

Important Notice- Revisions to Citi Cards Terms and Conditions on Finance Charges and Payment Allocation w.e.f. 27 July 2019 (updated 11 July 2019)

This update clarifies clause 20(4) of the current Citi Cards Terms and Conditions relating to Minimum Monthly Payment. There is no change to the Minimum Monthly Payment calculation.

20(4) Definition of Minimum Monthly Payment is updated as below:

“Minimum Monthly Payment” means:

- (a) i. 5% of *outstanding balance (if any);
*outstanding balance refers to retail transactions (if any) + Balance Transfer amount (if any) + Cash Advance amount (if any) + finance charges and fees (if any)
- ii. 100% service tax (if any);
- iii. 100% Monthly Instalments (if any); and
- iv. 100% past due amount (if any).

OR

- (b) RM50; whichever is higher.

If your Current Balance is below RM50, the Minimum Monthly Payment will be 100% of your Current Balance.

The revision to other Citi Terms and Conditions notified to you on 5 July 2019 remains as follows:

“**Non Revolving Instalments**” is replaced by “**Monthly Instalments**” which refers to the sum of all contracted monthly instalments (including monthly instalments for Auto Balance Conversion, Easy Payment Plan, Credit Card Instalment Plans and other instalment plans available from time to time) which are due by you to us in accordance with the terms and conditions of the products implemented, amended and/or substituted by us, as shown in the monthly statement or in any other written notice communicated by us to you.

20(2) Finance Charge is updated as below:

To the extent permitted by law, the Finance charges are imposed on the portion of balances that relates to finance charges and other fees or charges (excluding late payment charge) that were carried forward from balances posted in previous statements.

24(4) Payments is updated as below:

Payment will be applied to settle taxes, followed by Cash Advance, Monthly Instalments and revolving balance(s) attracting the highest interest rate to the lowest interest rate (and in the case of same interest rate, the order will start from the earliest to the latest transaction date). Payment received will be applied towards settlement of the outstanding finance charges (or interest) followed by outstanding principal balance and fees and charges.

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Frequently Asked Questions

1. Q: How will this change on interest charging and payment allocation impact my existing credit card balance?

A: If you do not have any carried forward balance in your credit card account, there will be no impact to your existing credit card account. You will continue to enjoy a minimum of 20 days interest free period from the posting date of all credit card transactions.

However, if you do have carried forward balances on your credit card account, we will apply finance charges at the prevailing rate on all finance charges and all fees (exclude late fee). This means that any unpaid billed monthly statement amount will accrue interest on finance charges and all fees (exclude late fee) until the date full payment is received for the amount.

2. Q: Why is the change being made?

A: Cardholders are encouraged to make full payment of their current balances by payment due date in order to not incur finance charges.

3. Q: How will my payments be applied to settle my statement balances? In what order of priority?

A: Any payments received from you will be applied towards taxes, followed by Cash Advance, instalments that are billed monthly (including monthly instalments for auto balance conversion, easy payment plan, credit card instalment plan and other instalment plans available from time to time) and revolving balance(s) attracting the highest interest rate to the lowest interest rate (and in the case of same interest rate, the order will start from the earliest to the latest transaction date). Payment received will be applied towards settlement of outstanding finance charges (or interest), followed by outstanding principal balance and fees and charges. For example, if you have an outstanding statement balances made up of retail transactions and balance transfer balances. Payments received will be used to settle the retail transactions first as the interest rate imposed on these transactions is 15% - 18%p.a., higher than the interest rate imposed on balance transfer balances (e.g. 6.99%p.a.).

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Illustration on finance charges and payment allocation as below:

Mr A has carried forward statement balance of RM1,962.50.

He makes less than minimum payment of RM400 on due date.

Finance Charges							
	Total Outstanding Balance	Breakdown			Interest Rate per month	Finance Charges	
		Principal	Interest	Fees		Before	After
Monthly Instalment	500.00	400.00	100.00	0.00	1.25%	=400.00*1.25% =5.00	=500.00*1.25% =6.25
Cash Advance	1065.00	1000.00	15.00	50.00	1.50%	=1000.00*1.50% =15.00	=1065.00*1.5% =15.98
Retail	202.50	200.00	2.50	0.00	1.25%	=200.00*1.25% =2.50	=202.50*1.25% =2.53
Annual Fee	195.00	0.00	0.00	195.00	1.25%	=0.00*1.25% =0.00	=195.00*1.25% =2.44
Total Finance charges						22.50	27.20

Payment Allocation Illustration (assuming customer paid RM400 to a statement balance of RM1962.50)												
Statement Balance					Before				After			
	Total Outstanding Balance	Breakdown			Total Outstanding Balance	Breakdown			Total Outstanding Balance	Breakdown		
		Principal	Interest	Fees		Principal	Interest	Fees		Principal	Interest	Fees
Monthly Instalment	500.00	400.00	100.00	0.00	100.00	=400-400 =0	100.00	0.00	500.00	400.00	100.00	0.00
Cash Advance	1065.00	1000.00	15.00	50.00	1065.00	1000.00	15.00	50.00	665.00	=1000.00-385.00 =615.00	=15.00-15.00 =0.00	50.00
Retail	202.50	200.00	2.50	0.00	202.50	200.00	2.50	0.00	202.50	200.00	2.50	0.00
Annual Fee	195.00	0.00	0.00	195.00	195.00	0.00	0.00	195.00	195.00	0.00	0.00	195.00
Total	1962.50				1562.50				1562.50			

Please note that your billed instalment amount is treated as a normal charge to your credit card and any unpaid amounts will be subject to finance charges (please refer to tiered finance charges on how finance charges are determined for your credit card).