

## BUSINESS OVERDRAFT (“BOD”) TERMS AND CONDITIONS

### 1 Application

These Business Overdraft Terms and Conditions (“Terms and Conditions”) shall incorporate the General Business Banking Terms and Conditions (including the terms relating to Lending Services, Trade Services and Foreign Exchange Services), as the same may be updated or amended from time to time at [sc.com/sg/business/booklet](http://sc.com/sg/business/booklet), which the Borrower confirms and acknowledges it has read and agreed. All references to “the Bank’s Facility Letter” in the General Business Banking Terms and Conditions shall be construed to refer to the terms set out in the Business Overdraft Facility Request Form (“Application Form”) and these Terms and Conditions. In the event of any inconsistency, the terms set out in the Application Form and these Terms and Conditions shall prevail.

### 2 Definitions and Interpretations

Definitions:

Terms defined in the General Business Banking Terms and Conditions (and not otherwise defined herein) will have the same meaning when used in these Terms and Conditions. In the event there are conflicting definitions, the definition of terms set out in these Terms and Conditions shall prevail to the extent of any such inconsistency for the purposes of any Business Overdraft.

“Disbursement Notice” means, for a BOD Facility, the notice the Bank sends that sets out the disbursement and instalment schedule. It supplements and is to be read with the Facility Letter.

### 3 Overdraft Facility

- 3.1 The Business Overdraft is an overdraft facility (“Facility”) extended by the Bank under which the Bank may permit the Borrower to overdraw its Overdraft Account (as defined in Clause 7.2 below) up to a sum which the Bank may approve and notify the Borrower, which sum shall not exceed S\$300,000 (“Overdraft Limit”).
- 3.2 By submitting the Application Form, the Borrower offers and agrees to accept from the Bank the Facility for such Overdraft Limit as the Bank may approve. The Borrower agrees that such approval by the Bank (“Approval”) shall constitute acceptance by the Bank of the Borrower’s offer without any further action from the Borrower or the Bank.
- 3.3 In the event the amount overdrawn in the Overdraft Account exceeds the Overdraft Limit, the Bank may, in its absolute discretion, by demand in writing, require the Borrower to reduce the amount overdrawn to the Overdraft Limit and/or provide additional security acceptable to the Bank and/or do such deeds and/or execute such documents as the Bank may specify. If the Borrower fails to comply with the Bank’s demand in writing by the date specified therein, the Facility shall immediately be cancelled and payable and the Bank may take such steps as it deems appropriate to recover the overdrawn amounts. Nothing herein shall prejudice the right of the Bank to recall and demand immediate repayment of the overdrawn amounts from the Borrower.

### 4 Minimum Monthly Repayment Amount

- 4.1 The Borrower shall be required to deposit into the Overdraft Account a minimum monthly amount set out in each Overdraft Account statement (“Minimum Monthly Repayment Amount”). The minimum monthly repayment amount will be the greater of:
  - (a) A minimum amount of S\$30; or

- (b) 1% of the overdrawn amount under the Facility for the previous month plus interest, fees and charges

plus any amount in the account balance exceeding your Overdraft Limit, and any past due amount. If the outstanding balance is less than S\$30, the entire outstanding balance is payable by the due date. The Minimum Monthly Repayment Amount must be paid in full within the period set out in Overdraft Account statement.

- 4.2 In the event the Borrower fails to repay any Minimum Monthly Repayment Amount in full into the Overdraft Account, the Borrower shall be charged a fee of S\$100 (“Crediting Shortfall Fee”).
- 4.3 The Bank shall be entitled to debit any of the Borrower’s account with the Bank with the Minimum Monthly Repayment Amount, interest and all fees and charges payable by the Borrower to the Bank.
- 4.4 Without prejudice to paragraph 4.2 above, in the event the Borrower fails to repay the Minimum Monthly Repayment Amount in full into the Overdraft Account for two consecutive months, it is expressly agreed that the Bank shall be entitled in its absolute discretion to exercise its right of review under Clause 7.1 to: (a) cancel the Facility (or any part thereof) at any time and recall and demand immediate repayment of any debit balances from the Borrower; and/or (b) convert the outstanding amount of the Facility (or any part thereof) into a term loan (“Converted Loan”) of 3 years or such shorter period as the Bank may in its absolute discretion determine, on the terms and conditions set out in the Business Instalment Loan Terms and Conditions with the following changes: (i) the interest rate for the Converted Loan (subject to the Bank’s absolute discretion to vary the rate from time to time) shall be the floating rate of 3.99% per annum above the Bank’s Business Overdraft Board Rate prevailing from time to time; (ii) no prepayment fee shall be payable for any prepayment of the Converted Loan; (iii) upon conversion, the Borrower shall be charged the Conversion Fee (as defined in Clause 6.1b below); and (iv) default fee of S\$100 shall be charged on overdue instalments of the Converted Loan. In addition, the default interest at the rate of 10% per annum above the Bank’s Business Overdraft Board Rate prevailing from time to time shall be levied on all overdue amounts in connection with the Converted Loan until date of payment (both before and after judgment).

### 5 Interest

- 5.1 The interest rate for debit balances in the Overdraft Account up to the Overdraft Limit shall be 3.99% (“Margin”) plus the Bank’s Business Overdraft Board Rate prevailing from time to time and shall be computed in the manner set out in the General Business Banking Terms and Conditions.
- 5.2 The Bank may by notice to the Borrower specify a lower Margin in respect of the debit balance.
- 5.3 Notwithstanding paragraphs 5.1 and 5.2 above, the Bank shall be entitled from time to time and at any time upon giving the Borrower prior written notice vary or increase the rates of interest (including default interest) and fees (including default fee) payable in respect of the Facility and the Converted Loan.

### 6 Special Request

- 6.1 A fee of S\$250 (or such other amount as may be determined by the Bank in its absolute discretion) shall be charged for any:
  - (a) request to convert/vary the interest rate applicable to the Facility; or
  - (b) request to restructure the Facility or covert the Facility into a

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term loan ("Conversion Fee"); or

- (c) addition/changes to the names of the guarantor; or
- (d) such requests as may be received by the Bank from time to time.

6.2 Any such requests as stated in this Clause shall be subject to such conditions as may be specified by the Bank.

## 7 Conditions

7.1 The Facility, Overdraft Limit and any Converted Loan (where applicable) are subject to periodic review by the Bank. It is expressly agreed that the Bank shall be entitled to cancel the Facility and the Converted Loan at any time and recall and demand immediate repayment of any debit balances from the Borrower.

7.2 The Borrower shall open and maintain a current account ("Overdraft Account") with the Bank for the purpose of drawing on the Facility and the Converted Loan (if applicable) and repayments thereof.

## 8 Security

The Borrower shall furnish or procure fresh all monies guarantee to be executed under seal by all the principal(s) and guarantor(s) (if any), as listed in the Borrower's Application Form.

## 9 Annual Fee

9.1 Upon acceptance of the Limit, the Borrower shall pay to the Bank a first year annual fee of up to 1.99% of the Overdraft Limit subject to a minimum of S\$500, such fee shall be debited from the Overdraft Account or such other account maintained by the Borrower with the Bank. The Borrower shall not draw on the Facility until payment of the Annual Fee to the Bank and receipt of Disbursement Notice from the Bank of the availability of the Facility for use by the Borrower. The annual fee will be subject to interest charges if it is drawn on the Overdraft limit.

9.2 For each subsequent year, an annual fee of 1.5% of the Overdraft Limit subject to a minimum of S\$500 per annum will be imposed in advance, and shall be debited from the Overdraft Account when the Annual Fee becomes payable. Notwithstanding the above, the Bank reserves its rights and in its sole and absolute discretion to vary the annual fee at any time, and the amount thereof may vary from case to case.

## 10 Interest For Overdraft Excess

10.1 Interest at the rate of 10% per annum above the Bank's prevailing Business Overdraft Board Rate plus interest at the rate of up to 3.99% per annum shall be levied on any debit balance in the Overdraft Account in excess of the Overdraft Limit until the date of payment.

10.2 This applies to situations before and after the Bank has obtained a judgment in a lawsuit commenced against the Borrower to recover any outstanding debts. The Bank reserves the right in its absolute discretion to vary the applicable interest rate at any time and will notify the Borrower of such a change, as soon as practicable.

## 11 Disclosure

Without prejudice to the Bank's rights to disclose information relating to the Borrower whether under the common law or the Banking Act (Cap. 19) (as amended or re-enacted from time to time) or otherwise, the Borrower consents to the Bank, its officers and agents and all persons to whom Section 47 of the Banking Act applies disclosing any information (including any personal data) relating to the Borrower and the Borrower's account relationship (including deposit accounts) or dealing relationships with the Bank, including but not limited to details of the Borrower's

Overdraft Account, the Facilities, any security taken, transactions undertaken and balances and positions with the Bank to: -

- (a) any of the Bank's agents, insurers, contractors or third party service providers or professional advisers who are under a duty of confidentiality to the Bank and who provide administrative, telecommunications, computer, payment, collections, security, clearing, credit reference or checking, or other services or facilities to the Bank's business, whether in Singapore or outside Singapore;
- (b) the Bank's head office, branches, representative offices, subsidiaries, related corporations or affiliates, in Singapore or overseas (collectively the "Related Parties" and each a "Related Party") for any database or data processing purposes or any other purposes whatsoever, notwithstanding that a Related Party's principal place of business may be outside of Singapore or that the Borrower's information following disclosure may be collected, held, processed or used by any Related Party in whole or in part outside of Singapore;
- (c) any regulatory, supervisory or other authority, court of law, tribunal or person, in Singapore or any other jurisdiction, where such disclosure is required by law, regulation, judgment or order of court or order of any tribunal;
- (d) any actual or potential assignee(s) or transferee(s) of any rights and obligations of the Bank or other participants in any of its rights and/or obligations under or relating to the Facilities and any security therefor for any purpose connected with the proposed assignment or transfer; or
- (e) any insurer (whether of the Bank or the Borrower or otherwise), guarantor or provider of security.

## 12 Instructions/Mandate

12.1 Instructions in relation to the Facility shall be in writing and in accordance with the Borrower's mandate. Arrangements for any other mode of instructions shall be at the risk of the Borrower, and the Bank shall not be liable for any loss or liability suffered by the Borrower as a result thereof.

12.2 Notwithstanding paragraph 12.1 above, the Bank is authorised (but not obliged) to accept instructions given by telex, facsimile transmission, telegraph, cable, email (or other electronic means) or telephone (collectively "Oral Instructions") from or purporting to be from the Borrower, with or without separate independent verification by the Bank's officers as to the genuineness of such Oral Instructions, as long as the Bank's officer receiving or acting on such Oral Instructions is satisfied as to the genuineness of such Oral Instructions. The Borrower shall be bound by any acts or omissions taken by the Bank in reliance on such Oral Instructions, regardless of whether such Oral Instructions are forged, fraudulent, ambiguous or misunderstood, provided that the Bank officer receiving or acting on such Oral Instructions is satisfied as to their genuineness and has acted in good faith thereon.

## 13 Exclusion Of Rights Of Third Parties

A person who is not a party to these Terms and Conditions has no right under the Contracts (Rights of Third Parties) Act (Cap53B) to enforce or enjoy the benefit of any term of these Terms and Conditions.

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