



## Terms & Conditions for Citibank Deposit Variants

### General Terms & Conditions

In the event of part withdrawal, a deposit shall break in units of Rs. 1,000.

On premature withdrawal, the system treats the original deposit as two deposits; one equal to the withdrawn amount, and the other equal to the remainder amount. The interest rate applicable on the withdrawn amount shall be either the original interest rate or the interest rate corresponding to the period for which the withdrawn amount has been maintained, whichever is lower, less penal rate of 1%. The interest rate applicable on the amount surviving in the deposit shall be the interest rate corresponding to the original period and the surviving amount.

For deposits by customers holding a domestic account with us, the number of days for interest calculation shall be 365 days (even in the case of a leap year).

Interest calculation for all deposits booked for a period greater than three (3) months shall be on a quarterly basis. For deposits booked for a period less than three months, interest shall be paid on the number of days for which the deposit was booked. In case of Monthly Simple Interest Deposits - the interest shall be paid out on a monthly basis at a discounted interest rate.

Interest on deposit shall be rounded off to the nearest rupee; i.e., fraction of 50 paise and above shall be rounded off to the next higher rupee and fraction of less than 50 paise shall be ignored.

TDS shall be applied on every interest applications wherever the total Interest applied Year Till Date is equal or greater than Rs. 10,000. For purposes of TDS the interest earned on all deposits cumulatively shall be considered.

TDS rate shall be as per the TDS rates applicable for various Account Categories as per the latest finance bill. Account Categories referred here is Individuals, HUF, Corporates, Partnerships, Trust, Societies, Sole Proprietorship, etc.

From customer's interest and benefit, PAN No. should be provided to the Bank for Deposits. Non availability of PAN shall lead to non-reporting of TDS to Income Tax and TDS benefit would not be provided by the Income tax authorities.

### Illustrations on Interest Calculations:

Assume a deposit for Rs. 10,000 booked for 91 days at 8% on 1st April 2007. The Interest credit on maturity will be Rs. 199 ( $10,000 \times 8\% \times 91 / 365$ ).

Assume a deposit for Rs. 10,000 booked for 6 months at 9% on 1st April 2007; deposit maturity date will be 1st October 2007. The Interest credit on maturity will be Rs. 456 ( $10,000 \times 9\% \times 91 / 365 + 10,224 \times 9\% \times 92 / 365$ ). This is for compounding interest. For simple interest, the interest credit to account will be Rs. 224 ( $10,000 \times 9\% \times 91 / 365$ ) on 1st July 2007 and Rs. 227 on maturity ( $10,000 \times 9\% \times 92 / 365$ ).



Principal (Post Interest Compounding)	Interest Application Date	Tenure	Interest	Interest Post Round-Off	Total Interest on Maturity
10,000	01-Jun-07	91.00	224.38	224	
10,224	01-Oct-07	92.00	231.93	232	456

Assume the above 6 months deposits are pre-closed on 1st September. The interest rate applicable will be the interest rate applicable for 153 days on the deposit booking date, which is 1st April 2007.

Assume interest rate of 7% (post 1% penalty) for 153 days on 1st April 2007. The interest credit on pre-closure will be Rs. 296 ( $10,000 \times 7\% \times 91 / 365 + 10,175 \times 7\% \times 62 / 365$ ). This is for compounding interest. For simple interest, the interest credit to account will be Rs. 224 ( $10,000 \times 9\% \times 91 / 365$ ) on 1st July 2007 and Rs. 70 on pre-closure date [ $(10,000 \times 7\% \times 91 / 365 + 10,000 \times 7\% \times 62 / 365) - 224$ ]

Principal (Post Interest Compounding)	Interest Application Date	Tenure	Interest	Interest Post Round-Off	Total Interest on Maturity
10,000	01-Jun-07	91.00	174.52	175	
10,175	01-Sep-07	62.00	120.98	121	296

In addition to the Terms and Conditions mentioned above, the Terms and Conditions specifically applicable to the variant requested for are outlined herein below.

### Multi Deposits

In the event the balance in a customer's banking account is not sufficient to meet the requirement of a debit instruction received by the bank, the Multi Deposits shall automatically be liquidated in units of Rs. 1,000. This is treated as a premature withdrawal and treated in the manner as a specified above. Penal Interest of 1% is applicable as specified above.

In case a customer has more than one Multi Deposits, the Multi Deposit that breaks automatically in case of insufficient funds in the linked banking account will be the one where interest loss to the customer is minimum as per the bank's policies.

The nominee on the Multi Deposits will be the same as that on the linked banking account. Multi Deposits can only be booked for an amount lesser than Rs. 15 lakhs.



### **Senior Citizens Deposits**

Senior Citizens Deposits for amounts lower than Rs. 15 lakhs will earn higher interest rate. Senior Citizens Deposits can only be opened on a linked Senior Citizens Savings Account.

### **Recurring Deposits**

The interest rate applicable shall be the rate prevailing as on the date of booking of the first installment. The said rate will apply for each installment during the tenure of the Recurring Deposits.

There will be no TDS applicable on the interest earned on a Recurring Deposits. Part-withdrawal is not allowed for a Recurring Deposits.

Tenure: The Tenure for a Recurring Deposit can range between 12 months to 24 months.  
Monthly Installment Amount: The Minimum Monthly Installment Amount in a Recurring Deposit is Rs. 1,000 per month and the maximum is Rs. 20,000 per month.

### **Tax Saver Deposits**

The maximum amount that can be booked in a Tax Saver Deposit in a financial year (1<sup>st</sup> April to 31<sup>st</sup> March) is Rs. 1 lakh.

The tenure of a Tax Saver Deposit will be 5 years. Part-withdrawal of a Tax Saver Deposit is not permissible. Pre-closure is permissible ONLY in the event of death of the primary account holder. No penal rate shall be charged for such withdrawal. The tax benefit under Section 80C shall be available only to the first holder of the deposit. The Tax Saver Deposits cannot be pledged to secure a loan or as security to any other asset.



1. Deposits maturing on a Sunday / bank holiday or where the interest payout date is a Sunday / bank holiday, the deposit will mature or the interest will be paid out, as the case maybe, on the next business day. Interest on these deposits will continue to accrue till the maturity / interest pay-out on the next business day.
2. All bank deposits are insured up to maximum of Rs. 1,00,000 (rupees one Lakh Only) subject to Terms & Conditions specified by DICGC. For more details, please log on to [www.dicgc.org.in](http://www.dicgc.org.in)

### **IMPORTANT INFORMATION FOR DEPOSITORS**

1. If you are tax resident in India and wish to avail non-deduction of tax at source from interest on fixed deposits subject to eligibility under Section 197A (IA) of the Income Tax Act, you can visit any of our nearest branch and submit declaration in Form 15G.

2. Senior Citizen customers (65 years and above), in order to avail Higher TDS exemption Limit can submit declaration in Form 15H, subject to eligibility under Section 197A (IC) of the Income Tax Act, for non-deduction of TDS from interest on term deposits.

3. Depositors are also requested to note that - a) A separate declaration in Form 15G/15H is required to be submitted at the start of each financial year if the interest income exceeds the prescribed limit during the financial year (presently it is Rs. 10,000/-) - b) If your interest income (paid or accrued) on fixed deposits exceeds maximum exemption limit\*, the TDS shall be deducted even if you have submitted Form 15G. Please also note that it is mandatory for the Bank to mention the Permanent Account Number (PAN) of the customer on the TDS certificate and in TDS returns filed by it. In order to avail proper credit for the TDS while filing your income tax returns, you are requested to contact your branch and provide your PAN details immediately.

In addition to the Terms and Conditions mentioned above, the Terms and Conditions specifically applicable to the variant requested for are applicable below.

Reverse

\*These exemption limits are as specified in the relevant provisions of the Income Tax Rules & Regulations. Please consult your tax advisor for more details.