

**INTEREST CALCULATION ON AN ON-CALL (SRO) DEPOSIT**

**Introduction**

1. The procedures of this regulation regulate certain matters regarding interest calculation on an on-call (SRO) deposit.

**Definitions**

2. “On-call deposit” - A deposit which may be withdrawn daily, is not a current account, and whose terms are as follows:
  - (a) The deposit bears interest;
  - (b) The deposit is not indexed.

“Annual adjusted interest” - As defined in Banking (Service to Customer) (Full Disclosure and Submission of Documents) Regulations, 5752–1992.

**Interest calculation on an on-call deposit**

3.
  - (a) The interest calculation on an on-call deposit shall be on the basis of daily compound interest;
  - (b) A banking corporation shall disclose to a customer who deposits money in an on-call deposit the annual adjusted interest on the deposit;
  - (c) A customer shall be entitled to choose whether interest will be accrued to the deposit amount or be credited to his current account at a time which is customary at the banking corporation or upon conclusion of the terms of the deposit, whichever is earlier, subject to the aforesaid in subsection (a).

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