

MDB Offshore Fixed Deposit Account

Account that can be opened by Residents outside Bangladesh in foreign currency. For example: Non-resident Bangladeshi nationals (NRBs), Persons of Bangladeshi origin (Bangladeshi holding foreign citizenship), Foreign nationals, Companies/Firms registered and operating abroad, Foreign institutional investors etc. can open this OBU account.

Eligibility:

- Person resident outside Bangladesh including NRBs
- Foreign nationals
- Persons of Bangladeshi origin (Bangladeshi holding foreign citizenship)
- Companies/Firms registered and operating abroad
- Foreign institutional investors
- Type A units in EPZs (Export Processing Zones, Private EPZs, Economic Zones and Hi-tech parks) in Bangladesh
- Customers can open a joint MDB Offshore Fixed deposit account.

A customer is free to open multiple OB accounts in any bank they desire. A customer can also be opened OB accounts in both USD and EUR as per their requirement.

Note: All individuals will have to be of age 18 & above.

Process of MDB Offshore Fixed Deposit Account:

A customer can open a Fixed Deposit account in foreign currency (USD or EUR) under this program. To credit the funds for the Fixed Deposit account, the customer must have to open a current account first. This current account will help to facilitate fund transfers, remittances and other account operations. So, basically the customer will have to have both Current and Fixed deposit account(s) in Midland Offshore Banking.

Required documents to open OB Account:

Individual:

- Copy of valid photo ID of applicant, i.e., passport or respective foreign country's ID.
- If the photo ID is a Bangladeshi passport, additional documents such as resident visa, foreign resident card (i.e., green card), work permit, driving license (issued by foreign authority) or any other document supporting the residency status abroad is required.
- Passport sized photograph: applicant – 2 copies, and nominee 1 copy attested by applicant.
- Address verification document required only if the declared address is different from the address in the applicant's Photo ID document. This can be utility bill or driving license (issued by foreign authority).

Institutional:

- Extract of Resolution/Board Resolution
- Trade License or similar document
- Certificate of Incorporation
- Memorandum and Articles of Association

- Updated Schedule X & Form XII or any recent document that proves shareholding information and names of the Board of Directors with respective designation.
- Photo identification of shareholders
(Top 4 shareholders' details required when shareholders are more than 4. If the shareholders are less than 4, then all shareholders'/ all authorized signatories' for the account/ the beneficial owners' of the Company)
- 2 copy passport size photo of each shareholder
(Top 4 shareholders' details required when shareholders are more than 4. If the shareholders are less than 4, then all shareholders'/ all authorized signatories' details for the account/ the beneficial owners' of the Company)

Usability of Fund:

The balance of the account can be used for any of the following purposes:

- Transferring to on-shore banking BDT accounts to meet necessary payments and investments.
- Making outward remittances of the entire balance as and when necessary.
- Since the Offshore Banking current account is opened for the purpose of Fixed Deposit only, the bank will not issue any debit/credit card against this account.
- Cash withdrawal not possible. So no cheque book facility is available
- Offshore Banking customers can transfer funds from foreign currency Offshore Banking account to any local currency account by applying to the bank through the remittance request form.
- Outward remittance in other currency, in this case, cross currency conversion will take place for the outward remittance
- The customer can transfer the balance of Offshore Banking account to another Offshore Banking account.
- Since this is an investment in an Offshore banking account, this is out of the scope of non-resident remittance category which is considered for CIP status by the government.
- Foreign currency endorsement in passport while traveling against available balance in Offshore Banking account is not allowed.

Sources of Fund:

- Fund can be credited by the account holder through foreign inward remittances received through official banking channels only.
- Anyone can send funds to the Offshore Banking account from any country. There are no restrictions on who can send funds. But the Fixed Deposit account will be opened in the name of the current account holder (Beneficiary).
- Cash deposit is not possible in Offshore Banking account

Number of Transaction in Offshore Banking Accounts:

- There is no limit for number of transaction in IB account

Incentive for Offshore Banking Accounts:

- Remittance incentive is not applicable for Offshore Banking account deposits or encashment.

Minimum & Maximum balance of OB Accounts:

For maintaining a current account, no minimum balance is required. For Fixed deposit account the minimum deposit amount is USD/EUR 5,000. But there is no maximum limit for MDB Offshore Banking Fixed Deposit Account.

Currency options of OB Accounts:

Currently at Midland Bank, customers can open OB accounts in USD & EUR currency only.

Tenor of OB Fixed Deposit Accounts:

The available tenors are 3 months, 6 months, 1 year, 2 years, 3 years, 4 years and 5 years.

Can a customer's open OB account in Islamic Banking Window?

No. Currently this option is not available with Midland Bank.

Can a customer add multiple nominees to the IB account?

Yes, the customer can add multiple nominees to the account. For each nominee, we will need photo identification document and one copy passport sized photograph.

MDB Offshore Fixed Deposit Encashment Process:

You have to visit your nearest Midland Bank Branch/sub-branch and fill up the Fixed Deposit encashment request form to encash the Fixed Deposit. However, if you have already given instruction for encashment at time of opening the Fixed Deposit in the Fixed Deposit opening Form, the deposit will be encashed as per your instructions.

Fees and Charges of IB Account:

There are no fees and charges for maintaining OBU account and there is no hidden fee also. Details of the fees and charges are given below:

Type of Charge	Amount
Account Maintenance Fee	Free
Closing of Account	Free
SMS Alert (Annual Fee FCY Account)	Free
Foreign Telegraphic Transfer	Free
SWIFT Charge for remittance (Through Correspondence)	Above USD/EUR 1000.00 to any amount – Tk. 800; min Tk. 500 (equivalent USD)
Correspondent Bank Fee	At Actual

Duplicate Statement	Free
Various Purpose Certificate	Free
Solvency Certificate with Balance	Free
Solvency Certificate without Balance	Free
Certificate of Inward Remittance	Free

Tax and Excise Duty:

As per new Offshore Banking Act passed by National Parliament of Bangladesh on 14 March 2024, depositors are exempted from any tax on the balance of IB account and on any interest paid. Also no excise duty is applicable on the balance of the account

Benchmark Rate of IB Account:

OBOs are allowed to offer interest/profit considering benchmark reference rate in the approved currency of deposits to be maintained in the form of term deposits, as mentioned below:

Currency Code	Benchmark
US Dollar	Secured Overnight Financing Rate (SOFR)
Euro	Euro Short-Term Rate (ESTR)

