

# FAQs Overdraft Facility

Call centre: 0860 555 111

## **Important information related to Covid-19**

The lockdown and implications of Covid-19 have put a lot of us in a difficult financial situation and we would like to help by sharing some further benefits for you, as an individual, if you have an Overdraft facility with Nedbank.

If you currently have an Overdraft facility with Nedbank, we will be offering you a temporary rebate benefit equivalent to 100 basis points or 1% interest rate reduction, on your overdraft interest charged, during the months of April through to June 2020. You do not need to call us to do this. We will put through the rebate automatically on your behalf from the end of April, if you meet the T&C's.

### **Who qualifies for this temporary rebate benefit?**

The temporary rebate benefit applies to Nedbank clients who have an overdraft facility linked to their personal Nedbank bank account. Business accounts will not qualify for this rebate. Please refer to the Nedbank Covid-19 debt relief plans that have been made available to help businesses in this regard. If you need information on these benefits for your business, please contact your banker.

### **What does 'a temporary rebate equivalent to 100 basis points or 1% interest rate reduction' mean?**

This means you will pay less interest on the limit you utilise during the next three months; namely April, May and June. This effectively reduces your current interest rate by 1% at the end of each month.

### **Do you have an example of how the temporary rebate benefit will work, for me to better understand?**

If your current overdraft interest rate is, for example, 12% pa, your interest charge will be calculated, as per normal, based on the amount utilised on your limit during the month and charged to your account.

With the temporary rebate benefit you will receive your money back, paid directly into your transactional account, as an interest rebate at the end of the month. The rebate will reduce your normal interest effectively down to 11% in this example. The temporary rebate will not apply to any penalty interest or similar, where applicable.

### **When will I receive this temporary rebate benefit?**

Interest is calculated at the end of the month, based on the amount used on your overdraft limit during that month. You will therefore receive your refund at the end of each month, equivalent to 100 basis points or 1% interest rate reduction. You'll see this reflected as a credit on your Nedbank transactional account.

**Do I have to contact Nedbank to take advantage of this temporary rebate benefit?**

No, if you were up to date with all your Nedbank accounts as at the end of February, and you have managed your accounts well over the last six months, such as ensuring that you did not have any debit order reversals or excesses on your account, you will qualify for the rebate.

You will also need to ensure that you remain up to date during the months of April, May and June, to ensure you continue receiving the temporary rebate.

**How long will this temporary rebate benefit apply for?**

Nedbank will be applying the rebate over the months of April, May and June, provided you continue to keep your Nedbank accounts in good standing.

**If I open a new overdraft account, will I qualify for the temporary rebate benefit?**

Yes, any new client (in their personal capacity), who has requested and used their overdraft facility during the months of April, May and June of 2020, will qualify for the temporary rebate benefit. Please note terms and conditions apply – you must have managed your accounts well over the last six months, such as ensuring that you did not have any debit order reversals or excesses on your account, and need to ensure that you remain up to date during the months of April, May and June, to ensure you continue receiving the 1% temporary discounted interest rate.

**Is the temporary rebate benefit capped?**

Yes, the interest charged, less the temporary rebate benefit will be limited to prime less 1% (pa). This forms part of Nedbank's holistic Covid-19 debt relief initiatives.

Please visit [www.nedbank.co.za](http://www.nedbank.co.za) for the full debt relief details.

**Is this temporary rebate benefit a payment holiday?**

No, this is not a payment holiday. This is a 1% reduction on the interest rate used on client's overdraft limit, calculated at the end of each month.

If you have a debt relief request, please visit [www.nedbank.co.za](http://www.nedbank.co.za) or call the debt relief number 0860 110 702, for further information.