



**The Coastal Urban Co-operative Bank Ltd. No.3036, Kollam.**

## **COMPREHENSIVE DEBIT CARD ISSUANCE POLICY**

**CR No. 108 (4) Dated 16.05.2025**

## **COMPREHENSIVE DEBIT CARD ISSUANCE POLICY**

**This policy is based on RBI Master Directions No. RBI/2022-23/92 DoR.AUT.REC.No.**

**27/24.01.041/2022-23 April 21, 2022 and DOR.RAUG.REC.No. 81/24.01.041/2023-24**

**dated March 07, 2024 on Credit Card and Debit Card - Issuance and Conduct.**

### **Applicability:**

- The provisions of these Directions relating to debit cards shall apply to our bank since we issue "RUPAY DEBIT CARDS" to our customers.
- These directions cover the general and conduct regulations relating to debit cards which shall be read along with prudential, payment and technology & cyber security related directions applicable to debit cards as issued by above said Master Directions.

### **Definitions:**

In these Directions, unless the context otherwise requires, the terms herein shall bear the meanings assigned to them below .

- Cardholders means A person to whom a card is issued or one who is authorized to use an issued card.
- The Issuer means our Bank which issue debit cards.
- Debit Card is a physical or virtual payment instrument containing a means of identification, linked to a Saving Bank/Current Account which can be used to withdraw cash, make online payments (Ecom), do PoS terminal transactions, fund transfer, etc. subject to prescribed terms and conditions.
- Renewal contemplates the issuance of a new card on account of expiry of an existing card and replacement includes issuance of a new card in place of an existing card in lieu of the change in the underlying account relationship, upgradation due to new technology or systems or re-issuance of cards that have been lost, blocked or suspended temporarily, but does not include the opening of a new account after a previous account as closed.

### **Issue of Debit Card by Our Bank:**

- We have formulated this comprehensive debit cards issuance policy with the approval of the Board and issue debit cards to our customers in accordance with this policy. Prior approval of the Reserve Bank is not necessary for our bank desirous of issuing debit cards to our customers.
- Debit cards shall only be issued to customers having Savings Bank/Current Accounts.
- We shall not issue debit cards to cash credit/loan account holders. However, it will not preclude our Bank from linking of the overdraft facility provided along with Pradhan Mantri Jan Dhan Yojana accounts or Kisan Credit Card Accounts with a debit card.
- Our Bank shall not force a customer to avail debit card facility and shall not link issuance of debit card to availment of any other facility from the bank

### **Review of Operations:**

- Our bank shall undertake review of our operations / issue of debit cards on half-yearly basis. The review shall include, inter-alia, card usage analysis including cards not used for long durations and the inherent risks therein.

### **Co-Branding Arrangement:**

- The UCBs shall not issue debit/credit cards in tie-up with other non-bank entities.

### **General Guidelines for Debit Cards:**

#### **General Conditions:**

- Our Bank shall keep internal records to enable operations to be traced and errors to be rectified (taking into account the law of limitation for the time barred cases) as prescribed under 'Master Direction on Know Your Customer', as amended from time to time.
- The cardholder shall be provided with a record of the transactions after he/she has completed it, immediately in the form such as the bank statement/email/SMS.

- With a view to reducing the instances of misuse of lost/stolen cards, we may consider issuing card with advanced features that may evolve from time to time.
- Our Bank shall block a lost card immediately on being informed by the cardholder and formalities, if any, can follow within a reasonable period of 15 days clearly defined in the Board approved policy.
- Our Bank shall provide to the cardholder the detailed procedure to report the loss, theft or unauthorised use of card or PIN. Our Bank shall provide multiple channels such as a dedicated Customer care number, dedicated e-mail-id for reporting an unauthorized transaction and allow the customer to initiate the blocking of the card.

#### **Terms and conditions for issue of cards to customers:**

- The relationship between our Bank and the cardholder shall be contractual. Our Bank shall make available to the cardholders in writing, a set of contractual terms and conditions governing the issue and use of such cards. These terms shall be expressed clearly and also maintain a fair balance between the interests of both the parties.
- The terms and conditions for the issue and usage of a card shall be mentioned in clear and simple language comprehensible to the cardholder.
- Our Bank shall not levy any charge that was not explicitly indicated to the cardholder at the time of issue of the card and without getting his/her explicit consent. However, this shall not be applicable to charges like service taxes which may subsequently be levied by the Government or any other statutory authority. The details of all the charges associated with cards shall be displayed on our Bank's website.
- The convenience fee, if any charged on specific transactions, shall be indicated to the cardholder in a transparent manner, prior to the transaction.

- The terms may be altered by our Bank, but 30 days' notice of the change shall be given to the cardholder to enable him/her to withdraw if he/she so chooses. After the notice period of 30 days, the cardholder would be deemed to have accepted the terms if he/she had not withdrawn during the specified period. The change in terms shall be notified to the cardholder through all the communication channels available.
- The terms shall put the cardholder under an obligation to take all appropriate steps to keep the card safe and not to record the PIN or code, in any form that would be intelligible or otherwise accessible to any third party if access is gained to such a record, either honestly or dishonestly.
- The terms shall specify that our Bank shall exercise care when issuing PINs or codes and shall be under an obligation not to disclose the cardholder's PIN or code to anyone, except to the cardholder.

#### **Compliance with Other instructions:**

The issue of cards as a payment mechanism shall also be subject to relevant instructions on cash withdrawal, security issues and risk mitigation measures, card-to-card fund transfers, merchant discount rates structure, failed ATM transactions, etc, issued by the Department of Payment and Settlement System, Reserve Bank of India under the Payment and Settlement System Act, 2007, as amended from time to time.

#### **Confidentiality of Customer Information:**

- Our Bank shall not reveal any information relating to customers obtained at the time of opening the account or issuing the card to any other person or organization without obtaining their explicit consent, with regard to the purpose/s for which the information will be used and the organizations with whom the information will be shared. Our Bank shall ensure strict compliance to the extant legal framework on data protection. Further, In case where the customers give explicit consent for sharing the information with other agencies, our Bank shall explicitly state and explain clearly to

the customer the full meaning/implications of the disclosure clause. The information sought from customers shall not be of such nature which will violate the provisions of law relating to maintenance of secrecy in the transactions. Our Bank shall be solely responsible for the correctness or otherwise of the data provided for the purpose.

#### **Outsourcing of Various Services:**

- Our Bank shall ensure adherence to the guidelines on "Managing Risks and Code of Conduct in Outsourcing of Financial Services" as amended from time to time.

Compliance with Know Your Customer (KYC) Norms/Anti-Money Laundering (AML) Standards/Combating of Financing of Terrorism (CFT)/Obligation under the MLA,2002. Further, the instructions/Directions on KY/AML/CFT Issued by RBI from time to time, shall be strictly adhered to in respect of all cards issued.

#### **Miscellaneous:**

##### **Contents of important Terms and Conditions (T&C):**

Our Bank shall provide to the cardholder the term-sheet containing the T&C. The document should contain the following details:

#### **Fees and Charges:**

- Annual fees for primary and add-on cardholder/s
- Service charges levied for transactions
- Daily usage limits
  - o Daily Cash withdrawal limit at ATM
  - o Daily Purchase Transaction limit at Merchant establishment

#### **Termination/Revocation of Card:**

- (i). Procedure for surrender/closure of card by cardholder
- (ii). Contact details for the cardholder to initiate closure: Dedicated Customer care number, email-id and telephone number for SMS.
- (iii)Procedure for closure of card account if the card has not been used for more than 3 years.

#### **Loss/Theft/Misuse of Card:**

- The card holder shall immediately notify the Branch from where he/she has obtained the card in writing, if the card is lost/stolen. Any financial loss due to misuse of Card will be debited to cardholder's account. Loss of card can also be

reported at Banks' customer care No. 8137929505. As an immediate measure customer can block further use of their lost card using alternate channels like SMS, Mobile banking etc.

### **Unauthorised Electronic Banking transactions:**

The liability of the Bank or Customer arise for any unauthorised transaction in the following manner:

- Contributory fraud/negligence/deficiency on the part of the bank (irrespective of whether or not the transaction is reported by the customer)
- Third Party breach where the deficiency lies neither with the Bank nor with the customer but lies elsewhere in the system, and the customer notifies the bank within three working days of receiving the communication from the Bank regarding the unauthorised transaction.

### **Customer Compensation for failed transactions using authorised Payment Systems:**

Sl. No.	Description of the incident	Framework for auto-reversal and compensation	
		Timeline for auto reversal	Compensation payable
<b>ATMs including Micro-ATMs</b>			
1	Customer's account debited but cash not dispensed	Proactive reversal of failed transaction within a maximum of T+5 days.	Rs.100/- per day of delay beyond T+5 days, to the credit of the account holder
<b>Card Transactions</b>			
2	<u>Card to card transfer</u> Card account debited but the beneficiary card account not credited	Transaction to be reversed latest within T+1 day, if credit is not effected to the beneficiary account	Rs.100/- per day of delay beyond T+1 day
3	Point of Sale including cash at POS Account debited but confirmation not received at merchant location i.e charge slip not generated	Auto-reversal within T+5 days	Rs.100/- per day of delay beyond T+5 days
	<u>Card Not Present (CNP) (e-commerce)</u> Account debited but confirmation not received at merchant's system		

### **For grievances regarding Debit Card**

In case of any Customer Queries/ Complaints regarding Debit Card, customer can contact through any of the following means:

- Contact our Customer Care number.
- Write to us by our Registered e-mail ie info@coastalurbanbank.com
- Visit any of our branch to register customer's query\*complaint

In case the Customer has any complaint relating to the features of any of the products/services of the Bank that the Customer holds/avails of, the Customer has an option to approach the General Manager or Officer in charge of Grievance Redressal for a resolution and if the customer does not get a satisfactory response within 30 days from the date of lodging the complaint, the customer can approach the Reserve Bank of India (RBI) Integrated Ombudsman Scheme for redressal of his/her grievances.

For The Coastal Urban Co-operative  
Bank Ltd. No:3036,Kollam

Managing Director  
Managing Director

For The Coastal Urban Co-operative  
Bank Ltd.No.3036, Kollam

  
Director

For The Coastal Urban Co-operative  
Bank Ltd. No:3036,Kollam

Chairman  
Chairman

  
Director

For The Coastal Urban Co-operative  
Bank Ltd.No.3036, Kollam

