

C. REDEEMING YOUR SAVINGS BONDS

C.1 GENERAL INFORMATION

1. What does “redemption” mean?

- It means that you return your Savings Bond to the Government before it matures in exchange for your principal and any accrued interest.

2. Can you guide me on how to redeem my Savings Bonds?

- For applications using cash, submit redemption requests through DBS/POSB, OCBC and UOB ATMs or internet banking portals, or OCBC’s mobile application.
- For applications using SRS funds, submit redemption requests via the internet banking portal of your respective SRS Operator.
- The minimum redemption amount for each Savings Bond issue is \$500, and in multiples of \$500 up to the amount you have invested.
- The bank will charge a transaction fee of \$2 for each Savings Bond redemption request.

3. I have submitted a redemption request. When will I get my money back?

- You will get your redemption amount back (along with any accrued interest) by the 2nd business day of the following month. The redemption amount and accrued interest will be paid to the bank account that is linked to your individual CDP Securities account, or the SRS account.

4. Must I redeem the Savings Bonds that I purchased using SRS funds through the SRS Operator? Can I submit the redemption request through other banks?

- You must redeem Savings Bonds bought using SRS funds via the SRS Operator. You cannot submit redemption request through other banks.

5. I cannot remember which Savings Bonds are bought using SRS funds and which are bought using cash. What should I do?

- You can check your SSB holdings by logging in to the *My Savings Bonds* portal, accessible via the SSB website (www.mas.gov.sg/ssb).
- You can also check the bonds held in your CDP Securities account through the following methods:
 - View the CDP Securities account holdings online through the CDP Internet service (www.sgx.com/cdp).
 - Call and retrieve the information via the CDP Phone service (6535-7511), using your Telephone PIN.
 - Call CDP (6535-7511) to ask for your latest statement to be sent to your mailing address.
 - Visit the CDP Customer Service Centre with your identification card (IC) or passport to obtain a copy of your statement.
- You can also check the bonds held in your SRS account through the internet banking portal of your SRS Operator.

C.2 REDEMPTION PERIOD

6. When can I redeem my Savings Bonds? Will I lose money if I redeem before it matures?

- You can redeem your Savings Bonds in any given month before the bond matures, with no penalty for exiting your investment early.
- The redemption period opens on the 1st business day of each month and closes on the 4th last business day of the month. You will receive your redemption proceeds along with any accrued interest by the 2nd business day of the following month. For example, if you submit a redemption request of \$1,000 in May 2017, you will receive the \$1,000 and any accrued interest by the end of the 2nd business day in June 2017.

C.3 SUBMITTING REDEMPTION REQUESTS

7. **Can I make a partial redemption? Is there a minimum redemption amount? Must I redeem in blocks of \$500?**
 - Partial redemptions are allowed. The minimum redemption amount for each issue is \$500. You can redeem in multiples of \$500 up to the amount you invested. You will receive the amount you requested in full, along with any accrued interest.

8. **Can I authorize the bank to redeem Savings Bonds on my behalf?**
 - No.

9. **Will there be any penalty for exiting my investment early?**
 - No, there will not be any penalty for redeeming your bond before it matures. You will receive your investment amount back in full along with any accrued interest. A transaction fee of \$2 will apply for each redemption request.

10. **Can I make changes to or withdraw submitted redemptions? Do I do that through my bank?**
 - You will not be able to amend or cancel submitted redemption requests.

11. **Can I make multiple redemptions for the same Savings Bond issue through the same and/or different banks? What will happen to my earlier requests? Will they be overwritten or superseded?**
 - Yes. You can submit multiple redemption requests through either the same or different banks. Your earlier redemption requests will not be overwritten or superseded. The multiple requests will be processed, so long as you have that amount of Savings Bonds.
 - Please note that a transaction fee of \$2 will apply for each redemption request. You will not be able to amend or cancel submitted redemption requests.

12. Must I redeem Savings Bonds through the same bank that I applied through? If I made my Savings Bonds application via Bank A, can I redeem my Savings Bonds via another Bank (e.g. Bank B)?

- For applications using cash, you do not need to submit redemption requests through Bank A. You may redeem your Savings Bond via Bank B. Bank B's transaction fees will apply. Redemption proceeds will be credited to your designated DCS bank account with CDP.
- For applications using SRS funds, your redemption request must be submitted via your SRS Operator. By law, each person is only allowed to have one SRS account. Redemption proceeds will be credited back to your SRS account with the operators.

C.4 ACCRUED INTEREST

13. What is accrued interest? How is the accrued interest calculated if I redeem my Savings Bond before it matures?

- Accrued interest is interest that you have earned on your bond since the last interest payment was made. When you redeem part or all of your Savings Bonds in between scheduled interest payments (which occur every 6 months), you will receive accrued interest together with the redemption amount.
- For example, suppose you bought \$1,000 of Savings Bonds issued in January that is scheduled to make an interest payment of \$6 in July. If you submit a request in March to redeem the full \$1,000 of your January bond, you will receive the following by the end of the 2nd business day of April:
 - Your redemption amount of \$1,000; and
 - 3 months' worth of accrued interest (Jan to Mar), which is about \$3.

14. How is accrued interest calculated?

- The actual amount of accrued interest paid out on each redemption date is calculated according to this formula:

$$AI = (CPN / 2) \times (DC/PC) \times H$$

Where:

AI = Accrued interest

CPN = Annual interest rate (as a percentage) and not more than 2 decimal places

DC = Actual day count from the most recent interest payment up to, but not including, the date that the accrued interest will be paid out

PC = Total number of days from the most recent interest payment to, but not including, the next interest payment

H = Redemption amount

C.5 REDEMPTION STATUS

15. How can I check the results of my redemption requests? Will the bank notify me?

- For applications using cash, CDP will send you a notification by mail. The combined principal and accrued interest will be credited as a single amount to your designated DCS bank account by the 2nd business day of the following month.
- For applications using SRS funds, your SRS Operator will notify you by mail when redemption proceeds have been credited back to your SRS account. The principal and accrued interest will be credited to your SRS account by the 2nd business day of the following month.

16. Will my redemption request be only partially fulfilled? Will my redemption request be rejected?

- No. You will get the amount you requested in full, along with any accrued interest.

C.6 AT MATURITY

17. What happens when my Savings Bond matures? What do I need to do?

- You do not need to take any action. Your principal and the last interest payment will be automatically credited to your DCS bank account or SRS account. The \$2 transaction fee is not applicable in this instance.