

**STATE BANK OF PATIALA**  
**POLICY ON BANK'S DEPOSITS**

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## **1. Preamble:**

One of the important functions of the Bank is to accept deposits from the public for the purpose of lending. In fact, depositors are the major stakeholders of the Banking System. The depositors and their interests form the key area of the regulatory framework for banking in India and this have been enshrined in the Banking Regulation Act, 1949. The Reserve Bank of India is empowered to issue directives/advices on interest rates on deposits and other aspects regarding conduct of deposit accounts from time to time. With liberalization in the financial system and deregulation of interest rates, banks are now free to formulate deposit products within the broad guidelines issued by RBI.

This policy document on deposits outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. The document recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors etc., for the benefit of customers. It is expected that this document will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

While adopting this policy, the bank reiterates its commitments to individual customers outlined in the code of Banks commitment to customer adopted by the banks. This document is a broad framework under which the rights of common depositors are recognized. Detailed operational instructions on various deposit schemes and related services will be issued from time to time. The Bank's website will display the Banks various deposit schemes

and this website will be updated from time to time.

RBI has advised banks to formulate a transparent and comprehensive policy setting out the rights of the depositors in general and small depositors in particular. The policy should cover all aspects of operations of deposit accounts, charges leviable and other related issues to facilitate interaction of depositors at branch levels. The policy should also be explicit in regard to secrecy and confidentiality of the customers.

## **2. Types of Deposit Accounts :**

While various deposit products offered by the Bank are assigned different names. The deposit products can be categorized broadly into the following types. Definition of major deposits schemes is as under:-

“Demand deposits” means a deposit received by the Bank which is withdrawable on demand.

“Saving deposits” means a form of demand deposit which is subject to restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the Bank during any specified period.

‘Basic Savings Bank Deposit Account’ means a demand deposit account opened for greater financial inclusion. Such accounts, opened on the basis of simplified KYC norms are additionally treated as a ‘Small Account’ subject to conditions stipulated by RBI.

“Current Account” means a form of demand deposit where from withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and will also include other deposit accounts which are neither Saving Deposit nor Term Deposit.

“Term deposit” means a deposit received by the Bank for a fixed period withdrawable only after the expiry of the fixed period and includes deposits such as Recurring /FD/STD/MOD/Special RD/Corporate Liquid Term

Deposit scheme/Savings Plus Account etc.

KYC once done by one branch of the bank will be valid on transfer of the account within the Bank as long as full KYC has been done for the concerned account. The customers are allowed to transfer their account from one branch to another branch without insisting on fresh proof of address and on the basis of a self-declaration from the account holder about his / her current address, subject to submitting proof of address within a period of six months. Periodical updation of KYC data would continue to be done by the Bank as per prescribed periodicity.

- a) **WITHDRAWALS:** Withdrawals in account can be by way of Cheques, withdrawal forms, through the use of ATM's, Mobile Banking, POS machines by means of electronic transfer through Internet, by use of biometric cards, by giving Standing Instructions to the Bank, ECS Instructions or through any other means which may come into usage after giving due notice on the Bank's web-site. Cash withdrawal should be in round rupees. Bank does not carry out any financial transactions requested by the Customers through e-mail even if the request is made by a letter scanned as an attachment.
- b) **DEPOSITS :** Deposits in account can be made by way of cash, cheques, electronic transfers, ECS, as though any other means which may come into usage after giving due notice on the Bank's web-site. Cash Deposits at non home branches are subject to certain restrictions and may also involve payment of charges.

### **3. Account Opening and Operation of Deposit accounts.**

- A)** The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI and or such other norms or procedures adopted by the Bank. The status of KYC in accounts will be updated periodically depending upon the Risk Category of customers. For financial inclusion, Bank opens Basic Savings Bank Deposit accounts which

have certain restrictions. Savings Bank accounts opened on the basis of simplified KYC norms are named as Small Accounts. Small Accounts remain operational initially for a period of twelve months and thereafter for a further period of 12 months, if the account holders provide an evidence of having applied for any of the officially valid documents for KYC/AML within 12 months of the opening of the account.

- B)** The account opening forms and other material would be provided to the prospective depositors by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and or for record, it is expected of the bank official opening the account, to explain the procedural formalities and provide necessary clarification sought by the prospective depositor when he approaches for opening a deposit account.
- C)** The regulatory guidelines require banks to categories customers based on risk perception and prepare profiles of customers for the purpose of transaction monitoring. Inability or unwillingness of a prospective customer to provide necessary information/details could result in the bank not opening an account.
- D)** Inability of an existing customer to furnish details required by the bank to fulfill statutory obligations could also result in closure of the account after due notice(s) is provided to the customer.
- E)** For Deposit products like Savings Bank Account and Current Deposit Account, the bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operations of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the bank from time to time. For Saving Bank Account the bank may also place restrictions on number of transactions, cash withdrawals, etc. for given period.

Similarly, the bank may specify charges for issue of cheque books, additional statement of accounts, duplicate passbook, folio charges, etc. All such details, regarding terms and conditions for operation of the account and schedule of charges for various services provided will be communicated to the prospective depositor while opening the account. However, amount in withdrawal form and cheque for cash withdrawal should be in round rupees.

- F)** Saving Bank Accounts can be opened for eligible person/persons and certain organizations/agencies (as advised by Reserve Bank of India from time to time).
- G)** Current Accounts can be opened by individuals/Sole proprietors / partnership firms/Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts. Departments of Authority created by Government (Central or State) Limited Liability Partnership, etc.
- H)** Term deposits Accounts can be opened by individuals/Sole proprietors / partnership firms/Private and Public Ltd. Companies/HUFs/Specified Associates/Societies/Trusts, Departments of Authority created by Government (Central or State), Ltd. Liability Partnership, etc.
- I)** The due diligence process, while opening a deposit account will involve satisfying about the identity of the person, verification of address, satisfying about his occupation and source of income. Obtaining recent photograph of the person/(s) opening / operating the account are part of due diligence process. Due diligence will also mean evaluating a transaction in the light of the risk profile of the Customer and if warranted seeking fresh KYC documents if there arises any doubt about the veracity of the previously obtained Documents. The Branches will undertake as part of due diligence KYC data updation of Customers at prescribed frequency as per extant

KYC/AML instructions.

- J)** In addition to the due diligence requirements, under KYC norms the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively declaration in Form No. 60 or 61 as specified under the Income Tax Act/Rules.
- K)** Deposit accounts can be opened by an individual in his own name (status: known as account in single name) or by more than one individual in their own names (status: known as Joint Account). Savings Bank Account can also be opened by a minor jointly with natural guardian or with mother as the guardian (Status: known as Minor's Account). Minors above the age of 10 will also be allowed to open and operate saving bank account independently. However, no overdrafts will be granted to these minors. Deposits in the account of minors/minors with Natural Guardian will have restrictions as per Govt./RBI guidelines.
- L)** **Operation of Joint Account** -The Joint Account opened by more than one individual can be operated by single individual or by more than one individual jointly. The mandate for operating the account can be modified with the consent of all account holders. The Saving Bank Account opened by minor jointly with natural guardian/guardian can be operated by such guardian only.
- M)** The joint account holders can give any of the following mandates for the disposal of balance in the above accounts.
- i) Either or Survivor** : If the account is held by two individuals say, A & B, the final balance along with interest, if applicable, will be paid to survivor on death of anyone of the account holders.
  - ii) Anyone or Survivor/s** : If the account is held by more than two individuals say, A, B and C, the final balance along with interest, if applicable, will be paid to any one of the joint account holders or to the survivor(s) on death of any one/two account holders.



- iv) Nomination facility is available for joint deposit accounts with operating instructions as 'E' or 'S' also. In the case of joint accounts, the nominee's right arises only after the death of all the depositors. Bank recommends that all depositors avail of the nomination facility for smooth settlement of claim by the legal heirs in unforeseen circumstances. The nominee, in the event of death of the depositor/s would receive the balance outstanding in the account as a trustee of legal heirs.
- Q) i) Bank recommends that all depositors avail nomination facility. If depositors do not want to give nomination, they will give in writing that they do not want nomination in the account. The depositor will be informed of the advantages of the nomination facility while opening a deposit account.
- ii) An acknowledgment of Nomination details will be issued to the depositor/s.
- R) Pass Book/ Statement of accounts: A statement of account will be provided by the Bank to Current Account depositors periodically as per terms and conditions of opening of the account. The Bank will issue a Pass Book to Savings Bank account holders or alternatively a statement of account will be provided on request. E-mail statements will be sent to the customers who have registered their e-mail address at the Home Branch. If the current account customers do not provide their e-mail address nor request for a printed statement, they will not receive statements.
- S) **Transfer of Accounts:**
- a) The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor. After the accounts are transferred, the account holder has to provide local address proof at the transferee branch or submit a declaration to provide the new address proof within six months at the transferee branch, if the transfer is at a different centre.

**b) Closure of Accounts:**

- i) Accounts can be closed on written request of the depositor. Request for closure of account should state the reason for closure. The pass book, unused cheque leaves and ATM cum Debit card (after cutting into two pieces across the magnetic strip) must accompany such request. Joint accounts can be closed only at the request of all such joint signatories.
- ii) Under normal circumstances, we will not close depositors account without giving at least 30 days' notice indicating the reasons for such closure. In such cases, account holder will be required to make alternate arrangements for cheques already issued and desist from issuing any fresh cheques on such account.
- T)** In case of Fixed Deposit of long maturity where proper KYC documents were not obtained at the time of taking the deposit, Bank will seek all that is required to establish the true identity from the customer before parting with the maturity proceeds of Fixed Deposits.
- U)** To ease the burden on the prospective customers in complying with KYC requirements for opening new accounts, norms for furnishing proof of address have been relaxed to allow submitting only one documentary proof of address (either current or permanent) while opening a bank account or while undergoing periodic updation. In case the address mentioned as per 'proof of address' undergoes a change, the customer may submit fresh proof of address to the branch within a period of six months. In case the proof of address furnished by the customer is not the local address or address where the customer is currently residing, branches may take a declaration of the local address on which all correspondence will be made by the bank which the customer. No proof is required to be submitted for such correspondence / local address. This address may have to be verified through 'positive confirmation' such as acknowledgement of receipt of (i) letter, cheque books, ATM cards: (ii) telephonic conversation ;(iii) visits, etc. In the event of change in this

address due to relocation or any other reason, customers may intimate the new address for correspondence to the bank within two weeks of such a change.

**V) Foreign Accounting Tax Compliance Act (FATCA) :**

India has signed Inter-Governmental Agreement (IGA) with USA on 9<sup>th</sup> July, 2015 for improving International Tax Compliance and implementing the Foreign Account Tax Compliance Act (FATCA). India has also signed a multilateral agreement on 3<sup>rd</sup> June 2015 to automatically exchange information based on Article 6 of the Convention on Mutual Administrative Assistance in Tax Matters under the Common Reporting Standard (CRS). The Finance (No.2) Act, 2014 has been amended section 285BA of the Income Tax Act, 1961 to include the obligation of reporting tax information by prescribed reporting financial institutions. Bank has, as a compliment and adjunct to overall implementation process, put in place a compliance programme with the related architecture to ensure compliance with CBDT rules

**4. Interest Payments**

i) Interest shall be paid on Savings Bank/Term Deposit accounts of residents Indians and Non-resident (External) Rupee Deposits (NRE) and Ordinary Non-Resident Deposit (NRO) accounts of the NRIs, at the rate decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time. Interest is calculated on daily product basis. Interest rate on NRE and NRO deposits cannot be higher than those offered on comparable resident deposits. Interest rates on FCNR (B) deposits are linked to LIBOR/SWAP rates and subject to a ceiling prescribed by RBI.

ii) Interest on Term Deposits are calculated at quarterly intervals and paid at the rate decided by the Bank depending upon the period of deposits. In case of monthly payment, the interest shall be calculated for the quarter and paid at discounted value. For any broken period i.e. remaining days

after completed quarters and deposits of less than a quarter, interest is calculated on daily product basis and a year comprises of 365 days. The interest on term deposits is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association. Interest on term deposits are also paid on calendar quarter basis at the request of depositors for the accounts opened under this scheme.

**iii)** The rate of interest on deposits will be prominently displayed in the branch premises. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed. These will also be displayed in the Bank's website.

**iv)** The Bank has statutory obligation to deduct tax at source if the total interest paid/payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act. The Bank will issue a tax deduction certificate (TDS Certificate) for the amount of tax deducted. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format at the beginning of every financial year. The declaration filed in Form 15G and 15H u/s 197A shall not be valid unless the person, filing the declaration furnishes his PAN in such declaration. In case of failure to do the same, tax is deducted at the rate mentioned in the relevant provisions of the IT Act or at the rate in force or at the rate of 20% which is higher. An acknowledgement of Form 15G/15H will be issued. Bank provides TDS Certificate in Form 16A, to their customers in respect of whom Income Tax has been deducted at source, well within the time-frame prescribed under the Income Tax Rules.

**v) (a)** Bank has been permitted to formulate fixed deposit schemes specifically for resident's Indian senior citizens, offering higher and fixed rates of interest as compared to normal deposits of any size. The above additional interest is not applicable to any type of non-resident deposits. (RBI Circular No. DBOD.Dir.BC.1/13.03.00/2012-13 dated 02.07.2012).

**(b)** In the case of a term deposit which is standing in the name of an HUF, the Karta of the HUF cannot be offered higher rate of interest, even if he is a resident Indian senior citizen, as the beneficial owner of the deposit is the HUF and not the Karta in his individual capacity.

**vi)** Banks is permitted to offer, at their discretion, differential rates of interest on single term deposits of Rs. 15 lakhs and above, subject to the condition that the schedule of interest rates payable on deposits, including deposit on which interest is paid is disclosed in advance and not subject to negotiation between the depositor and the bank. However, as per paragraphs 84 and 85 of the Monetary Policy Statement 2012-13 announced on April 17, 2012 on variation in Interest rates on Deposit, the variation in interest rates on single term deposits of RS. 15 lakh and above and other term deposits (I.e. deposits less than Rs. 15 lakh) is minimal for corresponding maturities. (RBI Circular DBOD. No. Dir.BC36/13.03.00/98 dated 29.04.1998).

**vii)** In Savings Bank, interest is paid at half yearly intervals. In Term Deposits these are payable either quarterly, monthly at discounted rate or at calendar quarter basis as per the choice of customer.

**viii)** For FCNR (B) deposits the interest is calculated and paid at intervals of 180 days each and thereafter for the remaining actual number of days, on the basis of 360 days to a year. The depositor also has the option to receive interest on maturity with compounding effect.

## **5. Minor's Accounts**

- i)** The minor can open Savings Bank Account and the same can be operated by the natural guardian or by minor himself/herself, if he/she is above the age of 10 years and can sign uniformly. The account can also be opened jointly with guardian.
- ii)** On attaining majority, the erstwhile minor should confirm the balance in his/her account submit a fresh specimen signature, recent photograph, and PAN (Form 60/61 as applicable). He will also provide a declaration with

proof of majority for activation of account as a major account. In absence of completion of these formalities, debits in the accounts are not permitted.

- iii) Minor can not open joint account with 'Either or Survivor' / 'Former or Survivor' mandate where one account holder is a minor and other one is major who might not be a guardian.

## **6. Account of Illiterate / Blind Person :**

The Bank may at its discretion open deposit accounts other than Current Accounts of an illiterate person. The account of such person may be opened provided he/she calls on the Bank personally along with a witness who is known to both the depositor and the Bank. Normally, no cheque book facility is provided for such Savings Bank Account. At the time of withdrawal/repayment of deposit amount and/or interest, the account holder should affix his/her thumb impression or mark in the presence of the authorized official who should verify the identity of the person. The Bank will explain the need for proper care and safe keeping of the passbook etc. given to the account holder. The Bank official shall explain the terms and conditions governing the account to the Illiterate/Blind person.

**ACCOUNTS OF DIFFERENTLY ABLED PERSON :** A Physically Impaired Person may open an ordinary Savings Bank Account in his sole name or jointly with other person(s). The Bank may at its discretion open deposit accounts other than Current Accounts. The account of such person may be opened provided he/she calls on the Bank personally along with the witness who is known to both the depositor and the Bank. ADD:SBI Guardianship Certificate issued either by the District Court under Mental Health Act, 1987 or by the Local Level Committee under the National Trust for the welfare of the persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 is required for the purpose of opening /operating accounts.

**ACCOUNTS OF VISUALLY IMPAIRED PERSON :**A visually impaired person may open Savings Bank account in his sole name or jointly with other person(s).

The Bank may at its discretion open deposit accounts other than Current Accounts of visually impaired person. The account of such person may be opened provided he/she calls on the Bank personally along with a witness who is known to both the depositor and the Bank. Visually impaired persons can open cheque book operated accounts after fulfilling the requirement of the Bank. Branches to provide the same facilities to a visually impaired customer / prospective customer as it would to any other customers. All banking facilities such as cheque book, ATM facility, INB, lockers, retail loans etc. are offered to visually challenged persons without any discrimination.

#### **7. Addition or deletion of the name/s of joint account holders :**

The bank may at the request of all the joint account holders allow addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder. However, the name of one of the original account holder must be retained after addition/deletion of name/(s).

#### **8. Customer information:**

The customer information collected from the customers shall not be used for cross selling of services or products by the Bank, their subsidiaries and affiliates. If the Bank proposes to use such information, it should be strictly with the consent of the account holder.

#### **9. Secrecy of customer's accounts:**

The Bank shall not disclose details/particulars of the customer's account to a third person or party without the expressed or implied consent from the customer. However, there are some exceptions, viz disclosure of information under compulsion of law, where there is a duty to public to disclose and where interest of the Bank requires disclosure.

#### **10. Premature withdrawal of term deposit :**

The Bank on request from the depositor, at its discretion may allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. The Bank shall declare their penal interest rates policy for premature withdrawal of term deposit. The Bank shall make depositors aware of the applicable rate along with the deposit rate. In case of joint account premature withdrawal of Term Deposit will depend on the mandate given by the depositors jointly at the time of opening the Term Deposit .or any time subsequently during the term/ tenure of deposit as per mandate, without seeking the concurrence of the legal heirs of the deceased joint deposit holder. In the event of the death of the depositor, premature termination of the term deposits would be allowed.

#### **11. Premature renewal of term deposit:**

In case the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account, the bank will permit the renewal at the applicable rate on the date of renewal, provided the deposit is renewed for a period longer than the balance period of the original deposit. While prematurely closing a deposit for the purpose of renewal, interest on the deposit for the period it has remained with the Bank will be paid at the rate applicable on the date of deposit to the period for which the deposit remained with the bank and not at the contracted rate. Further, the bank may levy penalty for premature closure of an existing deposit at such rates as may be decided by the bank from time to time.

#### **12. Renewal of overdue term deposits:**

If for any reason Term Deposits could not be renewed and request for renewal is received after the date of maturity, such overdue deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date.

### **13. Advances against deposits:**

The Bank may consider request of the depositor/for loan/overdraft facility against term deposits duly discharged by the depositor/s on execution of necessary security documents. The Bank may also consider loan against deposit standing in the name of minor, however, a suitable declaration stating that loan is for the benefit of minor, is to be furnished by the depositor-applicant.

### **14. Settlement of dues in deceased deposit account :**

- i) If the depositor has registered nomination with the Bank; the balance outstanding in the account of the deceased depositor will be paid to the nominee after the Bank satisfies about the identity of the nominee, etc.
- ii) The above procedure will be followed even in respect of a joint account where nomination is registered with the Bank. In the case of joint accounts, the nominee's right arises only after the death of all depositors. Nominee's right in case of death of one of joint account holder are as under:-

In a joint account containing any one mandate of "either or survivor" "former or survivor" or "later or survivor", on demise of one of the joint account holders, the survivor has the priority of right to operate the account over the right of the nominee to the proceeds of the account. Contrarily the joint account containing the mandate of joint operation, the surviving joint account holders can not be allowed to operate the account on the demise of one of the joint account holders. As the nominee is jointly nominated by all the joint account holders, he/she, for the purpose of affording legal discharge to the Bank, is the successor in interest of each of the joint account holders and, as a necessary corollary, such a joint account can only be permitted to be operated under the joint signatures of the surviving account holders and the nominee of the deceased account holder. It would be procedurally correct to open a new account in the name of the nominee with other joint account holders and

transfer the proceeds of the deceased joint account to the new account on the joint mandate of the nominee and surviving joint account holder.

- iii) In a joint deposit account, when one of the joint account holders dies, the Bank is required to make payment jointly to the legal heirs of the deceased person and the surviving depositor (s). However, if the joint account holders had given mandate for disposal of the balance in the account in the forms such as “either or survivor. Former/latter or survivor, anyone of survivors or survivor; etc., the payment will be made as per the mandate to avoid delays in production of legal papers by the heirs of the deceased.
- iv) In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount outstanding in the account of deceased person against joint application and indemnity by all legal heirs or the person mandated by the legal heirs to receive the payment on their behalf without insisting on legal documents up to the limit approved by the bank’s board. This is to ensure that the common depositors are not put to hardship on account of delays in completing legal formalities.
- v) Bank may call for succession certificates from the legal heirs of deceased depositors in cases a) where there are disputes and all the legal heirs do not join in indemnifying the Bank and b) in certain other exceptional cases where the Bank has a reasonable doubt about the genuineness of the claimant (s) being the only legal heir(s) of the depositor.

**15. Interest Payable on term deposit in deceased account :**

- i) In the event of death of the depositor before the date of maturity of deposit and amount of the deposit is claimed after the date of maturity, the Bank shall pay interest at the contracted rate till the date of maturity. From the date of maturity to the date of payment, the bank shall pay rate applicable on the date of maturity, for the period for which the deposit remained with the Bank beyond the date of maturity; as per the bank’s policy in this regard.

- ii) However, in the case of death of the depositor after the date of maturity of the deposit, the bank shall pay interest at savings deposit rate obtaining on the date of maturity from the date of maturity till the date of payment.

#### **16. Insurance Cover for Deposits :**

All bank deposits are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions. The detail of the insurance cover in force will be made available to the depositor either by way of a notice or by displaying on the Bank's website.

#### **17. Stop Payment Facility :**

The Bank will accept stop payment instructions from the depositor in respect of cheques issued by them. The acceptance will be in cases where the Cheque in question has not been paid by the Bank. Charges, as specified, will be recovered.

#### **18. Dormant Accounts/Inoperative Accounts:**

Accounts which are not operated for a period of over two years will be transferred to a separate inoperative account status in the interest of the depositor as well as the bank. The depositor will be informed of charges, if any, which the Bank will levy on inoperative accounts. The depositor can request the Bank to activate the account for operating it after completing certain formalities.

At present Savings Bank and Currents accounts are treated as 'inoperative' if there are no debit as well as credit transactions induced at the instance of customers in the account for a period of over two years. Customer mandated transactions are treated as customer induced transactions and the accounts are treated as operative. The list of Unclaimed/inoperative accounts for more than 10 years is displayed on Bank's website for the notice to the public. Claimants can approach the branch with full details of the account for claiming the amount as per the Bank's policy.

State and Central Governments have expressed difficulties in crediting cheques/Direct Benefit Transfer/Electronic Benefit Transfer/Scholarships for students, Zero Balance Accounts etc. into accounts opened for the beneficiaries under various Central/State Government schemes but had been classified as dormant/inoperative due to non-operation of the account for over two years.

“In order to facilitate such credits, for such beneficiaries of Govt. Schemes, a separate 'product code' in CBS will be provided to all such accounts where stipulation of inoperative/dormant account due to non-operation will not apply while crediting the proceeds as mentioned above” RBI has established "Depositors Education and Awareness Fund (DEAF-2014)" under Section 26 of Banking Regulation Act 1949, where all the credit balance lying in the unclaimed accounts are transferred. The Bank is liable to pay the amount to the depositor/claimant and claim refund of such amount from the Fund.

#### **19. Service Charges:**

The Bank will levy service charges as approved by IBA/RBI/Bank's Board. The applicable service charges will be displayed on the Bank's website [www.sbp.co.in](http://www.sbp.co.in) and a notice of one month will be given in case of upward revision in services charges.

#### **20. Intimation to Customers on changes effected**

The depositors will be informed of a change in the policy by any of the following:

- i) Advertisement in the newspapers.
- ii) SMS to the customers, if mobile number is registered.
- iii) Display on the notice board at the branch.
- iv) Display on Bank's website at [www.sbp.co.in](http://www.sbp.co.in)
- v) Intimation by means of letter.
- vi) E -mail to customers, if an e-mail address is registered with the Bank