

Terms and Conditions of the AUTO BALANCE CONVERSION (ABC)

The following sets out the terms and conditions applicable to the Industrial and Commercial Bank of China (Malaysia) Berhad Credit Card Automatic Balance Conversion Payment Plan (“T&Cs”):

1. Auto Balance Conversion Programme

1.1 The Programme will convert your total outstanding principal balances (as defined in Clause 2 below) into a monthly installment plan where the converted amount (“Balance Conversion Amount”) is to be repaid together with the applicable interest (“Balance Conversion Interest”) in monthly installments over payment period of 36 months (“Balance Conversion Tenure”).

2. Eligibility

2.1 The Auto Balance Conversion Plan (“ABC Plan”) by Industrial and Commercial Bank of China(Malaysia) Berhad (“ICBC”) is open to all principal cardholders of ICBC Visa/ Union Pay Credit Cards who meet all the Eligible Criteria set out in Table 1 below (“Selected Cardholders”) and whose credit card accounts are in good standing or not in default. The Eligibility criteria will be assessed annually.

Table 1 – **Eligibility Criteria**

- Monthly Income: Less than or equal to RM 5,000 (Latest verified Income)
- Card account is current and not delinquent
- Has an average payment ratio equal or less than 10% of outstanding statement balances in the past 12 months.
Calculation:
 $Pay\ ratio = \frac{Total\ Payment * (12\ months)}{Total\ Statement\ Balance\ (12\ months)}$
Refer Scenario 1 for Examples
- Is a consistent revolver over the past 12 months
- Has a minimum credit card outstanding balance of RM1,000.00 (“Eligible Outstanding Balance”)
- Nationality : Malaysian

Scenario 1:

Cust	Month	Past 12 Months	Past 11 Months	Past 10 Months	Past 9 Months	Past 8 Months	Past 7 Months	Past 6 Months	Past 5 Months	Past 4 Months	Past 3 Months	Past 2 Months	Past 1 Month	Current month Average past 12 Months Payratio	ABC Eligibility	Remarks
A	Pay ratio	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	Yes	
B	Pay ratio	5%	50%	5%	5%	5%	5%	5%	5%	5%	5%	1%	1%	8.1%	Yes	
C	Pay ratio	3%	4%	5%	1%	1%	3%	100%	1%	1%	1%	2%	2%	10%	No	Full payment was made for 1 month in the past 12 months
D	Pay ratio	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	0%	4.6%	No	No payment made last month
E	Pay ratio	5%	5%	5%	10%	8%	5%	5%	5%	80%	5%	5%	5%	12%	No	Average Pay Ratio >10% in the past 12 months

$$\text{Definition: Pay Ratio} = \frac{\text{TotalPayment}}{\text{TotalStatementBalance}}$$

Example: 5% - Made Minimum Payment; 0% - No Payment Made; 100% - Full Payment Made

3. Conversion Mechanism

3.1 The conversion will not happen if the outstanding statement balance is less than Ringgit Malaysia One Thousand (RM1, 000) in the month the conversion is intended to take effect. The re-assessment will take place in the following 12 months and only when the outstanding statement balance is at least Ringgit Malaysia One Thousand (RM1, 000) will the conversion take place.

Example 1:

Mr A's outstanding statement balance as at May 2020 was placed on the ABC Plan. Mr. A will only be eligible for the ABC Plan again in May 2021 (if Mr.A meet to the eligible criteria in May 2021).

3.2 The eligible account selected for Auto Balance Conversion Amount will be converted into a 36 months installment plan. No processing fee will be charged for the ABC Plan.

3.3 Your credit card account ("Account") statement, which is the Account selected for purpose of the Programme will reflect the principal and interest portion. The monthly payable amount to the Account is the amount of this monthly installment plan and any payment due on the credit card balances.

3.4 The Auto Balance Conversion Monthly Payment will be billed to your Account commencing on the immediate next statement of account date.

3.5 The Auto Balance Conversion Monthly Payment is part of your minimum payment due and will be reflected in your Account statement. The Auto Balance Conversion Monthly Payment shall be payable in full on or before the payment due date. Failure to pay full amount will result in you being subject to finance charge on the Outstanding Balance and late payment charges in accordance with ICBC Visa/Union Pay credit card terms and conditions.

4. Opt Out

4.1 The eligible Cardmember will receive a notification on their eligibility to participate in this programme prior to being enrolled into the programme.

4.2 You have a 30 days cooling-off period after implementation of the conversion to cancel the conversion. This cooling-off period only applies to first-time conversion. No termination fee will be charged.

4.3 If you decide to cancel the installment plan after the 30 days grace period, you must repay your outstanding principal in full. For subsequent conversions, if you choose to cancel the installment plan after it has commenced, you will have to repay the outstanding principal in full prior to the request of cancellation.

5. Credit Limit

- 5.1 The approved Auto Balance Conversion Amount is part of the total available credit limit for all your ICBC Visa/Union Pay credit card account(s), including your supplementary credit card account(s) and it is towards reducing your available credit card limit. The available credit card limit will be progressively restored and made available for your use by the amount of the principal portion of each Auto Balance Conversion Monthly Payment paid and to the extent that actual payment is received by ICBC.
- 5.2 The example below illustrates of how the credit limit is released back into the Eligible Cardmember's available limit with assumption that there is no other transaction, no finance charges / Management Fee and payment made before the Due Date:

Example 2:

Month	1	2	3	4	5	6	7	8	9	10	11	12
Credit Limit	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
ABC Amount (Inclusive of EIR*)	1,800	1,750	1,700	1,650	1,600	1,550	1,500	1,450	1,400	1,350	1,300	1,250
ABC Monthly Installment	N/A	50	50	50	50	50	50	50	50	50	50	50
Available Credit Limit	3,200	3,250	3,300	3,350	3,400	3,450	3,500	3,550	3,600	3,650	3,700	3,750

*EIR = Effective Interest Rate / Management Fee

6. Bonus Points

- 6.1 The Total Outstanding Balance which is converted to the Auto Balance Conversion Plan would not be entitled to any bonus points.

7. Cancellation & Full Repayment

- 7.1 If you wish to make full settlement or cancellation for the Auto Balance Conversion amount before the maturing date, you may:-
- email your request to cardcentre@my.icbc.com.cn or
 - contact ICBC Customer Service Hotline 1800 18 5588 (Domestic)/+603 2788 1600 (Overseas)

You shall forthwith settle all balances due upon termination. Otherwise the prevailing finance charge shall be levied on the outstanding balance comprises of principal outstanding and current month finance charge accrued.

- 7.2 In the event your Credit Card account is canceled or terminated (or notice of cancellation or termination of Credit Card account has been given) by the Cardmember or ICBC for any reason; ICBC reserve the right to charge aggregate of all remaining monthly installments and/or other amount payable under these Terms and Conditions to your Credit Card account with immediate payment required. Otherwise, the prevailing finance charge of up to 18% p.a. shall be levied on the outstanding balance which comprises of principal and finance charge.

8. Right to Decide

8.1 ICBC's decision on all matters relating to the Programme including but not limited to the eligibility and/or approval and/or rejection of the Programme shall be final and binding on you and no appeal, dispute or correspondence will be entertained.

9. General Terms and Conditions

9.1 By participating in the Programme and/or upon your receipt of these terms and conditions, you are deemed to have agreed to be bound by these terms and conditions and the decision made by ICBC.

9.2 ICBC reserves the right to vary, change, supplement, amend, delete or add to these Terms and Conditions from time to time with twenty one (21) days prior notice to you and the notice shall be published at www.malaysia.icbc.com.cn or through any other channel(s) as determined by ICBC. You should actively visit our website from time to time to ensure that you are aware of all proposed changes to the terms and conditions as the amended terms and conditions will supersede all previous terms and conditions.

9.3 If you choose to continue with the Programme after any revision to these Terms and Conditions, you will be deemed to have accepted the revised Terms and Conditions accordingly. If you do not agree to the revisions, you may cancel or opt-out from the Programme in writing in accordance with the terms herein.

9.4 ICBC shall not be liable to you or any party for any loss or damage of whatsoever nature suffered by you or any party (including but not limited to, loss of income, profits or goodwill, direct or indirect, incidental, consequential, exemplary, punitive or special damages of any party) howsoever arising, in relation to the participation or non-participation in the Programme unless the same is caused directly by ICBC's wilful default or gross negligence.

9.5 The terms and conditions herein shall be governed by and construed in accordance with the laws of Malaysia.