

## Important Information on Further Study Assist Loan Relief

For individuals who have a Further Study Assist loan (“FSA”) with us, this relief allows you to defer your monthly repayment till 31 December 2020.

- Your loan tenure will be extended up to the corresponding deferred months.
- Interest will continue to accrue on the outstanding principal amount during this deferment period.
- Your monthly instalment will be revised from 1 January 2021 based on the interest accrued during the deferment period and the outstanding principal balance over the remaining loan tenure.
- Do ensure there are sufficient funds in your loan servicing account for the GIRO deduction which will take place on 1 February 2021.

### Illustration:

S\$30,000 Initial loan with 60 months loan tenure and applied interest rate of 4.38% per annum. Assume the loan has been fully disbursed and has a remaining tenure of 24 months when applying for deferment. There is no further disbursement during the deferment period.

Outstanding balance when applying for deferment	Deferred Period	Loan Expiry Date	Total interest payable	Total Incremental interest accrued during deferment period	Total interest payable with deferment	Current Instalment amount	Revised Instalment amount
S\$12,792	June to December 2020 (7 months)	Dec-22	S\$3,460	S\$328	S\$3,788	S\$558	S\$572
	August to December 2020 (5 months)	Oct-22		S\$235	S\$3,695		S\$568
	October to December 2020 (3 months)	Aug-22		S\$141	S\$3,601		S\$564
	December 2020 (1 month)	Jun-22		S\$47	S\$3,507		S\$560

\* Total estimated interest charge during the deferred period. Calculated based on monthly rest basis using the applied loan interest rate. Above figures are estimates only.

### Eligibility:

- You must have an active FSA loan which is not cancelled by the bank.
- Your FSA loan must not be overdue for more than 90 days.

### Important Notes:

1. The deferred period will expire on 31 December 2020.
2. Repayment of your new revised instalment amount will commence from 1 January 2021, following your current repayment due date.
3. Your loan tenure will be extended up to the corresponding deferred period as illustrated in the table above.
4. Interest on the outstanding principal will continue to accrue during the deferred period. Interest will be calculated based on monthly rest basis using the same interest rate as of original application of the loan.
5. Please note that a revised monthly instalment will be computed if a progressive disbursement is requested during the deferment period.
6. If the loan has a remaining tenure of less than 4 months, the loan will not be eligible for the deferment.
7. Please ensure that you continue to repay any amount due before you receive a notification from us stating that your application has been approved.
8. The POSB Further Study Assist Product Terms and Conditions will continue to apply.

9. If there is any inconsistency between these terms, POSB Further Study Assist Product Terms and Conditions will prevail in respect of this application.

## Frequently Asked Questions (“FAQ”)

### **Q: Who may apply for this relief?**

The borrower must apply for the relief through the DBS COVID relief website at [go.dbs.com/sg-covid19](http://go.dbs.com/sg-covid19)

### **Q: What is the Further Study Assist loan relief?**

The Further Study Assist loan (“FSA”) relief allows the borrower to apply for deferment of their monthly instalment repayment till 31 December 2020.

### **Q: How is the additional interest computed during the deferment period?**

Interest will follow the monthly rest method of computation using the Applied Interest Rate when the loan was first approved. Monthly repayment will not be required during the deferred period and the additional interest charged during the deferment period will be added into the revised instalment amount.

### **Q. Can I request for further deferment after the deferred period has expired?**

No, deferment cannot be extended beyond 31 December 2020 regardless of when the deferment was applied and/or approved.

### **Q: Why is there a revision to my monthly instalment since there is no change in my loan amount?**

The revision in your monthly instalment is to cover the portion of interest charged on the principal during the deferred period.

### **Q: Is there any early settlement penalty fee if I intend to repay in full before the expiry of the loan tenure?**

No penalty fee will be charged if you wish to settle the loan early.

### **Q: Will I be notified of the deferment expiry and to commence repayment?**

You will be notified upon successful application for the FSA relief but we will not be sending another notification prior to expiry of the deferred period. Please ensure you maintain sufficient funds in the designated loan servicing account for the debiting of the monthly repayment. A late charge of S\$30 will apply if no payment is received by the payment due date.

### **Q: Can I request to cancel the deferment at any time during the deferred period?**

Yes, you may request to cancel the FSA relief by giving us a 30 days’ notice.

### **Q: Will my credit report be impacted if I were to take up any form of assistance offered under of Special Financial Relief Program (SFRP) such as payment deferment program or lower-interest personal unsecured credit facilities?**

The subject loan granted under the SFRP will not be reflected as restructured loan in your credit bureau report. Only a brief narrative description will be uploaded to indicate your participation in the programme.

Your credit score will not be affected solely because of your participation in this program. To ensure good credit score, borrowers are advised to maintain a good payment record for all their credit facilities even while on this programme.

### **Q: What is the purpose of this narrative in credit bureau report?**

The record is for analytics purpose as all credit bureau information is important to financial institutions for understanding of consumers’ credit behaviour and refinement of their target market strategy. Financial institutions may leverage on some of this information to provide appropriate financial advisory or tailor make suitable financial products for their customers given short term financial condition of the individual due to Covid-19 situation. For the avoidance of doubt, taking up the SFRP will not affect your ability to take up new loans with your relief-granting bank, unless specified in the terms of the individual relief, such as SFRP (Unsecured). It will also not result in banks reducing your existing credit limits or lines with them, nor affect other banks’ decision whether to grant new loans or higher credit limits to you.

**Q: How will the narrative appear in credit bureau report?**

The narrative is akin to a “footnote” in the credit bureau report. It will be reported by the respective financial institution once a SFRP is taken up. The narrative consists of information which represents product type, the last payment status, start date and end date of the relief program.

**Q: Will the narrative remain in the Credit Bureau Report permanently?**

No, all the SFRP related narratives will be removed upon closure of the underlying account / at the end of the program, whichever is earlier.

V4.0 May 20