Overdraft Against NRE Deposit(s)

I/We _____

_____

_____ account holder(s) of the Bank

_____ Branch request you to grant me/us an overdraft facility as per the details furnished below.

☐ NRO Savings Account ☐ NRO Current Account ☐ Resident Savings Account ☐ Resident Current Account

Account Number ☐☐☐☐ ☐☐☐ ☐☐☐☐☐☐☐

Details of NRE Deposit(s) against the security of which the Overdraft facility is applied for

	NRE Deposit Number	Amount	Maturity Date
1			
2			
3			
4			
5			
Total			

Purpose of the Overdraft facility _____

Period for which facility is required from D D M M Y Y Y Y to D D M M Y Y Y Y

Interest Rate for Overdraft facility TD Rate ☐☐ + Spread ☐☐ = Overdraft Interest Rate ☐☐ (to be filled in by Bank official)

Declaration

I/We have read the Terms and Conditions of the Bank and agree to be bound by the same. We also understand that the grant of overdraft facility is subject to the Bank's discretion and the interest will be charged on the utilised amount at a rate specified by the Bank and that in case of a pre-mature closure of NRE Deposit the Bank will charge interest as per RBI / Bank's Guidelines issued from time to time. I/We also promise to pay the Bank all related charges on availing overdraft facility and give the right to the Bank to deduct / adjust these charges to my NRE Deposit/s held with the Bank. I/We also undertake to inform the Bank in writing whenever I wish to discontinue availing of the overdraft facility.

Signature(s) of Applicants	Account Holder	Account Holder	Account Holder
Signature(s) of TD Holders (if different from applicants)	Account Holder	Account Holder	Account Holder

Date _____

Notes

1. Overdraft (OD) is available for Rs. 50,000 and above and with a tenure of 1 year or more.
2. Separate form to be used for NRE Deposit(s) which have a different order/set of names of holders.
3. OD limit will be as decided by the Bank.

For Bank Use Only

Branch _____

Request verified by _____ OD Limited and lien marked on NRE Deposit _____

OD limited sactioned _____ Authorised by _____

Signature verified by _____

Authorised by _____

Terms & Conditions

1. The rate of interest chargeable for the overdraft utilised is as offered and agreed by the customer.
2. The validity of the Overdraft Facility will be for the period as may be stipulated by the Bank from time to time.
3. Till full and final repayment of the Overdraft utilised, charges payable in respect of such availment and cancellation of the Limit being effected, the Term Deposit(s) shall be held as security by the Bank and will be renewed from time to time at the sole discretion of the Bank at the rates prevailing at the time of renewal and without any reference to the Deposit Holders and such renewed NRE Deposit(s) will continue to be held as security against the Overdraft. The Bank can mark a lien on the NRE Deposit(s) and appropriate proceeds there of towards repayments of its dues under the overdraft facility. For this purpose the Bank shall have right to prematurely cancel the deposits to effect such set off.
4. The Bank may, in its absolute discretion, discontinue, cancel and/or terminate an Overdraft already allowed and utilised, apply, set-off, appropriate and adjust the principal sum and all interest standing to the credit of the Deposit Holders, in relation to any or all of the NRE Deposit(s) in or towards full or part satisfaction and liquidation of the balance outstanding including in case of any default by customer in repayment or otherwise under or in respect of the Overdraft Facility.
5. Term Deposit cannot be prematurely withdrawn by applicants/account holders if Overdraft facility is availed against the said Term Deposit.
6. The Overdraft Facility shall be used only for the purpose mentioned in the Application. The Applicants agree that they are aware that the disclosure of use by them has been one of the condition in the Bank granting this facility for you.
7. The applicants shall not, subject to the extent as permitted make or assert any claim on the Bank, based on any theory of liability and In fact waive all their rights thereto in respect of any special, indirect, consequential or punitive damages as opposed to actual and direct damages arising in any way or connected with the Overdraft Facility or for any damage whatsoever caused by or arising from, directly or indirectly, the error, failure, negligence, act or omission of the Bank or any other person, system, institution orpayment infrastructure.
8. The applicant undertakes to maintain the required Average Quarterly Balance (AQB)* in the account(s) in which the Overdraft Facility is availed and further undertakes to maintain sufficient balance to debit the charges levied by the Bank in respect of the OD facility and failure to make payment of such amounts shall be treated as default of payment. In the event there being no sufficient balance to debit the charges, Bank shall be at liberty appropriate the same from the NRE Term Deposit(s) offered as Security or from any other accounts/ Deposits maintained by the applicant.
9. The Bank may at its sole discretion modify/vary/after downwards the OD limits and the applicants on being so communicated, be required to pay such amounts to the Bank to bring the facility within the new limit and Bank will have the right to appropriate such amounts from the NRE Deposit(s) if required.
10. As per RBI guidelines, the overdraft amount cannot be used for the purpose of relending, carrying on agricultural activities or for investments in real estate business it can however, be utilized for carrying on business activities and for investments in India on non-repatriation basis, in certain specified areas and for acquisition of flats/houses subject to prescribe conditions.
11. In the event of any change in drawing power arising out of any change in Bank's Policy, with regard to overdraft against NRE Deposits, the applicants shall be required to compensate bank for any shortfall arising due to excess drawing if any mae by the applicant.
12. This facility will be available only to a Borrower in Indian Rupees and for use in India.
13. If the facility is not repaid before the due date, Bank subject to its credit appraisal of the applicant and / at its sole discretion may automatically renew the facility for the same tenure/ period or for such other tenure/period as it may deem fit and on such terms and conditions as deemed fit, if the Term Deposit offered as Security is with auto renewal instructions, unless written instructions to the contrary is received by the Bank before the due date. The applicant is required to execute all such documents as may be required by the Bank.

* AQB= Average Credit Balance – (-) Average Overdraft Utilization