

Notice to Customers relating to Credit Mastermind Instalment Loan Service

Credit Mastermind Instalment Loan Terms and Conditions

Amendments have been made to Clause 4.1 and 4.3 of the terms and conditions with the addition of 4.1(e), 4.3(c), 4.3(d) and 4.3(e). An updated version is enclosed.

I, (the "Borrower") agree to abide by the following terms and conditions:

1. Drawings
- 1.1 The principal sum advanced by Dah Sing Bank (the "Bank") Credit Mastermind Instalment Loan (the "Loan") is to be drawn down in one lump sum at the interest rate mentioned in the Loan Confirmation. Proceeds of the Loan will be paid by way of cashier order/cheque unless otherwise agreed by the Bank. The Loan once repaid cannot be re-borrowed.
- 1.2 Approval of the Loan is subject to the information provided by the Borrower and is contingent upon the credit record of the borrower having met the credit requirements of the Bank. If the approved loan amount is inadequate to cover the actual debts incurred by the Borrower, the Borrower is solely responsible for the shortfall and is required to make arrangement on his own to pay the difference to other credit providers.
- 1.3 **The Borrower shall be full responsible for any extra costs and expenses incurred as a result of the Borrower using the Loan to settle his debts with other credit providers.**
2. Interest
- 2.1 Interest on the Loan shall accrue from date of drawdown and calculated at such fixed flat rate as the Bank determines at its sole discretion depending on the size of the Loan, the loan tenor and the instalment terms (details will be provided when the Loan is approved) and subject to variation as the Bank may announce from time to time and calculated on monthly basis. The monthly repayment amount shall be apportioned between the Loan, interest and credit life insurance premium (details will be provided when the Loan is approved) in such manner as the Bank thinks fit.
3. Repayment/Prepayment
- 3.1 **The Borrower shall repay the Loan together with interest, accrued interest, charges, expenses, credit life insurance premium (details will be provided when the Loan is approved) and other liabilities hereinafter mentioned, by the number of monthly instalments agreed to by the Bank and within the loan tenor offered by the Bank and selected by the Borrower and through a designated repayment account, whether maintained with the Bank or other banks in Hong Kong ("the Repayment Account"). The Borrower irrevocably authorizes the Bank to auto-debit the Repayment Account on the payment due date for instalment repayment on monthly basis, subject however to full repayment on demand and undertakes to keep the Repayment Account with adequate funds to meet each monthly repayment as it falls due.**
- 3.2 In general, clearing and settlement of banks in Hong Kong take place on Mondays to Fridays only. If the payment due date for a particular instalment falls
 - (a) on a Saturday or a Sunday or a public holiday, the repayment will be made on the following Monday or the following clearing day in Hong Kong, unless such clearing day shall fall in the next calendar month then it shall be made on or as at the immediately preceding clearing day; or
 - (b) on either 29th, 30th or 31st of a month and a particular month does not have that date, the repayment will be made on the last clearing day in Hong Kong of that month.
- 3.3 Partial repayment is not allowed. However, prepayment is accepted provided that the repayment amount is the multiple of the monthly instalment amount. After each prepayment, the payment due date will be adjusted.
- 3.4 **Early settlement will be permitted on prior notice and on such terms as the Bank may at its absolute discretion decide subject to repayment of the entire outstanding principal of the Loan, accrued interest, credit life insurance premium and handling fee of 2% (subject to a minimum of HK\$500) on the outstanding principal amount of the Loan. The entire outstanding principal amount of the Loan is calculated on the basis of the formula known as the "Rule of 78".**
- 3.5 **Where repayment is not received by the Bank by the payment due date, the Bank may make further debits on such other days after the due date as the Bank thinks fit and the Borrower agrees to pay for the late repayment charges, handling fee, penalty charges and interest at such rate and from such time as the Bank may announce. If the repayment is made through an account maintained by the Borrower with other banks, the Borrower shall also pay for the autopay returned unpaid charge as imposed by the relevant bank due to those further debits.**
- 3.6 **If the Borrower fails to make any monthly instalments when due, a late charge at 5% per month on overdue instalment payments (subject to a minimum of HK\$300 per month) shall be payable from the due date to the date of actual payment.**
4. Events of Default
- 4.1 All moneys payable hereunder together with legal costs (at a reasonable sum and reasonably incurred) in enforcing the terms hereof shall become immediately due and payable upon the happening of any one of the following events.
 - (a) if the Borrower defaults in payment on the due date of any of the instalments; or
 - (b) if the Borrower is insolvent or unable to pay his debt; or
 - (c) if the Borrower has any execution or distress issued or levied against him; or
 - (d) if any circumstances occur which in the opinion of the Bank gives reasonable grounds for belief that the Borrower may not (or may not be able to) perform his obligations hereunder; or
 - (e) if the Borrower (without the Bank's consent and within 12 months of drawdown) applies for or sets up any other unsecured loan or loan account including Credit Card Account.
- 4.2 The Loan facility will be subject to the Bank's review periodically as the Bank deems fit at its sole and absolute discretion with or without prior notice.
- 4.3 Notwithstanding any provision to the contrary in this document, the Bank nevertheless expressly reserve the right at its sole and absolute discretion at any time with or without prior notice:
 - (a) to increase, reduce, cancel, suspend, terminate and/or modify the Loan facility or any part or parts thereof; withdraw, whether used or unused; and/or
 - (b) to exercise the overriding right of demand to the repayment of the Loan facility or any part or parts thereof; and/or
 - (c) to charge additional handling fees. The amount of the fee shall be such sum as decided by the bank from time to time and in such payment method or for such period(s); and/or
 - (d) to increase and / or vary the loan interest; and/or
 - (e) to reduce and / or vary the repayment period.
5. Set-Off
- 5.1 **In addition to any right of set-off or other general lien or similar right to which the Bank may be entitled in law, the Borrower hereby agrees that the Bank shall have the right and is authorized to the fullest extent permitted by law, at any time and from time to time hereafter and, without prior notice to the Borrower, to set-off and/or initiate transfers of and apply all or any of the credit balances (whether or not matured or due and payable or subject to any notice or not, and including property in the possession or control of the Bank) of the accounts (whether or not in Hong Kong or foreign currency) maintained with the Bank or with any Bank Group Company, whether singly held by the Borrower or jointly with another person, in or towards discharging the Borrower's liabilities to the Bank. Insofar as any of the sums may only be due to the Bank contingently or in future, the liability of the Bank or any Bank Group Company to the Borrower to make payment of any sums standing to the credit of any such accounts will to the extent necessary to cover such sums be suspended until the happening of the contingency or future event. The Bank's Right under this clause will most likely be exercised by the Bank if the Borrower fails to repay any outstanding indebtedness due to the Bank. Where such combination, set-off or transfer require the conversion of one currency into another, such conversion shall be calculated at the then prevailing spot rate of exchange of the Bank as absolutely determined by the Bank (the details of which will be provided to the Borrower upon request). For the purpose of this Clause and Clause 7.2, the expression "Bank Group Company" means holding company of the Bank, any subsidiary of the Bank or of its holding company and all associated or related companies.**
6. Collection Charges
- 6.1 The Bank may take such action as it in its absolute discretion thinks fit to enforce its rights in respect of the Loan including without limitation employing third party agencies to collect any sums owing to the Bank. **The Borrower shall be liable to reimburse on demand and indemnify the Bank against all charges and expenses which are of reasonable amount and are reasonably incurred of such third party agencies and the Bank's own reasonable legal costs and expenses.**
7. Personal and Account Data
- 7.1 The Borrower acknowledges that he has received a copy of the Bank's Notice to Customers relating to Customers' Data.
- 7.2 In addition to the permitted handling of consumer credit data under the Code of Practice on Consumer Credit Data (the "Code") by reference to Credit Reference Agency and Debt Collection Agency, the Borrower hereby consents (so far as is permissible in law) to the collection use processing and transfer of and access to personal and account data between the Bank and their respective contractors or outsourced agents and including Bank Group Company as well as other financial institutions, debit or credit card issuers and in connection with the lawful business of such entities including but not limited to the provisions of credit, credit review, credit scoring, matching or direct marketing.
- 7.3 The provisions in the Code concerning the Bank's continuing obligation during or upon termination of the Loan and the right of the Borrower to access and to delete shall equally apply to the handling of data mentioned in clause 7.2 hereof.
8. Miscellaneous
- 8.1 The Borrower shall inform the Bank as soon as possible of any difficulty in repaying any outstanding balance to the Bank; **the Borrower shall also promptly inform the Bank in writing of all changes in employment, residential address or telephone number.**
- 8.2 The Borrower consents the Bank to provide the following documents to guarantor (if applicable) evidencing the obligations to be guaranteed. They may include:
 - (a) a copy or summary of loan agreement;
 - (b) a copy of any demand of payment which is sent to the Borrower and the Borrower has failed to settle overdue amount following a customary reminder; and
 - (c) at the request of the guarantor a copy of the latest statement of account provided to the Borrower.
- 8.3 Any terms and conditions (including fees and charges) of the Loan may be altered from time to time by the Bank. The Bank will notify the Borrower of such alteration by written notice thereof sent to the Borrower's last address notified to the Bank, or by any other channels that the Bank may think fit under different circumstances.
- 8.4 In the course of providing loan services, the Bank may need to record verbal instructions received from the Borrower and / or any verbal communication between the Borrower and the bank in relation to such services.
- 8.5 Terms and Conditions which is invalid for any reason shall be ineffective only to the extent of such invalidity and shall not affect the validity of the remaining terms and conditions.
- 8.6 All notice, statement or correspondence given by the Bank may be sent by ordinary post to the Borrower's last known address and shall be deemed to have been given immediately after posting.
- 8.7 The Borrower may not assign the whole or any part of his rights under this terms and conditions. The Bank may assign, sub-participate or transfer any or all of its rights and obligations under this terms and conditions.
- 8.8 No failure or delay by the Bank to exercise or enforce any right shall operate as a waiver of such right.
- 8.9 These terms and conditions are governed by and construed in accordance with the law of Hong Kong Special Administrative Region and in case of any inconsistency between the English and the Chinese version, the English version shall prevail. The general terms hereof are subject to the special terms and conditions set out in the facilities letter of the Bank.

Provision concerning Personal Instalment Loan Service Charge

As from the 1st January 2009 ("the Effective Date"), Bank service charges shall be revised as detailed below:-

- if the Customer (in case of Credit Mastermind Instalment Loan) applies for unsecured personal loan or credit card within 12 months from loan drawdown, there will be a monthly surcharge equal to 0.2% of the original loan amount or HK\$300.00 per month, whichever is higher, payable from such time as the Bank may decide, until the twelfth (12th) repayment.

Note that if you continue to operate the account after the Effective Date, the above amendment shall be deemed to be binding on you. If you do not accept the above amendment, the Bank may not be able to provide further service.

For enquiries, please telephone customer service hotline: 2828 8000

Dah Sing Bank Limited
November 2008

(The English version of this Notice shall prevail wherever there is a discrepancy between the English and Chinese versions.)