BANK OF THE COOK ISLANDS

# Term Deposit Terms and Conditions

**BCI TERM DEPOSIT TERMS AND CONDITIONS**
**01 NOVEMBER 2025**

## INTRODUCTION

This document contains the terms and conditions for BCI Term Deposits. See the BCI General Terms and Conditions for the full terms and conditions covering our accounts and related services.

## WHY INVEST IN A TERM DEPOSIT

Term Deposits are a simple investment option that can increase your interest returns. They can also help you resist spending your hard earned savings.

Term Deposits offer:
- A fixed rate of return (interest);
- For a fixed amount of money invested (principal);
- For fixed period of time (term).

In other words, you will receive a fixed amount of interest on the amount of money invested over the agreed period of time.

Your rate of return on your investment will be based on the chosen term and interest payment options that suit you. There are no service fees or charges to make your investment.

As Term Deposits are a fixed term investment, you shouldn't expect to have access to this money before the maturity date. Before investing in a Term Deposit you need to consider if you will need access to your money during the investment term, and if you have a buffer for any unexpected costs.

If you expect to need access to your money in the near future, BCI has a range of transactional and savings accounts that may be a better option for you.

## AN OVERVIEW OF TERM DEPOSITS

### How much can you invest?

You can currently invest any amount between $500 and $250,000 in a BCI Term Deposit. For Term Deposits over $250,000 inquire with us at one of our branches or via email cash@bci.co.ck

### How long can you invest for?

You can invest for a range of fixed terms from 1 to 24 months.

### How much interest will you get?

The amount of interest you will get depends on:
- The amount of principle you invest; and
- The term of your investment

Your interest rate stays the same for the term of your investment provided you don't withdraw the funds early. This gives you certainty over the amount you will get. Current rates are available at bci.co.ck, in branch, via email and over the phone.

### When do you earn interest?

Interest is calculated daily on the closing balance of your Term Deposit. You earn interest daily from the day your Term Deposit starts but interest does not accrue on the Maturity date.

**For Example**

If you invest in a 1 year Term Deposit from 1 April 2024, you earn interest from 1 April 2024 up to and including 31 March 2025.

### When will we pay you interest?

You can chose when and how to receive your interest from the following options:
- Interest can be paid monthly or at the end of your investment term; or
- Interest can be reinvested with your principle balance at the end of your investment term.

If you don't tell us when to pay your interest to you it will be reinvested at maturity.

### Can I make an early withdrawal?

Your funds are invested for a fixed term and cannot be withdrawn during the term of your investment. This helps you save at the agreed rate of interest.

If you know you will need to use your funds then a transaction or savings accounts may be more suitable for you.

You can request an early withdrawal from your Term Deposit but, unless you're in the one week grace period (Grace Period), BCI is not required to allow the early withdraw of funds. For more information on an early withdrawal, see the "When can you apply for Early Withdrawals?" section on page 3.

### What fees apply?

There are no service fees to open a Term Deposit and no monthly account maintenance or management fees.

We'll deduct any applicable government charges, such as withholding tax, from any interest you've earned on your investment.

If we allow an early withdrawal of funds then a fee will be charged and you will receive a reduced rate of interest on the investment. For more information on early withdrawal fees, see the "When can you apply for Early Withdrawals?" section on page 3.

**What if you change your mind?**
In case you change your mind BCI provides a one week 'Grace Period' period starting on the day that we open or reinvest your Term Deposit for you.

Within the 'Grace Period' you can:

- Change the term of your investment;
- Change the amount of principle you want to invest; or
- Cancel your investment

The rate of interest payable to you may change where you alter your investment term or the amount invested. Where you cancel your investment no interest will be payable.

BCI's minimum and maximum deposit amounts continue to apply.

**What happens at the investment maturity date?**
When your Term Deposit matures we will follow your investment maturity instructions. The investment maturity instructions will tell BCI if you want:

- To reinvest all or some of the investment principle;
- To reinvest the interest earned or pay this to a nominated account; or
- To pay all of the investment principle and interest to a nominated account.

Where no investment instructions have been provided we'll automatically reinvest the money in your Term Deposit, (principle and interest) for a similar term, at the applicable interest rate at that time. A new one week 'Grace Period' will apply.

**BCI's right to close or take funds from your Term Deposit**
In limited circumstances BCI has the right to close your account or take funds out of your Term Deposit. Refer to BCI's General Terms and Conditions for more information on:

- Closing accounts
- Set-Off

We can also close your Term Deposit at any time if the amount of your investment is below the any minimum amount we've set.

## OPENING AND MANAGING YOUR TERM DEPOSIT

**How to open and manage a Term Deposit**
Investing in a Term Deposit or managing your Term Deposit is straight forward. Simply get in touch with our team using one of the methods below:

| | Visiting any BCI branch | Emailing us via cash@bci.co.ck | Calling us on (682) 29341 | MyIB^ | TakuBCI^ |
|---|---|---|---|---|---|
| Open a Term Deposit | ✓ | ✓ | ✓ | ✓ | ✗ |
| Updating your investment | ✓ | ✓ | ✓ | ✗ | ✗ |
| Request the early withdrawal of funds | ✓ | ✓ | ✓ | ✗ | ✗ |
| Check Term Deposit Details | ✓ | ✓ | ✓ | ✓ | ✓ |
| ^ for existing BCI customers | | | | | |

## WHEN CAN YOU APPLY FOR EARLY WITHDRAWAL?

If you're not in the 'Grace Period' you can only request an early withdrawal of all or part of your Term Deposit. The early withdrawal will be approved at BCI's discretion. BCI will take into account:

- the notice period you have provided to BCI for the early withdrawal
- the reason for the withdrawal including if you're suffering from financial hardship, as reasonably determined by BCI.
- the amount of funds you wish to withdraw early.

Deposits greater than $250,000 will require a minimum notice period of 31 days unless waived by BCI.

**Timing of early withdrawal payment**

Following the approval of an early withdrawal by BCI, we will pay out the funds as soon as reasonably practical or as agreed as part of the approval.

**What is financial hardship?**

When considering an application for the early withdrawal of a Term Deposit BCI will consider if you are facing financial hardship.

Hardship means that you can't meet your essential living or business costs because of an unforeseen "reasonable cause", such as:

- illness or injury
- loss of income or reduced income
- the end of a relationship
- another significant event.

Hardship doesn't cover paying non-essential costs such as:

- mobile phone bills
- holiday expenses gym
- memberships asset
- purchases
- client entertainment (for business customers).

You may be required to provide evidence of hardship.

**How to request an early withdrawal**

You can apply for an early withdrawal from your Term Deposit using the methods outline above in the 'How to open and manage a Term Deposit' section.

**If you make an early withdrawal, we'll reduce your interest rate**

If you make an early withdrawal, we'll charge a fee and reduce your interest rate in accordance with our service fees and charges current at that time.

We'll pay interest at the agreed rate on any remaining balance in your Term Deposit following the early withdrawal.

**Updating Terms and Conditions, Services Fees and Charges**

We can change our terms and conditions, including adding or removing service fees or charges. See BCI's General Terms and Conditions.

**END OF TERMS AND CONDITIONS**