

General

1. What is ShareInvest about?

This is a bundled product combining the convenience of a personal line of credit and additional investment power of share financing trading facility.

When your application is approved, you will have a personal credit line of up to 2 times your monthly salary and a share financing facility that gives you another 3.5 times of that amount (your credit line) to trade in shares.

2. What are the benefits of this product?

With this product, you will enjoy:

- (a) Accessibility to funds that will allow you to trade in shares for up to 7 times your monthly salary without any cash outlay
- (b) Seamless link for transfer of funds between EasiCredit ("EC") and Share Financing ("SF") accounts

3a. What do you mean by effective interest rate?

The rates you commonly see quoted as a rate per annum (p.a.) is called the nominal rate (unless otherwise specified). This rate is used to calculate the interest payable on your loan balance. The current advertised interest rate of 6% is the nominal interest rate for OCBC Share Financing.

The interest you pay is calculated using the nominal rate above. The effective interest rate is computed based on the nominal interest rate over a specific period.

3b. What are the effective interest rates for OCBC EasiCredit, OCBC Share Financing and OCBC ShareInvest?

- OCBC EasiCredit effective interest rate is 17.8% per annum.
- OCBC Share Financing effective interest rate is 6.18% per annum
- OCBC ShareInvest effective interest rate is 9.50% per annum

4. Since this is a joint product, who do I approach if I have any questions, OCBC Securities or OCBC Bank?

For general product enquiries or questions related to account opening, you can call OCBC Securities hotline at 1800-338 8688 or visit our OCBC Securities office at 18 Church Street, OCBC Centre South.

For enquiries on transactions made using EC, please contact the OCBC Bank Call Centre 1800 438 3333 or visit any OCBC Bank Branches.

For enquiries on share transactions made using Share Financing account, please contact OCBC Securities, call your Trading Representative or visit our OCBC Securities office.

Account Opening

5. Who can apply for ShareInvest?

To apply for ShareInvest, you must earn an annual income of at least S\$30,000. Applicants must be Singapore Citizen or Permanent Resident of Singapore aged 21 to 60 years old.

6. Where and how can I apply for ShareInvest? What documents do I need to submit?

You can apply for ShareInvest simply by filling up just one form. The forms can be obtained at OCBC Securities or at our website (www.iocbc.com). You need to bring along your NRIC or passport and income document.

7. What happens if my share financing account is already linked to another bank account by EPS? Can you transfer the link for me to my EC?

You need not cancel the existing EPS linkage. We will create a new linkage in the form of GIRO between your EC and SF account.

8. What happens if my EC account is currently linked to a cash trading account with OCBC Securities?

We will create another linkage from your EC to your SF account. Your existing linkage to the cash trading account will not be affected.

9. If my SF account application is successful but EC application is rejected, would my SF still function as a normal margin account?

As ShareInvest is a bundled product, should the customer's EC application is rejected; customer can still use Share Financing Account.

Making a transaction

10. When and how can I start trading in shares?

You can start trading under your SF account about 7 days from the date of application.

To start trading, simply transfer a minimum of S\$2,000 from your EC to SF account. The remaining funds in your EasiCredit account can be used for your other lifestyle needs.

There are various channels to trade with OCBC Securities:

- Internet trading platform at www.iocbc.com
- Mobile trading platform via GPRS (<http://mobile.iocbc.com>) or i-mode® enabled phone
- Contact your broker

11. How can I transfer funds from my EasiCredit account to my SF account?

When your application is approved and you want to start trading under your SF account, call your broker to request a transfer of funds from your EC to SF account.

12. How much can I buy under the Share Financing account?

You can buy shares amounting to 3.5 times the amount transferred from EC to SF.

Example

Your monthly salary:	\$2,500
Your line of credit with EC:	$\$2,500 \times 2 = \mathbf{\$5,000}$
Trading limit under SF if \$5,000 is transferred to SF:	$\$5,000 \times 3.5 = \mathbf{\$17,500}$

Hence, you can buy shares worth up to 7 times of your monthly salary.

13. What type of counters can I buy under OCBC Securities Share Financing account?

You can buy almost all counters listed on the Singapore Exchange and selected counters listed on the stock exchanges of Malaysia and Hong Kong. In all, you can choose from the widest list of about 1,400 listed securities.

14. Can I contra under the Share Financing account?

No. You will not be able to perform contra transactions using your SF account.

15. I have already made a purchase, where will the shares be kept?

Your shares will be custodised in OCBC Securities sub-account held for your benefit.

Charges**16. What are the charges applicable for this product?****a. Interest rate**

EasiCredit	-	17.8% p.a	(Annual effective interest rate)
Share Financing	-	6.18% p.a	(Annual effective interest rate)

If you use your EC funds to trade under share financing, the average interest rate is 9.50% p.a. or 0.026% per day

Illustration based on transfer of \$5000 from EC to SF, for leveraging on margin gearing of 3.5 times to buy shares:

Monthly salary:	\$2,500		
EC loan:	$\$2,500 \times 2 = \$5,000$	EC interest:	$\$5,000 \times 17.8\% \text{ p.a} = \890
SF gearing:	$\$5,000 \times 3.5 = \$17,500$	SF Interest:	$\$12,500 \times 6.18\% \text{ p.a} = \772
SF Loan:	$\$17,500 - \$5,000 = \$12,500$	Total annual interest:	$\$890 + \$772 = \$1,662$
(\$5,000 being the seed money for leveraging)		Blended rate:	$\$1,662 / \$17,500 = 9.50\% \text{ p.a}$

b. Subscription fee

The annual subscription fee of EC is S\$60. However, this fee is waived for the first year.

c. Commission Rates

Contract Value	Broker-Assisted	iOCBC (Internet or Mobile Phone)
Up to S\$100,000	0.275%	0.275%
> S\$100,000	0.20%	0.20%
Minimum Commission	S\$40.00	S\$25.00

17. When will be the interest starts incurring?

Interest starts to incur at 2 points:

1. When EC funds are transferred to SF
2. When SF funds are being utilized to buy shares in SF account

Account Maintenance

18. Will I receive monthly statements for both my EasiCredit and Share Financing accounts?

You will receive a separate statement for EC and SF.

Your monthly EC statement indicates transaction details for usage of EC funds.

For share financing, you will receive monthly statements detailing your share transactions, shares held under your account and the interest earned by or due from you.

19. Do I have to make monthly payments for my EasiCredit and Share Financing Accounts?

You need to pay a minimum 3% of outstanding balance or S\$50 (whichever is higher) for EC monthly.

For share financing, there is no need to make any minimum sum payments so long as you maintain a margin percentage of at least 140%.

20. Can I use EC to cover my margin call?

Yes. As long as you have not fully utilized the approved credit limit of your EC account.