

Westpac India - Comprehensive Deposit Policy

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WESTPAC INDIA COMPREHENSIVE DEPOSIT DOCUMENT HIERARCHY

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1. Preamble

This policy outlines the guiding principles in respect of various deposit products and banking related services offered by Westpac India. It emphasises on the rights of depositors and aims at dissemination information with regards 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 individual customers and create awareness among customers of their rights.

Westpac Banking Corporation, Mumbai Branch (hereinafter called the Bank) will accept deposits from the public for the purpose of lending. Depositors are the major stakeholders of the Banking System and therefore it would be endeavour of the Bank to protect their interest. Keeping this in view, Westpac has framed Comprehensive Deposit Policy outlining 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. 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 would be issued by the Bank from time to time.



2. Account Opening

Westpac will provide its customers with details of various types of accounts that they may open with the Bank. Customers can make a choice on what type of account best suits them, based on their requirements and applicable guidelines. The Bank will, prior to opening an account, require documentation and information as prescribed by the "Know Your Customer" (KYC) / Anti-Money Laundering (AML) guidelines issued by Reserve Bank of India (RBI) and the Westpac Group.

Before opening any deposit account Westpac will follow the RBI instructions on "Know Your Customer" (KYC) and "Anti-Money Laundering" rules and regulations and any such other norms or procedures of the Bank. If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account would be informed to the customer and the final decision of the Bank would be conveyed at the earliest.



3. Types of Deposit Accounts

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

- I. "Savings 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;
- II. "Term deposit" means a deposit received by the Bank for a fixed period withdraw able only after the expiry of the fixed period and includes deposits such as Recurring / Double Benefit Deposits / Short Deposits / Fixed Deposits/Monthly Income Certificate /Quarterly Income Certificate etc.
- III. "Current Account" means a form of demand deposit wherefrom withdrawals are allowed for 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 Savings Deposit nor Term Deposit;

3.1. Operation of Deposit Accounts

Westpac is committed to provide basic banking services to disadvantaged sections of the society. Banking services will be offered to them through small savings Bank Account which will be opened with relaxed customer acceptance norms as per regulatory guidelines.

In this account following minimum common facilities will be extended

- (i) Such account will be considered as normal banking account and services will be at par with other Bank accounts.
- (ii) This account shall not have the requirements of any minimum balance.
- (iii) The services available in the account will include deposit and withdrawal of cash, receipt/credit of money through electronic payment channels or by means of deposit/collection of cheques drawn by Central/State Governments agencies and Departments.
- (iv) While there will be no limit on the number of deposits that can be made in a month, account holders would be allowed a maximum of 4 withdrawals in a month.



The above facilities will be provided without any charges. Further, no charge will be levied for non-operation/activation of inoperative account. In case such account is opened on the basis of simplified KYC norms, the account would be additionally treated as “Small Account” and would be subject to conditions stipulated for such account as indicated in Section 23, Chapter VI of RBI Master Direction – Know Your Customer (KYC) Direction, 2016 dated 25th Feb 2016.

- A) The account opening forms and other printed material would be provided to the prospective depositor by the Bank. The same would 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.
- B) Westpac will carry out periodical updation of KYC data, keeping in view the risk perceptions of each of its customers/depositors.
- C) The regulatory guidelines require banks to categorize 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 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 given to the customer.
- E) For Deposit products like Savings Bank Account and Current Deposit Account, the Bank would normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account would 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, etc. All such details, regarding terms and conditions for operation of the account and schedule of charges for various services provided would be communicated to the prospective depositor while opening the account. In case of any revision in the terms and conditions for the maintenance of these accounts would be advised to the customer at least before 30 days from the date the revised charges come into effect. Further, the Bank would offer the facility of issuing Pass Books (containing full address, telephone No. etc. of the Branch) to its SB Account holders without charging any fees. Similarly, if the customers agrees for receiving monthly statements



(containing full address, telephone No. etc. of the Branch) in lieu of Pass Books then also no fees would be charged by the Bank for extending this facility.

- F) Savings 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 / partnership firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies /Trusts, etc. The bank before opening a current account of the prospective customer would insist for a No Objection Certificate from the lending bank/s if he is enjoying credit facilities (fund based or non-fund based) from the banking system. In case, no response is received by the bank from the existing banker/s within a fortnight, the bank would consider opening of account subject to other safeguards. In case a reply is received from the existing banker, the bank would take a view based on the information provided by the existing banker on the prospective customer.
- H) Term Deposits Accounts can be opened by individuals / partnership firms /Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts, 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.
- J) In addition to the due diligence requirements, under KYC norms Westpac will 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/her 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).
- 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 Savings 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 any one 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 the survivor on death of any two account holders.
- iii. Joint: If the account is held by the two individuals say, A & B, under a joint mandate, both the holders will be required to sign all instructions issued to the Bank

The above mandates will be applicable to or become operational only on or after the date of maturity of term deposits. This mandate can be modified by the consent of all the account holders.

N) At the request of the depositor, Westpac will register mandate / power of attorney given by him authorizing another person to operate the account on his behalf.

O) In case of term/fixed deposits with “Either or Survivor” or “Former or Survivor” mandate, the Bank would allow premature withdrawal of the deposit by the surviving joint depositor on the death of the other, when there is a joint mandate from the joint depositors to this effect. Such mandate could be given by the joint deposit holders either at the time of placing term/fixed deposit or any time subsequently during the term/tenure of the deposit. Having obtained such mandate, the Bank could allow premature withdrawal of term/fixed deposits by the surviving depositor, without seeking the concurrence of the legal heirs of the deceased joint deposit holder. The bank would not levy any penal charge for such premature withdrawals.

P) In the event there is an inflow of funds in the name of the deceased depositor, the Bank will consider adopting either of the following two approaches:

- Westpac could be authorized by the survivor(s) / nominee of a deceased account holder to open an account styled as 'Estate of Mr./Ms _____ the deceased' where all the pipeline flows in the name of the deceased account holder could be allowed to be credited, provided no withdrawals are made OR



- Westpac could be authorized by the survivor(s) / nominee to return the pipeline flows to the remitter with the remark "Account holder deceased and to intimate the survivor(s) / nominee accordingly. The survivor(s) / nominee / legal heir(s) could then approach the remitter to effect payment through a negotiable instrument or through electronic transfer in the name of the appropriate beneficiary.
- Q) The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on the date of maturity. In case of absence of any instructions, deposits will be treated as an auto renewal deposit and would be renewed for a similar period. The term deposit shall continue to be auto renewed till such time instructions to the contrary are received by the Bank from the customer. When a term deposit is renewed on maturity, on renewed deposit, interest rate for the period specified by the depositor as applicable on the date of maturity would be applied. The Deposits will be auto renewed along with interest.
- R) Nomination facility is available on all deposit account opened by individuals, including, sole proprietorship concern. Such nomination is required to be made in the prescribed manner as required in the Banking Companies (Nomination) Rules, 1985. Nomination can be made in favor of one individual only. Nomination so made can be cancelled or changed by the account holder/s any time. While making nomination, cancellation or change thereof, it is required to be witnessed by a third party, if such mandate is given under thumb impression/s. Nomination can be made in favor of a minor.
- S) Westpac recommends that all depositors should avail all nomination facility. On receipt of such requests, the bank will acknowledge receipt of nomination/change in nomination/cancellation of nomination and register the nomination (including changes and cancellation) in the bank's record. It would also be properly noted down in the Banks systems and records...

If a person opening an account declines to fill in the nomination form, Westpac would ask him/her to give specific letter to that effect. In case he/she refuses to give any such letter, the facts would be recorded on the Account Opening Form by the Bank officials.

The nominee in the event of death of the depositor/s would receive the balance outstanding in the accounts as a trustee of the legal heirs. In case of a joint deposit account, in the event of the death of one of the joint account holders, the right to the deposit proceeds does not automatically devolve on the surviving joint deposit account holder, unless there is a survivorship clause. Further, the nominee/s right would arise only after the death of all the depositor/s.



A separate nomination would be necessary for Saving Bank Account and Saving Bank Account opened for credit of pension amount.

T) When the account of a customer is frozen / blocked on the orders of the enforcement authorities, the payment of interest on such account would be made keeping in view the guidelines issued by RBI in this regard.

U) The Bank would ensure that any remittance of funds for value of Rs.50, 000.00 and above is effected by debit to the customer's account or against cheque and not against cash payment.



4. Interest Payments

- i) Interest shall be paid by the Bank on daily product basis on saving account at the rate specified by the Bank from time to time.
- ii) In terms of Reserve Bank of India directives, interest shall be calculated at quarterly intervals on term deposits and paid at the rate fixed by the Bank from time to time. The interest on term deposits is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association. For the purpose of payment of interest on domestic term deposits repayable in less than 3 months or where the terminal quarter is incomplete, interest would be paid proportionately for the actual number of days reckoning the year at 365 days.
- 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.
- iv) Westpac 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 or at the time of placing the term deposits with the Bank.



5. Minors' Accounts

- i) A minor can open Savings Bank Account and the same can be operated by the natural guardian.

- ii) On attaining majority, the erstwhile minor should confirm the balance in his/her account and give a specimen signature, duly verified by the natural guardian to the Bank for all operational purposes.



6. Account of Illiterate

Westpac reserves the right to 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 will be 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 officer who should verify the identity of the person. The Bank would 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 person.



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

Westpac 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.



8. Customer information

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

8.1. Secrecy of customer's accounts

Westpac will 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.

8.2. Premature withdrawal of term deposit

Westpac 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 would declare its penal interest rates policy for premature withdrawal of term deposit and give reasonable publicity.

8.3. Premature renewal of term deposit

In case the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account, Westpac 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 pre-mature closure of an existing deposit at such rates as may be decided by the bank from time to time.



8.4. Renewal of overdue term deposits

When a term deposit is renewed on maturity, on renewed deposit interest rate for the period specified by the depositor as applicable on the date of maturity would be applied. If 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, provided such request is received within 14 days from the date of maturity. In respect of overdue deposits renewed after 14 days from the date of maturity, interest for the overdue period will be paid at the rates decided by the Bank from time to time.

8.5. Advances against deposits

The Bank may consider at its sole discretion, requests from depositor/s 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 the minor, is to be furnished by the depositor - applicant.

8.6. Settlement of dues in deceased deposit account

Please refer to the policy on Settlement of Claims for Deceased Persons

8.7. Interest payable on term deposit in deceased account

Please refer to the policy on Settlement of Claims for Deceased Persons

8.8. Settlement of claim in case of missing persons

Please refer to the policy on Settlement of Claims for Deceased Persons



8.9. 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 details of the insurance cover in force would be made available to the depositor.

8.10. Stop Payment Facility

The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. Charges, as specified, will be recovered.

8.11. Dormant Accounts

Accounts which are not operated for a period of two years will be transferred to a separate dormant / 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 dormant / inoperative accounts. The depositor can request the Bank to activate the account for operating it.

8.12. Redressal of complaints and grievances

Please refer to the Grievance Redressal Policy



9. Policy Revision & References

This policy is subject to revision based on the extant RBI and other related guidelines issued by them from time to time.

Reference: RBI Master Circular on customer service in banks dated July 1, 2015.

IBA Model Policy on Bank Deposit

RBI Circular DBOD.No.Legal.BC.37/09.07.005/2012-13 dated August 16, 2012.



10. ANNEXURES

Annexure 1 – Settlement of claims in Savings/Current/Term Deposit Account
Refer to the “Settlement of Claims of Deceased Persons” Policy
Annexure 2 – Application for Deceased Claim with Nomination / Survivor clause
Refer to the “Settlement of Claims of Deceased Persons” Policy
Annexure 3 – Application for Deceased Claim without Nomination / Survivor clause
Refer to the “Settlement of Claims of Deceased Persons” Policy
Annexure 4 – Indemnity cum Affidavit
Refer to the “Settlement of Claims of Deceased Persons” Policy
Annexure 5 - Receipt
Refer to the “Settlement of Claims of Deceased Persons” Policy