

## RBS plc Deposit Policy

**RBS is in the process of simplification of banking operations in India. Products and services are being curtailed in a phased manner. To know more on the specific dates for curtailment of services, [click here](#)**

### PREFACE

This policy document on deposits outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. 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 the individual customers and create awareness among customers of their rights. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

While adopting this policy, the Bank reiterates its commitments to individual customers outlined in Banking Codes and Standard's Board Of India (BCSBI) This document is a broad framework under which the rights of common depositors are recognized. Detailed operational instructions on various deposit schemes and related services will be issued from time to time.

### 1. TYPES OF DEPOSIT ACCOUNTS

While various deposit products offered by the Bank are assigned different names. The deposit products can be categorized broadly into the following types. Definition of major deposits schemes are as under: -

i) **"Savings Deposits"** means an interest bearing demand deposit which is subject to restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the Bank during any specified period, and is meant to be used only for personal banking requirements of individual customers and for specified entity types as permitted by RBI. Interest rate on such accounts is decided by the Bank from time to time. Now, Banks have been given the flexibility in setting up the rates.

ii) **"Term Deposit"** means a deposit received by the Bank for a fixed period which can be withdrawn only after the expiry of the fixed period or else a premature withdrawal penalty is applied. These include deposits such as Simple term Deposit, Reinvestment term deposits, Easy Draw (unitized term deposits, etc. The term deposits can be unitized ( term deposit is made in multiples of Re.1 and can be part broken as and when required) or non unitized ( term deposit is made for the cumulative value and can be liquidated in full as and when required, part breakage of non unitized term deposit is not possible) . "Bulk Deposit" means single Rupee term deposits of 1 Crore and above. Interest rate on term deposits is decided by the Bank from time to time.

iii) **"Current Account"** means a form of non-interest bearing demand deposit wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and will also include other deposit accounts which are neither Savings Deposit nor Term Deposit. These accounts are typically maintained for business purposes.

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

### **1.1 Minor Accounts**

i) The minor can open Savings Bank / Term Deposit Account in their name and the same can be operated by the natural guardian.

ii) On attaining majority, the Bank sends a letter to intimate the minor client to provide KYC documents as prescribed in the KYC norms of the Bank. The account of the minor turned major, is placed under freeze. Fresh specimen signature of erstwhile minor duly verified with the necessary documents as prescribed in the KYC norms would be obtained and kept on record for all operational purposes. Once the above documents of the erstwhile minor are obtained, the account gets converted to a regular account.

### **1.2 Account of Illiterate / Visually Impaired Person**

i) The Bank shall open deposit accounts other than Current Accounts of illiterate persons as per existing RBI guidelines. The account of such person may be opened 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 Savings Bank Account.

ii) 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 and safe keeping of the passbook etc. given to the account holder. The Bank official shall explain the terms and conditions governing the account to the illiterate / blind person.

### **1.3 Accounts of Non Resident Indians / Person Of Indian Origin**

NRIs / PIOs can open the various types of accounts to meet their financial obligations in India. 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. For more details, refer to Section 5 of the policy.

## **2. ACCOUNT OPENING GUIDELINES**

A) Savings Bank Accounts can be opened for eligible person(s) and certain organizations /agencies (as advised by Reserve Bank of India (RBI) from time to time). Current Accounts can be opened by individuals / Partnership Firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, etc. Term Deposits Accounts can be opened by Individuals / Partnership Firms / Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts, etc.

B) Customers specified above could be Indian Resident, Non Resident, PIO or Foreigners with certain restrictions on accounts that can be held and transactions that are permissible by regulations for a few of these categories. Accounts can be opened in INR or Foreign currency as per the stipulated RBI guideline for various account types.

C) The due diligence and client acceptance process including Know Your Customer (KYC) process, while opening a deposit account 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 color photograph as well. These requirements may change from time to time, depending on the Bank's internal guidelines and also on the regulator's directives. Such (KYC) information and supporting documents are required by the Bank on a periodic basis as well following the extant internal and local regulatory guidelines, which may change from time to time. Failure to submit such information or documents as applicable may result in certain restrictions being placed on the said client's account and in certain conditions, closure of account.

D) In addition to the due diligence requirement under KYC norms, the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively, a declaration in Form 60 as specified under the Income Tax Act / Rules. Form 60 is obtained for each account or in cases of renewals of a term deposit if originally made without a PAN.

E) The Bank will, prior to opening an account carry out due diligence as required under "Know Your Customer" (KYC) Guidelines issued by RBI and or such other norms or procedures adopted by the Bank including its internal policies. The Bank follows internal and applicable regulatory guidelines which permits the Bank to not accept accounts of clients in certain lines of business, and geography.

F) The account opening forms and other product education related material such as Terms & Conditions, Schedule of Benefits, etc. would be provided to the prospective depositor by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and or for record, it is expected of the Bank official opening the account, to explain the procedural formalities and provide necessary clarifications sought by the prospective depositor when he/she approaches the Bank for opening a deposit account.

G) For deposit products like Savings Bank Account and Current Deposit Account, the Bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Such balance requirements could vary between different variants of such deposits, which come with different set of services and offerings. Failure to maintain minimum balance (or in certain saving account variants, failure to meet other conditions such as effecting certain nature of transactions) in the account will attract levy of charges as specified by the Bank from time to time. For Saving Bank Account, the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for a given period. The penal charges, however, will not be applicable on Dormant Account (accounts with no customer induced transaction for > 2 years). The Bank also stipulates a minimum initial amount for creation of a Term Deposit and a minimum tenor of 7 days for non-unitized & unitized deposits.

H) The Bank offers 'Basic Savings Bank Deposit Account' (BSBDA) as prescribed by RBI. It is an account with 'nil' balance requirement and is subject to RBI instructions and internal guidelines on Know Your Customer (KYC) / Anti-Money Laundering (AML) for opening of bank accounts issued from time to time. It is a normal banking service available to all. The services available in the account will include deposit and withdrawal of cash at bank branch as well as ATMs, receipt/credit of money through electronic payment channels or by means of deposit/collection of cheques drawn by Central/State Government agencies and departments what about other cheques. If such account is opened on the basis of simplified KYC norms, the account would additionally be treated as a 'Small Savings Account' and would be subject to conditions stipulated for such accounts.

I) Deposit accounts can be opened by an individual in his own name (status: known as account in single name) or by more than one individual in their own names (status: known as Joint Account). Power of Attorney holders can also be appointed to operate accounts however the POA holder cannot open or close an account on behalf of the account holder. Guardian's consent and documentation is required to open minors' accounts.

J) Resident Deposit account holders can add Non Resident close relatives as joint holders in their resident savings bank account on "former or survivor" basis. However, such non-resident Indian close relatives will not be eligible to operate the account during the life time of the resident account holder. Such holder combination accounts have several other restrictions and requirements, which can be known from any Bank branch.

K) The Bank may issue changes / modification / alterations / additions/ deletions to all / any of the Terms & Conditions at any time. Normally, changes will be made with prospective effect giving notice of one month. If the Bank makes any change without notice, it will notify the change within 30 days. If such change is to the disadvantage of the account holder, he/she may within 60 days of the notice, close the

account citing such reason or switch to any other eligible account without having to pay revised charge or interest. If the Account holder continues to maintain the account with the Bank, the same indicates agreement and acceptance of such a change by the Account holder.

L) If the Bank increases any fee or charge or introduce a new fee or charge, it will be notified through the usual modes of communicating notices which may be one or combination of the following: statements of accounts / e-mail / SMS / website/ notice board at branches or any other mode of communication, one month prior to the revised charges becoming effective.

M) If the Deposit account holder is not happy about the choice of current / savings account, he /she may, within 14 days of making the first payment into the account, approach the Bank to switch to another account type available with the Bank. Alternatively, he / she may seek refund of the amount which will be given back with any interest it may have earned. Bank will ignore any notice period and any extra charges applicable on the same.

### **3. OPERATION OF DEPOSIT ACCOUNTS**

Accounts can be opened by an individual or by more than one individual. Accounts opened with at least two holders are called Joint accounts. The Joint Account can be operated by single individual or by more than one individual jointly as per customers' instructions. The mandate for operating the account can be modified any time later with a written consent of all account holders, preferably signed in front of a Bank employee.

#### **3.1 ACCOUNT OPERATING MANDATES**

**i) Singly:** The account is opened and operated by one individual. In the unfortunate event of the death of the account holder, the proceeds shall be paid to the nominee or the legal representative of the deceased person. Can be for joint account also

**ii) Either or Survivor:** The account is held by two individuals say, A & B. The account can be operated by A or B individually during the normal course of business (excluding term deposits – for which refer to subsequent sections of this note). In the unfortunate event of the death of a holder, the right to operate the account vests with the surviving account holder after submission of necessary documents such as death certificates. The final balance along with interest, if applicable, will be paid to survivor on death of anyone of the account holders.

**iii) Anyone or Survivor/s:** The account is held by more than two individuals say, A, B and C. The account can be operated by anyone of A or B or C singly during the normal course of business (excluding term deposits – for which refer to subsequent sections of this note). In the unfortunate event of the death of a holder, the right to operate the account vests with the surviving account holders jointly, after submission of necessary documents such as death certificates. The final balance along with interest, if applicable, will be paid to survivor /s on death of any of the account holders.

**iv) Former or Survivor:** The account is held by two individuals say, A & B. It is operated only by the first account holder and during the first holder's lifetime, the second holder can not operate the account (except for depositing instruments/remittances in the second holder's name). In case of the death of the first account holder, the joint holder will be allowed operation of the account singly. The final balance along with interest, if applicable, will be paid to survivor on death of the first account holder.

**iv) Latter or Survivor:** The account is held by two individuals say, A & B. It is operated only by the second account holder and during the second holder's lifetime, the first holder can not operate the account (except for depositing instruments/remittances in the first holder's name). In case of the death of the second account holder, the first holder will be allowed operation of the account singly. The final balance along with interest, if applicable, will be paid to survivor on death of the first account holder.

**v) Jointly:** Account is held by two or more individuals say, A & B or A, B & C. It is operated jointly by both (or all in case of more than two) account holders. In case of the death of the any account holder, the survivor holder(s) will not be allowed operation of the account. The final balance along with interest, if applicable, will be paid to survivor and the legal heir of the deceased account holder on death of an account holder.

### 3.2 ACCOUNT OPERATING GUIDELINES

**A) Power of Attorney:** At the request of the depositor, the Bank will register Mandate / Power of Attorney given by him/her authorizing another person to operate the account on his behalf. The Mandate / Power of Attorney holder can only operate the account but cannot change operating instructions, add / delete holders or close the account on behalf of the account holder.

**B) Nomination facility** is available on all deposit accounts opened by the individuals and sole proprietary concerns. Nomination is done at an account level therefore a client may have some accounts / term deposits with a nominee registered however that nomination will not be applicable to other term deposits or any other deposit product. Nomination can be made in favour of one individual only who could also be a minor. The Account holder may advise the Bank to print the name of the nominee on the statement / passbook / Term Deposit Advice. Nomination so made can be cancelled or changed by the account holder/s any time at the written request of all the account holders. While making nomination, cancellation or change thereof, it is required to be witnessed by two people only in cases where the customer has placed a thumb impression. Bank recommends that all depositors avail nomination facility. Nomination will come into effect only when all the account holders have deceased. The nominee, in the event of death of the depositor/s, would receive the balance outstanding in the account as a trustee of legal heirs.

In the event of death of the depositor/s of an account where nomination is not registered, the death claims will be handled as per the Deceased Depositor's Claim Policy. The depositor will be informed of the advantages of the nomination facility while opening a deposit account.

**C) Statement of Account** is provided by the Bank to account Holders who opt for the statements at a specified frequency and as per terms and conditions of opening of the account. Alternatively, the Bank, at the request may issue a Pass Book to these account holders. The Bank, in its endeavor to contribute towards environment, issues e-statement to all the savings account holders who have registered e-mail address with the Bank, on a monthly basis and provides annual paper statement unless the customer instructs for physical statement at the stated frequency as per terms and conditions of the account.

**D) Transfer of Account:** The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor without asking for any additional address proofs (if the address remains the same) or charges.

**E) Addition / Deletion of joint Account Holder:** The bank, at the request of all the account holders allows 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. New holders being added shall be required to complete all necessary KYC and other documentation akin to a new account being opened. Addition / Deletion of first holder of an account is not permitted.

**F) Channels Available:** The deposit account holder can access his account through the Bank branch, Bank by Phone, ATM, NetBanking, Doorstep Banking and Mobile Banking. Each channel has their respective terms and conditions governing the operation of the deposit account through the channel. Different accounts have different channels available to them.

**G) Stop Payment Facility:** The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them but not presented in clearing. Charges, as specified, will be recovered from the Account holder.

**H) ATM / Debit Card Hotlisting:** The bank will accept ATM / Debit card hotlisting instructions from customers through 24\*7 BBP, NetBanking, Mobile Banking/ Email from registered mail id and at the Bank Branch during customer hours.

**I) Standing Instructions:** Standing instructions can be given to the Bank for transfer/remittance of funds from one account to other account(s) maintained in the same branch, or any other branch of the bank.

**J) Direct Debit:** The Bank offers Electronic Clearing Service (ECS) facility for effecting periodic payments by "direct debit" to the customer's account. This facility is mainly used for payment of utility bills/EMI of loans/ Insurance Premium / Investment in Mutual Funds, etc. Details of ECS facility are available at all the branches.

**K) Cheque Book:** The deposit account holder can place a request for a new cheque book by calling our bank by phone services or by giving a request at branch. All unused cheques should be returned by the account holder at the time of account closure. No fresh cheque book would be issued in the event of dishonor of a cheque valuing rupees one crore and above on four or more occasions during the financial year for want of sufficient funds in the account. The bank reserves the right to close an account from which such cheques have been issued and returned.

### 3.3 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.

### 3.4 INTEREST PAYMENT PROCESS AND TDS

i) Interest is paid on saving account as per prevalent Reserve Bank of India guidelines and the Bank's policy – with the final rate being decided by the Bank. Similarly, term deposit interest rates are decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time.

ii) **Interest Payment Process and TDS** - The interest earned on all rupee savings accounts is calculated at 4% per annum on the daily closing balance maintained in the account for the calendar month. Interest is paid out on a quarterly basis.

iii) In terms of Reserve Bank of India directives, interest shall be calculated at quarterly intervals on term deposits and paid at the rate decided by the Bank depending upon the period of deposits. The interest on term deposits is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association.

iv) The rate of interest on deposits is prominently displayed in the branch premises and is also stated on a Term Deposit advice issued to a customer. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed. The Bank can offer differential rates of interest for deposits categorized as bulk deposits as defined by Reserve Bank of India from time to time. Such deposits will be non unitized and cannot be broken partially.

v) The Bank has statutory obligation to deduct tax at source if the total interest paid / payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act from time to time. The Bank issues a tax deduction certificate (TDS Certificate) for the amount of tax deducted as per information received from NSDL only for clients who have submitted their PAN. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format at the beginning of every financial year separately for each term deposit.

vi) The Bank issues a tax deduction certificate (TDS Certificate) for the amount of tax deducted on a quarterly basis. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format (Form 15G/H).

vii) From a customer's interest and benefit standpoint, Income Tax Permanent Account Number (PAN) should be provided by the customer to the Bank for deposits. Non availability of PAN shall lead to non-reporting of TDS to Income Tax (IT) authorities and TDS benefits (credit) would not be provided by the Income Tax authorities. With effect from 1st April, 2010, 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.

## 4. TERM DEPOSITS

**"Term Deposit"** means a deposit received by the Bank for a fixed amount and tenor.

1. Customer has the option of selecting the amount, tenor, interest payment instructions, and maturity instructions at the time of booking a term deposit.
2. Term Deposits can be booked on simple interest or compound interest. The interest instruction cannot be changed during the tenure of the Term Deposit.
3. 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. Choosing one of these two options is a must so that the Bank minimizes chances of any possible interest loss to customers.
4. In line with the wind down of RBS plc India branch and with effect from 11th April 2017, the bank will stop accepting fresh or renewal of existing Domestic Rupee term Deposits with tenor more than 3 months. Consequently all term deposits with auto renewal instructions, period of such renewals shall be capped to a maximum tenor of 3 months until further notice. In line with the above change, any standing instructions or requests for tenors exceeding 3 months will be capped at 3 month tenor only.
5. The facility of premature withdrawal of term deposits is available on all deposits less than fifteen lacs or such other amount as may be stipulated by RBI from time to time. For deposits greater than fifteen lacs, Bank may offer the Customer to choose term deposits without the facility of premature withdrawal at the time of accepting such deposits.
6. The joint depositors of term deposits with "Either or Survivor" or "Former or Survivor" or "Latter or Survivor" mandates may allow premature withdrawal of their deposits by one of the joint depositors on the death of the other, upon providing a specific joint mandate to the Bank from all the depositors for the said purpose while booking the term deposit. This is an optional facility which, if not availed by the depositors at the time of the term deposit booking, will require both the depositors to sign an instruction related to premature withdrawal of the term deposit.

### 4.1 PREMATURE WITHDRAWAL OF TERM DEPOSIT

The Bank on request from the depositor, at its discretion, may allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. The Bank shall declare their penal interest rates for premature withdrawal of term deposit. Premature withdrawal penalty is currently waived for all term deposits, where premature withdrawals are permissible, for all tenors.

When a term deposit is withdrawn prematurely –

- Interest is paid for the number of days the deposit was held with the Bank.
- Rate of interest will be the rate applicable for the duration the deposit was held with the Bank (number of days) applicable on the date the term deposit was booked. Illustration: A term deposit was booked on 1<sup>st</sup> August 2013 for 1 year at 8% rate of interest. The rate of interest on that date for a 6 – 9 month deposit was 7%. When the customer requests for withdrawing the term deposit on 1<sup>st</sup> March 2014, i.e. after 7 months, the rate of interest applicable will be 7%.
- Penal interest will be applied on 7 % rate of interest as described above.

### 4.2 PREMATURE RENEWAL OF TERM DEPOSIT

Incase the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account, the Bank will permit the renewal at the applicable rate on the date of renewal, subject to the period being higher than earlier deposit. In case the deposit is for a lower term, bank may levy penal charges on the interest earned. While prematurely closing a deposit for the purpose of renewal, interest on the deposit for the period it has remained with the Bank will be paid at the rate corresponding to the applicable period, at the time of placement of the deposit and not at the prevailing rate of interest. However as mentioned above, in line with the wind down of RBS plc India branch and with effect from 11th April 2017, the bank will stop accepting fresh or renewal of existing Domestic Rupee term Deposits with tenor more than 3 months. Consequently all term deposits with auto renewal instructions, period of such renewals shall be capped to a maximum tenor of 3 months until further notice. In line with the above change, any standing instructions or requests for tenors exceeding 3 months will be capped at 3 month tenor only.

### 4.3 SENIOR CITIZEN DEPOSITS

This is offered to individual customers who are of age 60 years and above (“senior citizens”). The customer is eligible for additional interest of 0.25% over and above the interest rate applicable for deposits less than INR 1 crore. The additional rate is not applicable for “Bulk Deposits”. TDS will not be deducted on these deposits if the deposit 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).

### 4.4 TAX SAVER DEPOSITS

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 be credited into the linked account. Premature withdrawal facility is not available on these deposits except in the event of death of a customer.

### 4.5 ADVANCES AGAINST DEPOSITS

The Bank may consider request of the depositor/s for overdraft facility against term deposits duly discharged by the depositor/s on execution of necessary security documents. The Bank may also consider loan against deposit standing in the name of minor, however with a suitable declaration. Offering of such products is at the sole discretion of the Bank.

## 5. DEPOSIT ACCOUNTS FOR NON RESIDENT INDIANS / PERSON OF INDIAN ORIGIN

NRIs / PIOs can open the following types of accounts to meet their financial obligations in India. The transactions in these accounts are required to be conducted by the NRI in accordance with the Foreign Exchange Management Act, 1999 and the RBI guidelines issued in this regard.

1. Non Resident External (NRE) account – Savings and Term deposits
2. Non Resident Ordinary (NRO) account - Savings and Term deposits
3. FCNR Deposits

Type of Account	Non Resident External (NRE) Account	Non Resident Ordinary (NRO) Account	Foreign Currency Non Resident (FCNR) Deposit
<b>Account type</b>	Savings Account Fixed Deposit	Savings Account Fixed Deposit	Fixed Deposit
<b>Held in currency</b>	Indian Rupees	Indian Rupees	USD, GBP, EUR, AUD, CAD
<b>Source of funds</b>	Remittance from Overseas/Transfer from existing NRE/FCNR accounts.	Local income in India (Rent, interest or dividend income).	Remittance from Overseas/Transfer from existing NRE/FCNR accounts.
<b>Repatriation</b>	Fully repatriable – both principal and Interest	Only interest repatriable on payment of applicable	Fully repatriable – both principal and Interest



		taxes	
<b>Income tax</b>	Interest earned is fully exempt from tax u/s 10(4)(ii) of the Income Tax Act, 1961	Tax to be deducted at source as per governing laws from time to time	Interest earned is fully exempt from tax u/s 10(15)(iv)(fa) of the Income Tax Act, 1961
<b>Joint accounts held with</b>	Non Resident Individual only	Non Resident and/or Resident Individual	Non Resident Individual only

### 5.1 Premature Withdrawal of NRI deposits

i) **FCNR (B) Deposit** - Since the minimum tenor on the FCNR deposit is one year, customers who terminate their deposits before one year will not receive any interest on the term deposits. For deposits that are terminated after completion of 1 year, interest shall be paid for the duration the deposit has remained with the Bank at the applicable rate prevalent on the date of booking your deposit. No penalty will be levied in case of premature withdrawal of your deposit.

Partial or premature withdrawals will not be permitted for FCNR deposits booked/renewed for a tenor of 3 years during September 25, 2013 till November 28, 2013 as per the terms & conditions of the agreement made at the time of booking the deposit.

ii) **NRE Deposits** - Since the minimum tenor on the NRE deposit is one year, customers who terminate their deposits before one year will not receive any interest on the term deposits. For deposits that are terminated after completion of 1 year, interest shall be paid for the duration the deposit has remained with the Bank at the applicable rate prevalent on the date of booking your deposit. No penalty will be levied in case of premature withdrawal of your deposit.

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 if the NRE deposit has completed the minimum tenor for 1 year.

iii) **NRO Deposits** - Minimum tenor for NRO deposit is 7 days. Any deposit which is terminated before 7 days will not receive any interest. For deposits that are terminated after 7 days, interest shall be paid for the duration the deposit has remained with the Bank at the applicable rate prevalent on the date of booking your deposit. No penalty will be levied in case of premature withdrawal of your deposit.

iv) **RFC Deposits** - Minimum tenor for RFC deposit is 31 days. Any deposit which is terminated before 31 days will not receive any interest. For deposits that are terminated after 31 days, interest shall be paid for the duration the deposit has remained with the Bank at the applicable rate prevalent on the date of booking your deposit. No penalty will be levied in case of premature withdrawal of your deposit.

## 6. FOREIGN EXCHANGE SERVICES

The Bank offers a wide range of Foreign Exchange Products and Services to all customers. All Foreign Exchange transactions are conducted subject to Rules and Regulations under the Foreign Exchange Management Act, 1999 (FEMA).

## 7. SAFE DEPOSIT LOCKERS

1) 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, associates, societies, trusts etc.

2) The Bank will, prior to allotting a safe deposit locker, carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI and or such other norms or procedures adopted by the Bank including its internal policies and depending on information available about the client's line of work, geography, associations, etc.

3) 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 will release the contents of locker to the legal heirs against indemnity on the lines as applicable to deposit accounts.

4) Where the lockers have not been operated for periods as specified by RBI from time to time, Bank will contact the locker-hirer and advise him / her to either operate the locker or surrender it even if the locker hirer is paying the rent regularly. The bank has the right to cancel the allotment of the locker and open the locker, even if the rent is paid regularly, in case the customer does not come back to the Bank within 15 days of the Bank intimating the customer.

## **8. SETTLEMENT OF DUES IN DECEASED DEPOSIT ACCOUNT**

The Bank has a Deceased Depositor's Claim Policy which details the process followed by the bank of payment of clear balance to the nominee / claimant / survivor on receiving information on the death of account holder(s) in deposit accounts. The updated policy is available on the Bank's website

### **8.1 INDIVIDUAL ACCOUNTS (single ownership accounts)**

#### **8.1.1 Accounts with Nomination**

Balance outstanding in the account of the deceased will be made to the nominee on submission of his/her identity and proof of death of depositor.

#### **8.1.2 Accounts without Nomination**

The balance outstanding will be paid to the legal heirs (or any one of them as mandated by all of the legal heirs) on verification of the authority of the legal heirs and proof of death of depositor.

### **8.2 EITHER OR SURVIVOR ACCOUNT**

#### **8.2.1 Accounts with Nomination**

a) In the event of death of one (or more but not all) of the depositors, the balance outstanding will be paid to survivor (s) on verification of proof of death of the depositor. The account can either be converted to Single Account, Survivor being the sole holder

b) In the event of death of both/all the joint depositors, the balance outstanding will be paid to the nominee on verification of his/her identity and proof of death of depositors.

#### **8.2.2 Accounts without Nomination**

a) In the event of death of one (or more but not all) of the depositors, the balance outstanding will be paid to survivor on verification of proof of death of the depositor.

b) In the event of death of both/all the joint depositors, the balance outstanding will be paid jointly to the legal heirs (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors.

### **8.3 JOINT ACCOUNT (HELD IN BOTH NAMES)**

#### **8.3.1 Accounts with Nomination**

a) In the event of death of one (or more but not all) of the joint account holders, the balance outstanding will be paid jointly to survivor(s) and the legal heirs of the deceased joint account holder (or any of them as mandated by all the legal heirs) against their joint claim on verification of the authority of the legal heirs and proof of the death of the depositors.

b) In the event of death of both / all joint account holders, the balance outstanding at the time of death of the depositors will be paid to the nominee on verification of his identity and proof of death of depositors.

#### **8.3.2 Accounts without Nomination**

a) In the event of death of one (or more but not all) of the joint account holders, the amount outstanding will be paid jointly to survivor(s) and the legal heirs of the deceased account holder (or any one of them as mandated by all the legal heirs) against their joint claim on verification of the authority of legal heirs and proof of death of depositor.

b) In the event of death of both/ all joint account holders, the balance outstanding will be paid jointly to the legal heir(s) of all the deceased depositors (or any of them as mandated by all the legal heirs) on verification of authority of the legal heirs and proof of death of the depositors.

### **8.4 INTEREST PAYABLE ON TERM DEPOSIT IN DECEASED ACCOUNT**

i) In the event of death of the depositor before the date of maturity of deposit and amount of the deposit is claimed after the date of maturity, the Bank shall pay interest at the contracted rate 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 obtaining on the date of maturity, for the period for which the deposit remained with the Bank beyond the date of maturity; as per the Bank's policy in this regard.

ii) However, 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 obtaining on the date of maturity from the date of maturity till the date of payment.

## **9. TREATMENT OF INACTIVE / DORMANT / UNCLAIMED ACCOUNTS**

### **9.1 INACTIVE ACCOUNTS**

Accounts with no customer initiated transaction for 1 year are termed as inactive. An intimation letter is sent to the depositor on account turning inactive. Customer can activate the account by performing a financial transaction in the account.

### **9.2 DORMANT ACCOUNTS**

Accounts with no customer initiated transaction for 2 year are classified as Dormant accounts in the interest of the depositor as well as the Bank. An intimation letter is sent to the depositor 3 months in advance of categorizing the account as dormant. The letter also mentions the method to activate the account once the account is classified as dormant.

### **9.3 UNCLAIMED ACCOUNTS**

“Unclaimed deposit accounts” means accounts, which have not been operated upon for ten years (in the case of money deposited for a fixed period the said term of ten years shall be reckoned from the date of the expiry of such fixed period). In an effort to play a more pro-active role in finding the whereabouts of the account holders of unclaimed deposits / inoperative accounts, the list of such accounts which are inoperative for ten years or more has been displayed on our Bank’s website. Such deposits are dealt with as per the governing RBI guidelines.

Under the current RBI guidelines, the unclaimed deposits will be credited to The Depositor Education and Awareness Fund Scheme, 2014 (a scheme created under the aegis of RBI) within a period of three months from the expiry of the said period of ten years. The Fund shall be utilized for promotion of depositors’ interest and for such other purposes which may be necessary for the promotion of depositors’ interests as specified by RBI from time to time. The Account holder would, however, be entitled to claim from the Bank his / her deposit or any other unclaimed amount or operate his/ her account after the expiry of ten years, even after such amount has been transferred to the Fund. The Bank will pay the amount to the Account holder / claimant and claim refund of such amount from the Fund.

## **10. SAFEGUARDING CUSTOMER INTERESTS**

### **10.1 CUSTOMER INFORMATION**

The customer information collected from the customers shall not be used for cross selling of services or products by the Bank, their subsidiaries and affiliates without the customer’s agreement. If the Bank proposes to use such information, it will be strictly with the consent of the account holder.

### **10.2 SECRECY OF CUSTOMER'S ACCOUNTS**

The Bank shall not disclose details / particulars of the customer's account to a third person or party without the expressed 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.

### **10.3 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).

### **10.4 REDRESSAL OF COMPLAINTS AND GRIEVANCES**

Depositors having any complaint / grievance with regard to services rendered by the Bank has a right to approach authority (ies) designated by the Bank for handling customer complaint /grievances. The details of the internal set up for redressal of complaints / grievances will be displayed in the branch premises and on our website [www.rbs.in](http://www.rbs.in) . The branch officials shall provide all required information regarding procedure for lodging the complaint. In case the depositor does not get response from the Bank within 30 days from date of complaint or is not satisfied with the response received from the Bank, he has a right to approach Banking Ombudsman appointed by the Reserve Bank of India.

! RBS is in the process of simplification of banking operations in India. Products and services are being curtailed in a phased manner. To know more on the specific dates for curtailment of services, [click here](#)