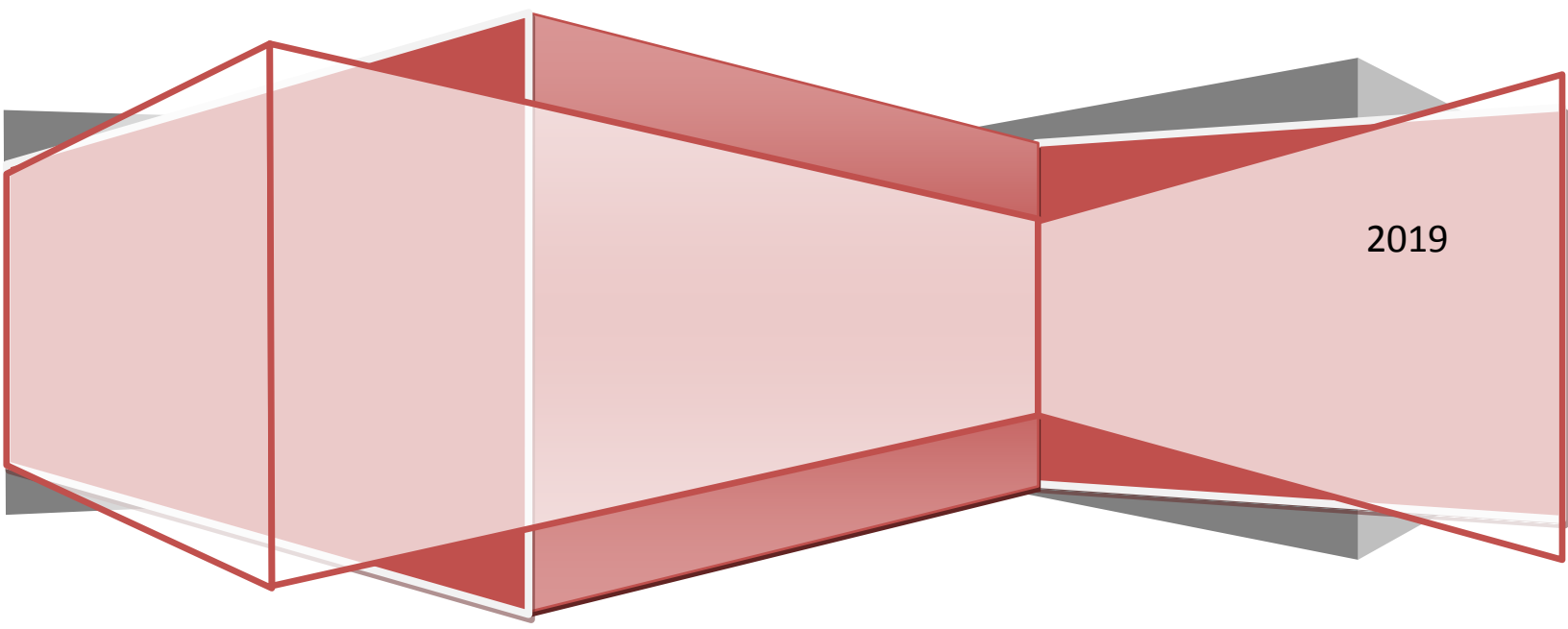


Fixed Deposits

Key Fact Document



2019

All you need to know about your Fixed Deposit accounts with DFCC Bank

If you have already opened a Fixed Deposit with us or planning to do so, we want to help you understand the features of the product so that you can take maximum advantage of its benefits.

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1. About Fixed Deposit accounts

A Fixed Deposit is a secure type of account that will allow you to invest for a short or a long term period. With DFCC Fixed Deposits we offer you the freedom of investing your money from a minimum period of 1 month to a maximum of a 10 year period.

Fixed Deposit accounts offer higher interest rates than a Savings account where the interest rate varies based on the period of the investment. The earned interest can be obtained at maturity or at regular intervals such as monthly, quarterly, bi annually and annually.

2. Who can open Fixed Deposit accounts?

- Sri Lankan nationals over 18 years
- Non nationals holding a valid resident VISA

For new customers

We invite you to visit the closest DFCC Bank branch to open your Fixed Deposit account. You will only need to bring your National Identity Card/ Passport or Driving License and fill in the documentation the staff member at the branch will offer.

We encourage you to open a Savings account or a Current account along with the Fixed Deposit in order to administer the interest accrued.

For existing customers

As a customer already banking with us, you can visit any DFCC Bank branch that is convenient to you and speak to our staff that is dedicated to serve you. You will only need to fill in your requirement and details of your investment such as maturity period, value and instructions for interest accrued.

If you already have a Savings or Current account with us, you will only need to make a fund transfer for the value you intend to deposit as a Fixed Deposit. Or the following methods can be used to route your funds for the purpose of the investment of the Fixed Deposit.

- Cash
- Cheques
- Pay orders
- Internal fund transfers
- SLIP/ CEFT/ RTGS transfers (to Savings or Current accounts)

Funds for your Fixed Deposit investment can be routed through a combination of the above methods if required. But the Fixed Deposit account will be activated only once the total value of the investment is realized in your Savings or Current account and the value will be then transferred for the placement of the Fixed Deposit.

3. Nomination facility for investment

Should you require nominating someone for your investment that can be done at the time of opening the Fixed Deposit account or soon after. You will need to fill in the Nomination form with the details of the Nominee, percentage of nomination along with your account details. Speak to one of our staff at the Branch you visit to assist you in this regard.

4. Unique product features of a Fixed Deposit

Here are some characteristics of the product;

- Minimum deposit value of a Fixed Deposit is LKR 10,000.00
- No maximum limitation of the capital amount to be invested
- You will be issued a Fixed Deposit certificate citing the deposit amount, period, and the interest rate
- The product is for a contracted fixed period from 1 month to a maximum of 10 years
- Maturity instructions can be picked at the time of opening the Fixed Deposit account. You can decide to re-invest the capital only or re-invest the capital with the accrued interest. Instructions can also be given to transfer the accrued interest to other Bank accounts as well
- Certificate is not a negotiable or transferrable instrument
- You may encash your matured Fixed Deposit funds from any DFCC Branch convenient to you.

- In the event you wish to transfer the capital of the matured Fixed Deposit, or transfer the capital and the accrued interest to a third party, you can instruct the Bank to organize a Pay Order for the related party. Please refer the tariff page on the website for applicable charges
- Your account is liable for Withholding Tax (WHT) subject to exemptions such as Senior Citizens and according to the requirements of the Inland Revenue Department
- Release of funds once your Fixed Deposit is matured, will be strictly as per the operating instructions given to the Bank
- Any amendments to the maturity instructions can be made based on the operating instructions given at the time of opening the Fixed Deposit before the date of maturity

5. Interest

The interest rates applied to your Fixed Deposit account is fixed by the Bank according to the prevailing market rates and the policy rate revisions carried out by Central Bank from time to time.

Interest will be calculated on a daily basis and credited at the maturity of the Fixed Deposit or as per the interest payment frequency requested by you.

You can visit our website – www.dfcc.lk for updated interest rates.

Interest payments

You have the opportunity to select the frequency of the interest payment from monthly, quarterly, bi-annually, yearly basis or at maturity.

The interest rate applicable for interest payable on a monthly, quarterly, half yearly, yearly basis is lower than that of the interest rate applicable in case the Fixed Deposit is payable at maturity.

If you have opted for the interest payable at any frequency than at maturity, it is beneficial to you that you open a savings or current account so that your interest earnings can be credited.

If you wish to transfer your interest earning to an account maintained at another Bank, you may do so through an interbank fund transfer.

6. Withholding Tax (WHT) on interest

You will be liable for a 5% deduction on the aggregate interest receivable for the assessment year on the funds deposited in DFCC accounts and in accounts maintained with other Banks and any other financial institution with a tax exemption for Senior Citizens, provided their interest earning does not exceed LKR1,500,000 for the assessment year.

The year of assessment is from the 1st of April of the particular year to the 31st of March of the following year.

7. Maturity of a Fixed Deposit

When your Fixed Deposit reaches its maturity period, you have the option of re-investing the funds or uplifting and withdrawing the funds based on the operating instructions that were provided by you to the Bank at the time of opening the Fixed Deposit. The options are explained in detail below.

- **Re-investing the funds**

You can re-invest the capital value and the accrued interest for a tenor you prefer or you can re-invest only the capital for a tenor you prefer by transferring the accrued interest to your Savings or Current accounts or withdrawing same.

You will have to provide written instructions to the Bank to perform the transaction along with the Fixed Deposit certificate you received when the account was opened.

- **Uplift and withdrawal of funds**

You can uplift the Fixed Deposit at maturity and withdraw the capital and accrued interest value.

You will have to provide written instructions to the Bank to perform the transaction along with the Fixed Deposit certificate you received when the account was opened.

- Automatic renewal

If you do not give us proper instructions to the Bank at the point of maturity, the Bank will renew your Fixed Deposit along with the interest earned for the original Fixed Deposit period.

At the point of withdrawal, it is not mandatory that you submit to the Bank, the original Fixed Deposit certificate given to the client at the time of your account opening.

8. Pre-mature withdrawal of Fixed Deposits

You may encash your deposit before maturity subject to providing a written request to the Bank. Though this is allowed, you will be subject to a reduction of interest, since the deposit will cease to be operative for the initial contracted period.

If your Fixed Deposit account is joint with another individual(s), and the operating instructions given to the Bank is “Both to Sign” in the event you wish to withdraw/ transfer funds, it is compulsory that all parties of the account be present at the Bank in order to carry out your requirement.

If the operating instruction given to the Bank on behalf of your account is “either party”, in such cases, the withdrawal may be processed on the signature of one party.

9. Methods to transfer uplifted and withdrawn Fixed Deposit funds

You can provide the Bank a written request or a general request form to transfer the uplifted and withdrawn Fixed Deposit funds to other Banks, subject to Bank charges.

Tariffs are mentioned on our website – www.dfcc.lk

- Fund transfers to other Banks via SLIPS/ CEFT/ RTGS
- Pay Orders can be issued subject to Bank charges. Pay Orders will be drawn in your name with an account payee crossing

10. Amendment of Fixed Deposit terms at maturity

You can request for amendments to the maturity instructions of your Fixed Deposit account by submitting a written request to the Bank before the maturity of the Fixed Deposit account. It is important to note that the amendments requested will be processed on the original maturity date of the Fixed Deposit.

The Bank will have to close the existing Fixed Deposit account and open a new account with the changes.

11.Lending against Fixed Deposits

It is possible to obtain a loan or an overdraft facility against your Fixed Deposit account up to a maximum of 90% of your Fixed Deposit value, subject to the lending conditions applicable to each product.

To facilitate above, you are required to duly complete an application form together with a letter of set off.

14.Foreclosure/ Closure of Fixed Deposit under lien

If you have already obtained a loan or an overdraft against your Fixed Deposit account, and if you wish to uplift the Fixed Deposit account, first and foremost, it is required to submit a written request to the Bank citing your need.

Prior to uplifting your Fixed Deposit, the Fixed Deposit will cease to operate as a security and the Bank will set off the total outstanding of any loans or overdrafts obtained by you, together with any other charges due to the Bank.

15.Contacting us

You can call us on our 24 hour Contact Centre on +94(11)2350000 or write to us on info@dfccbank.com. You can also visit any of our Branches as detailed on our website.