

## DFCC Investment Planner / DFCC Junior Investment Planner Account

### TERMS & CONDITIONS

The terms and conditions for **DFCC Investment Planner / DFCC Junior Investment Planner** Accounts (hereinafter sometimes referred to as “Investment Planner”) opened and maintained at **DFCC Bank PLC** (Company Registration No. PQ 233) having its registered office at “No. 73/5, Galle Road, Colombo 03” (hereinafter referred to as the “**Bank**”) are as follows;

#### **Opening of DFCC Investment Planner / DFCC Junior Investment Planner Account & Funding**

1. Investment Planner is a special account which a monthly committed amount should be deposited for a set period of time to achieve a targeted sum of money
2. Individuals, Sole Proprietorships, Partnerships, Clubs Societies, Government Institutes, Limited Liability Companies or any other registered entities are permitted to open DFCC Investment Planners.
3. A **DFCC Investment Planner** (hereinafter sometimes referred to as “DIP”) is an special account which can be opened by any Individual or Individuals who is / are over 18 years of age at the time of opening the account or sole Proprietorships or Partnerships or Clubs Societies or Government Institutes or Limited Liability Companies or any other registered entities (hereinafter individually and/or collectively referred to as the “Customer”), upon completion of the Bank’s account opening documentation and approved by the Bank.
4. The **DFCC Junior Investment Planner** (hereinafter sometimes referred to as “DJIP”) is an special minor account which can only be opened by a Parent / Guardian of a Child who is / are under 16 years of age at the time of opening the account in the name of the minor (hereinafter referred to as the “Minor Customer”) upon completion of the Bank’s Junior account opening documentation and approved by the Bank.
  - a. The Parent / Guardian mentioned in the clause 4 above should nominate a **DFCC Junior** account in the name of the said Minor in the account opening mandate which shall be the beneficiary account of the **DJIP** account balance at the Maturity Date (hereinafter referred to as the “**Beneficiary account**”).
  - b. In addition to the mandatory documents required, the original birth certificate of the Minor should be produced to the Bank at the time of opening the account for perusal which will be returned after retaining a copy for Bank’s record purposes.
5. The DIP account can be opened jointly only for Individuals. Joint DJIP Accounts shall not be allowed.
6. Only monthly payments to the DIP or DJIP Accounts are allowed. Lump sum payments will not be allowed.

7. DIP or DJIP Accounts can only be funded through a fund transfer Instruction given to account owned by the Customer or the Parent / Guardian in the event of DJIP account opened at DFCC Bank which may be either a Savings account or a Current account (hereinafter referred as the “Funding Account”). No direct credits to the investment planner are permitted.
8. No withdrawals / fund transfers by the Customer / Parent / Guardian / Minor Customer are allowed from the DIP or DJIP Accounts before the Maturity Date.
9. Customer or the Parent / Guardian agrees to ensure that the agreed monthly commitment (hereinafter sometimes referred to as “**Commitment Amount**”) is made available in the funding account on or before the monthly due date.
10. Once the DIP / DJIP Account Numbers are given, it should be quoted in all correspondence with the Bank. The Bank reserves the right to change the DIP / DJIP Account Numbers so given with notice to the Customer or the Parent / Guardian in the event of DJIP account.
11. There will be e-statements available for the DIP or DJIP Accounts indicating the principal and the capitalized interest amounts credited to the account so far.

#### **Maturity Target Amount & Maturity Date**

12. DIP or DJIP accounts can only be opened with a minimum Maturity Investment Value (hereinafter referred to as “**MIV**”) as follows.
  - a. LKR Investment Planners – Rs. 100,000/-
  - b. FCY Investment Planners – USD 10,000/- or equivalent value of any other currency accepted by the Bank, subject to the Bank’s foreign currency policies.

The “Maturity Investment Value” means the amount which the Customer or the Parent / Guardian in the event of DJIP account, contracts with the Bank to receive on the Maturity Date under the Investment Planer, subject to the Bank’s terms and conditions.

13. Minimum and maximum period of the Investment Planner
  - a. DIP Customers can choose to achieve the **MIV** for LKR accounts in a minimum maturity period of 02 years and a maximum maturity period of 15 years or any other such period as the Bank may decide from time to time. To achieve the **MIV** of the FCY Investment Planners will be a minimum maturity period of 02 years and a maximum maturity period of 05 years or any other such period as the Bank may decide from time to time.
  - b. The Parent / Guardian in the event of DJIP account can choose to achieve the **MIV** for LKR accounts in a minimum maturity period of 2 years and a maximum maturity period up to 18 years and for FCY accounts in a minimum maturity period of 02 years and a maximum maturity period of 05 years provided that the Minor shall not be over 18 years of age on the Maturity Date.

“Maturity Date” means the date which the Customer or the Parent / Guardian in the event of DJIP account has chosen to receive the **MIV** under the Investment Planer, subject to the Bank’s terms and conditions.

14. At the time of opening a DIP the Customer or the Parent / Guardian in the event of DJIP account, shall choose the **MIV** subject to clause 12 above. At the time of opening the account, the Bank will inform the Customer or the Parent / Guardian in the event of DJIP account, the monthly installment and the due date to be deposited into the Funding Account.

### **Commitments**

15. The Customer or the Parent / Guardian in the event of DJIP account undertakes and agrees to keep sufficient funds in the Funding Account to be able to fulfill the Commitment Amount requirement of the Investment Planner, on or before the due date of each month until the Maturity Date is mandatory, in order to be eligible to receive the **MIV** chosen by the Customer.
16. The Funding Account should have the Commitment Amount in the account on the payment due date. Only the full Commitment Amount will be recovered from the Funding Account. No partial Commitment Amounts will be recovered.
17. If the,
  - a. Customer misses one Commitment Amount; the DIP will be automatically closed after 28 days and the amount in the DIP account, after computing the due interest at prevailing rate of DFCC Bank savings interest will be credited to the customer’s Funding Account.
  - b. The Parent / Guardian in the event of DJIP misses one Commitment Amount, the DJIP will be automatically closed after 28 days and the amount in the DJIP account, after computing the due interest at prevailing rate of DFCC Bank savings interest will be credited to the Minor’s Beneficiary account.

### **Interest & payment on Maturity**

18. Interest at the rates fixed by the Bank shall be calculated on the daily balances in the accounts and credited to the respective Investment Planner accounts on monthly basis until the Maturity Date.
19. Applicable tax as per the prevalent laws at the time of maturity should be deducted and only the balance sum will be transferred,
  - a. to the Funding Account with regard to the DIP accounts.
  - b. to the Beneficiary account, at all instances of the DJIP
20. On the Maturity Date the Bank will pay the Customer or the Parent / Guardian in the event of DJIP, the **MIV** subject to deduction of taxes and other statutory levies that may be payable on the Maturity Date or during the period of the Investment Planner as required by Law, provided however that the Customer or the Parent / Guardian in the event of DJIP shall have at all times complied with all of these terms and conditions.

21. Penalty calculation
  - a. In the case of premature closures Interest should be calculated at prevailing rate of DFCC Bank savings interest and only that amount should be paid to the Customer or to the **Beneficiary account** in the event of DJIP accounts that has been opened at the time of opening the Investment Planner, after deducting any applicable tax as per the prevalent tax laws at the time.
22. The Bank shall comply with the laws and regulations and shall effect any payment thereon to the relevant government authorities debiting the Funding Account of the Customer or the Parent / Guardian in the event of DJIP, if the Customers do not complete the account opening documents and the statutory declarations properly as required by the Bank.

**Death of the customer before the Maturity Date**

23. In the event of the demise (or any other exceptional circumstances) of a Customer of DIP which leads to premature closure of the **DIP**, Interest should be calculated at prevailing rate of DFCC savings interest and only that amount should be paid to the legal heirs of the Customer in accordance with the laws of Sri Lanka after deducting any applicable tax as per the prevalent tax laws at the time.
24. In the event of the demise (or any other exceptional circumstances) of the Parent / Guardian in the event of DJIP which leads to premature closure of the **DJIP**,
  - a. The funding account can be changed to a new Funding Account belonging to the surviving Parent / surviving Guardian within the 07 day period, provided that a written request from such party is received by the Bank. The new Funding account has to be a Current / Savings account of the surviving Parent / surviving Guardian maintained at DFCC Bank PLC.
  - b. In the event such a written request is not being received by the Bank, the funds remaining in the DJIP account shall be transferred to the **Beneficiary account** and be allowed to withdraw only at the time of Minor customer reaching the age of major.
25. In the event of the death of a joint party to the DIP account, the DIP account can be continued with the surviving party. The Funding Account can be changed with the request of the surviving party within the 07 day period. The new Funding Account has to be a Current / Savings account of the surviving party maintained at the Bank.
26. In the event of the Minor Customer has deceased, the balance in the DJIP account shall be paid to the legal heirs of the deceased Minor Customer in accordance with the law of Sri Lanka, less taxes and statutory levies payable by the Minor Customer as at the date of the demise in accordance with the prevailing law.

### **Termination of Account**

27. In the event the Customer or the Parent / Guardian in the event of DJIP defaults in making any one installment on the due date, the Bank reserves the right to terminate the DIP or the DJIP respectively at any given time thereafter and subject to the Banks terms and conditions
28. Customers or the Parent / Guardian in the event of DJIP shall not be permitted to close the DIP or the DJIP respectively and withdraw the balance therein before the Maturity Date except under exceptional circumstances and at the absolute discretion of the Bank. In the event the Bank permits the Customer or the Parent / Guardian in the event of DJIP to close the DIP / DJIP before the Maturity Date, the Bank shall, subject to the Banks terms and conditions, credit the Funding Account of the Customer / credit the **Beneficiary account** of the Minor, the accumulated principal sum invested plus the accrued normal DFCC Bank saving interest up to the time of termination less taxes and other statutory levies that may be payable by the Customer or the Minor Customer in the event of DJIP and account closing charges if applicable.
29. The Bank reserves the right to terminate any DIP or DJIP at any time with its absolute discretion without assigning any reason by providing 14 days' notice in writing to the last known address of the Customer or the Parent / Guardian in the event of DJIP. In the event the Bank terminates any DIP or DJIP before the Maturity Date and/or closes the DIP or the DJIP under this Clause, the Bank shall, subject to the Banks terms and conditions credit the Funding Account of the Customer / credit the **Beneficiary account** of the Minor Customer the total principal sum invested together with accrued normal DFCC Bank saving interest up to the date of such termination less taxes and statutory levies that maybe payable by the Customer or Minor Customer in the event of DJIP.
30. In the event a DIP or a DJIP is terminated and/or the DIP or the DJIP is closed, whether by the Bank or by the Customer or the Parent / Guardian in the event of DJIP, under any of the situations enumerated, the Bank may at its discretion, recover any costs that the Bank may have incurred in providing the benefits and services applicable to the DIP or the DJIP and the Bank shall also be entitled to pay interest on the principal sum invested in the DIP or the DJIP at a lesser rate to be decided at the sole discretion of the Bank.

### **General Conditions**

31. A Notification on Investment details of the Investment Planner chosen by the Customer shall be issued to the Customer or to the Parent / Guardian in the event of DJIP at the time of account opening. No passbook will be issued to the Customer or to the Parent / Guardian in the event of DJIP.
32. The Customer or the Parent / Guardian in the event of DJIP shall not assign, transfer or mortgage any of the rights or liabilities of the Customer or the Parent / Guardian in the event of DJIP under the Investment Planner and the Bank shall not be bound by or be responsible for any loss resulting directly or indirectly from such transaction.
33. The Bank should be advised promptly in writing of any change of address, Email, and the mobile number of the Customer or the Parent / Guardian in the event of DJIP.

34. Notwithstanding anything to the contrary stated herein, the Bank may without notice to the Customer in the event of DIP accounts, combine or consolidate the Customer's Investment Planner account with any other account of the Customer or with any liabilities of the Customer to the Bank and set-off or transfer any sum/s standing to the credit of the Investment Planner account against any other sum/s owing from the Customer to the Bank on any other account or in any other respect whether such liabilities be actual or contingent, primary or collateral and several or joint. The Customer hereby expressly authorizes any such set off to be made by the Bank in settlement of any outstanding to the Bank.
35. The Customer or the Parent / Guardian in the event of DJIP shall be bound with all terms and conditions contained herein and In addition to the terms and conditions contained herein; the account will be subject to and be bound by the terms and conditions of General Account Opening of the Bank issued to all customers prior to opening any account. The Customer or the Parent / Guardian in the event of DJIP will be bound absolutely and equally by all terms and conditions contained herein irrespective of whether such terms and conditions are incorporated in the said General Account Opening terms and conditions or not.
36. The Bank reserves the right to alter, amend or add to these terms and conditions at any time in its sole and absolute discretion and any such alteration, amendment or addition shall be binding on the Customer or the Parent / Guardian in the event of DJIP. Notice of such alterations, amendments and/or additions may be sent to the Customer or the Parent / Guardian in the event of DJIP by post and/or given in the local press and/or sent through statement messages. Any notice hereunder sent by post will be deemed to have been received by the Customer or the Parent / Guardian in the event of DJIP within 7 days of posting to the last recorded address of the Customer or the Parent / Guardian in the event of DJIP. Notice so given to the Customer or the Parent / Guardian in the event of DJIP shall be deemed sufficient and proper notice and shall be binding on the Customer or the Parent / Guardian in the event of DJIP.
37. These terms and conditions will automatically stand amended if such amendments are necessitated by law, government regulation or directions of the Central Bank of Sri Lanka.
38. The Bank will issue a document to the Customer or Parent / Guardian that will mention information related to the DIP / DJIP such as Name of the account, Commitment Value, Payment Frequency, Currency, period of the Investment Planner and the MIV (hereinafter sometimes referred to as the "**Customer Receipt**"). In the event of a DIP Joint account, the **Customer Receipt** shall carry the names of the primary account holder and the 1<sup>st</sup> joint account holder only.
39. These terms and conditions shall be governed by the laws of Sri Lanka.