

Frequently Asked Questions(FAQ): MDB Interest First Account

1. What is the MDB Interest First Account?

MDB Interest First is a non-transactional account designed to give customers interest earnings upfront, making it an ideal savings product. The interest is paid immediately upon account opening and credited to a linked Current or Savings (CASA) account.

2. Who can open an MDB Interest First Account?

Any resident Bangladeshi citizen, including individuals, firms, institutions, organizations, and companies with proper approval from authorities, can open this account. Minors can also open the account through a legal guardian.

3. What is the minimum deposit required to open the MDB Interest First Account?

The minimum initial deposit is **BDT 100,000 (One Lac)**.

4. What are the available tenures for this account?

The account is available for tenures of 3, 6, 12, 18, and 24 months.

5. How is interest paid for this account?

Interest is paid upfront immediately upon account opening and credited to the linked CASA account after deducting applicable taxes as per Bangladesh Bank guidelines.

6. What happens if I close the account before the maturity date (pre-mature encashment)?

In case of pre-mature encashment, the following rules apply:

- Less than 3 months: No interest is paid;
- 3 months or more but less than 6 months: Interest is calculated for the first 3 months at the agreed rate, and the regular savings rate applies for the remaining days;
- 6 months or more but less than 12 months: Interest for the first 6 months is at the agreed rate, and the regular savings rate applies for the remaining days;
- 12 months or more but less than 18 months: Interest for the first 12 months is at the agreed rate, and the regular savings rate applies for the remaining days;
- 18 months or more but less than 24 months: Interest for the first 18 months is at the agreed rate, and the regular savings rate applies for the remaining days;

The upfront paid interest and charges will be deducted from the principal amount in case of early withdrawal.

7. Can the interest rate change during the account term?

Yes, the interest rate can be reset periodically by the **Asset Liability Committee (ALCO)** of Midland Bank PLC. based on market conditions and will be subject to the prevailing deposit rate sheet.

8. Is a linked CASA account mandatory for the MDB Interest First Account?

Yes, a linked Current or Savings (CASA) account is mandatory to facilitate interest payment.

9. Can the account be opened in joint names?

Yes, customers can open the account in either a single name or joint names.

10. What credit facilities are available for this account?

Customers can avail of a secured overdraft facility up to 80% of the fixed deposit's face value. This facility is available for institutional and retail customers aged 18 years and above.

11. What documents are required to open an MDB Interest First Account?

- Signed Account Opening Form (AOF);
- One passport-size photograph of the applicant(s) attested by the introducer;
- Valid photo ID (e.g., Passport, NID, Birth Certificate) of the account holder(s) and nominee(s);
- One passport-size photograph of the nominee(s) attested by the account holder(s);

12. What happens if the account holder passes away?

In case of the account holder's death, the nominee(s) will receive the deposited amount after proper identification. Nominees cannot continue the account.

13. What tax deductions are applied to this account?

Income tax, excise duty, and VAT will be deducted as per the policies and guidelines set by the **National Board of Revenue (NBR)**.

14. How can the account be closed?

The account can be closed at any time by submitting a written instruction from the account holder(s). The bank also reserves the right to close unsatisfactory accounts at its discretion.

15. Is there any possibility of changes to the account's terms and conditions?

Yes, the bank reserves the right to modify or amend any terms and conditions based on banking regulations or internal policies.