

Terms and Conditions for Fixed Deposit

The bank will book the Fixed Deposit, when the funds are available / realized by / credited to Shinhan Bank Account Bank Limited. No fixed deposit receipt will be issued in anticipation of realisation of cheque/s in relation to any deposit and will be issued only on actual receipt of payment / deposit monies.

When the request for opening fixed deposits is received on a Sunday or holiday through internet banking, the fixed deposit will be opened with value date of the next business working day.

The Term Deposits A/c having maturity instructions

- 2.1 'As Close' – The Bank will Credit the A/c of the customer
- 2.2 'To Renew' – The Bank will Renew on the date of maturity
- 2.3 'No instructions' – Keep it as Overdue deposit till the time the instructions are received.
 - 2.3.1 If Customer requests for the Term Deposit renewal **within 14 days**-
The Bank will renew the Term Deposit as requested. The bank will Pay Interest as per the contracted rate till the maturity. The Bank will open a new Term Deposit from the date of maturity at the prevailing interest rate as the original maturity date for the tenure as requested.

If customer requests for the Term Deposit closure **within 14 days**-
The Bank will credit the account with the Term Deposit proceeds with interest on the date of receiving the instructions. No interest will be payable for the overdue period.

- 2.3.2 If customer requests for the Term Deposit renewal **after 14 days**-
The Bank will renew the Term Deposit. The Bank will pay Interest as per the contracted rate till the maturity. The Bank will decide its own interest rate for the overdue period from the maturity date till the time the instructions for renewal is received. The Bank will open new Term Deposit from the date of receiving the instructions at the interest rate prevailing at the time of such request.

If Customer requests for the Term Deposit Closure **after 14 days**-

The Bank will credit the account with the Term Deposit proceeds with interest on the date of receiving the instructions. No interest will be payable for the overdue period.

Payment of Interest on Fixed Deposit

The interest may be paid either in a lump sum at the time of maturity or it may be paid every quarter in accordance with the regulatory payments for payment of interest on the fixed deposit. Where the interest is to be paid by the Bank in lump sum at the time of maturity, the fixed deposit shall bear the yearly rate of interest on the fixed deposit.

Premature/partial closure of Fixed Deposits

In the event of the fixed deposit being closed before completing the original term of such deposit, interest will be paid at the rate applicable on the date of deposit for the period for which the deposit has remained with the Bank.

Tax Deducted at Source

Tax is deducted at source on interest on fixed deposit held by the resident if the interest paid or payable by the branch 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 bank deducts TDS on each interest payment and on interest accrued on March 31st of every year.

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 do not want tax to be deducted at source, they may submit form 15G / 15H (other than company, firm or co-operative society). Such form or tax exemption certificate has to be submitted every financial year and on each renewal of Fixed Deposit.

Nomination

Nomination facility is available for the Fixed Deposits placed with the bank. If a Deposit holder dies and there is no nomination in force at the time of his / her death, the Bank shall pay the sum due to the deceased, to his / her legal heirs.

Method of calculation of interest

For payment on interest on Fixed Deposits the bank has adopted the method of reckoning the year at 366 days in a leap year and 365 days in other years.