

# Deposit Policy

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## PREAMBLE

This policy document outlines the key features of various deposit products (and related banking services) offered by the Bank. The document aims at providing of information on aspects related to acceptance of deposits, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts etc. It is expected that this document will impart greater transparency and create awareness among customers of their rights.

## SECTION 1 - ACCOUNT OPENING

The Bank will provide details of various types of bank accounts that can be opened and highlight the key features for each type of account. Customers can then decide on the type of account that they would like to hold with the bank, based on their requirements. The Bank is committed to providing basic banking services to all sections of society.

The Bank will, prior to opening an account, seek necessary documentation and information, as prescribed under the applicable laws/regulations (including "Know Your Customer" (KYC) / Anti-Money Laundering (AML) guidelines issued by Reserve Bank of India) and/or other policy norms of the Bank. This would also include securing the applicant's recent photograph and Permanent Account Number (PAN) / Form No. 60 or 61, as specified under the Income Tax Rules, 1962.

As part of due diligence, the Bank would verify the identity and address of the applicant and collect necessary information to ascertain the profile of the applicant, nature of business / occupation, source of income etc. Inability or unwillingness of the applicant to provide necessary information/details may result in decline of the account opening application by the bank.

The applicants can reach out to the branch or a Bank executive for any queries or clarification that they may have in relation to account opening.

The Bank reserves the right, at its sole discretion, to open the bank account upon receipt of an application, and at such terms, as the Bank may prescribe from time to time.

### 1.1 Types of Deposit Accounts

Deposit products can be broadly categorized into the following types:

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

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

(c) **Term deposits** mean deposits received by the bank for a fixed period and which are withdrawable only after the expiry of the said fixed period and shall also include deposits such as Recurring deposits.

Within these categories, there are specific accounts that can be opened, based on the requirements of the account holder.

#### (i) Minor accounts:

A minor can open a Savings account with the bank and the same can be operated by the natural guardian / legal guardian. Upon attaining majority, the account holder (erstwhile minor) should confirm the balance in his/her account and will need to submit specimen signature, identification documents and his/her latest photograph to commence operations of the account.

#### (ii) Accounts for persons with disabilities / illiterate persons / visually impaired person:

##### Accounts for illiterate persons:

The person can apply for a savings account and open a Term Deposit with the bank. The applicant will need to be accompanied along with a witness, who is known to the Bank. Prior to opening the bank account, the bank officials will explain in detail the terms and conditions governing the account to the applicant.

Normally, the account is not provided a cheque book facility. The account holder is required to visit the branch for withdrawals / repayment of term deposit and affix his/ her thumb impression/mark in the presence of a bank official.

##### Disabled persons who are unable to write:

Persons with disabilities and unable to write but capable of affixing thumb impression can open bank accounts. The procedures adopted for accounts of illiterate person will be followed for such persons.

### Blind/ Visually Impaired Person:

If the person is literate, the procedure for opening the account is similar to a normal account. However, if the person is illiterate, the process detailed above for opening of illiterate accounts will be applicable. In case the person is literate but is unable to sign and opts to operate the account with thumb impression, the procedures followed for accounts of illiterate person will apply. Prior to opening the bank account, the bank officials will explain in detail the terms and conditions governing the account to the applicant.

### Under-Guardian accounts for Disabled (adult) persons with autism, cerebral palsy, mental retardation and multiple disabilities:

Under Guardianship accounts may be opened and operated by legal guardians as appointed under the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 and Mental Health Act, 1987. In all such cases the Legal Guardianship Certificate issued either by the District Court under Mental Health Act or by the Local Level Committees under the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 must be provided by the guardian for opening and operating of the account.

## 1.2 Operation of Deposit Accounts

The deposit accounts can be opened by the account holder singly or jointly with any other eligible person.

**Joint Account** can be opened by more than one individual and can be operated either singly or jointly, as specified by the all the account holders. The operating rules in a joint account can be modified only with the consent of all account holders. The joint account holders can give any of the following mandates for operations of the account:

(i) Either or Survivor: This is applicable for accounts with 2 holders. The account can be operated by any one of the account holders during the lifetime of the account holders.

(ii) Anyone or Survivor/s: This is applicable for accounts with more than 2 account holders. The account can be operated by any one of the account holders during the lifetime of all the account holders.

(iii) Joint signatories: This is applicable for accounts with 2 or more account holders. The account can be operated by all the account holders during the lifetime of all the account holders.

(iv) For holding the account jointly with NRI, respective FEMA guidelines would apply. Customers are advised to contact the nearest Citibank branch for the same.

### **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 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/her behalf.

### **Basic Savings Bank Deposit Accounts (BSBDA) and Small Savings accounts**

The bank is committed to provide basic banking services to disadvantaged sections of the society. Banking services will be offered to them through Basic Savings Bank Deposit Accounts (BSBDA) and Small Savings accounts will be opened with relaxed customer acceptance norms as per regulatory guidelines

### **Nomination Facility for Deposit Accounts**

For individual customers, there is an option available of having a nominee on the account. Nomination facility is also available to sole proprietorship accounts. Nomination can be subsequently changed anytime by the account holder (s) after opening of the account, upon providing an instruction. For a Term Deposit, the nominee can be different from the nominee on the Savings and Sole Proprietorship Current account. The nominee on a "Multi-deposit" need to be the same as that on linked Savings / Sole Proprietorship Current account.

### **Minimum Balance / Service charges**

For deposit products of consumer bank like Savings Bank Account and Current Account, the Bank will normally stipulate minimum net relationship value to be maintained on a monthly basis. The same is communicated in the Schedule of Charges that are included as part of terms and conditions governing operation of such accounts. Failure to maintain a minimum net relationship value in the account will attract levy of service charges, as specified by the Bank from time to time.

Information on other charges, where applicable, for services rendered by the bank are provided in the Schedule of Charges that are included as part of terms and conditions governing operation of such accounts.

### Interest Rates and Calculation of Interest

The customer will be paid interest on his Savings balance once in 3 months (March, June, September and December) or as per prevailing regulation. There is no TDS for interest earned on savings account for persons resident in India.

### Account Statements

The Bank will provide a statement of account to Savings account as well as Current account customers on a monthly basis, without any charge. The statement of account will contain all the transactions that have been done on the account during that period. Based on customer's preference, the account statement can be sent as a physical statement or on email.

### Closure of Account

Accounts can be closed either based on written instruction from the customer or suo moto by the bank, where necessary, under the policy and procedures of the bank.

### Stop Payment Facility

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

### Safe Deposit Lockers

This facility is not offered through all the branches of the bank. The allotment of safe deposit vault, where offered, is 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 also give a 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, the bank may, at its discretion, release the contents of the locker to the legal heirs upon satisfaction that all possible heirs have joined in to provide the indemnity, and that no competing claims may be raised.

### Safeguarding Customer Interests – Customer Account Information

The Bank values the information provided by the customer at the time of opening the account and will not use this information for marketing products or services of 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, unless disclosure of information is under compulsion of law.

### Accounts for Transgender persons:

In case of a person claiming to be transgender and needs to open a banking relationship, the person will be recognized as "Third Gender" and the details shall be accepted in the Account Opening Forms/or other applicable forms as such. The salutation of such person shall be "Mx". All transgender customers shall be treated equally to other male/ female customers without any discrimination.

## SECTION 2 - TERM DEPOSITS FOR PERSONS RESIDENTS IN INDIA

The Term 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 2 crore.
- **Differential Rate deposits** are term deposits for amounts equal to or greater than INR 2 crore.

Customer has the option of selecting the following at the time of booking a term deposit:

- **Tenor:** starting from a minimum of 7 days.
- **Amount:** starting from INR 1,000 for customers under the Retail Banking division (Global Consumer Group – Individuals and small / medium entities) and INR 1 for customers under the Corporate Banking division (Institutional Clients Group – Large corporates / entities).
- **Interest:** (a) Quarterly Compounded Interest (b) Simple Interest with Quarterly Payout (c) Simple Interest with Monthly Payout (Available in Physical Deposit Booking Form only). In case of Simple Interest with Monthly Payout option, the interest shall be computed for a quarter and paid on monthly basis at discounted value. While a customer is booking a term deposit, an annualized yield is displayed for all tenors greater than 3 months.



#### Illustration on interest calculations:

##### Simple Interest with Quarterly Payout (Deposit Tenure 3 months)

• Assume a deposit for INR 10,000 booked for 91 days at 8% on 1st April 2007, the interest credit on maturity will be INR 199 ( $10,000 \times 8\% \times 91/365$ )

##### Quarterly Compounded Interest and Simple Interest with Quarterly Payout (Deposit Tenure 6 months)

• Assume a deposit for INR 10,000 booked for 6 months at 9% on 1st April, 2007 deposits maturity date will be 1st October, 2007 the interest credit on maturity will be INR 456 ( $10,000 \times 9\% \times 91/365 + 10224 \times 9\% \times 92/365$ ) this is the compounding interest, for simple interest credit to account will be INR 224 ( $10,000 \times 91/365$ ) on 1st July, 2007 and INR 227 on maturity ( $10,000 \times 9\% \times 92/365$ )

- **Maturity:** Automatic Renewal (auto-renewal) / Credit to linked account.

- **Advance against deposit / Overdraft:** The term deposit customers can avail an overdraft line up to 90% of the deposit value.

This is offered to all deposit account customers of consumer bank. The deposit statement is sent along with the account statement to all customers.

#### 2.1 Term Deposit Products offered by the Retail Banking Division (Global Consumer Group—Individuals and small/medium entities)

##### Fixed Deposits

This is a single deposit booked for a specified tenor and amount and is linked to a Savings/Current account of the customer. The customer also has an option to part-withdraw from the deposit. All “Differential Deposits” are booked as Fixed Deposits.

##### Senior Citizen Deposits

This is offered to individual customers who are of age 60 years and above (“senior citizens”). The customer will be eligible for additional interest of 50 basis points over the interest rate applicable for deposits less than INR 2 crore (i.e. “Rack rate”). The additional rate is not applicable for “Differential Deposits”. TDS will not be deducted on these deposits if the account holder has submitted Form 15H, subject to applicable tax exemption limits and PAN having been provided to the Bank. In case of a Term deposit which is standing in the name of an 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 as multi-deposits and not offered as tax saver or recurring deposits.

##### Tax Saver Deposit

Under the Finance Act of 2006, term deposits up to INR 150,000 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 of these deposits, the funds will flow into the linked account. The deposit can be prematurely closed only in the event of death of the customer.

##### 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.

##### 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. Differential Deposits cannot be booked as multi-deposits.

##### Resident Foreign Currency Accounts (RFC)

As provided under Para 4(B) of Foreign Exchange Management (Foreign currency accounts by a person resident in India) Regulations, 2015 (as amended), persons who qualify to be Resident Indians upon their return to India under the FEMA regulations, have an option to retain the money earned outside of India (*as an NRI*), in foreign currency accounts in India. These accounts are known as Resident Foreign Currency Accounts. The RFC accounts offered by the Bank are in the nature of term deposits, maintained in USD. The maximum tenor for such deposits is 1 year and the minimum tenor is 1 month. The minimum amount for initial RFC deposit is USD 10,000.

##### International Account (RFC-D ACCOUNTS)

The resident foreign currency (domestic) account as per regulation 4(C) of FEMA 10 (R) dated January 21, 2016 as amended allows resident Indians to open and operate foreign currency accounts (known as Resident Foreign Currency Domestic Account) out of foreign exchange acquired in the form of currency notes, bank notes and travelers’ cheques from sources specified in the above regulation.

Debits to the account shall be for payments towards a current account transaction in accordance with the provisions of the Foreign Exchange Management (Current Account Transactions) Rules, 2000 and towards a capital account transaction permissible under the Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000.

The account shall be maintained in the form of Current Account and shall not bear any interest.

There shall be no ceiling on the balances in the account.

The account can be opened by resident Individuals who are existing Citibank customers. In case a New to bank customer wishes to open an International account then that customer would need to open a regular LCY (Local Currency) savings account in addition to the FCY (Foreign Currency) account.

### **FCY Accounts of Diplomats**

Additionally, as per FEMA guidelines, diplomatic missions, diplomatic personnel and non-diplomatic staff, who are the nationals of the concerned foreign countries and hold official passport of foreign embassies in India can open accounts maintained in foreign currency subject to various conditions (prescribed under regulation 4 (3) of FEMA – 5 (R) dated April 1, 2016) & subsequent amendments) with regard to credits that can be allowed in the account. No cheque book and ATM card will be issued to such customers.

### **Regulatory framework**

As per the Foreign Exchange Management (Deposit) Regulations, 2016 (- *FEMA 5(R) /2016-RB, dated 1-4-2016 as amended*) foreign currency accounts can be held by diplomats subject to conditions specified in the regulations.

No cheque books/ ATM cards are issued on such accounts.

### **Restrictions:**

The Resident Foreign Currency Account is currently not offered to US Persons by Citibank NA, India.

## **2.2 Term Deposit Products Offered by the Institutional Clients Group - Large corporates / entities.**

### **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.

Fixed Deposit Booking without a current account is also offered to large multi-national clients. This is a restricted product offering and will require prior Product Head approval.

The rate of booking is as per the deposit rate grid circulated on a daily basis.

### **Overnight Mumbai Inter Bank Offer Rate (MIBOR) linked deposits:**

These are deposits booked with the benchmark linked to a floating rate (i.e.) overnight MIBOR. The interest rate would be reset daily given the benchmark is overnight MIBOR.

### **Fixed rate Power Deposit:**

These are deposits booked at end of business day in pre-specified multiples for pre-specified number of days based on a Standing Instruction provided by the customer. The rates are as per the deposit grid circulated daily.

### **Overnight Mumbai Inter Bank Offer Rate (MIBOR) linked Power Deposit:**

These are similar to power deposits. The deposit rate is linked to the Overnight MIBOR. The rates are as per the deposit grid circulated daily.

For Institutional and Citi Commercial Banking clients, deposits should be booked as per applicable grid for the aggregate amount of deposit. Bank reserves the right to cancel the deposits without any interest, if found to be in non-compliance of the applicable grid for the deposit size.

## **2.3 Interest Rates Applicable for Deposits held by persons resident in India (“Domestic Deposits”)**

### **Rack Deposit Rates**

Rack rates will be available at all 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, Recurring Deposits and savings account only.

In a situation where the customer is eligible under both criteria viz senior citizen, as well as staff rates, the staff rate is applicable.

### **Differential Deposit Rates (DDR)**

An interest rate schedule will be fixed on a daily basis for amounts from INR 2 crore up to 100 crores.

The interest rate schedule for deposit amounts up to INR 10 crores will be available at all Citibank, N.A branches and on the Citibank India website.

The interest rate schedule for deposit amounts greater than INR 10 crores and up to INR 100 crores will be displayed and available at all Citibank, N.A. branches.

These would include rates for overnight MIBOR based floating rate deposits.

Differential Deposit Rates will be offered for a selected tenor and amount range. In case the customer wishes to renew a Differential Deposit, rates applicable at that point in time will apply, depending on the tenor of the deposit.

### **Interest Payment Process**

Term deposit interest rates are decided by the bank within the general guidelines issued by the Reserve Bank of India from time to time. In terms of RBI directives Interest is calculated at quarterly intervals on term deposits and paid at the rate decided by the bank depending upon the period of deposits. Interest on deposits repayable for less than 3 months or where the terminal quarter is incomplete, interest shall be paid proportionately for the actual number of days reckoning the year at 365 days. In case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at discounted value.

The rate of interest on deposits will be prominently displayed in the branch premises. Changes, if any, with regard to deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed.

### **2.4 Tax Considerations**

- 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 in the Income Tax Act.
- The bank issues a tax deduction certificate (TDS Certificate) for the amount of tax deducted. The customer, if entitled to exemption from TDS can submit declaration in the prescribed format i.e. Form 15G / H.
- For deposits matured during a particular month, the TDS payment to the government happens as per Rule 30 of the Income Tax Rules, 1962 which prescribes time and mode of payment to Government account of tax deducted at source (TDS) For deposits outstanding as of the end of the year, TDS on interest accrued for the financial year is paid out as per Rule 30 of the Income Tax Rules, 1962.
- In accordance with Income Tax guidelines, 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.
- In case of premature withdrawals, any tax already deducted on interest will not be refunded by the bank.

### **2.5 Pre-Termination Penalty**

Premature withdrawal of a Term deposit will result in pre-termination penalty. Pre-term penalty is communicated to all customers upfront in the form of information available at all branches, on the Bank's website and on the deposit booking form (for consumer bank customers)/ fixed deposit advice/ Standing instruction form (for corporate bank customers).

For premature liquidation of the deposit (prior to the provisional date of maturity mentioned), the procedure of calculating the interest payable is as follows:

- Where the actual interest for the period for which the deposit runs is higher than the contracted rate the penalty will be 1% plus the difference between the contracted rate and the interest for the tenor for which the deposit actually remained on the bank books.
- In all other cases 1%.

**Example 1: Where the actual interest for the period for which the deposit runs is higher than the contracted rate**

If an individual books a FD for a tenure of 1 year offering compounded interest @ 6.5%. But on account of some reason, breaks the FD after 7 months, then in this case interest would be offered @ applicable for a tenure of 7 months (at the time of booking the deposit). If the interest rate for 7 months FD was 7%, then he will get 7% - 1.5% (1% penalty + 0.5% difference between contracted rate and interest rate for the tenor for which the deposit actually remained with the bank) which is equal to 5.5% interest for the period of the fixed deposit.

**Example 2: In all other cases 1%**

If an individual books a FD for a tenure of 1 year offering compounded interest @ 6.5%. But on account of some reason, breaks the FD after 7 months, then in this case interest would be offered @ applicable for a tenure of 7 months. If the interest rate for 7 months FD was 6%, then he will get 6% - 1% (Penalty) which is equal to 5% interest for the period of the fixed deposit.

For resident and Non-resident customers, No pre-term penalty is levied to customer for breaking the existing deposit and re-booking for same or higher tenor.

**SECTION 3 DEPOSITS ACCOUNTS FOR NON-RESIDENT INDIANS / PERSONS OF INDIAN ORIGIN**

NRIs/PIOs can open the following types of Rupee Checking Accounts (savings / current) to meet their financial obligations in India:

1. Non Resident External (NRE) account
2. Non Resident Ordinary (NRO) account

Further, NRIs/PIOs can also maintain Term Deposits with the bank, either in Indian Rupee (NRE/NRO) or in Foreign Currency (FCNR (B)).

The transactions in these accounts are required to be conducted by the NRI/PIO in accordance with the Foreign Exchange Management Act, 1999 and the RBI guidelines issued in this regard.

**Key Features – Term Deposits**

| Key features         | FCNR Deposit  | NRE Term Deposit   | NRO Term Deposit   |
|----------------------|---|--|--|
| Available currencies | Currently offered to customers in British Pound, Euro, Japanese Yen, Australian Dollar, Canadian Dollar and United States Dollar.<br><br>Deposit of funds in the account may be accepted in such permissible currencies as may be designated by the Reserve Bank from time to time. | Indian Rupee   | Indian Rupee   |
| Investment term      | From 1 to 5 Years   | From 1 to 5 Years  | From 7 days to 5 years   |
| Interest rate        | Fixed<br><br>The rate of interest on funds held in these deposit accounts will be in accordance with the directives issued by the Reserve Bank from time to time.   | Fixed<br><br>Customers have an option to choose simple or compound interest. | Fixed<br><br>Customers have an option to choose simple or compound interest. |



| Key features        | FCNR Deposit  | NRE Term Deposit  | NRO Term Deposit  |
|---------------------|---|---|---|
| Payment of interest | Interest on balances held in these accounts may be paid half-yearly. For one year deposits, the interest is paid out on a Simple Interest Basis | Accrues monthly. Compound interest is compounded every 90 days and paid on maturity. Simple interest paid quarterly.  | Accrues monthly. Compound interest is compounded every 90 days and paid on maturity. Simple interest paid quarterly.  |
| Reinvestment        | Automatic in accordance with the terms and conditions unless instructed otherwise.  | Automatic in accordance with the terms and conditions unless instructed otherwise.  | Automatic in accordance with the terms and conditions unless instructed otherwise.  |
| Joint Holding       | Only with Non Resident Indians  | Only with Non Resident Indians  | Only with Non Resident Indians  |
| Deposits            | From outside India.<br>From within India – only from an FCNR (B)/NRE account.   | From outside India<br>From within India <ul style="list-style-type: none"> <li>• Only from an FCNR/NRE account.</li> <li>• Current Income subject to submission of requisite documentation</li> </ul> | From outside India.<br>From within India: <ul style="list-style-type: none"> <li>• From FCNR/ NRE or NRO account</li> <li>• From Indian income sources</li> </ul> |
| Taxability in India | Interest exempt under the Income Tax Act applicable in India  | Interest exempt under the Income Tax Act applicable in India  | Interest taxed in accordance with the Income Tax Act applicable in India.   |

### 3.1 Pre-Termination Withdrawal

FCNR (B) Deposit - 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.

NRE Deposits - Deposits which are pre-terminated before the designated maturity date will attract a pre-term penalty, as stated in the terms and conditions mentioned on the deposit booking form. Conversion of NRE term deposit into FCNR (B) term deposit before maturity is subject to penal interest rate.

Upon change of residential status of the customer to a person resident in India, if the customer intends to convert the NRE deposit into RFC (Resident Foreign Currency) deposit, no penalty will be levied for premature withdrawal of NRE deposits.

NRO Deposits - Deposits which are pre-terminated before the designated maturity date will attract a pre-term penalty, as stated in the terms and conditions mentioned on the deposit booking form.

### 3.2 Tax Considerations

Interest earned on balances in NRO savings / term deposits accounts attract Tax Deduction at source (TDS). Current TDS rates applicable are 30% plus Surcharge.

Customers residing in specified countries will have the option of availing TDS at a lower rate under the DTAA (Double Taxation Avoidance Agreement). The customers need to submit a Tax Residency Certificate (TRC), issued by the respective overseas authorities along with Form 10F as prescribed under the Income Tax Rules.

### 3.3 Repatriability of balances in NRO accounts

Repatriation of NRO funds need to be in adherence to the guidelines of the Reserve Bank of India and balances in NRO accounts up to an amount of USD 1 million equivalent per financial year can be repatriated. The customer will need to provide documentary evidence on the source of funds of the account along with other prescribed documentation, to undertake the repatriation from the NRO account.

## SECTION 4: PREMATURE WITHDRAWAL AND RENEWAL PROCESS FOR TERM DEPOSITS

### For accounts with signature rule as 'either or survivor'

Premature withdrawals of term and multi deposits shall be effected by the Bank on receipt of customer instruction signed by:

- Any of the account holders, where a onetime consent is received from all holders that the premature instruction can be provided by any of the account holder.
- All the account holders, if no consent as mentioned above is provided to the Bank.

### Renewal Process of Deposits

Deposits will not be auto renewed upon maturity, unless instructed by the customer prior to maturity of the deposit. Deposits that are maturing on holidays will automatically be matured on the next working day and the interest for the additional day/days will be provided to the customer at the originally contracted rate of interest.

Auto renewal of the term deposit can only be for the same duration as the original deposit. The interest rate applicable at the time of renewing the deposit will be as per the interest rates applicable at the time of renewal.

Tax saver deposits cannot be auto renewed.

## SECTION 5: TREATMENT OF INOPERATIVE/UNCLAIMED DEPOSITS/ACCOUNTS

### Dormant Accounts

Accounts which are not operated for over two years are marked as dormant / inoperative account status to protect the interest of the depositor. The bank has a process to remind the customers to operate the account at 12, 21 and 24 months of inactivity. The depositor can request the Bank to activate the account for operating it by submitting a request and documents as required by the Bank. Customers must use the account once in 12 months in absence of which transactions may be declined by the bank. If the Account is categorized as Dormant, then in such case the Customer shall be allowed to carry out transactions on the Account only through Citibank branches and no internet banking and ATM transactions shall be permitted on such an Account. No charges shall accrue for activating an Inactive/Dormant Account.

### Unclaimed Deposits/Accounts

Under the applicable regulatory guidelines, Bank will display the list of unclaimed deposits/inoperative accounts which are inactive / inoperative for ten years or more on the Bank's website. The list so displayed on the website will contain only the names of the account holder(s) and his/her address in respect of unclaimed deposits/inoperative accounts. The process to activate the account is updated on Bank's website.

The grievance handling policy is updated on the website and queries or complaints on inoperative/unclaimed deposit/accounts are also subject to the same procedure.

## SECTION 6: SETTLEMENT OF TERM DEPOSIT IN THE CASE OF DECEASED CUSTOMER

Details of procedures applicable for settlement of account of deceased persons are approved in the Deceased Depositors Policy of the bank available on the bank's website.

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.com/india](http://www.citibank.com/india)

## SECTION 7: 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, if requested. For more details, customers may log on to [www.dicgc.org.in](http://www.dicgc.org.in).

