

Terms and Conditions for Recurring Deposits

These Terms and Conditions apply to and regulate the provision of Recurring Deposit product offered by Ujjivan Small Finance Bank Limited (hereinafter called “the Bank”)

Definition

- **Recurring deposits:** Recurring deposits (**RD**) is a term deposit account where a Customer invests a fixed sum of money per month in his recurring deposit account maintained with the Bank and interest is earned as per the pre-determined rate usually the same as fixed deposit rate. These accounts can be funded by giving standing instructions by which the Bank withdraws a fixed amount on a fixed date of the month from the saving account of the Customer (as per his mandate), and the same is credited to RD account. Recurring Deposit accounts are normally allowed for maturities ranging from 6 months to 10 years.
- **Recurring Deposit Account** or “**Account**” means the account opened in the name of the depositor/s and maintained by the Bank in connection with the deposits.
- **Account Opening Form** or “**AOF**” means the relationship form for recurring deposits account. An Account may be opened by one depositor or two or three depositors jointly.
- **Depositor/s** means any person holding an account with the Bank
- **Deposit** means the amount accumulated in the account by monthly payment of the Instalment by the depositor/s.
- **Domestic Rupee Deposits** mean rupee deposits maintained in India in the form of current account, savings deposits or term deposit.
- **Maturity Date** means the deposit shall be due for repayment on the date falling on completion of one calendar month from the date of payment of the last Instalment or on completion of the Tenure, whichever is later.
- **Primary Applicant** means the person referred to as the primary applicant in the AOF.

- The age considered for **Minor** is below 18 years and for **Senior Citizen** is 60 years and above.
- **Instalment** means the amount specified as instalment in the AOF, which shall be deposited recurringly by the depositor/s into the account on the specified period as agreed between the depositor/s and the Bank.
- **RBI**” means Reserve Bank of India.
- **Standing Instruction/s**” means any instruction given by a depositor/s, either directly or indirectly to the Bank through any mode acceptable to the Bank to transfer the Instalment from any current / savings account of the depositor/s with the Bank to the account.
- **Services** means the services provided by the Bank in connection with the account and more particularly described in these terms.
- **Statement/s** shall mean the communication provided to the depositor/s on a quarterly basis stating inter alia the value of the deposit on maturity date, the value of the deposit as on date of the communication and the rate of interest payable by the Bank on the deposit.
- **Tenure** means the period for which the deposit is to be maintained commencing from the date of the deposit of first Instalment till the period as specified in the AOF.
- **Website** refers to the website owned, established and maintained by the Bank at the URL www.ujjivansfb.in.

Interpretation

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

Date of Recurring Deposit

The fixed date in a given month on which the credit shall be given for any instalment shall be the date on which the Bank gets clear funds into the account of the depositor/s.

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

Minimum Installment Amount

The minimum installment amount is Rs. 100 per month and multiples of Rs. 100.

Monthly instalment amount is the amount that the Customer will deposit each month; this will be chosen at the time of account opening and will be fixed for the tenure of the RD.

The depositor/s shall, at the time of opening the account, stipulate the instalment and the total number of instalments to be payable. The instalment and the number of instalments cannot be altered subsequently.

Payment of Installment

Payment of instalment amount will be through standing instructions from savings account or cash for the Bank Customer. For other Customers it can be through cash or transfer from savings account from other banks. Instalment for any calendar month must be paid on or before the last fixed date of that particular calendar month. The funds deposited on a date following the non-payment of the Instalment for the previous month(s), shall first be appropriated towards the un-paid Instalment.

In case of delay in payment of any instalment, the depositor/s shall be liable to pay penalty for delayed instalments at the rate of 1.50% per month or part thereof or such other rate as may be specified by the Bank for the period of delay. The total interest so chargeable to the depositor/s shall be recovered from the total amount of interest payable by the Bank at the time of maturity.

Account may be closed in case 6 instalments falls in arrears.

Duration of Deposit

Deposit can be maintained for a minimum tenure of 6 months in multiples of 3 months subject to a maximum of 10 years.

Payment of Interest on Recurring Deposit

Interest on the deposits is calculated at quarterly intervals, at the applicable rates as communicated to the depositor/s at the time of account opening and in the statements. Such interest rates shall be in accordance with RBI directives from time to time. The interest amount shall be paid to the depositor/s on the maturity date or on completion of the tenure, whichever is later.

The Bank may announce special rates for Senior Citizens and Staff/Employee of the Bank

The Bank shall offer its employees an additional interest rate not exceeding one per cent per annum over and above the card rate of interest subject to following conditions:

(i) Additional interest is payable only until the person continues to be eligible for the same and in case of his ceasing to be so eligible, till the maturity of a term deposit account;

(ii) In the case of employees taken over pursuant to the scheme of amalgamation, the additional interest is allowed only if the interest at the contractual rate together with the additional interest does not exceed the rate, which could have been allowed if such employees were originally employed by the Bank.

Interest rates and Penal rates notification will be available at the Bank branch as well as on website. In case of any change in interest rates depositor would be informed through E-mail, SMS and through notification in the Bank branch.

Change of interest won't have any effect on active deposits; they will continue to follow agreed terms and conditions at the time of opening.

Interest Calculation on Recurring Deposits

For Recurring Deposits, interest is compounded quarterly on completion of exact quarters.

In case of delay in payment of any instalment, the depositor shall be charged a penal monthly interest/ flat charge at the rate as may be specified by the Bank for the period of delay.

In case of premature withdrawal of the recurring deposit, interest will be calculated at the rate applicable for the period that the recurring deposit has been held by the Bank less the applicable penal rate as per the Bank policy.

Interest will be calculated for the completed number of days that the deposit is with the Bank.

The total interest chargeable to the depositor shall be recovered from the total amount of interest payable by the Bank at the time of maturity.

Maturity Date

The deposit shall be due for repayment on the date falling on completion of one calendar month from the date of payment of the last installment or on completion of the tenure, whichever is later.

Repayment before Maturity

On pre-mature withdrawal of the deposit, interest will be calculated at the rate applicable for the period of the deposit and the deposit amount accumulated in the account up to the date of termination with such interest less the amounts payable by the depositor/s to the Bank shall be paid to the depositor/s. Premature closure penal rates -

Up to 6 months – interest rate payable would be contractual rate minus 1.00% or the rate under the scheme on the contractual date applicable for the tenor for which the deposit has actually run minus 1.00%, whichever is lower.

Part Withdrawal - Not allowed

After 6 months – No charges

Tax Deducted at Source

Tax is deducted at source on interest on deposit held by the resident if the interest paid or payable by the Bank for the financial year exceeds the threshold limit specified by Income Tax Act, 1961. Currently, the threshold limit for this purpose is Rs. 10,000 p.a.

The TDS amount calculated on the accrued interest is remitted to the tax authorities on behalf of the Customer by the Bank. The interest on the TDS amount from April 1st till maturity of the deposit is adjusted from the interest payable to the client.

As per provisions of Finance Act 2009, w.e.f April 01, 2010, valid PAN is required to be submitted by all Customers whose tax needs to be deducted. In the absence of a valid PAN, tax will be deducted at the prevailing rate or 20% whichever is higher. Also, Form 15G/H shall not be treated as valid unless PAN is mentioned in such forms.

In case the deposit holder does not want the Tax to be deducted at source, they may submit Form 15G / 15H (other than company, firm or co-operative society)/ Exemption Certificate under Section 197 (in case of all holders)/ or any other Tax Exemption Certificate with the Bank. Such form or tax exemption certificate has to be submitted every financial year for recurring deposit held and on each renewal of the deposit.

Transfer of Deposit from one branch to another branch

The deposit may be transferred from one branch of the Bank from which it has been issued, to any other branch of the Bank, on the deposit holder making an application, at either of the two branches provided that no deposit shall be transferred from the Bank to another scheduled bank. Deposit accounts transferred to the new Bank branch will continue to be governed by the terms of contract agreed to between the Customer and the Bank branch that are being taken over.

Nomination

Nomination facility is available in accordance with applicable laws including the Banking Companies (Nomination) Rules, 1985. Customer is advised to designate a nominee while opening the account.

The single holder or the joint holders of the deposit may, by filing in necessary particulars in the prescribed form at the time of making the deposit, nominate any person who, in the event of death of the single or

both the joint holders as the case may be shall become entitled to the deposit and the payment thereon.

If such nomination is not made at the time of making the deposit, it may be made by the single holder, the joint holders or the surviving joint holder, as the case may be, at any time after the deposit receipt is issued but before its maturity, by means of an application in the prescribed form to the officer in charge of the branch of the Bank from which the term deposit is issued.

In the event of death of the deposit holder in respect of which a nomination is in force, the nominee shall be entitled at any time before or after the maturity of the deposit to encash the deposit. For the aforesaid purpose, the surviving nominee shall make an application to the branch manager of the Bank, supported by proof of death of the deposit holder and valid documentation.

In the absence of any nominee, the Bank may retain any and all funds in the account until it establishes the identity and credentials of the successor to the account holder to its satisfaction, which may include insisting on a succession certificate/probate of a will or any other evidence as may be required by the law for the time being in force.

Closure of Accounts

An Account will normally be closed upon payment of all the stipulated number of instalments. The deposit together with interest shall be paid to the depositor(s) by crediting the sum to the depositor/s or in case of joint depositors, the primary applicant's savings Bank account with the Bank as specified in the AOF.

Indemnity

The depositor undertakes to indemnify and keep indemnified the Bank from and against all actions, demands, losses, actions, costs and expenses whatsoever which the Bank may at any time incur, sustain or be put to as a consequence of or by reason of or arising out of providing any service or due to negligence/mistake on the part of the depositor or non-compliance by the depositor of any of the terms and conditions mentioned herein or by reason of the Bank in good faith taking or refusing to take action on any instruction given by the depositor.

Other Terms

The deposit holder(s) shall intimate the Bank in writing of any change in address and residential status of the depositor holder/s.

All taxes, duties, levies or other statutory dues and charges applicable in connection with the benefits accruing as per the terms of these recurring deposits will be recoverable from the Customer.

The deposits with the Bank are insured with Deposit Insurance and Credit Guarantee Corporation (DICGC) and in case of liquidation of the Bank; DICGC is liable to pay each depositor through the liquidator, the amount of his deposit upto Rs. one lakh within two months from the date of receipt of claim list from the liquidator.

Customer should carefully examine the entries made in the statement of accounts/passbook and draw bank's attention to any errors/omissions/discrepancies that may be discovered within 30 days from the date of the entries failing which the same shall be deemed to be correct and accepted by the Customer and the Customer shall not be entitled to question the correctness/accuracy thereof.

The Bank may disclose information about Customer's account if required or permitted by any law, rule or regulations or at the request of any public or regulatory authority or if such disclosure is required for the purposes of preventing fraud, without any specific consent of the Customer.

These Terms and Conditions shall be governed by and construed in accordance with the laws of India.

These terms and conditions are subject to change/modification at the sole discretion of the Bank. The Bank may give notice of any changes either through email address as recorded with the Bank (which will be regarded as being in writing) or in writing by delivering them by hand or by sending them by post to the last address given by the deposit holder/s or on its website or any other mode as may be deemed fit by the Bank. In addition, the Bank may also publish notice of general nature, which are applicable to all deposit holders of similar nature on its website. Such notice will be deemed to have been served individually to the deposit holder/s. All notices / communication to the Bank should be given in writing and sent by post or delivered to its registered office: Plot No. 2364/8, Khampur Raya Village,

Shadi Kampur, Main Patel Road, New Delhi - 110008 or such other address as may be indicated by the Bank.

Change in Terms

The Bank reserves the right to revise the terms and conditions contained herein and shall notify the Depositor/s of such revised terms and conditions one month prior to its implementation. Such revised terms and conditions shall then be binding on the Depositor/s.

Disclaimer

" The Bank may, at its sole discretion, utilizes the services of external service provider/s or agent/s and on such terms as required or necessary, in relation to its products/services."

