



STATE BANK OF INDIA

Deposit Section
460 Park Avenue, 2nd Floor
New York, NY 10022

Member FDIC

Form DEP-FX

(For office use)

Account No. _____

APPLICATION FOR SBI-FLEX CD (New customers should fill this form along with Form DEP-1)

CUSTOMER NUMBER

(New customers may leave this blank)

I / We request you to open the following SBI-FLEX CDs with your branch. I have read and understood the terms and conditions on which these CDs are offered. I/We acknowledge the receipt of the interest rate chart applicable for Certificate of Deposits.

\$ _____ for ____ years \$ _____ for ____ years
 \$ _____ for ____ years \$ _____ for ____ years

Source of Funds

(Check All That Are Applicable)

Current Income/wages Past savings Pension/S.S. Benefits
 Rent Liquidation of investments Sale of property
 Others (specify): _____

Mode of Deposit

Debit my/our Checking / MMD account with you
 Check No. _____ attached Collect my deposit from India.

1st Applicant

2nd Applicant

3rd Applicant

Signature:

Signature:

Signature:

Name:

Name:

Name:

Date:

Place:

TERMS AND CONDITIONS FOR SBI-Flex CDs

IMPORTANT: These CDs give you an OPTION of interest rate resetting during the term of the CD. That is, the interest rate resetting is NOT automatic but has to be opted for.

- i. **Terms for Which These Deposits May be placed:** 2, 3 or 5 years.
- ii. **When Will Interest Reset Option Become Available:** On any **one** of the semiannual anniversary dates.
- iii. **How to Exercise the Interest Reset Option:** As the interest rate reset is optional, it will have to be exercised by the depositor by applying on form DEP-FX(OL), which should be received by New York Branch up to 5 banking days before or after the semiannual anniversary date chosen by the depositor for the interest rate resetting. The resetting will be applicable from the banking date following the date of receipt of form DEP-FX(OL) by New York Branch, or the semiannual anniversary date that is chosen by the depositor for resetting, whichever is later. Interest rate will be reset to the rate applicable to conventional CDs, as on the semiannual anniversary date, of the same tenor as the original term of the SBI-Flex deposit.
- iv. **Premature Payment Penalty:** Same as for conventional CDs, computed on the basis of the original term. Interest rate applied for the penalty will be the one being paid for the deposit on the date of premature withdrawal.
- v. **Interest Rate:** Same as for conventional CDs, corresponding to the original term of the deposit.
- vi. **Frequency of Compounding of Interest:** Quarterly. Interest will be paid only upon maturity of the deposit.

Example (Interest rates given below are illustrative; actual rates could be different.):

Suppose an **SBI-Flex** CD was opened on January 3, 2005 for a term of 3 years. The depositor will have the *option* of seeking resetting of interest rate on *one* of the following dates, by applying to New York Branch on form DEP-FX(OL) up to 5 banking days before or after these dates: July 3, 2005; January 3, 2006; July 3, 2006; January 3, 2007; and July 3, 2007.

Suppose the CD was originally issued at 3.20 APR. Suppose on June 27, 2006 the depositor applies to New York Branch for interest rate reset, then the interest rate will be reset to that applicable to a conventional CD, of the same tenor as the SBI-Flex CD, as on July 3, 2006 (the semiannual anniversary date) (suppose this is 5.15 APR). If the depositor exercises the option after July 3, 2006 (but within the next 5 banking days), reset will be done to the interest rate as on July 3, 2006 but from the banking date following the date of receipt of the intimation by the Bank.

Suppose after the interest rate reset the depositor wants a premature withdrawal, a penalty of 180 days interest (the penalty applicable for a 3-year term) at 5.15 APR will be recovered.