

# BIBD STEP-UP DEPOSIT SERIES 7

## Frequently Asked Questions



**1. What is this promotion about?**

- BIBD Step-Up Deposit (“Promotion”) is based on fixed and close-ended term deposit investment (“Product”) with a contractual tenure of 3 years.
- The contractual tenure is divided into 12-month cycles and each cycle will be termed as an Annual Cycle.
- The validity offer period for BIBD Step-Up Deposit Series 7 is from **5 April 2024 until 6 May 2024** or upon full subscription (whichever is earlier).
- The tenure for the BIBD Step-Up Deposit Series 7 starts on **7 May 2024**.

**2. What is the Shariah concept applicable?**

- The Shariah concept applicable is *Wakalah*.
- The Depositor/Customer (“*Muwakkil*”) enters into a *Wakalah* Agreement with the Bank (“*Wakil*”) and deposits a certain amount of money to the Bank to be utilized and invested in Shariah-compliant transactions/investments.
- Depositor will be offered the indicative profit rate from the investments and the Bank will earn a *Wakalah* fee for the service rendered. However, in this case the *Wakalah* fee is waived.
- Any amount that the Bank earns in excess of the Depositor’s indicative profit will be retained by the Bank as *Ju’alah* (Commission).

**3. What are the requirements I would have to meet in order to apply for this promotion?**

- A minimum opening deposit of **B\$10,000.00** is required.
- Only Fresh Funds are acceptable.
- Fresh Funds Deposits are funds deposited through cheque(s), cashier’s order(s), demand drafts(s), cash deposits and telegraphic transfer:
  - from other local or overseas financial institutions; and
  - does **NOT** include any funds that are withdrawn from BIBD and its subsidiaries and re-deposited within the last 30 days.
- Fresh Funds must be placed into the Step-Up Deposit within 7 working days of transferring into their Current Account or Savings Account (“**CASA**”) provided the placement is made within the Promotion Period.

**4. Why should I place deposit into BIBD Step-Up Deposit?**

Opportunity to earn potentially higher annual profit by staying invested throughout the contractual tenure.

**5. What is the difference between BIBD Step-Up Deposit and Term Deposit?**

No	Description	BIBD Step-Up Deposit	Term Deposit
1	<i>Types of Scheme</i>	Close-ended	Open-ended
2	<i>Minimum Initial Deposit</i>	B\$10,000	BND1,000
3	<i>Participation</i>	Fixed offering period	Anytime
4	<i>Withdrawals</i>	Upon maturity	Upon maturity
5	<i>Currency</i>	BND	BND & Foreign Currencies
6	<i>Profit Payment(s)</i>	Upon maturity	Upon maturity
7	<i>Tenure</i>	3 years	Up to 3 years

**6. How does this promotion work?**

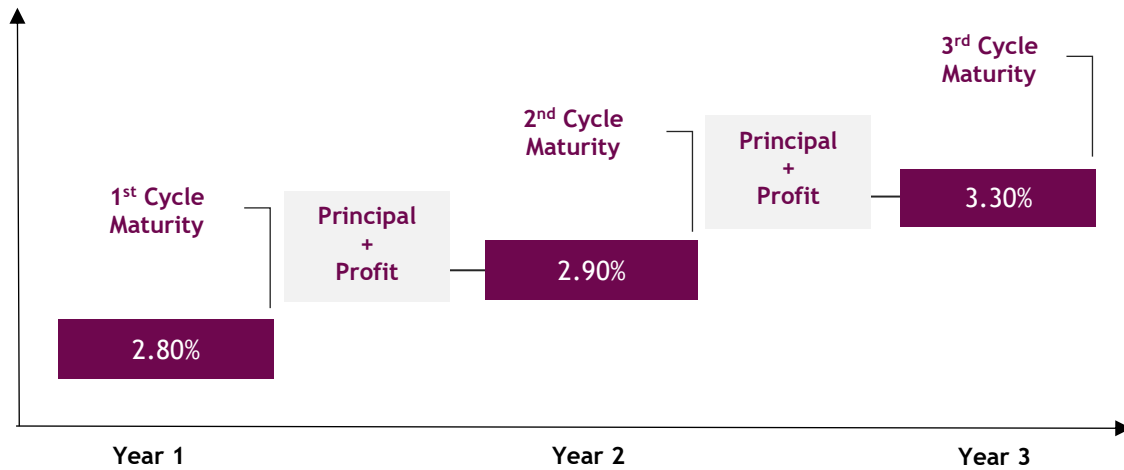
The indicative profit rate works in such a way that it increases at every Annual Cycle i.e. upon every 12-month cycle.

Scenario:

- i. You remain invested for a contractual tenure of 3 years
- ii. Principal amount of BND10,000.00
- iii. Indicative expected profit rates are:

Year	Rate
1	2.80%
2	2.90%
3	3.30%

- iv. Both the principal and the profit will be re-invested on to the next cycle



Potential profit earned over the 3 year period:

Description	Year 1	Year 2	Year 3
<b>Principal Amount</b>	B\$10,000	B\$10,280.00	B\$10,578.12
<b>Rate</b>	2.80%	2.90%	3.30%
<b>Profit Earned</b>	B\$280.00	B\$298.12	B\$349.07

So if you stay invested for the whole 3-year tenure, you may receive a total of **B\$10,927.19** inclusive of the profit as shown above.

**NOTE: The above scenario is for illustration purposes only.**

**7. Who can open the BIBD Step-Up Deposit?**

- Individuals aged 18 and above.
- Brunei Citizens, Permanent Residents and foreigners.
- Foreigners are required to produce the original copies of their valid work/student permit or employment pass.
- BIBD account holders.

**8. What are the documents required to open the BIBD Step-Up Deposit?**

- Existing BIBD customers are required to produce either their Identity Card or passport.
- For new customers:
  - a. It is mandatory to open either a Savings Account or Current Account to facilitate transactions to and from BIBD Step-Up Deposit; and
  - b. Normal Account Opening process applies.

**9. What are the key terms and conditions that I should know?**

- Both the principal amount and the profit at the end of each Annual Cycle will be re-invested on to the next cycle.
- Withdrawal is only allowed after completion of a contractual tenure.
- In the event you decide to pre-terminate before the end of the contractual tenure and subject to the performance of the investment at the time of termination, you may only receive the principal amount.
- In the event that the promotion is cancelled, terminated or suspended at any time, BIBD will provide the customer with at least 7 working days' notice prior to the cancellation, termination or suspension of the promotion.

**10. What if I need to close my BIBD Step-Up Deposit?**

You may close your BIBD Step-Up Deposit during any of the Annual Cycle or before the end of the contractual tenure. The request for closure/early withdrawals will be treated as pre-mature uplift for the entire deposit and you may only receive the principal portion subject to the performance of the investment.

**11. Do you charge pre-mature uplift/withdrawal fee for BIBD Step-Up Deposit?**

There is no early pre-mature uplift/withdrawal fee imposed by BIBD.

**12. How is the profit paid?**

The principal amount and the profit (if any) will be credited into the Customer's designated CASA Account after completion of the contractual tenure.

**13. Can a blacklisted customer or those facing legal proceedings participate in BIBD Step-Up Deposit?**

No, the Bank's Account Opening process applies and the following Customers shall not be eligible or qualified to participate in this promotion:

- Customers whose account are suspended, blacklisted, cancelled or are closed for whatever reasons during the Promotion Period; and/or
- Customers whose account with BIBD are delinquent or past due status or/and are facing legal proceedings (including bankruptcy proceedings).

**14. Can I open BIBD Step-Up Deposit under joint names?**

Yes, you can. The Bank's Joint Account opening process applies.

**15. Is the ownership of the BIBD Step-Up Deposit transferrable?**

No, it is not transferrable.

**16. Can I add beneficiaries to my BIBD Step-Up Deposit account?**

No, you may only open BIBD Step-Up Deposit account under joint names with one (1) beneficiary at the point of BIBD Step-Up Deposit account opening.

**17. Can I give BIBD Step-Up Deposit as a gift?**

No, as it is a savings deposit scheme where the ownership is under the accountholder's name.

**18. What are the risks that I should consider before applying for this promotion?**

- You are advised to carefully consider all risk factors before opening the account.
- The profit rate is indicative and may differ depending on the performance of the investment.

**19. What do I need to do if there are changes to my contact details?**

It is important that you promptly inform your Relationship Manager of any changes in your contact details to ensure that all correspondences reach you in a timely manner.

## Bruneian at Heart

