

Term And Conditions Governing Mortgage Loans

1. Definitions

- 1.1 'We, us, our' means Oversea-Chinese Banking Corporation Limited.
- 1.2 'Bridging loan' means the facility or any part of it which is described in the letter of offer as 'bridging loan' or 'bridging loan 1' as the case may be.
- 1.3 The 'commencement date' is the date your repayments will start. It will be as follows unless we tell you otherwise.
- 1.3.1 (i) The first day of the month following the date the first payment of the term loan is released if this is on or before the 15th day of the month.
- (ii) The first day of the second month following the date the first payment of the term loan is released if this is after the 15th day of the month.
- 1.4 'CPF' means the Central Provident Fund.
- 1.5 'Deferred commencement date' means any date other than the commencement date when we agree you can make the first monthly repayment.
- 1.6 'Existing property' means the property that will be sold to repay the bridging loan or the short-term loan.
- 1.7 'Facility' means the banking facilities referred to in the letter of offer, including any other payments, accommodation, credit or other banking facilities we may grant or make available to you on these terms and conditions and any other terms and conditions which we may set.
- 1.8 'HDB' means the Housing and Development Board.
- 1.9 'Letter of offer' means any letter, commitment, arrangement or agreement between us and you in relation to the facility. We may revise, add to, vary or replace the letter of offer from time to time.
- 1.10 'Mortgage' means the mortgage and, where it applies, the deed of assignment you take up with us for the property. This includes all amendments and variations we make to it, and any mortgages or agreements we make in addition to it.
- 1.11 'You, yours' means the person (or people) who takes up the mortgage with us. It includes your personal representatives, successors and anyone you transfer the mortgage to.
- 1.12 'Prepayment fee' means a fee as shown in the letter of offer or any other amount we may set.
- 1.13 'Prepayment period' means any period as shown in the letter of offer or any other period we may set.
- 1.14 'Project' means the work to build or refurbish a building in the property.
- 1.15 'Property' means the property (or properties) as described in the letter of offer which the mortgage is for.
- 1.16 'Related companies' means related corporations as defined in Section 6 of the Companies Act (Cap 50).
- 1.17 'Security' means all assets (including the property) covered under the security document, and every mortgage, pledge, right to repossess the property, charge, guarantee or other forms of security which we accept to cover your responsibilities under the facility.
- 1.18 'Security document' means all documents (including the mortgage documents) which we produce from time to time in connection with your or the guarantor's obligations under this agreement, or in connection with the facility.
- 1.19 'Short-term loan' means the facility or any part of it which is described in the letter of offer as 'short-term loan' or 'bridging loan 2' as the case may be.
- 1.20 'Guarantor' means anyone, other than you, who provides guarantees, pledges, charges, mortgages, letters allowing us to use money in their account or other security to cover your obligations under the facility.
- 1.21 'Taxes' means all taxes, duties, charges and outgoings, including any goods and services tax, value added tax (VAT), consumption tax or other taxes which may be charged on:
- 1.21.1 any payment made in connection with the security; and
- 1.21.2 any money we receive, or are due to receive, under this agreement, the security document or otherwise, or any expenses we have paid or have to pay.
- 1.22 'Term loan' means the facility or any part of it which is described in the letter of offer as 'term loan'.
- 1.23 'This agreement' means the agreement for the facility. It includes the letter of offer and these terms and conditions (as revised, added to, varied or replaced from time to time).
- 1.24 Where two or more people are included in the term 'mortgagor' or the term 'guarantor':
- 1.24.1 all agreements, terms, conditions, restrictions and obligations under this agreement apply to each person jointly and separately, and also apply to their personal representatives and anyone who takes over the loan from them; and
- 1.24.2 any notice or instruction we receive from any one mortgagor or guarantor will be binding on the others, and any notice or demand we give to any one of them will apply to each of them as if we had given it to all of them.
- 1.25 The headings in this agreement are for guidance only. They do not form any part of the agreement.
- 1.26 Words referring to males will also include females and vice versa, and words referring to individuals will also include companies and businesses where appropriate.
- 1.27 Words with the singular meaning will also include the plural meaning and vice versa.
- 1.28 If there is any difference between the terms and conditions in the letter of offer and these terms

and conditions for Mortgage Loans, the terms and conditions in the letter of offer will apply.

as payment to you under these terms and conditions.

2. Banking facilities

2.1 We have the right to review the facility from time to time. Following our review, we have the right to:

2.1.1 ask you to repay all or part of the money you owe on the facility;

2.1.2 change the terms and conditions of, or reduce or restructure the facility; or

2.1.3 cancel any part of the facility.

We do not have to give you notice or ask for your permission before doing any of the above.

Nothing in this agreement or the security document places any obligation on us to provide or continue to provide the facility available to you.

2.2 We are not responsible for any loss or damage you suffer as a result of any delay in receiving the facility or any security documents.

2.3 Even if you pay a commitment fee and do everything we ask you to in order to be accepted for the facility, we may decide not to grant the facility or any part of it.

2.4 (i) If we have set an available limit or an authorised limit in the letter of offer, you must repay all overdrawn amounts over the available limit or the authorised limit plus interest at the rate shown in clause 5. We may allow your account to be overdrawn by more than the available limit or the authorised limit on any terms and conditions and rates of interest that we set from time to time.

(ii) For the purposes of working out whether you are overdrawn by more than the available limit or the authorised limit, all capitalised interest will be included in the calculation.

2.5 Overdraft

If we grant you an overdraft so that you can pay the purchase price of the property:

(i) we will release the overdraft through our solicitors for that purpose only; and

(ii) you must not write any cheques which would mean the overdraft or any part of it would be used.

2.6 Building loan

(i) You must only use the building loan to pay for the project in line with plans which the relevant Government authorities have approved and we have accepted.

(ii) We may release the building loan in stages in line with the progress of work in the project as certified by the architects in charge of the project and confirmed by our valuers or authorised officer or a quantity surveyor or other qualified person we have appointed. You or the mortgagor must cover any costs involved. We will only release the building loan when we are satisfied that the progress of the project justifies releasing it.

(iii) We may decide to release the building loan straight to the builder, architect, contractor or any other person responsible for the project or to the Government or to any other organisation or authority to pay any premium, fee, costs or expense relating to the property or the project. If we do this, every payment we make will count

3. Conditions

The following conditions must be met before we decide to grant the facility.

3.1 You must fill in and sign the security document and all other legal or security documents to our satisfaction.

3.2 You must show that you can pay the difference between the purchase price of the property and the amount of the facility.

3.3 We, or our solicitors, must have received, and be satisfied with, the following documents.

3.3.1 All title deeds and other relevant documents for the property.

3.3.2 All permission, approval and authorization needed from the HDB and other relevant authorities in connection with buying the property and taking out a mortgage on it.

3.3.3 A letter from the CPF Board approving the amounts for withdrawal consistent with the terms of the letter of offer, or approving the change in mortgage provider.

3.3.4 All insurance policies and transfer documents which we may need.

3.3.5 A formal valuation of the security by valuers we have approved.

3.3.6 All other documents we or our solicitors may need from time to time.

3.3.7 If you or the guarantor are a company, a copy of your (or the guarantors) Certificate of Incorporation and the Memorandum and Articles of Association certified as a true copy by the director or secretary.

3.3.8 If you or the guarantor are a company, a copy of the resolutions of the board of directors and shareholders of the company. The Chairman and the Company Secretary must certify these as a true copy, and they must be in a format we are satisfied with.

3.4 We must be satisfied of the following.

3.4.1 The title deeds to the property are acceptable to us.

3.4.2 There are no faults, structural or otherwise, in or affecting the property.

3.4.3 The replies to enquiries from the various government departments and relevant authorities are in order.

3.4.4 There are no events or circumstances, including changes in your or the guarantor's financial circumstances which, in our view, could have affected our ability, decision or willingness to offer or continue to grant the facility.

3.4.5 The security is acceptable to us.

3.4.6 You have paid all stamp duty fees and goods and services tax or other taxes connected with buying or taking out a mortgage on the property which are due or we are satisfied that you have set aside money for these.

3.4.7 You have paid, or will pay, all legal expenses, stamp duty fees and other fees in connection with the facility or the security and all security documents.

- 3.4.8 There are no legal proceedings, suits or actions of any kind (whether criminal or civil) against you, the guarantor or any related companies.
- 3.4.9 There is no bankruptcy, judicial management (see 11.1.6) under Section 227A of the Companies Act (Cap. 50) or winding-up (whether voluntary or compulsory) application, proceedings or order made against you, the guarantor or any related companies, and none of you:
- is unable to pay your debts or is insolvent within the meaning of the Bankruptcy Act (Cap 20) or Companies Act (Cap 50) (as the case may be);
 - has entered into any arrangement (whether this is voluntary or you, the guarantor or any related companies have to enter into the agreement by law) or compromise for the benefit of creditors generally; and
 - no legal demands have been made under the Bankruptcy Act (Cap 20) or Companies Act (Cap 50) (as the case may be) and no receivers have been appointed against you, the guarantor or any related companies.
- 3.4.10 You have registered notice of our interest in the property with the Singapore Land Authority.
- 3.4.11 You have not broken, and will not break, any of the terms of this agreement (see clause 11).
- 3.4.12 You or the guarantor (or both) have opened an account or accounts with us, if we asked you to do this.
- 3.4.13 You must be up to date with the rent, property tax, service and conservancy charges, improvement contributions and any other fees, charges and contributions which are due for the property.
- 3.4.14 You must meet all other conditions we may set or ask you to meet.
- 3.5 If the property is a leasehold property:
- 3.5.1 there must be at least 60 years left to run on the lease, unless we agree otherwise; and
- 3.5.2 the person or organization that owns the lease, or other relevant authorities, must give their written permission for the sale and the mortgage to go ahead before we can provide a mortgage for the property.
- 3.6 If the Executive Condominium Housing Scheme Act (Cap 99A) ('the EC Act') applies to the property:
- 3.6.1 we need written permission from the developer, the HDB or other relevant authorities before we can provide a mortgage for the property;
- 3.6.2 you must give us evidence that you have met, and continue to meet, all requirements under the EC Act before we will release all or part of the facility; and
- 3.6.3 you have met all terms and conditions the developer, the HDB and other relevant authorities set when giving their permission to the sale and the mortgage of the property, and paid any costs involved in doing this.
- 3.7 If the Singapore Land Authority has issued a separate title to the property, we need:
- 3.7.1 the temporary occupation permit and the certificate of statutory completion (these are documents which you, the customer, must provide); or
- 3.7.2 confirmation from the relevant authorities that they will not take enforcement action against the owner of the property for failing to issue or provide the temporary occupation permit or certificate of statutory completion.
- If you will not be using the facility to pay part of the purchase price of the property or pay off any existing loan, we also need confirmation from our solicitors that the mortgage has been registered with the Singapore Land Authority and a written request from you (or your solicitor) asking us to release the facility.
- 3.8 If the Singapore Land Authority has not issued a separate title to the property, we need:
- 3.8.1 the relevant architect's certificates; and
- 3.8.2 evidence that the paramount mortgage company has agreed to release the property from its mortgage once it receives 85% of the purchase price from you.
- If the developer of the property is not covered by the Housing Developers (Control and Licensing) Act (Cap 130), we also need:
- (i) permission from the paramount mortgage company for us to provide the mortgage;
- (ii) the sale and purchase agreement ('the sale agreement') between you and the developer, on terms which we can accept; and
- (iii) the developer's permission for us asking for a new sale and purchase agreement on the same terms and conditions as the sale agreement, in favour of a person or company we choose and at any cost we consider reasonable.
- If you will not be using the facility to pay part of the purchase price of the property or pay off any existing loan, we also need a copy of the temporary occupation permit and a written request from you (or your solicitor) asking us to release the facility.
- 3.9 If we grant the facility or any part of it in the form of a bridging loan or short-term loan, you must give us the following in a form we are satisfied with:
- 3.9.1 A copy of the option to purchase or the sale and purchase agreement as proof of the sale of the existing property.
- 3.9.2 If the existing property is an HDB property and you are not the only owner, a copy of the letter from the owners confirming that they will give us any money made from the sale of the existing property once they receive it.
- 3.9.3 If the existing property is not an HDB property, a copy of the letter from the solicitors acting in the sale of the existing property confirming that they will give us the amount of the bridging loan or the short-term loan (or both if this applies), and any interest due, from the money made from the sale of the existing property immediately after the sale completes.
- 3.9.4 Confirmation that the bridging loan or the short-term loan will be paid straight to the licensed developer's project account or held by the seller's solicitors until the sale of the property completes (whichever applies).

- 3.10 If the facility or any part of it is a renovation loan, we must receive the following.
- 3.10.1 Written notice from you (or your solicitor) that you have received the loan.
 - 3.10.2 The temporary occupation permit if the Singapore Land Authority has not issued a separate title to the property.
 - 3.10.3 The completion certificate for the sale of the property if the Singapore Land Authority has issued a separate title to the property.
- 3.11 If the facility or any part of it is a building loan, we must receive the following.
- 3.11.1 The relevant architect's certificate.
 - 3.11.2 If the costs involved in the project are higher than expected, proof that you or anyone else who has taken out a mortgage on the property will cover the extra costs using cash, shareholder loans or directors' loans, all of which will be paid only after we are repaid under the facility and mortgage in line with any deed we need you to provide.
 - 3.11.3 A release of payment schedule that we accept.
 - 3.11.4 Without affecting clause 3.3.4 of these terms and conditions, an insurance policy which covers us as mortgage provider and beneficiary. We may set certain conditions as to which insurer you use, the amount covered and which risks are covered.
 - 3.11.5 Proof that you have paid any difference between the total amount of the refurbishment or building cost for the project including any professional fees ('the building costs') and any limit we have set on the amount we will provide under the facility to cover the building costs.
 - 3.11.6 Written evidence that you have got, and we have accepted, all planning permission and building approval that is needed, including written permission from the relevant authorities for the project. We also need proof that you have kept to the conditions of the planning permission and building approval.
 - 3.11.7 A copy of the building contract between you and anyone else who has taken out a mortgage on the property and the main contractor for the project.
 - 3.11.8 Confirmation from the architect, or other evidence that we are satisfied with, that you have paid any development charge that is due for the project.

4. Interest

4.1 General

- 4.1.1 Unless we tell you otherwise, we will charge interest based on the actual number of days in the year (365 days or 366 days in a leap year).
- 4.1.2 A certificate from us showing the HDB's lending rate or prime lending rate or other rate of interest will be final and legally binding.
- 4.1.3 All interest will build up from the date we release the loan until the date you pay off the loan (including interest that builds up after any court judgment or order). We will decide whether to charge simple or compound interest (where we charge interest on the interest you owe, then add this to the amount you must pay).

- 4.1.4 We will work out interest every month, every year or at other regular intervals we may decide from time to time. We will work out how much interest you must pay from the day you withdraw money under the facility or we make a charge under the facility up to the last day of the month, year or other relevant period as the case may be. After this, we will work out interest on the total amount you still owe under the facility, any interest you owe, charges and spending on the last day of the previous month, year or other relevant period as the case may be.
- 4.1.5 We may increase, reduce or change the interest rates and periodic rests (how often your instalments are due). We do not have to give you notice before doing this. The new interest rates and periodic rests will take effect from the date we decide.
- 4.1.6 If we change the interest rates or periodic rests:
 - a. you must repay the facility by increasing or reducing your monthly instalments, interest payments or repay under another repayment scheme we set based on the new interest rates or periodic rests; and
 - b. before we release the facility, the revised interest rates or periodic rests will apply without further notice to you.

4.2 Term loan

- 4.2.1 Unless we tell you otherwise, we will charge interest based on the actual number of days in the year (365 days or 366 days in a leap year).
- 4.2.2 Until the commencement date or the deferred commencement date (as the case may be), we will work out interest and you must pay it separately on any date we tell you.

4.3 Overdraft

- 4.3.1 We will work out interest every day based on the actual number of days in the year (365 days or 366 days in a leap year), except:
 - (i) if we granted the overdraft in a currency other than Singapore dollars, British pounds, Hong Kong dollars or Thai baht, we will work out interest based on a 360-day year; and
 - (ii) if we granted the overdraft in British pounds, Hong Kong dollars or Thai baht, we will work out the interest based on a 365-day year, and on the amount you still owe on the overdraft, and you must pay the interest on the last day of each calendar month for the month that has just passed. Or we may use another method for working out interest, depending on current practice.
- 4.3.2 Interest on the main amount of the overdraft will be added to the main amount you owe on the last day of each calendar month. We will then charge interest on the new amount you owe as appropriate.
- 4.3.3 You must pay at least the minimum monthly payment plus interest on the amount you still owe on the facility, or any other amount we tell you from time to time.

4.4 Bridging loan and short-term loan

Until you have repaid the bridging loan or the short-term loan in full, interest will build up each day on the amount of the bridging loan or the short-term loan we have released and which you still owe at the rate shown in the letter of offer or any other rate we decide and tell you about in writing from time to time. You must pay the interest each month for the month that has just passed. Your interest payments will start on the first day of the month following the date we release the first payment of the bridging loan or the short-term loan (or both) or any part of them. Any payments after this will be due on the first day of every month.

5. Interest and fees for late payments

If you fail or refuse to pay any money which is due to us or to pay the monthly instalments, interest or any repayments under the facility when they are due (overdue amounts), or your account is overdrawn as described in clause 2.4.1 of these terms and conditions, you will also have to pay extra interest at the rate of 4.75% a year above our prime lending rate that applies from time to time (or at any other rate we may set from time to time) on the overdue amounts. You will have to pay this interest from the date the payments were due until the date you pay them or on the amount by which your account is overdrawn from the date your account becomes overdrawn until the date you pay off the overdrawn amount (including interest that builds up after any court judgment or order). We will decide whether to charge simple or compound interest (where we charge interest on the interest you owe, then add this to the amount you must pay). The minimum fee for each late repayment or overdrawn amount is shown in our pricing guide.

6. Repayment

6.1 No payment or any part payment you make will be used to repay the main amount you borrowed until you have paid all interest that is due.

6.2 Overdraft

You must repay the overdraft when we demand that you do.

6.3 Term loan

The following conditions apply to the term loan.

6.3.1 Full Instalment Repayment Scheme

- (a) Under the Full Instalment Repayment Scheme, you must repay the term loan by monthly instalments. The monthly instalments will cover both the main amount you borrowed (principal) plus interest worked out on the amount of the term loan as shown in the letter of offer or as we tell you from time to time. You must pay the first monthly instalment on the commencement date unless we agree otherwise. Future instalments will then be due on the first day of each month until you have paid all of the term loan and any interest due on it.
- (b) To avoid doubt, the agreed repayment period for the term loan will start on the commencement date or the deferred commencement date, as the case may be.

6.3.2 Interest Servicing Repayment Scheme

- (a) Unless we tell you otherwise, the Interest Servicing Repayment Scheme

will be available if there is no temporary occupation permit or separate title to the property.

- (b) Under the Interest Servicing Repayment Scheme, we will release the term loan to you gradually and you will not have to pay the first monthly instalment until after the end of the interest period. During the interest period, interest will build up daily on the part of the term loan we have released and which you still owe, and you must pay it each month for the month that has just passed. Your first interest payment will be due on the first day of the month following the date we release the first payment of the term loan or any part of it. Future interest payments will be due on the first day of every month unless we tell you otherwise. You cannot use CPF savings and CPF monthly contributions to pay the monthly interest during the interest period. The interest period starts on the date we release the first payment of the term loan, or any part of it, and ends on the last day of the month following the date we released the payment before the temporary occupation permit to the property is issued, or any other date we tell you.
- (c) At the end of the interest period, you must repay the term loan in line with the Full Instalment Repayment Scheme. All references to the commencement date under the Full Instalment Repayment Scheme mean the first day of the month following the end of the interest period.
- (d) You may choose to start paying monthly instalments at any time during the interest period as long as you give us one month's notice. The notice will take effect from (and will include) the date we receive it and will end one month from the date we receive it. You must pay the first monthly instalment on the first day of the month following the date the notice ends. Once you have given us one month's notice, you cannot withdraw it.
- (e) To avoid doubt, the agreed repayment period will start when you pay the first monthly instalment to us.

6.3.3 Progressive Instalment Repayment Scheme

- (a) Unless we tell you otherwise, you can only pay under the Progressive Instalment Repayment Scheme if a temporary occupation permit to the property and separate title for the property have not been issued.
- (b) Under the Progressive Instalment Repayment Scheme, we will release the term loan to you gradually and you will have to repay the term loan by monthly instalments. The monthly instalments will include both the main amount you borrowed (principal) plus interest (as shown in the letter of offer) and any other amount we tell you. We will work out the monthly instalments based on the term loan amount we have released to you and which you still owe us. Your first monthly instalment is due on the commencement date or on the

deferred commencement date. Future instalments will then be due on the first day of each month until you have paid all of the term loan and any interest due on it.

(c) We will review the monthly instalment amount each time we release part of the term loan to you. We will work out any new instalment amount based on the total amount we have released to you and which you still owe us. We will tell you about the new monthly instalment amount and, unless we tell you otherwise, you must pay your monthly instalments on the first day of the month following the last payment we released to you.

(d) When a temporary occupation permit to the property is issued, or if we decide to do so on any date, we will convert the Progressive Instalment Repayment Scheme to the Full Instalment Repayment Scheme. If this happens, all references to the commencement date under the Full Instalment Repayment Scheme will refer to the date your first monthly instalment is due under the Full Instalment Repayment Scheme (we will tell you when this date will be).

(e) To avoid doubt, the agreed repayment period will start when you pay the first monthly instalment to us under the Progressive Instalment Repayment Scheme.

6.3.4 (a) Unless we agree otherwise, you must repay the term loan under the Full Instalment Repayment Scheme only.

(b) Once you have chosen your repayment scheme and we have agreed to it, you cannot ask to switch to another scheme.

6.3.5 Unless we tell you otherwise, as long as we and the CPF Board agree, you can use CPF savings and CPF monthly contributions to pay your monthly instalments based on any conditions we may set. You must pay any difference, in cash, between the monthly instalment amount and the amount you use from your CPF savings or CPF monthly contribution. Also, you must pay your instalment in cash if, for any reason, the CPF savings or CPF monthly contribution cannot be paid to us on the date the relevant monthly instalment is due.

6.4 Unless we agree otherwise, we will not accept payment by cheque.

7. Reduction in the value of the property

7.1 If we believe that the value of the security is too low, because of its current market value or otherwise, we may do one or more of the following without affecting any other rights we have.

7.1.1 Review, reduce, restructure or cancel the facility or part of it.

7.1.2 Withhold or disallow the release of a payment under the facility.

7.1.3 Ask you to repay all or part of the amount you still owe on the facility.

7.1.4 Use the security to pay off any amounts you owe us.

7.1.5 Ask you to provide extra security for an amount we decide.

7.1.6 Take any other action we feel is necessary.

7.2 We have the right to appoint a valuer to carry out a valuation of the security from time to time. You and the guarantor must accept this valuation as final. You must cover the costs of the valuation.

8. Repaying the loan early

8.1 Unless we agree otherwise, you may repay the facility in full under the following conditions.

8.1.1 You must give us at least three months' written notice that you intend to repay the facility early, or pay us three months' interest instead of giving us notice.

8.1.2 If you pay off the facility in full within the prepayment period, you must pay a prepayment fee, calculated on such amounts as we decide (see the letter of offer for more details).

8.1.3 If you change the date when you will pay off the facility in full to a date which falls after the date when your three months' written notice ends or the proposed date for paying off the facility in full as set out in your written notice, whichever is later, we may do one or more of the following.

a. Change the interest rate you must pay on the term loan to 4.75% a year above our current prime lending rate or any other rate we may set. The new interest rate will apply even if you later decide not to pay off the facility in full.

b. Charge you an administrative fee or another fee as shown in our pricing guide.

c. Ask you to send us a new notice that you intend to pay off the facility early.

8.2 Unless we tell you otherwise, you can repay part of the facility early (make a partial repayment) under the following conditions.

8.2.1 You must give us at least one month's written notice that you want to make a partial repayment, or pay us one month's interest instead of giving us notice.

8.2.2 If you make a partial repayment within the prepayment period, you must pay a prepayment fee calculated on such amounts as we decide (see the letter of offer for more details).

8.2.3 The amount of the partial repayment must not be less than S\$5,000 and any amounts over this must be in multiples of S\$1,000.

8.2.4 We will decide whether to use the partial repayment to either pay your monthly instalments to reduce the term of the loan or to reduce your monthly instalments for the term loan.

8.3 Even if you have given us notice that you want to repay all or part of the term loan, you must continue to pay your monthly instalments or make any other repayments that are due for the term loan until we receive the full payment of the amount shown in the notice.

8.4 Unless we tell you otherwise, once you have repaid part or all of the facility, you cannot take the facility or any part of it again (except the overdraft).

- 8.5 You must pay all legal fees and charges in connection with paying off all or part of the facility.
- 9. Cancelling the loan**
- 9.1 If all or part of the term loan is cancelled after you accepted the letter of offer, you must pay a cancellation fee as shown in the letter of offer.
- 9.2 The term loan or any part of it will be cancelled or taken to be cancelled if:
- 9.2.1 you give us written notice to cancel the term loan or any part of it;
- 9.2.2 we have not released payment under the term loan or any part of it within 3 months from the date of the letter of offer or any other period we tell you in the letter of offer or agree otherwise in writing; or
- 9.2.3 we have not released payment under the term loan or any part of it by the completion date of the property you are buying;
- whichever happens first.
- 9.3 The bridging loan or the short-term loan or any part of which we have not yet released will be cancelled or considered to have been cancelled immediately after the sale of the existing property completes.
- 9.4 If we have released any part of the facility and you then cancel any part of it, the difference between the unpaid purchase price of the property and the amount of the facility we have not yet released will be held by our solicitors for our benefit.
- 9.5 If you do not use the facility within three months from the date of the letter of offer (or any period shown in the letter of offer or as we have agreed), we can cancel the facility.
- 10. Representations and declarations**
- 10.1 You and the guarantor declare that:
- 10.1.1 there is no current or threatened legal action, arbitration or other proceedings or claims against either of you, your related companies or any of your assets;
- 10.1.2 there are no bankruptcy or winding up (voluntary or otherwise) applications, proceedings or orders made against any of you or your related companies;
- 10.1.3 neither of you, nor your related companies, is unable to pay your debts or is insolvent within the meaning of the Bankruptcy Act (Cap 20) or the Companies Act (Cap 50) (as the case may be);
- 10.1.4 neither of you, nor your related companies, has entered into any legal or other arrangement (voluntary or otherwise) or compromise for the benefit of creditors generally;
- 10.1.5 no demands have been made against either of you or your related companies under the Bankruptcy Act (Cap 20) or the Companies Act (Cap 50) (as the case may be);
- 10.1.6 you, the guarantor and your related companies have the power and authority to own your assets and to carry on your businesses and you and they have all necessary authorizations from any governmental or other relevant authorities;
- 10.1.7 you and the guarantor have done everything necessary to meet the conditions of the letter of offer and the security document to make them valid and to keep to all laws and regulations that apply; and
- 10.1.8 if you or the guarantor are a company, you or they have filled in, or will fill in, all the forms that need to be filed in the Registry of Companies and Businesses within the period set out in the Companies Act (Cap 50) and rules and regulations made under it.
- 10.1.9 Once you have accepted the letter of offer and signed the security document, these documents will form the valid and legally-binding obligations which you and the guarantor must keep to.
- 10.1.10 You and the guarantor must not use the security as security for any other loan or mortgage without first getting our written permission.
- 10.1.11 You must pay all rent, taxes, assessments and government charges that are due in connection with the property on time and before the date any penalties will become due.
- 10.1.12 You and the guarantor must have given us, in writing, all facts and information relating to you, the guarantor or the security which you or the guarantor knows or should reasonably know and which we need.
- 10.1.12 If the relevant authorities ask you or the guarantor to provide any information or report, or make an announcement, you must do this in line with any laws, rules and regulations.
- 10.2 You and the guarantor declare and promise that:
- 10.2.1 neither of you is involved in any activities that will attract investigation or prosecution under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Cap 65A) ('the Act');
- 10.2.2 the security or any part of it has not come from any drug trafficking or criminal behaviour as defined under the Act; and
- 10.2.3 there are no court orders or warrants under the Act, whether actual, pending or threatened, which would affect (whether directly or indirectly, totally or partly) the security or any of our interest.
- 10.3 If we ask you to, you must provide evidence that all declarations and representations you and the guarantor have made are still true and correct. The evidence must be in a form we accept.
- 10.4 If we believe that any information, representation, statement or declaration you or the guarantor has made (whether in the application form for the facility, this agreement, the security document or otherwise) is untrue or incorrect in any way, we have the right to recall or cancel the facility.
- 10.5 If we ask you for copies of documents and information about you, the guarantor and the security, you must give us these as soon as you can.
- 10.6 You and the guarantor must agree that each of the above promises, declarations and representations is taken to have been repeated each time we release payment of any part of the facility, and will continue to be true and correct until you have repaid the facility in full. We have the right to vary, review, restructure, recall or cancel the facility if any information, statement,

declaration or representation made by you or the guarantor is untrue or incorrect in any way.

11. Failing to keep to this agreement

11.1 If any of the following happens, we will automatically cancel the facility and it will no longer be available to you. You must then immediately repay the full amount owing under the facility together with all interest and any other amounts that are due and owing to us.

11.1.1 Failing to pay: if you or the guarantor fail to pay any money you owe or must pay under any facility we have granted on the due date or when we ask you to.

11.1.2 Failing to meet your obligations under this agreement: if you or the guarantor fail to meet your obligations under this agreement, break or threaten to break any of the terms and conditions of this agreement or the security document, or fail to keep to any rule, regulation or policy in connection with the security.

11.1.3 Events affecting individuals: if you (or the guarantor):

- a. die, become insane or suffer any disability;
- b. transfer your estate for the benefit of your creditors;
- c. have a demand served against you under the Bankruptcy Act (Cap 20);
- d. leave Singapore permanently for any reason;
- e. have an application filed against you for an order to declare you bankrupt or take legal possession of your estate; or
- f. have a bankruptcy order made against you or have a receiver or a trustee in bankruptcy appointed over your estate or property or any part of it.

11.1.4 Failing to keep to other agreements:

- a. If you, the guarantor or any of your related companies must repay any other borrowing early because you or they have failed to keep to the relevant terms and conditions for that borrowing.
- b. If you, the guarantor or any of your related companies fail to keep to any agreement or document relating to any other borrowing.
- c. If you, the guarantor or any of your related companies fail to repay any other borrowing or other debt, or any amounts you must pay in connection with the other borrowing or other debt when due.
- d. If any claim over any part of your (or the guarantor's or any of your related companies') property or assets is or becomes enforceable.

In this clause, 'borrowing' includes:

- money you, the guarantor or any of your related companies have borrowed, and any interest on it;

- any liability you, the guarantor or any of your related companies have under any bond, note, guarantee, indemnity or other security, or under credit facilities; and
- any guarantee or other assurance against financial loss in connection with any money you, the guarantor or any of your related companies have borrowed, interest or liability.

11.1.5 Insolvency: if you (or the guarantor or any of your related companies):

- a. become insolvent or unable to pay your debts when they are due;
- b. stop, suspend, or threaten to stop or suspend repayment of all or part of your debts;
- c. begin negotiations or take any steps to change, reschedule or put off paying your debts (or part of your debts which you might be unable to pay when they become due);
- d. propose a general transfer or an arrangement or compromise with or for the benefit of your creditors; or
- e. have a moratorium (legal authorization to postpone repayment) agreed or declared for all or part of your debts.

11.1.6 Judicial management: if a receiver or manager is appointed over any of your, the guarantor's or any related companies' property or assets, or if you, the guarantor or any related companies are placed under judicial management under the Companies Act (Cap 50) or an application is filed or a resolution passed to wind up your or the guarantor's business or any related companies (whether voluntarily or compulsorily).

11.1.7 Enforcement proceedings: if legal action is taken through the courts against any part of your, the guarantor's or any of the related companies' properties or assets to meet the conditions of any judgment or court order.

11.1.8 Legal proceedings: if any legal proceedings, proceedings to settle a dispute (such as arbitration), suits or action of any kind (whether criminal or civil) is started against you, the guarantor or any of the related companies.

11.1.9 Illegality: if it is or will become illegal for you, the guarantor or any of the related companies to carry out or meet any one or more of your obligations under this agreement or the security document.

11.1.10 Security: if any step is taken by any person or agency to confiscate, seize, take possession of or nationalize the security or any part of it, or any other asset or property belonging to you, the guarantor or any of the related companies.

11.1.11 Breaking the terms of the sale and purchase agreement, building agreement and so on: if you break the terms of any sale and purchase agreement, building agreement, agreement for lease, lease or licence relating to the property or do (or fail to do) anything which means the sale and purchase agreement, building agreement, agreement for lease, lease or licence may not be enforceable or may need to be given up, cancelled or changed or it becomes illegal for you to keep to the sale and purchase agreement, building agreement, agreement for lease, lease or licence.

- 11.1.12 Winding up the business: if anyone takes action to wind you, the guarantor or any of the related companies up, or a receiver is appointed over you, the guarantor's or any related companies' business or assets.
- 11.1.13 Stopping business operations or trading: if you, the guarantor or any of your related companies stop or threaten to stop business operations or trading.
- 11.1.14 Legal enquiries about the property: if we receive any replies from the various government departments and relevant authorities which we feel are not satisfactory or are not in order.
- 11.1.15 Further charge or legal claim: if any charge or legal claim is created over or against the security without our written permission including any specific conditions, charging order or charge.
- 11.1.16 Compulsory takeovers: if a notice or proposal for the compulsory takeover of the property or any part of it is issued or made under any Act of Parliament, government notice or other legal provisions.
- 11.1.17 Structural faults: if the property is found to be structurally unsafe or to contain or be affected by faults (structural or otherwise), or the relevant authorities are carrying out an investigation on the property under the Building Control Act (Cap 29).
- 11.1.18 Damage to the property: if we believe the property is damaged beyond repair.
- 11.1.19 Transfer of assets: if you or the guarantor transfer or give all or most of your assets to any person, firm or business.
- 11.1.20 Security at risk: if we believe the security is at risk and we have given you or the guarantor notice of this, or if we receive notice that any security can no longer be used.
- 11.1.21 Authorization and permission: if you do not take any action, meet any condition or do anything (including getting any necessary permission) which we have asked you to, if any permission is no longer valid, or if you do not meet any condition relating to the permission.
- 11.1.22 Accounts: if your accounts or those of your related companies are delivered to us in a manner which we cannot accept.
- 11.1.23 Declared company: if the Minister as set out in the Companies Act (Cap. 50) says that you or the guarantor is a declared company under Part IX of the Companies Act (Cap 50) or similar action is taken against you or the guarantor under any other law in any other country that applies.
- 11.1.24 Significant change: if there is a significant change in your (or the guarantor's or any of the related companies') business, assets or financial position, or if any situation arises which we believe makes it unlikely for you, the guarantor or any of the related companies to be able to meet your obligations under this agreement or the security document. or the security document.
- 11.1.25 Taxes: if you, the guarantor or any of the related companies fail to pay any taxes.
- 11.1.26 Representations: if any confirmation, promise, undertaking, representation, statement or declaration you, the guarantor or any of the related companies have made or acknowledged to us is incorrect or false in any way, or if you break or do not keep to any of them at any time.
- 11.1.27 Constitution: if you, the guarantor or any of the related companies is a company, you or they change the constitution, shareholding, capital structure or Memorandum and Articles of Association without first getting our written permission.
- 11.1.28 Unenforceability: if any term or condition of this agreement or the security document becomes void, could become void or could not be enforced for any reason.
- 11.1.29 Security document: if you, the guarantor or any of the related companies break any condition related to the security document.
- 11.1.30 Executive apartment block: if the property is an executive apartment block under the EC Act, if you break or fail to keep to the EC Act or the regulations made under it or any rules, regulations and policy requirements the relevant authorities set, or if we feel you have done this.
- 11.2 We may at any time give you one month's notice in writing demanding that you repay the facility in full, together with all interest and all other money you owe under this agreement. This will not affect any rights we have under this agreement.
- 11.3 If you fail to meet any of the conditions of this agreement (see clause 11.1 above), we may enforce all or any of our rights, powers or remedies under this agreement and the security document and we have the right to claim back payments we have made or withhold payments we have not yet released under the facility.
- 12. Deducting money from your accounts**
- 12.1 We have the right to deduct money from your current account or other accounts you have with us, including the overdraft account, to cover any outstanding payments, interest, commission, charges, fees, expenses, costs, taxes, premium and any other amount due in connection with the facility, this agreement or the security document. We do not have to give you notice of this and may use this right at any time. If we do this, this does not mean that you have not broken the terms of this agreement. If deducting the money causes your account to be overdrawn, we will charge you interest at our current rate.
- 12.2 If there is not enough money available in your account to cover any payment that is due to us on the date it is due, you must write to us to tell us when money is paid into the account so that we can take the amount that is due. We have the right to monitor the level of funds in your accounts and to take any amounts that are due to us.
- 13. Executive apartment blocks**
- If the property is an executive apartment block under the EC Act, you must get written permission from the developer, the HDB and other relevant authorities to:
- 13.1 buy the property; and
- 13.2 give us a legal mortgage with the same priority to share out the sale proceeds as allowed under the Executive Condominium Housing Scheme (Compensation and Order of Priority) Regulations and on terms and conditions we accept.

14. Using CPF savings

If you are using CPF savings for the deposit or to repay the loan, the following conditions apply.

- 14.1 The CPF Board must approve the withdrawal of the amounts we allow from time to time.
- 14.2 You must keep to any terms and conditions the CPF Board sets. If you break the CPF Board's terms and conditions, you will have broken this agreement.
- 14.3 You agree to arrange for the CPF Board to release its legal charge over the property, and cover any costs involved in doing this, when:
 - 14.3.1 you become entitled to withdraw your CPF money under the Central Provident Fund Act (Cap 36); or
 - 14.3.2 you have repaid all amounts you owe under the term loan which we granted for you to pay the purchase price of the property;

whichever happens later.

15. Covering us against loss

We are not responsible for, and you and the guarantor must at all times keep us fully covered against any loss, costs, charges, liabilities, claims, demands, actions, proceedings or expenses which we, our officers, employees or agents may have paid or have to pay in connection with the facility, this agreement or the security document, including costs and charges arising from enforcing our rights against any security you and the guarantor provide.

16. Choosing not to take action if you break this agreement

- 16.1 We may decide not to take action if you or the guarantor break any of the terms of this agreement or the security document. This will not affect our right to take action if you break the same term again, or any other term of this agreement or the security document.
- 16.2 If we decide not to take action, we must agree to this in writing, and you must meet any conditions we set.
- 16.3 All our rights, powers and remedies under this agreement apply, and we may use them as often as we feel is appropriate. They apply as well as any other rights, powers and remedies we have under the general law.

17. Permission to reveal information about you or the property

- 17.1 You and the guarantor give us permission to give any information relating to you or the guarantor, or any other information we consider appropriate (including details of the property, the facility, the people who will live in or use the property and the purchase price of the property) to any person who we are allowed or required to give information to by law, or to any other person for any purpose. You also agree that we may give as much information as is allowed under the Banking Act or any other act or law. You and the guarantor also give us permission to give information to credit bureaus or any other organization or business set up to collect and provide information relating to people's ability to repay credit, and permission for the credit bureau or other organization or business to assess how likely it is that you or the guarantor will be able to repay, or for any other purpose.
- 17.2 The rights we have under this clause apply as well as, and are not affected by, any other agreement with you or the guarantor. Our rights under this clause will continue even if you close any or all of your or the guarantor's accounts or facilities with us, and if any relationship between us and you or the guarantor ends.

18. Insurance

You must insure the property and take out any other insurance policies we ask you to.

19. Expenses, taxes and other fees

- 19.1 You and the guarantor must pay the following when we ask you to.
 - 19.1.1 All charges or fees in connection with the facility (the amounts are shown in our pricing guide), as well as all insurance premiums, legal fees (on an indemnity basis under the Rules of Court), stamp duty and valuation costs due in connection with the facility or under this agreement or the security document.
 - 19.1.2 All legal fees (on an indemnity basis under the Rules of Court) and other reasonable costs and out-of-pocket expenses we have to pay in connection with, and in enforcing, this agreement and the security document.
 - 19.1.3 All legal costs (on an indemnity basis under the Rules of Court) and expenses if the facility is cancelled, whether it was our decision to cancel the facility or you or the guarantor failed or refused to go ahead with the facility or security.
 - 19.1.4 All charges and fees we set from time to time, including the standard fees and charges set out in our pricing guide.
- 19.2 You or the guarantor must pay all taxes that are due and meet all government and legal requirements relating to those taxes.
- 19.3 Without affecting clause 12, we are entitled to, but do not have to, pay the above amounts on your behalf first. If we do so, you or the guarantor pay us back these amounts plus interest at the rate of 4.75% a year over our current prime lending rate or any other rate we tell you, calculated from the date we make the payment up to the date these amounts are fully repaid (including interest that builds up after any court judgment or order). The interest will be compound interest (where we charge interest on the interest you owe, then add this to the amount you must pay).
- 19.4 We may at any time set new fees for the facility or change the rate or amount of any charges or fees you must pay as shown in our pricing guide. We must give you written notice to do this. Any change will take effect from the date shown in the notice which, in most cases, will be at least 30 days from the date of the notice.

In clauses 19.1.1 to 19.1.3 above, where we say you must pay legal costs and fees 'on an indemnity basis under the Rules of Court', this means that you must pay us and our solicitors' full legal costs and out-of-pocket expenses.

20. Binding statement

A statement or certificate signed by our authorized officer stating the amount you must pay under this agreement or the security document will be final and binding except for any clerical errors in it.

21. Notices

- 21.1 Any notice or certificate we give to, or demand we make on, you or the guarantor will be considered to have been given if it is in writing, and delivered personally, or sent by telex, fax, telegram or prepaid post to:
 - a. the address shown in the letter of offer;
 - b. the address of the property mortgaged by you or the guarantor to us;

- c. your or the guarantor's last known business or home address in Singapore;
- d. your or the guarantor's published telex or fax number; or
- e. the last contact number you or the guarantor gave to us in writing.

This applies even if you or the guarantor die, become insane or are declared bankrupt.

- 21.2 If we send you a communication by post, you and the guarantor will be considered to have received it on the second day after posting, even if the post office returned it as undelivered. If we send you a communication by telex, email, fax or telegram, you and the guarantor will be considered to have received it at the time we sent it.
- 21.3 A statement signed by our authorized officer showing the date or time we sent any demand or notice will be evidence that we did send the demand or notice on that date or time.
- 21.4 If you need to send us notice, certificates or any other communication, you should send it to our address as shown in the letter of offer (or to any other address we have given you for this purpose). The notice will be considered to have been given or received at the time our authorized officer acknowledges they have received it.
- 21.5 You must tell us in writing and as soon as possible of any change in your or the guarantor's postal address, email address, contact details or place of business.

22. Serving court documents

We may serve any writ of summons or other court process, or a sealed copy of these, or pleadings or other documents on you and the guarantor by leaving them at the address shown in the letter of offer or at your (or the guarantor's) last known home or business address in Singapore. We are entitled to rely on our records or the records of any registry, government or official authority to find your last known address. If your or the guarantor's last known address is a postal box number or other hold-mail address, we may post the documents to that address. You and the guarantor confirm that this is acceptable to you.

23. The right to vary the terms and conditions of this agreement

- 23.1 We have the right to change any of these terms and conditions by giving you written notice. Any change will take effect from the date shown in the notice which, in most cases, will be at least 30 days from the date of the notice.
- 23.2 We may tell you of any change to these terms and conditions by:
 - (a) sending you a statement of account;
 - (b) putting up notices and displays at our branches or cash machines;
 - (c) putting a notice on our website;
 - (d) sending you a letter or email;
 - (e) putting notices in any newspapers; or
 - (f) any other form of communication we choose.
- 23.3 If you do not accept the change, you must immediately repay all amounts owing under this agreement. If you continue to use the facility or if you do not repay all amounts owing under the

facility after we tell you about the change, you and the guarantor will be considered to have agreed with and accepted the change.

- 23.4 If any one or more of the conditions in this agreement are not valid or legal, or cannot be enforced under any law that applies, this will not affect the other conditions in this agreement.

24. Transferring rights under this agreement

- 24.1 You and the guarantor must not transfer any of your rights under this agreement.
- 24.2 Without affecting clause 24.1 above, this agreement and the security document will be valid and binding on anyone who takes over the loan or takes over as guarantor.
- 24.3 We may transfer all or part of our rights and interest in, or transfer all or part of our obligations under this agreement or the security document, without your or the guarantor's permission. You and the guarantor must agree that any person or business we transfer to will take over all our rights under this agreement and the security document.

25. The Contracts (Rights of Third Parties) Act

A person who is not named in this agreement will have no rights under the Contracts (Rights of Third Parties) Act (Cap 53B) to enforce any of its terms.

26. Governing law

- 26.1 This agreement, the security document and all matters relating to the facility will be governed by the laws of Singapore.
- 26.2 Everyone named in this agreement and the security document, particularly you and the guarantor, must agree that any disputes connected with this agreement will be dealt with in the courts of Singapore. However, this will not prevent us from starting proceedings in the courts of any other country.

Here are some of the standard fees and charges for OCBC Mortgage loans.

Default fee:	A minimum fee of S\$50 for each late repayment.
Paying off the facility in full or making a partial repayment:	See the letter of offer for details.
Changing the date for paying off the facility:	A fee of S\$200 for each notice you give to change the date for paying off the loan to a date which falls after the three months' written notice.
Delay in releasing the mortgage after you have paid off the facility:	A title deed custody charge of S\$500 a year (or part of a year) will be charged for a delay of more than 14 days in releasing the mortgage after you have paid off the loan.
Cancelling the facility:	See the letter of offer for details.
Administration fee for fire insurance that is not from OAC:	\$200 a year
Loan statement for:	a) Current year - No charge b) Previous year - S\$30 for each page c) Two years ago - S\$30 for each page d) Three or more years ago - S\$50 for each page
Any other charges	

Please call us on 1800 438 3333 for details of charges for other services not shown above.