

TERM DEPOSIT (INTEREST BEARING DEPOSIT - IBD)

Terms & Conditions – Non-Individual Customers

1. Applying for a Term Deposit

You can apply for a Term Deposit at any Credit Corporation Branch. Credit Corporation Finance Limited (CCFL) Term Deposit provides security with a fixed rate of interest over your selected term.

2. Deposit Options

Funds can be deposited into your Term Deposit in any of the following ways:

- a) Cheque made payable to CCFL.
- b) Cash deposit at the Cashier by visiting any CCFL Branch.

Cheques deposited to this account requires five (5) working days' clearance (not including the day of the deposit), before funds are considered clear. Some exemptions do apply. Even though some cheques will require clearance, interest will accrue from the date of lodgement. Cheques lodged for Wholesale

Deposit may require immediate Clearance.

3. Type of Deposit

Retail Deposit – K5, 000 – K100, 000 Wholesale Deposit (WSD) – K100,001 +

4. Minimum Deposit

The minimum deposit for a Term Deposit account must be K5,000 (Retail) and 100,001 Wholesale (WSD).

5. Investment Terms

Funds can be invested for a minimum term of 7 days and up to a maximum of 36 months (3 years)

6. Interest Rate

The interest rate applicable to a Term Deposit account varies depending on:

- a) The term of the investment.
- b) The amount of the investment

The interest rate your deposit earns is fixed for that term. The interest rates schedule is available at all CCFL Branches.

7. Interest Calculation

Interest is calculated on daily balances up until and including the day before redemption.

Interest can be paid monthly, quarterly, half yearly, yearly or at the end of the investment period.

8. Interest Payment Options

Interest earned can be paid to you in any one of the following ways:

- a) Into a nominated bank account at any Financial Institution.
- b) By Cheque
- c) Reinvested into your existing deposit and held for another term at the prevailing interest rate.

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9. At Maturity

1. *Maturity Notice*

CCFL requires you to provide 7Days notice prior to your investment maturing. In the absence of prior instructions, we will automatically reinvest the deposit for the same term, at the prevailing interest rate; interest will either be paid or reinvested according to client's previous instructions.

2. *Payments in Full*

At maturity the following payment options are available:

- a) Reinvest the deposit and interest for the same term or a new term at the prevailing interest rate.
- b) Reinvest the deposit for a further term; have the interest paid into your nominated Bank account or by cheque OR
- c) Deposit plus interest paid into your nominated bank account or by cheque.

3. *Additional Deposits or Withdrawals*

At maturity if you intend to re-invest for a further term you can:

- a) Add additional funds to the deposit of any amount prior to investing.
- b) Withdraw part or all of the funds; however, the balance remaining for a Retail Term

Deposit is to remain at K5,000 and or K100, 000.01 for a Wholesale Term Deposit.

Note: If you wish to make a withdrawal it will be paid to your nominated bank account or by cheques depending on your letter of instruction received. Additional deposits may only be made at the end of the term. If you require a separate term deposit than a sub account can be opened.

4. *Change of Term*

At the end of the term upon reinvest you may:

- a) Change the term of the investment and OR
- b) Change the interest instructions

10. Early Redemptions

A written request is required for an earlier redemption. Application for redemptions may be considered on a case by case basis, and CCFL reserves the right to decline prepayment at its discretion without any liability prior to maturity of the Term Deposit Investment.

All Requests for Early Redemption must be made in writing 7 days for Retail Deposits and 14 days for Wholesale Deposits prior to the date of withdrawal.

Withdrawal amount and applicable interest will be paid into your nominated bank account or by cheque.

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Credit Corporation Finance Ltd
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P.O Box 1787,
Port Moresby
121 | N.C.D | Papua New Guinea



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11. Penalties on Early Redemption

For partial or full early redemption of a Term Deposit, interest will be paid based on the prevailing on call rate.

The penalty may be waived in the event of death of the depositor.

12. Deposit Confirmation

CCFL will issue a Term Deposit Certificate as a record of your investment. Replacement term deposit certificates are issued for lost /misplaced certificates. CCFL may require a police report prior to issuance of a duplicate certificate. Replacement certificate fee is applicable.

13. Joint Depositors

Where two or more persons are joint depositors they shall be regarded as joint tenants and on the death of a joint depositor, the survivor(s) will be the only person(s) recognized by CCFL as having any interest in the deposit. In the event of any person becoming entitled to a deposit in consequence of the death or bankruptcy of any depositor that person may, upon producing such evidence as is reasonable to prove his/her entitlement, either become registered as the depositor or execute a transfer of such deposit.

14. General

CCFL reserves the right from time to time to change the condition on which a deposit is held (other than the interest rate on the investment).

The depositor shall advise CCFL immediately by mail, telephone, in person, or by fax if phone numbers or an address has changed followed by a written confirmation. For name changes CCFL will require documents showing proof of change, that is a marriage certificate or change by deed poll.

The deposit is not transferable.

I/We agree to be bound by terms and conditions which apply from time to time to this account opened by me/us with Credit Corporation Finance Limited (CCFL).

Name of Customer

Signature

Date

Name of Customer

Signature

Date

Company Seal/Stamp (if applicable)

The Common Seal of _____ here unto affixed in our presence and we certify that we are the proper officers by whom and in whose presence the said seal is to be affixed.