

DECLARATION CUM UNDERTAKING FORMAT FOR OPENING/CONTINUING CURRENT ACCOUNT

(Please select any one option)

<p><u>For new account opening</u></p> <input type="checkbox"/> I/We Proprietor/Partners/Directors/Trustees/Signatories of _____ _____ _____ (name & address) wish to open a current/collection account with your _____ branch	<p><u>For existing accounts for submission during half yearly scrub:</u></p> <input type="checkbox"/> I/We Proprietor/Partners/Directors/Trustees/Signatories of _____ _____ _____ (name & address) maintains a current/collection account/s _____ (account numbers) with Federal Bank.
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(Please select any one option from 1-5)

<p>I / We declare that:</p> <input type="checkbox"/> 1. I / We do not have any credit exposure from any Bank. In future if we avail any credit exposure from any Bank, we shall inform Federal Bank immediately of availing such credit exposure with all details. <input type="checkbox"/> 2. I/We have credit exposure only with Federal Bank (Federal Bank is the sole lender). <input type="checkbox"/> 3. I/We do not have a credit exposure of Rs. 5 Cr or more in total from the banking system in India. In future if we avail overall credit exposure of Rs. 5 Cr or more, we shall inform Federal Bank immediately on availing such credit facilities with all details thereto. <input type="checkbox"/> 4. The current account to be opened, comes under the list of specific type of accounts* _____(mention the specific account category listed from 'a' to 'j', under which the account is proposed to be opened) provided as exemption under Para 4 of the RBI circular DOR.CRE.REC.23/21.08.008/2022-23.	<p>* List of specific accounts exempted by RBI under Para 4 of the said Circular:</p> <p>(a) Specific accounts which are stipulated under various statutes and specific instructions of other regulators/ regulatory departments/ Central and State Governments. An indicative list of such accounts is given below: <i>(i)</i> Accounts for real estate projects mandated under Section 4 (2) I (D) of the Real Estate (Regulation and Development) Act, 2016 for the purpose of maintaining 70 per cent of advance payments collected from the home buyers. <i>(ii)</i> Nodal or escrow accounts of payment aggregators/ prepaid payment instrument issuers for specific activities as permitted by Department of Payments and Settlement Systems (DPSS), Reserve Bank of India under Payment and Settlement Systems Act, 2007 <i>(iii)</i> Accounts for the purpose of IPO/ NFO/ FPO/ share buyback/ dividend payment/ issuance of commercial papers/ allotment of debentures/ gratuity etc. which are mandated by respective statutes or by regulators and are meant for specific/ limited transactions only.</p> <p>(b) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder including any other current account if it is mandated for ensuring compliance under the FEMA framework.</p> <p>(c) Accounts for payment of taxes, duties, statutory dues, etc. opened with Banks authorized to collect the same, for borrowers of such Banks which are not authorized to collect such taxes, duties, statutory dues, etc.</p> <p>(d) Accounts for settlement of dues related to debit card/ ATM card/ credit card issuers/ acquirers.</p> <p>(e) Accounts of White Label ATM Operators and their agents for sourcing of currency</p> <p>(f) Accounts of Cash-in-Transit (CIT) Companies/ Cash Replenishment Agencies (CRAs) for providing cash management services.</p> <p>(g) Accounts opened by a Bank funding a specific project for receiving/monitoring cash flows of that specific project, provided the borrower has not availed any CC/OD facility for that project</p> <p>(h) Inter-Bank accounts</p> <p>(i) Accounts of All India Financial Institutions (AIFIs), viz., EXIM Bank, NABARD, NHB, and SIDBI</p> <p>(j) Accounts attached by orders of Central or State governments/ regulatory body/ Courts/ investigating agencies etc. wherein the customer cannot undertake any discretionary debits.</p>
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5. I / We are having credit exposure of Rs 5Cr or more from Banking system in India as per details given below (All amounts in INR):

SI No	Name of the Bank and Branch	Account Number of Credit Facility	Type of Credit facility: (Fund based & non-Fund based) Cash Credit / Overdraft/Term Loans/PCL/Bill facilities/LC/BG ...etc	Sanctioned Amount	Whether maintaining Operative Current account: (Yes/No)

FOR COLLECTION ACCOUNT ONLY (Please refer to Checklists No 1 & 2 mentioned in next page) **:

I/We request to remit proceeds from the collection account opened by this application/ A/c: _____ maintained with Federal Bank to **'other Bank's CC/OD Account on T+2 basis'/'Escrow account at the agreed frequency'**, whose details are mentioned below, with whom I/we maintain more than 10% of the aggregate exposure.

Bank Name: _____

Branch Name: _____

Account No: _____

IFSC Code: _____

Frequency (applicable for Escrow mechanism only): _____

Further:

- I/We confirm that the details provided are true and correct as per my knowledge and that Federal Bank reserve rights to reject the account opening application in case of any discrepancies.
- We further confirm that as and when there is any change in Bank exposure, I/We will inform the same to Federal Bank immediately. Accordingly, Federal Bank may take requisite action in compliance with the RBI guideline on Current Accounts, and/or any other applicable regulations/laws.
- I/We understand that the Bank reserves the right to block or close our account in the event of the above information shared subsequently found to be factually incorrect/untrue through the Bank's independent validation procedures, and the Bank shall not be responsible, for any loss suffered by me/us due to such block/closure of my/our account.
- I/We hereby voluntarily give my/our consent to extract the information available in Credit Information Companies (CICs), National E-Governance Services Ltd (NeSL) etc. to compute my/our aggregate exposure for the purpose of opening of CA/OD/CC as per RBI Guidelines
- I/We understand that Bank conducts a half yearly monitoring activity, wherein my exposure will be cross checked with Credit Information Companies (CICs), National E-Governance Services Ltd (NeSL) etc. to compute my/our aggregate exposure for the purpose of opening of CA/OD/CC and may issue advisory to convert/close the account opened.
- I/We confirm that the balances in collection accounts (if collection account is opened) shall not be used for repayment of any credit facilities provided by the Bank, or as collateral/ margin for availing any fund or non-fund-based credit facilities.

Yours Faithfully,

Place:

Date:

Signatures of Authorized Persons

For Branch/Office Use Only

The above details are found correct as per the discussion with the customer:

Name and Signature of the Bank Official with seal

For Branch/Office Use Only (Applicable only for collection account):

We have verified the Bank account/Escrow account details pertaining to the collection account and are found correct as per the discussion with the customer:

Name and Signature of two Bank Officials with seal and SP Number: (1)

(2)

****NOTES:**

1. Checklist for customers enjoying other credit exposure (who do not have CC/OD) from Banking system in India (All amount in INR):

Total exposure from Banking system	Banks with which limit is enjoyed	Escrow Managing Bank	Type of Account that can be opened
Less Than 5 Cr	Any Bank	NA	Current Account
5 Cr or more but less than 50 Cr	Federal Bank is a lender	NA	Current Account
5 Cr or more but less than 50 Cr	Federal Bank is not a lender	NA	Collection Account
50 Cr or more	Federal Bank & Other Banks	Federal Bank	Current Account and Escrow Account
50 Cr or more	Federal Bank & other Banks	Other Bank	Collection Account

2. Checklist for customers enjoying CC/OD facilities from Banking system in India (All amount in INR):

Total exposure from Banking system	Banks with which limit is enjoyed	Type of Account that can be opened
Less than 5 Cr	Any Bank	Current Account
5Cr or more	With Federal Bank Only	Current Account
5Cr or more (Federal Bank share is more than 10%)	Federal Bank and Other Banks	Current account (CA) can be opened, if there are no CA for the borrower with other Banks who have share of 10% or more
5Cr or more (Federal Bank share is less than 10%)	Federal Bank and other Banks	If any other bank has 10% or more share of exposure, our Bank can open Collection Account only. (If none of the lending Bank has atleast 10% of aggregate credit exposure, then the Bank who are having highest credit exposure may open current account).

In case of proprietary firms, the aggregate exposure shall include all the credit facilities availed by the borrower, for business purpose or in personal capacity
"Exposure" for the purpose of these instructions shall mean sum of sanctioned fund based and non-fund-based credit facilities availed by the borrower. All such credit facilities carried in customer's Indian books shall be included for the purpose of exposure calculation.
"Banking System" for the purpose of these instructions, shall include Scheduled Commercial Banks and Payments Banks only.