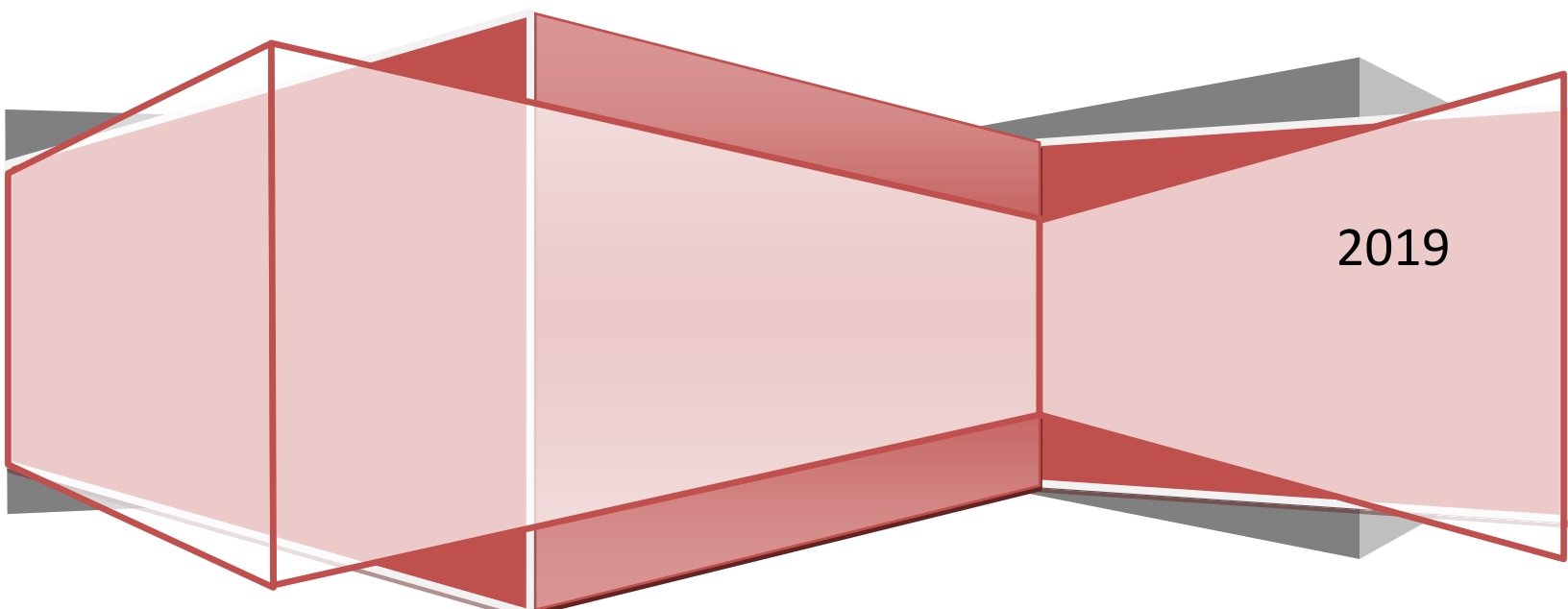


# Senior Citizens Accounts

Key Fact Document



2019

## **All you need to know about opening Senior Citizen accounts with DFCC Bank**

If you have already opened a Senior Citizen account 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. DFCC Bank savings account for Senior citizens

DFCC Bank offers the '**Garusaru Savings account**' for senior citizens who are aged 60 years and above that offers higher interest rates than the usual Adult savings accounts.

The Garusaru Savings account not only promises higher than average interest rates, but also offers a wide range of value added services such as discounts and promotions at various establishments that make living easier and simpler.

### 1.1 Eligibility to open a DFCC Garusaru Savings account

- Sri Lankan citizens who are residents of Sri Lanka
- Aged above 60 years and above

*Special note:* Subsequent to the account opening if a Garusaru Savings account holder becomes as a non-resident, the account would be then transferred to the Capital Transaction Rupee Account (CTRA) category, thereby ceasing the eligibility for rewards / benefits available as per Garusaru product with effect from the date of such transfer.

#### For new customers

We invite you to visit the closest DFCC Bank branch to open your Garusaru Savings account. Relevant account opening documentation will be handed over to you by our staff that should be read and filled in completely. You will only need to bring your National Identity Card/ Passport or Driving License to fill in the documentation the staff member at the branch will offer.

If your current residential address differs from your postal address on the National Identity Card, you will be expected to bring valid address verification documents (billing proof – utility bills) to register the address accordingly.

#### For existing customers

As a customer already banking with us, you can visit any DFCC Bank branch that is convenient to you, where an account opening form for existing customers will be offered to fill in by our staff.

If your details differ from the previous information provided, staff will request you to fill in the new details to update the records.

## **1.2 Initial deposit value**

The initial deposit value for a Garusaru Savings account is LKR1,000/-

## **1.3 Value added services and additional rewards**

A variety of value added services will be offered to you at the time of opening your Senior citizen Savings account.

- eBanking services
- eStatement services
- SMS alerts
- Virtual Wallet

Value of additional rewards vary from LKR1,000.00 – LKR12,000.00 ranging from medical, supermarkets, data cards, spa, TV connections, fitness watches etc.

In the event you hold several Garusaru Savings accounts with us, the savings account that has the highest average balance will only qualify for the additional rewards.

Garusaru Savings account holders are also entitled for special credit card offers, free SMS alerts, free on-line banking, Virtual Wallet etc.

## **1.4 Managing your accounts**

You can open your Garusaru Savings account in single (sole) status or jointly with another Sri Lankan citizen(s) residing in Sri Lanka and above 60 years of age.

In joint accounts, the primary account holder will qualify for rewards or the primary account holder could authorize the joint applicant to receive rewards thus relinquishing the entitlement of the primary account holder.

- **Cash deposits**

In order to deposit cash to your respective account, you will need to fill in a deposit slip that is available at any DFCC Bank branch and proceed to the teller counters for acceptance.

A third party can also deposit cash to your account over the counters. In the case a third party makes a single or accumulated deposit exceeding LKR200,000.00 or its equivalent in any foreign currency, the Bank will obtain the name, address, identification number of the third party. It is important that the third party states the purpose and the source of funds in relation to the deposit.

You can also use the Banks Cash Deposit Machines (CDM) to deposit cash to your Savings account by using your debit card issued by the Bank. Whilst your daily deposit limit is stipulated at LKR500,000/- (Five Hundred Thousand), Premier customers can enjoy a daily limit of LKR5,000,000/- (Five Million) with per transaction limit of LKR500,000/-(Five Hundred Thousand).

- **Cheque deposits**

Usually your saving accounts does not permit cheque deposits since the Bank does not receive protection for such transactions by the Bills of Exchange Ordinance No. 25 of 1927.

However, if a cheque is drawn in favor of the Bank by you, to the credit of a particular account, along with the customer's name and account number, such cheques can be accepted exceptionally at the Banks discretion only.

i.e. The Manager DFCC Bank o/a {Customer Name}

- **Cash withdrawals**

Cash withdrawals can be performed from your respective Savings accounts through the Automated Teller Machine (ATM) network or through the branch network.

If you wish to make cash withdrawal from your respective Savings account through the Branch network, you will have to visit any of the DFCC Bank branches, personally. The Bank will request for your National Identity Card or any other acceptable form of identification with a duly completed withdrawal slip.

If you wish to make cash withdrawal from your respective Savings account through the ATM network, you will need to visit a DFCC Bank ATM or other bank ATM along with your debit card and enter your Debit Card PIN and follow the instruction flow of the ATM.

In the event of a joint savings account, where the signing instructions are “both to sign”, the Bank will consider it a must that both parties are present at the Branch, to perform the transaction.

If the operating instructions are “Either Party”, the transaction could be carried out with the signature of one such party.

Again, you can use the debit cards obtained for your relevant joint Savings accounts to perform cash withdrawals.

- **Withdrawals by third party**

Third party withdrawals are not permitted on behalf of your account. Such allowances would only be made, in case of exceptional situations, on the sole discretion of the Bank. This requires a request letter to be submitted to the Bank by you or on behalf of your business entity, witnessing the signature and the identification of the bearer of the withdrawal slip.

- **Withdrawals by Illiterate/ Infirm Persons**

If you are of ill-health and unable to sign the withdrawal slip, in addition to a witness, you require to be attested by a doctor and he/she should confirm that you are able to understand the transaction and that you are in the normal frame of mind.

In such instances, the withdrawals would be paid to an immediate family member, on the submission of the National Identity Card, Birth or Marriage Certificate for identification purposes.

## **1.5 Passbooks**

The current Banking practice is as such that unless you have specifically instructed for same, you will be offered e-statements on behalf of all your accounts.

Passbooks are only given on specific requests for Savings accounts of individuals and joint accounts as well. If the operating instructions are “Both to Sign” such saving accounts would not be issued passbooks but will provide the option of statements.

In the case of joint accounts with operating instructions as “Either party to sign”, the authorized signatory may be issued with a passbook.

- **Handling of passbooks**

You do not require bringing your passbook for cash deposits or withdrawals; however the passbook needs to be presented for updating purposes.

- **Reporting lost passbook**

In the event of you losing your passbook and informing the Bank by visiting a branch, you will be interviewed by a Bank Officer in order to verify your identity and to ensure the accuracy of your account balance.

If you send a letter informing of the loss of a passbook, a Bank Officer would verify the signature. If your account is joined, all parties of the account should submit written requests reporting the loss of the passbook.

Please refer the applicable tariff on the tariff page on our website.

## **1.6 Interest on Garusaru Savings account**

The interest on your account balance will be calculated on a daily basis on the realized balance and will be credited to the account on the last working day of the month.

If your account requires a minimum balance, interest would not be paid in the event the minimum balance is not maintained.

For more details, please refer details of the respective account type of your preference on our website.



## **1.7 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 Bank 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 LKR 1,500,000.00 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. For further details, please visit the nearest DFCC Bank Branch.

## **1.8 Nomination facility for investments**

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

## **1.9 Statements**

DFCC Bank promotes eStatements to our customers as a green initiative and invites our customers to sign up for eStatements. eStatements will be send to the email address you have provided at the time of opening the account. A Personal Identification Number (PIN) will be issued to access the eStatement via email to the given address, which needs to be kept securely and used to view your statements.

At your request for physical statement, you will receive the monthly statements to the address provided by you at the time of account opening free of charge.

You will be levied with a charge, as per the Bank tariff, if you wish to receive statements on a more frequent basis, one-off or ongoing.

If you require statements, on a one off basis, in addition to the monthly frequency, such requests will be attended to on the submission of a request letter with a charge applicable as per the Customer Tariff.

Please refer the Customer tariff on our website for details.

## **2. DFCC Bank Fixed Deposits for Senior citizens**

### **2.1 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.

### **2.2 Eligibility to open a Senior citizen Fixed Deposit accounts**

- Sri Lankan citizens who are residents of Sri Lanka
- Aged above 60 years and above

Special note: You can open your Fixed Deposit accounts in single (sole) status or jointly with another Sri Lankan citizen(s) residing in Sri Lanka and above 60 years of age.

#### **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.

### **2.3 Nomination facility for Fixed Deposit investments**

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.

### **2.4 Unique product features of a Fixed Deposit account**

As a Senior citizen you will be receiving higher interest rates than the prevailing fixed deposit interest rates for your fixed deposits. 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 can en-cash your Fixed Deposit maturity 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

## **2.5 Accrued interest on Fixed Deposit accounts**

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](http://www.dfcc.lk) for updated interest rates.

## **2.6 Payment of interest on Fixed Deposit accounts**

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.

## **2.7 Withholding Tax (WHT) on interest on Fixed Deposit accounts**

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.

## **2.8 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.

## **2.9 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.

## **2.10 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](http://www.dfcc.lk)

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

## **2.11 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.

## **2.12 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.

## **2.13 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.

## **2.14 Contacting us**

You can call us on your 24 hour Contact Centre on +94(11)2350000 or write to us on [info@dfccbank.com](mailto:info@dfccbank.com). You can also visit any of our Branches.