.48% p.a. is one of the highest in the market for savings accounts of similar amounts.

“With the OCBC School Plan, parents of newborns or young children can meet the rising demands of their child's early years of schooling and protect them at the same time,” added Mr Tan. “Other typical education planning policies in the market have long-term savings commitments and limited intermediate cash back features. Not only is the OCBC School Plan the only solution that offers planning for pre-tertiary education, it is also the only one that gives parents the shortest premium payment periods, cash back benefits and a lump sum maturity benefit. What's more, it comes with a free savings account for the child, giving parents the convenience to start saving for the child from the moment he/she is born.”

OCBC Bank will be holding a FREE public seminar this week on protecting and planning for your children's education and financial future. Ms Anne Tay, Vice

President Wealth Management, OCBC Bank will shed light on how much it will cost to educate your children, whilst Mr Fabian Lum, Product Manager, OCBC Bank will offer guidance on how you can save and plan to meet the cost of educating your children. Ms Crispina Robert, Editor of *Young Parents* magazine will talk about making your children happy learners. A Guest Appearance will be made by Singapore's very own filmmaker Mr Jack Neo, who will share his own personal experiences about education.

The details of the Public Seminar are as follows:

Date : Saturday 18 February 2006
Time : 3pm – 5pm
Venue: Auditorium, 9th Floor, Capital Tower
(Near Tanjong Pagar MRT Station, opposite CPF Building)

About OCBC Bank

Singapore's longest established local bank, OCBC Bank currently has assets of S\$134 billion and a network of 313 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. This network includes 200 branches and offices in Indonesia operated by OCBC Bank's subsidiary, PT Bank NISP. OCBC Bank and its banking subsidiaries offer a wide range of specialist financial services, from consumer, corporate, investment, private and transaction banking to global treasury and stockbroking services to meet the needs of its customers across communities.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia, in terms of assets and market share, and its asset management subsidiary, Lion Capital Management Ltd. is one of the largest asset management companies in Southeast Asia.

In 2005, OCBC Bank was named *Global Finance* magazine's best Trade Finance Bank and *FinanceAsia's* Best Bond House. Additional information may be found at www.ocbc.com.
