

# Terms and Conditions



## Terms and Conditions for Fixed Deposits

These Terms and Conditions apply to and regulate the provision of Fixed Deposit product offered by Fincare Small Finance Bank Limited, (hereinafter called "the Bank")

### Definition

- Fixed Deposit (FD) means an interest bearing deposit received by the Bank for a fixed period and shall also include deposits such as cumulative /annuity /reinvestment deposits. The rate of interest paid for fixed deposit varies according to amount and period. Interest shall be calculated at quarterly (calendar quarter) intervals on fixed deposits and paid at the rate decided by the Bank depending upon the period of deposit where the period is less than a quarter, interests is calculated for the actual number of days reckoning the year at 365days (366 days in a leap year). In case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at discounted value. The interest on fixed deposits is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association. Interest on deposits shall be rounded off to the nearest rupee for rupee deposits and to two decimal places for FCNR (B) deposits
- Fixed Deposit Account is an account where a sum of money is kept with the bank, whereby the bank pays interest at a pre-determined rate for the time duration of the deposit
- Maturity Amount shall mean the amount payable to the Customer at the end of the term of the fixed deposit subject to deduction of any tax as may be applicable.
- Account Opening Form or AOF means the relationship form for fixed deposits account. An account may be opened by one depositor or two or three depositors jointly
- Depositor/s means any person holding an account with the Bank
- Maturity Date means the deposit shall be due for repayment on the date falling on completion of the tenure.
- The age considered for Minor is below 18 years and for Senior Citizen is 60 years and above.
- RBI means Reserve Bank of India.
- Services means the services provided by the Bank in connection with the account and more particularly described in these terms.
- Tenure means the period for which the deposit is to be maintained commencing from the date of the deposit till the period as specified in the AOF.
- Website refers to the website owned, established and maintained by the Bank at the URL [www.fincarebank.com](http://www.fincarebank.com).

## Interpretation

- All references to singular include plural and vice versa and the word "includes" should be construed as "without limitation".
- Words importing any gender include the other gender.
- Reference to any statute, ordinance or other law includes all regulations and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force.
- All headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define limit or affect the meaning or interpretation of these Terms.

## Date of Fixed Deposit

The effective date of fixed deposit shall be the date on which the amounts of deposit placed are realized by / credited to the Bank. No fixed deposit receipt will be issued in anticipation of realisation of cheque/s in relation to any deposit and will be issued only on actual receipt of payment / deposit monies.

In case requests for opening fixed deposits are received on 2nd and 4th Saturday or Sunday or holiday through electronic channels like internet banking, mobile banking, ATM, or any other electronic channel, the fixed deposit will be opened with value date of the next business working day.

## Minimum Deposit Amount

The minimum deposit amount to be deposited by the depositor/s shall be Rs. 5000/-, and above that in multiples of Rs. 100/-.

## Pre-mature Withdrawal of Deposits

### 1) Premature Withdrawal of Deposits:

For FD Amount	Pre-mature Withdrawal Option Availability	Penalty
<=INR 1 Crore (Smart Fixed Deposits)	Available throughout FD Tenor  No interest shall be payable on FDs withdrawn within 7 days of opening	Reduction in interest rate applicable for actual run period by sum of A & B*: A: Interest rate for actual period less interest for original period, if interest rate for actual period is higher than that of original period B: Further 1%

\*Penalty Calculation Example:

Interest rate applicable for original period: 7.5%

Interest rate for actual run period (for which the FD was with the Bank): 9.0%

Penalty: A + B

$$(9.0\% - 7.5\%) + 1\% = 2.5\%$$

The interest rate payable to customer on premature closure will therefore be: Interest rate for actual run period – Penalty

$$9.0\% - 2.5\% = 6.5\%$$

- a. Partial withdrawal is permissible in multiples of INR 10,000. The amount withdrawn will earn an interest as per the premature withdrawal penalty clause as mentioned above while the remaining amount continues to earn interest as per original rate. Partial withdrawal will not be allowed for bulk deposits, unless specifically agreed at the time of making/ renewal of the deposit.
- b. Premature/partial withdrawal option is not available on the principle amount on Tax saver FDs since it is locked in for 5 years as per Income Tax guidelines.
- c. In the case of minor's deposit, premature withdrawal may be permitted provided the natural guardian gives a written declaration saying that these funds are urgently needed for the benefit of the minor.
- d. In case of death of a single holder FD depositor, nominee can avail premature closure before maturity. In case of no nomination made then the legal heir can avail premature closure after fulfilling all the legal formalities.
- e. For a joint FD mandate, in the event of the death of one of the depositor's premature withdrawal of the deposit by the surviving depositor will be allowed if there is consent by both of them at the time of account opening. In case of no mandate premature closure will not be allowed without the concurrence of legal heirs of the depositor.
- f. For further information on pre mature withdrawal in case of death, please refer 'Fincare Small Finance Bank's Comprehensive Deposit Policy'

## 2) **Premature renewal policy:**

- a. Premature renewal of fixed deposit is allowed on request from the depositor, provided the duration of the renewed FD is longer than the remaining duration in the existing FD. No penalty is applicable on such requests.
- b. Interest payable on the existing deposit will be calculated for the duration the deposit has actually remained with the bank before the renewal. For example, if a customer wishes to renew an FD maturing in the next 10 months, he/ she will be allowed to do so, provided the new FD is for a minimum duration of 10 month.

## 3) **Renewal Options:**

- i. On maturity, a fixed deposit can be renewed for a period specified by the depositor
- ii. Renewal requests received after the date of maturity, but within 14 days of maturity, shall be renewed with effect from the actual date of maturity with the interest rate applicable on the actual date of maturity
- iii. For renewal requests received after 30 days from the date of maturity, the FD will be treated as overdue and the interest for the overdue period shall be paid at the prevailing SB account rates.
- iv. Customer will have the following options for renewal from existing FD:

- a. Renew Principal + Interest for the same period or longer
- b. Renew Principal only for same period or longer, and credit Interest to Customer Account (Fincare or other)
- c. For Smart Saver FDs: Auto renewal of both principal and interest would be the default mode at the time of account opening

## Interest Payment Option & Frequency

- i. Customer will be given the option of cumulative interest (compounding) at the end of every quarter, or payout at the end of every month, or payout at the end of every quarter
  - ii. Customer has to convey his/her option at the time of opening the account. No changes shall be allowed at a later date.
  - iii. Default option is cumulative interest, with interest being compounded quarterly
  - iv. Any interest payouts to customers will be net of TDS
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