

## Debt Consolidation FAQ

| S/N | Questions  | Answers  |
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| 1   | What is Debt Consolidation Plan (DCP)?   | <p>Debt Consolidation is a debt refinancing program which offers a customer the option to consolidate all his unsecured credit facilities (such as credit cards and some types of unsecured loans) across banks with 1 participating bank.</p> <p>Certain categories of unsecured loans are excluded from DCP, such as joint accounts, renovation loans, education loan, medical loans, and/or credit facilities granted for businesses or business purposes.</p>  |
| 2   | Who are the participating banks?   | <p>All banks who provide unsecured credit facilities and/or credit cards are participating banks. Currently, there are 14 participants (subject to revision):-</p> <ul style="list-style-type: none"> <li>i. Oversea-Chinese Banking Corporation Limited</li> <li>ii. American Express International, Inc.</li> <li>iii. Australia and New Zealand Banking Group Limited</li> <li>iv. Bank of China Limited Singapore</li> <li>v. CIMB Bank Berhad</li> <li>vi. Citibank Singapore Limited</li> <li>vii. DBS Bank Ltd</li> <li>viii. Diners Club Singapore Pte Ltd</li> <li>ix. HSBC Bank (Singapore) Limited</li> <li>x. Industrial and Commercial Bank of China Limited</li> <li>xi. Standard Chartered Bank (Singapore) Limited</li> <li>xii. Malayan Banking Berhad</li> <li>xiii. RHB Bank Berhad</li> <li>xiv. United Overseas Bank Limited</li> </ul> <p>New bank(s) may be added and/or substituted from time to time.</p> |
| 3   | Am I eligible for DCP?   | <p>To be eligible for DCP with OCBC, you must:</p> <ol style="list-style-type: none"> <li>1. Be a Singapore Citizen or Permanent Resident;</li> <li>2. Earn between S\$30,000 and S\$120,000 per annum; and</li> <li>3. Have total interest-bearing unsecured debt on all credit cards and unsecured credit facilities with banks in Singapore that exceeds 12 times of your monthly income</li> </ol>   |
| 4   | I am currently under the RAS scheme. Am I still eligible for DCP?              | <p>Yes, you are eligible to consolidate any outstanding amounts owing under your RAS as part of your DCP with a relevant participating bank.</p>   |
| 5   | Do I need to apply to all participating banks?                                 | <p>No, you only need to apply to 1 participating bank to avail yourself of the DCP.</p>  |
| 6   | Can I apply for a DCP with a participating bank that I am not a customer with? | <p>Yes, this is no different from applying for a new unsecured credit facility or credit card today.</p>   |

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| 7  | What documents are required for application?   | <p>The following documents need to be submitted at the point of application:</p> <ol style="list-style-type: none"> <li>1. Copy of NRIC (front and back); and</li> <li>2. Latest Credit Bureau Report; and</li> <li>3. Income Documents; and (a) Latest computerized / electronic payslip and Latest Income Tax Notice of Assessment OR (b) Latest 6 month's CPF contribution history statement (for monthly income <math>\leq</math> S\$6,000)</li> <li>4. Proof of Balances <ol style="list-style-type: none"> <li>(a) Statements evidencing billed balances;</li> <li>(b) Online statements evidencing unbilled balances;</li> <li>(c) Confirmation letter evidencing new balance transfers / loans; and/or</li> <li>(d) Any other relevant documents evidencing account information or balances or settlement notice from the original DC bank (only applicable to DCP refinancing applications)</li> </ol> </li> </ol>   |
| 8  | What if I have other transactions not reflected in my statement?   | You are advised to present documentation of these other transactions for the DCP application.   |
| 9  | Can I consolidate the outstanding under an existing renovation loan, education loan and joint account under DCP? | <p>No, the DCP excludes any renovation loan, education loan, medical loan, credit facility granted for businesses or business purposes and/or outstanding debts under joint accounts.</p> <p>In recognition of the purposeful or needs-based nature of such loans, MAS has exempted them from the industry-wide and per-bank borrowing limits.</p>  |
| 10 | What will be the total DCP amount?   | <p>The DCP amount is equivalent to the total principal outstanding including interest and any other fees and/or charges accruing on your statement accounts.</p> <p>For the first DCP, the total loan amount granted will consist of (a) a relevant amount determined by us at our absolute discretion (the "Relevant Amount") and (b) 5% of the Relevant Amount (the "Additional 5%").</p> <p>If the approved DCP Amount is insufficient to repay your outstanding under any existing unsecured credit facilities in full, you will remain responsible for paying off the balance of these amounts directly to your existing banks.</p> <p>However, where you have entered into an existing debt consolidation plan (the "Existing Plan") with another participating bank and you are applying for the DCP for you to refinance and pay off your outstanding amount owing under the Existing Plan, the total loan amount granted will only consist the Relevant Amount.</p> <p>If the DCP Amount is insufficient to repay your outstanding under the Existing Plan in full, you will remain responsible for paying off the balance of such outstanding amount owing under the Existing Plan.</p> |

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| 11 | What is the purpose of the Additional 5%?   | <p>It is to cater for any incidental charges (e.g. interest and fees payable) incurred from the time the DCP is approved till the time the disbursed DCP amount is received by the banks.</p> <p>The Additional 5% will not be granted to you if the DCP is granted for you to refinance and pay off your outstanding amount owing under the Existing Plan.</p>  |
| 12 | Can I choose not to have the Additional 5%?   | <p>The Additional 5% is required for the first approved DCP loan. This is to cater for any incidental charges incurred from the time the DCP is approved till the DCP amount is disbursed to the banks. If the total loan amount disbursed to the relevant participating banks under the DCP is more than the total outstanding amount owing to relevant participating banks, it is up to you to withdraw the difference (i.e. the difference between the total loan amount disbursed to the relevant participating banks under the DCP and the total outstanding amount owing to relevant participating banks) directly from the relevant participating banks.</p> <p>The Additional 5% will not be granted to you if the DCP is to be used to refinance and pay off your outstanding amount owing under the Existing Plan.</p>   |
| 13 | Can I do a partial consolidation of my balances?  | <p>No, DCP must be done in full with one participating bank so that you may pay down your total outstanding amounts with a single bank.</p>  |
| 14 | Can I request for the DCP amount to be deposited into my designated savings or current account? | <p>No, the DCP amount will be disbursed directly to the respective banks with whom you have outstanding unsecured credit facilities.</p>   |
| 15 | Why am I given the Debt Consolidation Card?   | <p>The Debt Consolidation Card is issued to provide you with a convenient mode of payment for managing your daily essentials.</p> <p>Where you have entered an Existing Plan with another participating bank (the "Relevant Non-OCBC Bank") and you are applying for the DCP for you to refinance and pay off your outstanding amount owing under the Existing Plan, the facility granted under the Debt Consolidation Card (the "Card Facility") will be used to pay off your outstanding amount owing under such unsecured revolving credit facilities (excluding those owing under the Existing Plan) (if any) granted by the Relevant Non-OCBC Bank under the Existing Plan (the "Existing 3<sup>rd</sup> Party Unsecured Facilities").</p> <p>If the total Card Facility is insufficient to repay your outstanding under the Existing 3<sup>rd</sup> Party Unsecured Facilities in full, you will remain responsible for paying off</p> |

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|    |   | the balance of such outstanding amount owing under the Existing 3 <sup>rd</sup> Party Unsecured Facilities. For the avoidance of doubt, if, after using the Card Facility to pay off the entire amount owing under the Existing 3 <sup>rd</sup> Party Unsecured Facilities, there is still a surplus under the Card Facility (the "Surplus"), you can utilise the Surplus insofar as the total credit limit granted to you by us is not exceeded.   |
| 16 | Can I not apply for the Debt Consolidation Card?  | The Debt Consolidation Card will be issued to you once we approve and grant you the Debt Consolidation Loan Account. However, you can choose not to use the revolving Debt Consolidation Card should you not have any need for it.  |
| 17 | Are there fees attached to Debt Consolidation Card?<br><br>Do I need to pay any service fee or annual fee?  | If you use the Debt Consolidation Card, you will have to pay fees and charges on the Debt Consolidation Card in accordance with the Terms and Conditions governing OCBC Credit Card Agreement.<br><br>No annual fees will be charged for your Debt Consolidation Card.  |
| 18 | Can I request for lower limit on the Debt Consolidation Card?   | No, it will be fixed at 1x your monthly income. However, you are not obliged to utilise the full limit.   |
| 19 | In case of exigencies, can I request for temporary line increase on my Debt Consolidation Card?   | No, it will be fixed at 1x your monthly income  |
| 20 | Can I apply for a permanent credit limit increase on the Debt Consolidation Card that is issued together with the Debt Consolidation Loan Account if my income increases? | Yes, with submission of fresh income documents.   |
| 21 | Can I cancel my Debt Consolidation Card?  | No, it is bundled with the Debt Consolidation Loan Account.   |
| 22 | Can I continue to use my existing credit facilities after I apply for DCP but before it's being approved?   | No. Further usage of existing unsecured credit facilities will not be allowed once a borrower decides to takes up the DCP.<br><br>If the approved DCP Amount is insufficient to repay your outstanding under any existing unsecured credit facilities in full, you shall remain fully responsible for the payment of any extra costs / expenses / shortfall incurred in accordance with the terms and conditions governing such existing unsecured credit facilities. Your obligations under such unsecured credit facilities shall remain unchanged and continue.<br><br>Where you have entered into an Existing Plan with another participating bank and you are applying for the DCP for you to refinance and pay off your outstanding amount owing under the Existing Plan and if the DCP |

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|    |   | Amount is insufficient to repay your outstanding under the Existing Plan in full, you will remain responsible for paying off the balance of such outstanding amount owing under the Existing Plan.   |
| 23 | Will I be able to continue using my unsecured credit facilities once my DCP application is approved?  | No, all your unsecured credit facilities will be closed or suspended once your DCP application is approved. However and subject to what is stated in FAQ 15 above, you are still able to use the Debt Consolidation Card which will be issued to you together with the grant of the Debt Consolidation Loan Account.   |
| 24 | Do I need to continue to repay my unsecured credit facilities with my existing banks after I have submitted by DCP application but before it is approved? | <p>Yes, you shall continue to be liable for your existing unsecured credit facilities with your respective banks will be bound by the terms and conditions governing such facilities, before your DCP application is approved.</p> <p>Once your DCP has been approved, you need to repay your monthly DCP repayment amount to the DC bank. In the event that the total DCP amount granted to you is insufficient to cover all your outstanding debts, you will also be responsible for repaying the excess outstanding amounts owing to the respective banks.</p> <p>Please also take note of FAQ 10 and FAQ 15.</p> |
| 25 | Do I need to stop my recurring /giro arrangement on the Designated accounts?  | Yes, once the DCP has been approved, you shall be fully responsible for terminating any existing recurring/GIRO arrangements you may have on your existing unsecured credit facilities. You will also need to make alternative payment arrangements with your respective billing organisations.  |
| 26 | If DCP amount is insufficient to repay my existing credit facilities, what will happen?   | <p>You will be responsible for repaying any outstanding amounts you owe to any banks in excess of the approved DCP amount. Your obligations under such unsecured credit facilities shall remain unchanged and continue.</p> <p>Please also take note of FAQ 10 and FAQ 15.</p>   |
| 27 | What will happen to me if I am under DCP but fail to pay my excess/shortfall on my existing credit facilities?  | If a DCP borrower defaults on the existing credit facilities, the relevant banks shall follow their regular collection/remedial process.   |
| 28 | Do I need to inform the banks to close my accounts?   | No. Upon DCP loan approval, we will proceed to pay down your outstanding amounts with existing banks and will also notify your existing bank of account suspension.  |
| 29 | When can I start applying for new facilities?   | <p>You can start applying for new unsecured credit facilities:</p> <ul style="list-style-type: none"> <li>• with another financial institution (non-DCP financial institution) once your overall BTI reduces to or below 8 times your monthly income; or</li> <li>• with the DCP financial institution once your overall BTI is less than 4x his monthly income.</li> </ul> <p>Note: BTI = Aggregate interest-bearing unsecured</p>  |

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|    |  | outstanding balance ÷ monthly income   |
| 30 | Can I settle the DCP balance anytime when I have available funds?  | Yes. However, please note that you may need to pay a termination fee, which is 5% of the outstanding amount owing under the DCP or such other amount as we may determine from time to time. Notwithstanding this, do note that you are not allowed to obtain financing from another financial institution to repay the outstanding amount owing under the DCP within three (3) months from the date we approve the said DCP.                   |
| 31 | How will my Credit Bureau records be impacted if I take up DCP?  | Your Credit Bureau record will be updated with the “Debt Consolidation” product code as the DCP is viewed to be a unsecured credit product.<br><br>Note: To ensure that all your other accounts are not reflected as being past due, you are encouraged to continue servicing at least the monthly minimum payment amounts until the DCP is approved, and make sure that outstanding amounts (if any) in excess of the DCP amount are settled. |
| 32 | How long will the DCP account stay in my Credit Bureau report?   | Credit information will stay on your Credit Bureau report for 3 years after DCP closure, as is the practice for other products.  |
| 33 | What is a DC Registry?   | This is a centralized registry that helps banks ensure that customers only have one active DC account at any point in time. The registry helps to prevent a situation where a borrower is on multiple DCPs with multiple banks.  |
| 34 | How long will it take to process my application?   | Upon receiving the application, it will take 7 working days for processing.  |
| 35 | My DC application has been approved, when will my respective bank be informed and the amount being disbursed?          | Upon approval, please allow 3 – 5 working days for the bank to inform the respective banks and disburse the amount.  |
| 36 | I would like a copy of my existing statements, how do I retrieve them?   | You may retrieve your ExtraCash Loan & RAS statements at any OCBC Branch. For EasiCredit and Credit Cards, please refer to your monthly statements.  |
| 37 | I have applied for a Debt Consolidation with another bank, and I would like to check if the funds have been disbursed. | Please contact your respective Debt Consolidation bank for the status.   |
| 38 | Can I refinance my DCP loan with another participating bank?   | Yes, but you may only do so at least 3 months after the approval of your latest DCP and subject to any penalty or transfer fee imposed by the original DCP financial institution for early termination.<br><br>Please also take note of FAQ 30.  |
| 39 | If I seek to refinance my DCP loan with another financial institution, can the applicable cancellation fee be          | No. The DCP is designed to help customers pay down their outstanding debts. DCP customers will need to bear any cancellation or other fees incurred in the refinancing   |

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|    | consolidated in the new DCP loan?                            | process, without an increase in the outstanding DCP loan amount.  |
| 40 | What will be my DCP refinanced loan amount?                  | <p>You will need to obtain a settlement notice from your existing DC bank before submitting a refinancing application, which will indicate your actual outstanding principal and accrued interest up to the date of notice generation. The outstanding principal stated on the notice will be your refinancing loan amount.</p> <p>You are obligated to pay all other outstanding fees/interests due to your existing DC financier, including but not limited to any accrued interest and early cancellation/repayment fees.</p> <p>Note: To avoid incurring overdue charges, you are encouraged to continue servicing your monthly instalments before the new DC bank approves and processes the refinancing disbursement.</p> |
| 41 | When will I receive my statement and when is my payment due? | Your statement will be generated at the end of the calendar month. The payment due date is 28 calendar days after the statement is generated (the "Payment Due Date"). If the Payment Due Date falls on a non-working day (Saturday, Sunday or public holiday), the actual payment due date will fall on the previous business day instead.   |