

CITIBANK DEPOSIT POLICY

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Preamble

This policy document on deposits outlines the guiding principles in respect of various deposit products and related banking services offered by the Bank. The document recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors, etc., for the benefit of customers. It is expected that this document will impart greater transparency in dealing with individual customers and create awareness among customers of their rights.

While adopting this policy, the Bank reiterates its commitments to customers as outlined in the Bankers' Fair Practice Code of Indian Banks' Association.

This document is based on the regulations existing at this time, and on the guidelines on deposits provided by the Indian Banks' Association. Detailed operational instructions on various deposit schemes and related services are issued from time to time.

Account Opening

The Bank will provide its customers with details of various types of accounts that they may open with the Bank.

Customers can make a choice on what type of account best suits them, based on their requirements and applicable guidelines.

The Bank will, prior to opening an account, require documentation and information as prescribed by the "Know Your Customer" (KYC) / Anti-Money Laundering (AML) guidelines issued by Reserve Bank of India (RBI) and or other norms or procedures as per the Customer Identification Program Procedures (CIPP) of the Bank.

The due diligence process that the Bank follows, will involve scrutinizing documentation, verifying customers' identity, verifying their address, information on occupation or business and source of income. As part of the due diligence process, the Bank will need customers' recent photograph as well.

The Bank is required by law to obtain Permanent Account Number (PAN) from the customers and where customers do not possess such a registration, the Bank will need to obtain a declaration in Form No. 60 or 61 as specified under the Income Tax Rules, 1962.

If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to him and the final decision of the Bank will be conveyed at the earliest to him. Customers can also call the branch or the Bank executive for any queries that they may have and the branch / executive will revert on the query at the earliest.

The Bank will provide customers with the account opening forms and other relevant material to enable them to open the account. Bank personnel will advise customers on the complete details of information that would be required by the Bank for account opening and the verification process.

The Bank reserves the right, at its sole discretion, to open any account and at such terms as the Bank may prescribe from time to time.

The Bank is committed to providing basic banking services to disadvantaged sections of the society. Banking services will be offered to them through no-frill accounts.

The regulatory guidelines require banks to categorize customers based on risk perception and prepare profiles of customers for the purpose of transaction monitoring as required. Inability or unwillingness of a prospective customer to provide necessary information/details could result in the Bank not opening an account.

Types of Deposit Accounts

Our deposit products can be broadly categorized into the following types:

Savings Bank Accounts can be opened by eligible person / persons and certain organizations / agencies as advised by Reserve Bank of India from time to time

Personal accounts can be opened by customers in their own name (single name) or by the customer jointly with others (Joint Account).

Joint Account can be opened by more than one individual, however it may be operated by a single individual or jointly by more than one individual, based on

the signature requirement specified by the customer/s. The signature requirement for operating the account can be modified only with the consent of all account holders.

Current Accounts can be opened by Individuals / Sole Proprietorships / Partnership Firms / Private and Public Limited Companies / HUFs (Hindu undivided family) / Societies / Trusts, etc.

Term Deposits can be opened by Individuals / Sole Proprietorships / Partnership Firms / Private and Public Limited Companies / HUFs / Societies / Trusts, etc.

Foreign Currency accounts can be opened by individuals, for credits as specified by RBI

Within the above-mentioned broad categories, the Bank may introduce various products with specific features.

Minors' Accounts

A minor can open a Savings Bank Account and the same can be operated by the natural guardian / guardian. The account can also be opened jointly by the minor with the natural guardian / guardian.

Upon attaining majority, the erstwhile minor should confirm the balance in his/ her account. If the natural guardian / guardian operates the account, the Bank will need to obtain and keep on record, for all operational purposes, fresh specimen signature, identification documents and the latest photograph of the erstwhile minor.

Account of Illiterate

The Bank may at its discretion open deposit accounts, other than Current Accounts, of an illiterate person. The Bank may open the account of such a person provided he/ she calls on the Bank personally along with a witness, who is known to both the depositor and the Bank. Normally, no cheque book facility is provided for such a Savings Bank Account. At the time of withdrawal/ repayment of deposit amount and/ or interest, the account holder should affix his/ her thumb impression or mark in the presence of the authorized officer who should verify the identity of the person. The Bank will explain the need for proper care while operating the account. The Bank official will also explain the terms and conditions governing the account.

Operation of Deposit Accounts

Addition / deletion of holders

The Bank may, at the request of all the joint account holders, allow addition or deletion of name/s of joint account holder/s if the circumstances so warrant, or allow an individual depositor to add the name of another person as a joint account holder.

Mandate

At the specific request of the depositor, the Bank may register mandate given by the customer authorizing another person to operate the account on his behalf.

Minimum Balance / Service charges

For deposit products like Savings Bank Account and Current Account, the Bank will normally stipulate certain minimum balances to be maintained. The same is communicated as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the Bank from time to time. The Bank also has nominal charges for various special facilities and for various types of transactions. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services provided will be informed to the prospective depositor while opening the account or from time to time, as the case may be.

Account Statements

The Bank will provide a statement of account to Savings account as well as Current account customers on a monthly basis unless otherwise requested by the customer. This will be informed to the customer at the time of opening the account. The statement of account will contain all the transactions that have been done on the account during that period. The statements will be provided to customers free of cost. Based on clients preference the account statement can be sent as a physical statement or on email.

Transfer of Account

Accounts can be operated from any branch across the country.

Closure of Account

Inability of an existing customer to furnish details required for the Bank to fulfill statutory obligations could also result in closure of the account after due notice to the customer.

Section 1: Deposits for Resident Indians

The Deposit Booking Policy for Domestic term deposits offered by Citibank is in keeping with RBI's Master Circular on Interest rates on Rupee Deposits: DBOD. No. Dir. BC. 10/13.03.00/2010-11 dated July 1, 2010.

Term Deposits are offered to all Citibank customers who meet the KYC and CIPP guidelines of Citibank India.

Deposits are classified as Rack Rates Deposits or Differential Rate Deposits, depending upon the amount of the Term Deposit.

- **Rack Rate Deposits** are term deposits for amounts less than INR 15,00,000
- **Differential Rate deposits** are term deposits for amounts greater than or equal to INR 15,00,000

The customer has the option of selecting the following at the time of booking a deposit

- **Tenor:** starting from a minimum of 7 days
- **Amount:** starting from INR 1000 for Retail Bank (Global Consumer Group) customers and INR 1 for Corporate Bank (Institutional Clients Group) customers
- **Interest:** Quarterly Compounded Interest / Simple Interest - Quarterly Payout / Simple Interest - Monthly Payout. In case of Simple Interest – Monthly Payout, the interest shall be calculated for the quarter and paid monthly at discounted value.
- **Maturity:** Automatic Renewal (auto-renewal) / Credit to linked account
- **Advance against deposit / Overdraft:** The Bank may consider request of the depositor/s for loan / overdraft facility for up to 90% of the deposit value, on execution of necessary security documents. The interest on loan / overdraft facility would be as per the rate offered by the Bank and will be informed to the customer upfront. Any such lines offered will be at the sole discretion of Citibank.
- The deposit statement is sent along with the account statement to all customers.

1.1 Types of Deposits offered by Citibank Global Consumer Group

The following products will be made available on demand to all domestic customers of the Global Consumer Group, Citibank, N.A., India branches

Fixed Deposits

This is a single deposit booked for a specified tenor and amount. The deposit is linked to a Savings/Current account. The customer may part-withdraw from the deposit based on written instructions to the bank. All Differential Deposits are booked as fixed deposits.

Vanilla deposits

This type of deposit is an ordinary fixed deposit.

Senior Citizen Deposits

This is offered to individual customers who are of age 60 years and above. The customer will be eligible for additional interest of 50 basis points over the rack rate. The additional rate is not applicable for differential deposits. For customers of age 65 years and above, TDS will not be deducted if form 15H is submitted at the time of booking the deposit subject to applicable tax exemption limits and subject to PAN No. having been provided to the Bank. Customers will be informed through the deposit booking form of the option to provide Form 15H. Rates applicable will be as per the daily deposit grid from the date of receipt and maintenance of Form 15H. In the case of a term deposit which is standing in the name of a HUF, the Karta of the HUF cannot be offered higher rate of interest, even if he is senior citizen, as the beneficial owner of the deposit is the HUF and not the Karta in his individual capacity. Senior Citizen Deposits are offered by the Bank as ordinary fixed deposits, and not as multi -deposits.

Tax Saver Deposit

Under the Finance Act of 2006, term deposits up to INR 1,00,000 booked for five years are eligible for benefit under section 80C under Income-Tax Act, 1961. This is offered to individual accounts, joint accounts, HUF and Sole Proprietorship. On maturity the funds will flow into the linked savings account. The deposit can be prematurely closed only in the event of death of the customer. Rates applicable will be as per the daily deposit grid.

Recurring Deposit

This is offered to individual customers, sole proprietors and HUF. Based on the customer instructions the Bank will execute a monthly standing instruction into a fixed deposit. The interest rate contracted at the time of initiating the recurring deposit will be applicable for the life of the recurring deposit i.e. the rate as applicable at the time of initiating the first installment. The Bank offers recurring deposits under which the customer may choose a standing instruction ranging from INR 1,000 to INR 20,000 with tenor ranging from a minimum of 12 months to a maximum of 24 months. The rates applicable are as per the daily deposit grid.

Multi-deposit

A multi-deposit is a term deposit which is linked to a Savings / Current account. The Bank offers multi-deposits for a minimum amount of INR 1,000. The deposit is automatically broken in units of INR 1,000 if the linked Savings/Current account goes into a debit balance. The rates will be as per the pricing applicable at the date of the deposit. Differential Deposits cannot be booked as multi-deposits.

1.2 Term Deposit Products Offered by Citibank Institutional Clients Group

The following products will be made available on demand to all customers of the Institutional Clients Group, Citibank, N.A., India branches.

Fixed Deposits

This is a single deposit booked for a specified tenor and amount. The deposit has to be booked out of and linked to a Current account. The rate of booking is as per the pricing applicable on the date of the deposit

Power Deposit

These are deposits booked at end of business day in pre-specified multiples for pre-specified number of days based on customer's instructions. The rates are as per the pricing applicable at the date of the deposit

Floating Rate Deposits

These are deposits booked with the benchmark linked to a floating rate like O/N MIBOR (Mumbai Inter-Bank Offer Rate). These are deposits with a daily put and call option after 7

days of the deposit tenor. The interest rate would be reset daily given the benchmark is O/N MIBOR.

1.3 Interest Rates Applicable for Domestic Deposits

Deposit Rack Rates

- Rack rates will be published on the Citibank, N.A., Branches and on the Citibank India website.
- For calculation of interest on Domestic Term deposits, the interest calculation will consider the year as 365 days (even in the case of a leap year).
- For Citibank staff, the Bank may allow additional interest at a rate not exceeding one percent per annum over and above the normal Bank rate. This will be applicable for Rack Rate Fixed Deposits and Recurring Deposits only.

Differential Deposit Rates (DDR)

A schedule based on specific selected tenors will be fixed on a daily basis for amounts over INR 15 lakhs and up to INR 10 crores. DDR will be offered for specific tenor and amount bands. In case the customer needs to renew a Differential Deposit, rates applicable at that point in time will be applied depending on the tenor of the deposit. The basis for such decision is on any / all of the following parameters:

- Market / competitive bank benchmarks
- Bank's funding needs / position

The daily grid rates are displayed on all branches and the rates for deposits for amounts less than INR 15 lakhs are displayed on the Citibank India website as well.

1.4 Booking Process of a Term Deposit:

For GCG customers incremental Differential Deposits will be booked as Fixed Deposits, Deposits booked under Rack Rates can be booked as Fixed Deposits or Multi-Deposits.

The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on the date of maturity. In the absence of any such instruction, the deposit will be booked under auto-renewal status. The deposit will be automatically rebooked for the same tenor as the previous deposit. These deposits will be booked at the applicable rate as per the deposits rate grid at the time of renewal.

1.5 Nomination Facility

For individual customers, the customer is given the option of having a nominee at the time of account opening. Nomination facility is also available to sole proprietorship accounts. For a Vanilla Deposit, the nominee can be different from the nominee on the savings and sole proprietorship account. The nominee on a multi-deposit is the same as that on the linked Savings / Sole Proprietorship account.

The customers' term deposits may be accessed at any branch of Citibank at the request of the customer.

1.6 Premature Withdrawal Process of a Term Deposit

Premature withdrawal of a Term deposit could result in penalty charges as per the details below. Penalty charges are communicated to all customers upfront in the form of information available on the Bank's website and on the deposit booking form.

The current penal interest rate of 1% on premature withdrawal of a term deposit is charged on the deposit interest rate for equivalent tenor that was prevalent at the time of booking of the term deposit or on the rate at which the deposit was booked, whichever is lower.

1.7 Renewal Process of Deposits

If request for renewal is received after the date of maturity, such overdue deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date, provided such request is received within 14 days from the date of maturity. In respect of

overdue deposits renewed after 14 days from the date of maturity, interest for the overdue period will be paid at the rates decided by the Bank from time to time.

In the event the customer would like to renew his term deposit by prematurely closing an existing term deposit, this will be permitted only if the deposit is renewed for a longer period than the balance period of the original deposit. The interest paid will be for the period it has remained, at the rate applicable to the period for which the deposit remained, and not the contracted rate.

Global Consumer Group Customers

Customers have a choice to book term deposits with an auto renewal feature and hence if chosen by the customer they will be booked as auto renewal deposits. These deposits will be booked at the applicable rate as per the daily deposit grid, at the time of renewal.

The customer may break and rebook the term deposit for any tenor. If the customer breaks and rebooks the deposit for a longer tenor, no penalty on pre closure is charged.

Institutional Clients Group Customers

There will be no auto-renewal of deposits unless specifically instructed by the customer.

1.8 Interest Payments Process and TDS:

For Savings account, interest shall be paid at the rate specified by Reserve Bank of India directive from time to time. For Deposits, the Bank will decide on the Term deposit interest rates, within the general guidelines issued by the Reserve Bank of India from time to time.

Interest on term deposits is calculated on a quarterly basis and paid on maturity of the deposit unless the customer opts for the monthly/quarterly interest option at the time of booking a term deposit. In the case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at discounted value.

- The interest payments are rounded off to the nearest rupee/foreign currency.
- The interest is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association (IBA).

- Deposits maturing on holidays will automatically mature the next working day and the customer will earn interest income for the additional day/days at the rate of the initial deposit booking.
- For individual customers the bank deducts tax at source if the total interest paid/payable on all term deposits held by a customer exceeds the amount specified under the Income Tax Act.
- The bank issues a tax deduction certificate (TDS Certificate) for the amount of tax deducted. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format (Form 15G/H).
- From customer's interest and benefit standpoint, Permanent Account Number (PAN) should be provided to the Bank for deposits. Non availability of PAN shall lead to non-reporting of TDS to Income Tax (IT) authorities and TDS benefits would not be provided by the Income Tax authorities. As per the new provision pertaining to TDS applicable from 1st April, 2010 onwards, where ever PAN details are not available on our records, the Bank would be deducting TDS at 20% or the TDS rate as applicable per the Income Tax Act, 1961 whichever is higher.

1.9 Settlement of Term Deposit in the case of Deceased customer

- In the event of death of the customer before the date of maturity of the term deposit (linked to a savings account) and the amount is claimed after the date of maturity, Citibank shall pay interest at the rate contracted till the date of maturity. From the date of maturity to the date of payment, the Bank shall pay simple interest at the applicable rate on the Savings Account, for the period for which the deposit remained with the Bank beyond the date of maturity.
- In the case of death of the depositor after the date of maturity of the deposit, the bank shall pay interest at savings deposit rate from the date of maturity till the date of payment.
- In a joint deposit account, when one of the joint account holders dies, the Bank will make payment jointly to the legal heirs of the deceased person and the surviving depositor(s). However, if the joint account holders had given mandate for disposal of the balance in the account such as “either or survivor”, the payment will be made as

per the mandate to avoid delays in production of legal documents by the heirs of the deceased.

- In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount outstanding in the account of deceased person against joint application and indemnity by all legal heirs or the person mandated by the legal heirs to receive the payment on their behalf without insisting on legal documents up to the limit approved by the Bank's board. This is to ensure that the common depositors are not put hardship on account of delays in completing legal formalities.
- In the case of term deposit, the deposit booking form contains a clause to inform the customer that in the event of the death of the depositor, premature termination of the term deposits would be allowed. The conditions subject to which such premature withdrawal would be permitted are also specified in the deposit booking form. Such premature withdrawal will not attract any penal charge.
- Details of procedures applicable for settlement of accounts of deceased persons are provided in the Deceased Depositors' Policy of the Bank available on the Bank's website.

1.10 Other Banking Services

Stop Payment Facility

The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. Charges, as specified, will be applied.

Dormant Accounts

Accounts which are not operated for over two years will be transferred to a separate dormant / inoperative account status in the interest of the depositor as well as the Bank. The depositor will be informed of charges, if any, which the Bank will levy on dormant / inoperative accounts. The depositor can request the Bank to activate the account for operating it by submitting a request and documents as required by the Bank.

Safe Deposit Lockers

This facility is not offered through all bank branches and wherever the facility is offered, allotment of safe deposit vault will be subject to availability and compliance with other terms and conditions attached to the service. Safe deposit lockers may be hired by an individual (being not a minor) singly or jointly with another individual(s), HUFs, firms, limited companies, societies, trusts etc. Nomination facility is available to individual(s) holding the lockers singly or jointly. In respect of lockers held in joint names, up to two nominees can be appointed. Joint locker holders can give mandate for access to the lockers in the event of death of one of the holders on the lines similar to those for deposit accounts. In the absence of nomination or mandate for disposal of contents of lockers, with a view to avoid hardship to common persons, the bank may release the contents of the locker to the legal heirs, if the Bank is of the view that all possible heirs have joined in to provide the indemnity and that no competing claims may be launched.

1.11 Other Important Information

Safeguarding Customer Interests

The Bank values the information provided by the customer at the time of opening the account. The Bank will not use this information for cross selling of services or products by the Bank without the customer's knowledge. The Bank will not disclose details / particulars of the customer's account to a third person or party without the express or implied consent from the customer.

However, there are some exceptions, viz. disclosure of information under compulsion of law, where there is a duty to public to disclose and where interest of the Bank requires disclosure.

Insurance Cover for Deposits

All bank deposits are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions. The details of the insurance cover in force will be made available to the depositor. For more details, customers may log on to www.dicgc.org.in.

Redressal of Complaints and Grievances

Depositors having any complaint / grievance in regard to the services rendered by the Bank have a right to approach by the Bank and can use any access channel such as the Branch, Phone banking, Internet banking, email or our centralized customer care unit through letters for reporting a customer complaint / grievance.

All Bank officials at any of these contact points for the Bank are authorized to provide all required information regarding the procedure for lodging the complaint.

The process for redressal of complaints/ grievances will be displayed in the branch premises and on the Bank's website on www.citibank.co.in

In case the depositor does not get a satisfactory response from the Bank, he has a right to approach Banking Ombudsman appointed by the Reserve Bank of India.

Section 2 – Deposits for Non-Resident Indians

The Deposit Booking Policy for NRI term deposits offered by Citibank is in keeping with RBI's Master Circular No. DBOD.No.Dir.BC.10/13.03.00/2010-11 dated July 1, 2010.

Term Deposits are offered to all Citibank customers who meet the KYC and CIPP requirements of Citibank, N.A., India branches.

The Citibank Term Deposit Account is a Rupee/Foreign Currency denominated deposit account opened under the Non Resident External (NRE)/Non Resident Ordinary (NRO) / Foreign Currency Non Resident (FCNR) schemes of the Reserve Bank of India, which are offered to Non-resident Indians.

2.1 FCNR Deposits:

Foreign Currency Non Resident (FCNR-B Deposits)

These deposits are maintained in the following six foreign currencies - US Dollars, British Pound, Euro, Australian Dollar, Canadian Dollar and Japanese Yen. Since these deposits are held in foreign currency, the customer is transparent to exchange rate risk.

Features

Tenor - Deposits can be issued for a minimum period of one year and a maximum period of five years.

Deposit Size – The Bank has a minimum initial deposit amount requirement of US\$2000 or equivalent in order to open a deposit account.

Interest Rate Pricing - While there is no floor on the pricing of these deposits, the maximum interest rate that can be offered across any tenor is pegged to the London Inter Bank Offer Rate (LIBOR) for a particular currency for a particular tenor. Effective from the close of business in India on November 15, 2008, interest is to be paid within the ceiling rate of LIBOR/SWAP rates plus 100 basis points (as per the latest RBI circular and is subject to change) for the respective currency / corresponding maturities. LIBOR/SWAP rates to be

used by banks are displayed by FEDAI (Foreign Exchange Dealers Association of India) on their website.

Pre-Termination Penalty – Deposits which are pre-terminated before the designated maturity date will attract pre-term penalty. Since the minimum tenor on the FCNR deposit is one year, customers who pre-terminate their deposits before one year, will not receive any interest on the term deposits. Depositors are made aware of the applicable penal rate along with the deposit rate through the terms and conditions mentioned on the deposit booking form

Tax / Repatriability - FCNR Deposits are fully exempt from India Income Tax and Wealth Tax. Interest and principal amount invested is fully repatriable post maturity or before.

Joint Account Holding - Deposits can be held jointly only with bonafide Non Resident Indians and cannot have a resident Indian as a joint account holder.

2.2 Non-Resident Indian External Deposits (NRE Deposits)

Non Resident External Accounts are Rupee denominated accounts, which Non Resident Indians can open with authorized dealers in India. The principal amount and the interest earned thereon are fully repatriable at any point in time.

Features:

Currency - These deposits are maintained in Indian Rupees only.

Tenor - Deposits can be issued for a minimum period of one year and a maximum period of five years.

Deposit Size – The Bank has a minimum initial deposit amount requirement of US\$2000 or equivalent in order to open a deposit account.

Interest Rate Pricing - With effect from the close of business in India on November 15, 2008, interest rates on NRE deposits for one to three years should not exceed the LIBOR/SWAP rates plus 175 basis points, as on the last working day of the previous month, for US dollar of corresponding maturities. LIBOR/SWAP rates to be used by banks are displayed by FEDAI on their website.

Pre-termination Penalty - Deposits which are pre-terminated before the designated maturity date will attract a pre-term penalty. Depositors are made aware of the applicable penal rate along with the deposit rate through the terms and conditions mentioned on the deposit booking form. For conversion of the NRE deposit into RFC (Resident Foreign Currency) deposit, the Bank will not levy penalty if the deposit has run for 1 year. Conversion of NRE deposit into FCNR deposit before maturity is subject to penal interest rate.

Tax / Repatriability- NRE Deposits are fully exempt from India Income Tax and Wealth Tax. Interest and principal amount invested is fully repatriable.

Joint Account Holding - Deposits can be held jointly only with bonafide Non Resident Indians and cannot have a resident Indian as a joint account holder.

2.3 Non Resident Indian Ordinary Deposit (NRO Deposit):

Features:

Currency - Deposits are issued in Indian Rupees only.

Tenor - Deposits can be issued for a minimum period of seven days and a maximum period of five years.

Deposit Size – The Bank has a minimum initial deposit amount requirement of US\$2000 or equivalent in order to open a term deposit account.

Interest Rate Pricing - Banks in India are free to price the NRO deposits keeping in mind the general level of interest rates in the economy and the rate charged by competitor banks. Differential Rates are also applicable on NRO deposits for amount INR 15 lakhs and above. The domestic differential deposit rate policy is to be adhered to for the same.

Pre-termination Penalty – Deposits which are pre-terminated before the designated maturity date will attract a pre-term penalty.

Tax / Repatriability - NRO accounts attract tax deduction at source (TDS) on the Interest earned. Current TDS rates applicable are 30% plus Surcharge. Customers residing in specified countries will have the option of availing TDS at a lower rate on their NRO Deposits under the DTAA (Double Taxation Avoidance Agreement) subject to submission of documents as requested by the Bank.

The interest earned on NRO deposits, post TDS is repatriable. The principal amount was earlier strictly not repatriable. However as per the subsequent amendments to (Foreign Exchange Management Act) FEMA guidelines, NRO account funds can be repatriated up to a limit of USD 1,000,000 equivalent per annum, subject to document requirements.

- **Joint Account Holding** - Deposits can be held jointly with a resident Indian.

2.4 Resident Foreign Currency Accounts (RFC)

Non Resident Indians (NRI), who become Resident Indians (RI) upon their arrival in India, have the option of keeping money earned outside of India as a bonafide NRI, in foreign currency accounts in India. These accounts are known as Resident Foreign Currency Accounts.

RFC accounts offered by the Bank are maintained in USD and the minimum deposit amount requirement is US\$10,000. Funds received from the below sources are permitted to be credited into RFC accounts:

- Funds held in bank accounts outside India earned by the NRI while he/she was a bonafide NRI
- Balances in FCNR/NRE accounts
- Sale proceeds of eligible assets

The authorized dealers on the basis of prevailing market rates may decide the rate of interest payable on the funds held in RFC accounts.

2.5 Premature Withdrawal Process of a Term Deposit

Premature withdrawal of a Term deposit could result in penalty charges as per the details below. Penalty charges are communicated to all customers upfront in the form of information available on Citibank's website and on the deposit application forms.

- The current penal interest rate of 1% is charged, from the deposit rate (for equivalent tenor) that was prevalent at the time of booking of the Term deposit.

- For FCNR deposits there is no interest paid out if the deposit is held for less than one year.

2.6 Renewal Process of Deposits

All deposits unless specified at the time of booking, will be processed on auto-renewal. These deposits will be booked at the applicable rate as per the interest rates applicable at the time of renewal.

2.7 Interest Payment Process and TDS

Interest is calculated on a quarterly basis for NRE and NRO term deposits and semi-annually for FCNR (for tenors greater than 1 year) deposits.

The interest payments are rounded off to the nearest rupee/foreign currency.

The interest is calculated by the Bank in accordance with the formulae and conventions advised by IBA.

Deposits maturing on holidays will automatically mature the next working day and the customer will earn interest income for the additional day/days.

The bank issues a tax deduction certificate (TDS Certificate) for the amount of tax deducted at source on the interest.

For detailed information regarding various banking accounts and term deposits offered by the Bank, customers are requested to visit the Bank's website on www.citibank.co.in.