

# REVOLVING FACILITY SHORTFALL PROTECTION

PRIVATE BANKING

Revolving Facility Shortfall Protection is a product benefit that will automatically transfer funds from your revolving facility into your linked RMB Private Bank transactional account should the linked account become overdrawn (negative balance).

Shortfall Protection is also known as ‘sweeping’ and can be identified with the description ‘sweeping transfer from...’ on both your revolving facility and linked transactional account statements.

## 1. WHAT TRANSACTIONS ARE COVERED BY SHORTFALL PROTECTION?

All point-of-sale transactions provided you have sufficient funds in your revolving facility.



### Additional transactions covered

- Monthly service fees
- Interest charges
- Debit orders (provided the debit order is successful/collected and the account is in negative)
- Instances where a debit order was unsuccessful, and the unpaid fee has caused your linked transactional account to be overdrawn



### Transactions not covered

- DebiCheck, we only collect when you have sufficient funds in your account
- Shortfall Protection does not guarantee that your debit orders will be honoured

Please note: opting in to and out of Shortfall Protection will activate the next day.

Please see pricing guide for more details.

Terms and conditions apply.

## R1 000 POINT-OF-SALE (POS) TRANSACTION

### Example 1



Linked transactional account balance is **R500**.



Shortfall Protection will be triggered to transfer **R500** from your revolving facility.

- R500 **partial sweep** from revolving facility to linked transactional account
- Revolving facility must have an available limit of R500 or more for this transaction or it will be declined

### Example 2



Linked transactional account balance is **R0**.



Shortfall Protection will be triggered to transfer **R1 000** from your revolving facility.

- R1 000 **full sweep** from revolving facility to linked transactional account
- Your revolving facility must have an available limit of R1 000 for this transaction, or it will be declined

## R1 000 OVERDRAWN IN LINKED TRANSACTIONAL ACCOUNT

### Example 1



Linked transactional account balance is **-R1 000**.

Revolving facility available balance is **R500**.



Shortfall Protection will be triggered to transfer **R500** from your revolving facility.

Revolving facility available balance will now be **R0** and your linked transactional account will be **R500** overdrawn.

- R500 **partial sweep** towards the R1 000 overdrawn
- Sweeping will occur as long as there are funds in your revolving facility

### Example 2



Linked transactional account balance is **-R1 000**.

Revolving facility available balance is **R2 500**.



Shortfall Protection will be triggered to transfer **R1 000** from your revolving facility.

Revolving facility available balance will now be **R1 500** and your linked transactional account is no longer overdrawn.

- R1 000 **full sweep** towards the R1 000 overdrawn
- Full overdrawn amount in your linked transactional account will be covered

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## 2. HOW DO I OPT IN AND OUT OF SHORTFALL PROTECTION?

Manage this function at any time using the steps below on the different channels. Please note: opting in and out of Shortfall Protection will update overnight.

### Log in to the RMB Private Bank App

- Select 'Revolving facility' account
- Select 'Maintain facility'
- Slide toggle bar to opt in or out
- Select 'Continue'

### Log in to RMB Private Bank Online Banking

- Select 'My Bank Accounts'
- Select 'Revolving facility' account
- Select 'Manage Revolving facility'
- Slide toggle bar to opt in or out
- Select 'Continue'

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## 3. WILL I BE CHARGED FOR OPTING IN TO SHORTFALL PROTECTION?

No, this is the normal interest charged on the revolving facility based on your outstanding balance. However, you will incur interest when you start using it on the amounts swept from your revolving facility to your transactional account.

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## 4. WHAT HAPPENS IF I DO NOT OPT IN TO SHORTFALL PROTECTION?

Sweeping will not occur since you did not opt in to Shortfall Protection. Your linked transactional account will remain overdrawn until you transfer funds into the account, which may result in additional fees being charged.

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## 5. WHAT HAPPENS IF I DO NOT HAVE SUFFICIENT FUNDS TO COVER THE POS TRANSACTION?

The transaction will be declined.

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## 6. WHAT IS THE DIFFERENCE BETWEEN SHORTFALL PROTECTION AND SWEEPING?

Shortfall Protection is the name we use for the feature, sweeping is the name we use on your transactions and statement as description.

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## 7. CAN I STILL OPT IN TO SHORTFALL PROTECTION IF I DO NOT HAVE A REVOLVING FACILITY?

No, Shortfall Protection is a feature and benefit available to a revolving facility only.

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## **8. WILL SHORTFALL PROTECTION ACTIVATE IF MY REVOLVING FACILITY IS IN ARREARS?**

No, we will not transfer funds from your revolving facility if you have no available limit or are in default/arrears on your revolving facility.

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## **9. WHAT IS THE DIFFERENCE BETWEEN SHORTFALL PROTECTION AND A DEBT PROTECTION PLAN?**

Shortfall Protection is a product feature and benefit that will automatically transfer available funds from your revolving facility into your linked transactional account should your linked account be overdrawn (negative balance). This will be activated provided you have opted into Shortfall Protection. There is no additional cost for this benefit apart from the interest you will be charged on the amount used from your revolving facility.

A Debt Protection Plan is an insurance policy that is applied for with an insurer. The policy covers the outstanding balance of your debt in the event of death or permanent disability, and up to 12 months' instalments in the event of unemployment, inability to earn an income or temporary disability. You will be charged a monthly premium for this policy.

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## **10. WILL SHORTFALL PROTECTION COVER ATM TRANSACTIONS?**

No, you will need to transfer funds from the revolving facility into the linked transactional account first prior to transacting at the ATM.

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## **11. HOW WILL I KNOW A SHORTFALL PROTECTION TRANSACTION TOOK PLACE IN MY ACCOUNT?**

Your revolving facility account will show a transaction with a description 'sweeping transfer to #linked current account number.'

You will also see the same transaction on your linked transactional account with the description 'sweeping transfer from #linked current account number.'

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