

General Instructions and Terms and Conditions for opening of Resident Deposits

1. Only NRE & Resident Term Deposits can be opened online.
2. Debit Account should be a Savings, Current or Overdraft account.
3. Deposit can be opened only in the name of the primary account holder of the debit Account.
4. Online requests received after 7 PM are likely to be opened with effective date as next working day.
5. All the fixed deposit transactions executed on a bank holiday will be processed on next working day only.
6. Scheme
 - FSF – Monthly/Quarterly/Half Yearly /Yearly: Recurring deposit where Monthly/Quarterly/Half Yearly /Yearly denote the periodicity of the recurring instalments to be remitted.
 - Cash Certificate: Term deposit where interest is compounded quarterly and reinvested on maturity. It is suited for a depositor who does not require interest to be paid every month/quarter etc.
 - FD – Monthly/Quarterly/Half yearly/yearly/Int on maturity: Deposit scheme where interest will be paid monthly/quarterly/half yearly/yearly/on maturity. Except in the case of FD – Interest on maturity, interest will be transferred to the account from which the deposit was funded in the selected periodicity of the deposit.

Deposit Amount

- Minimum amount for FSF: Rs.50/- and in multiples of Rs.10/-
- Minimum amount for Cash Certificate and FD: Rs.1000/-

Period

Resident FSF: For FSF-Monthly, minimum period is 6 months.

In all other cases, minimum period will be 3 times of the periodicity of instalments, i.e. for a Resident FSF-Quarterly, the minimum period should be 9 months. Likewise, for Resident FSF Half Yearly, the minimum period should be 18 months.

NRE FSF: For NRE FSF Monthly & Millionaire FSF, minimum period is 1 year. In all other cases, minimum period will be 3 times of the periodicity of instalments subject to a minimum period of 1 year i.e. for an NRE FSF- Quarterly, the minimum period should be 12 months. Likewise, for NRE FSF Half Yearly, the minimum period should be 18 months.

Resident Cash Certificate: Minimum period - 6 months.

NRE Cash Certificate: Minimum 1 year

Resident FD group: Minimum period - 7 days.

NRE FD Group: Minimum period 1 year.

Maximum period will be 10 years in all cases (120 months)

Interest rates for Senior citizen/ Staff in Resident deposits

- If the primary account holder of the debit account is a senior citizen, the term deposit will be opened with interest rate applicable to senior citizens.
- If the primary account holder is staff, term deposit will be opened with interest rate applicable to staff.
- However, presently term deposit/FSF cannot be opened with an additional rate of interest for staff + Senior citizens (Sr. Citizen Staff). In this case he / she will have to apply at branch for the same.
- No additional benefit is applicable for senior citizen and staff in case of NRE deposits.

Scheduling recurring deposit instalment

Customer can schedule recurring payment for FSF by selecting the SI date during creation of the deposit. SI will be registered in the debit account only.

Closing of Resident/NRE Term Deposit opened online

For closing accounts where deposit receipts are already printed, customers have to approach the branch and submit the same. The proceeds of the term deposit will be transferred only to the debit account from which it was funded.

Automatic Renewal

Term Deposits will be automatically renewed on maturity for a similar Term on same terms and conditions (except rate of interest). Rate of interest payable on the deposit thus renewed will be the rate prevailing on the date of renewal.

Interest rate

Interest rate applicable to the term deposit will be the interest rate prevailing as on the date of opening the term deposit.

Premature closure

- Interest payable for premature closure of Resident/NRE Term Deposit / FSF will be the deposit rate applicable as on the date of opening of the deposit for such period for which the deposit has remained with the Bank. For NRE deposits, no interest will be paid if the deposit is closed before completion of 1 year from the date of opening.
- Pre closure penalty of 1% will be levied on resident deposits of any principal amount, if the period of original deposit is above 45 days, i.e., interest rate applicable for the covered period will be reduced by 1%. If the period of original deposit is up to 45 days, premature closure penalty would not apply, provided the principal amount does not exceed ₹ 15 lacs.
- Penalty of 1% for premature closure is applicable for all NRE term deposits irrespective of the deposit amount, for deposit accounts opened/renewed on or after 14.06.2018
- No interest is payable if NRE Term deposit is closed before completion of 1 year. Pre-payment penalty is not applicable to for NRE Term deposits closed before completion of 1 year.
- Premature closure charges of ₹ 150 plus GST are applicable for FSF accounts (recurring deposits) if closed prematurely within a year from the date of opening.

TDS

Resident Deposits

- In case of Resident Fixed Deposits, FSF and Cash Certificates applicable TDS shall be deducted from the interest credited to operative account/ term deposit periodically.
- Income tax will be deducted as per the law applicable and in case the depositor's total income including the interest earned on deposit does not come under the purview of income tax, form 15H/15G together with PAN details has to be submitted by the depositor to the branch after opening the term deposit and at the beginning of the Financial Year in the subsequent Financial Years.
- With effect from 01 July 2011, for opening Term deposit exceeding Rs. 50,000/- with the bank, it is mandatory to quote Permanent Account Number of the customers or submit Form 60/61, duly signed, in case the customer has no PAN number. In the absence of PAN, Form 15G/H and other exemption certificates will be invalid even if submitted & TDS at the highest rate will be applicable.
- As per section 206AA introduced by Finance (No. 2) Act, 2009 effective April 01, 2010, every person who receives income on which TDS is deductible shall furnish his PAN, failing which TDS shall be deducted at the rate of 20% in case of Domestic deposits.
- Kindly visit your Federal Bank branch with your PAN card (original & copy) to get the same updated in bank records. Resident customers can also apply for PAN through Federal Bank Branches.

NRE Deposits

NRE Deposits are 100% tax free and fully repatriable.

Nomination

Online nomination facility is only available while opening new term deposits. By using the said facility for registering nominations online, the Depositor is deemed to have confirmed that the designated Nominee is a natural person, well known to the Depositor and who is not otherwise disqualified from acting as a nominee under applicable laws. In case an artificial/juridical/non-natural person is designated as the Nominee, the said nomination would be held invalid and Bank would be under no obligation to honour the same. For availing nomination facility in other applicable services, please submit a filled up & signed nomination form to the branch. Please [click here](#) to download the nomination form.

Other terms and conditions

- Premature withdrawal is subject to the terms and conditions as stipulated by Bank as per the specific schemes and as per RBI /IBA rules in force.
- The rules and regulations governing term deposit/FSF is subject to change according to the guidelines issued by RBI/IBA etc from time to time.
- The term deposit under NRO Category cannot be opened through online mode.

Smart Deposit:

Smart Deposit – Terms & Conditions

- Only Indian Resident customers are eligible to open Smart Deposit accounts under single mode of operation.
- Minimum amount for the scheme is Re. 1 (One Rupee) and Maximum amount that can be invested in a month is Rs 50000 (Rupees Fifty thousand only).
- The remittances can be made in multiples of Re 1. There is no due date for the deposit and any number of remittances can be made in the account. All deposits into the Account should be by way of transfer from Savings account or UPI/NEFT/RTGS/IMPS.
- Minimum tenure of deposit is 7 days. No interest will be paid by the Bank if the deposit is closed within 7 days of opening the same.
- Maximum tenure of deposit is 12 months.
- Interest is applied on daily product basis, ie simple interest on end of day balances. The interest amount shall be paid to the depositor/s on the maturity date or on completion of the tenure, whichever is later.
- Senior citizens are eligible for 0.5% additional interest from card rate as per Bank's policy. Additional rate of interest is applicable only if customer has crossed the age of 60yrs at the time of opening of deposit.
- Rate of interest is fixed and premature penalty clauses are as per the details provided in Bank's website
- 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. 40,000 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.
- On maturity, account will be auto-closed and entire proceeds will auto credited to linked Savings account.
- There is no facility for auto-renewal or loan facility.
- Nomination facility is available for the Account in the names of individuals. Only one nominee is permissible for an Account. The Depositor/s is/are at liberty to change the nominee, through declaration in the appropriate form to revise the nomination during the tenure of the Account.
- 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
- 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.

- 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.
- "Triggers" means the customised triggers that are required to be set by the Customer with The Bank which shall enable The Bank to send the Alerts relating to his Account."
- 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."