

CREDIT CARD POLICY

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Glossary of Terms / Abbreviations

AML	Anti-Money Laundering
AOA	Articles of Association
CBS	Core Banking Solution
CC	Cash Credit
CCI	Credit Card Issuance
CFT	Combating the Financing of Terrorism
CIBIL	Central Information Bureau India Limited
CIC	Credit Information Company
DMA	Direct Marketing Agent.
DSA	Direct Sales Agent
GST	Goods and Services Tax
GSTIN	Goods and Services Tax Identification Number.
ITR	Income Tax Return
IVR	Interactive Voice Response
KYC	Know Your Customer
LAPS	Lending Automation Processing System
MITC	Most Important Terms and Conditions
MOA	Memorandum of Association
NBFC	Non-Banking Financial Company
NPA	Non-Performing Asset
NRE	Non Resident External Account
NRO	Non Resident Ordinary Account
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act.
SMA	Special Mention Account
SMS	Short Message Service

SOD	Secured Overdraft
STP	Straight Through Process
UT	Union Territory
VISA	Visa International Service Association
BANK	Bank shall mean J&K Bank and its branches/ offices

Definitions

- i. **Add-on Credit Card** means a supplementary credit card to the principal or primary credit card, issued to person/s with predefined relationship with the primary cardholder, within the credit limits and liability of the latter, subject to such terms and conditions as stipulated by the Bank.
- ii. **Annual Percentage Rate** is the annual cost of credit to the cardholder which includes interest rate and all other charges associated with the credit card under different scenarios based on card features.
- iii. **Billing Cycle/Billing Period** is the regular length of time between closing dates of two consecutive bills raised by the Bank.
- iv. **Business Credit Cards** are issued to business entities/individuals for the purpose of business expenses with specified terms and conditions and not for personal use.
- v. **Cardholder** A person to whom a card is issued or one who is authorized to use an issued card.
- vi. **Card Loyalty/Reward Programme/s** are those schemes linked to a credit card whereby the Bank or associated merchant establishments, upon use of the card/s, offer digital coupons, points, discounts, cash backs or other benefits having monetary value that can be used/redeemed for the same transactions or other future transactions after accumulation.
- vii. **Charge Card** is a type of credit card where the user has to pay the billed amount in full on due date after the billing cycle, and no rolling over of credit to the next billing cycle is permitted.
- viii. **Co-branded Card** is a card that is issued jointly by a Bank and a co-branding entity bearing the names of both the partnering entities.
- ix. **Corporate Credit Card** is a credit card that is issued to specific employee/s of a corporate employer wherein the liability could rest with the corporate entity or the employee or jointly on both, as per the product design features.
- x. **Credit Card** is a physical or virtual payment instrument containing a means of identification, issued with a pre-approved revolving credit limit that can be used to purchase goods and services or draw cash advances, subject to prescribed terms and conditions.
- xi. **Credit Limit** is the maximum amount of revolving credit determined and notified to the cardholder to transact in the credit card account.
- xii. **Interest-Free Credit Period** is the time period from the date of transaction to the due date of payment, wherein interest free payment can be made, subject to the payment of entire outstanding on or before the payment due date by the cardholder.
- xiii. **Minimum Amount Due** is the minimum amount of money, as a part of the total bill amount, that a cardholder has to pay to not be treated as an overdue bill.
- xiv. **Most Important Terms and Conditions (MITC)** are the standard set of conditions for the issuance and usage of credit cards, thereby defining the responsibilities and liabilities of the Bank and the cardholder.
- xv. **Principal Cardholder** means the customer who has been issued credit card by a Bank and on whose name the card account has been opened.

- xvi. Total Amount Due** is the total amount (net of credit received during the billing cycle, if any) payable by the cardholder as per the credit card statement generated at the end of a billing cycle.
- xvii. Unsolicited Credit Card** is a credit card issued without a specific written/digital request or an application therefor, provided the issuance of a credit card for renewal or replacement shall not be treated as an unsolicited card. 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 was closed.
- xviii. Upgradation of Credit Card** means enhancement in the benefits and features of credit cards issued, for example, an increase in the credit or cash limit of the card.

1. Introduction

Credit Card is a physical or virtual payment instrument containing a means of identification, issued with a pre-approved revolving credit limit that can be used to purchase goods and services or draw cash advances, subject to prescribed terms and conditions. Credit cards have revolutionised the way people manage their finances, offering, convenience, flexibility and purchasing power unlike any other form of payment. With a credit card, users can access a line of credit provided by the Bank, allowing them to borrow funds upto a pre-determined limit and repay them over time.

2. Objective

Credit Card Policy aims to provide a framework of rules/regulations/standards/practices for Credit Card Issuance and to ensure alignment with the Industry best practices. This document is designed to establish clear guidelines and procedures for Issuance of Credit Cards, eligibility criteria, usage, and management of Credit Cards. This document also covers security measures, billing process and provides a framework for addressing issues such as cardholder responsibilities, transaction limits, reporting procedure for Lost/stolen cards and other relevant aspects.

3. Scope/Applicability

The Policy has been compiled in accordance to RBI Master Directions and other regulatory guidelines issued from time to time for Credit Cards. This policy shall be applicable for Bank and other partners (if any) hired by the Bank for Credit Card business. All the related norms and procedures, instructions that are in vogue and / or issued by the Bank from time to time will continue to be in force, even though not covered in this policy document. In the event of clarification on interpretation being required, consultation may be sought from DAC, CHQ.

4. Compliance to Regulatory prescriptions/guidelines.

The Credit Card Policy has been compiled in accordance to RBI Master Circular No RBI/2022-23/92 DoR.AUT.REC.No.27/24.01.041/2022-23 dated 21.04.2022 regarding Credit Card and Debit Card – Issuance and Conduct Directions, 2022 applicable to Credit, Debit and Co-branded cards with amendments vide Circular No. DOR.RAUG.AUT.REC.No.81/24. 01.041/2023-24. dated 07.03.2024.

5. Types of Credit Cards

There are two variants (5 products) of Credit Cards being issued viz.

- i. J&K Bank Platinum Credit Card as
 - Platinum Credit Card (MasterCard).
 - Platinum Credit Card (VISA).
 - Pink Platinum Credit Card.

- Govt Employees Platinum Credit Card

ii. J&K Bank World Credit Card.

Bank may issue add-on cards only to the persons specifically identified by the principal cardholder under both personal and business credit card categories. Add-on cards shall be issued with the clear understanding that the liability will be that of the principal cardholder. Similarly, while issuing corporate credit cards, the responsibilities and liabilities of the corporate and its employees shall be clearly specified. The liability of the corporate/business entity shall form part of its assessed credits.

6. Card Acceptability

The Credit cards have acceptability for purchases at all domestic and Global Merchant Establishments that honour MasterCard/VISA branded cards for both Card Present as well as Card Not Present transactions (E-Commerce).

The Credit cards are accepted for cash withdrawal at all ATMs of the Bank as well as ATM's of other Banks in India & abroad, that honour MasterCard/VISA branded card.

7. Parties involved in Credit Card Product

A credit card product typically involves the following parties:

Cardholders - Individuals authorized to use credit cards for payment of goods and services;

Card issuers - Institutions that issue credit cards;

Merchants - Entities which agree to accept credit cards for payment of goods and services;

Merchant acquirers - Banks / NBFCs that enter into agreements with merchants to process their credit card transactions; and

Credit card associations - organisations that license card issuers to issue credit cards under their trademark, e.g. MasterCard, VISA and provide settlement services for their members (i.e. card issuers and merchant acquirers).

8. Credit Card Application Process:

The request for issuance of a Credit Card shall be made by the customers in the prescribed application form available at Branches.

9. Compliance with KYC Norms / AML Standards / CFT / Obligation of banks under PMLA, 2002

The instructions / guidelines on KYC / AML / CFT applicable to banks, issued by RBI from time to time, shall be adhered to in respect of all cards issued by the Bank by obtaining all valid documents as prescribed.

10. Issuance of Credit Cards to Individuals/Business/Corporates.

Customer Acquisition

- a) Bank shall provide a one-page Key Fact Statement along with the credit card application containing the important aspects of the card such as rate of interest, quantum of charges, among others. In case of rejection of a credit card application, the Bank shall convey in writing the specific reason/s which led to the rejection of the application.
- b) The MITC shall be highlighted and published/sent separately to the customers, at the acceptance stage (Welcome kit) and in important subsequent communications. The MITC shall be provided to the customer at the time of on-boarding and each time, a condition is modified with notice to the customer. The MITC and copy of the agreement signed between the Bank and cardholder shall be sent to the registered email address of the cardholder or postal address as per the choice of the customer.
- c) The issue of unsolicited cards/upgradation is strictly prohibited. In case, an unsolicited card is issued/existing card upgraded and activated without the explicit consent of the recipient and the latter is billed for the same, the Bank shall not only reverse the charges forthwith, but also pay a penalty without demur to the recipient amounting to twice the value of the charges reversed. In addition, the person in whose name the card is issued can also approach the RBI Ombudsman who would determine the amount of compensation payable by the Bank to the recipient of the unsolicited card as per the provisions of the Ombudsman Scheme, i.e., for loss of complainant's time, expenses incurred, harassment and mental anguish suffered by him/her. Further any loss arising out of misuse of unsolicited cards shall be the responsibility of the Bank only and the person in whose name the card has been issued shall not be held responsible for the same.
- d) Bank shall not unilaterally upgrade credit cards and enhance credit limits. Explicit consent of the cardholder shall invariably be taken whenever there is/are any change/s in terms and conditions. In case of reduction in the credit limit, the Bank shall intimate the same to the cardholder.
- e) Bank shall seek One Time Password (OTP) based consent from the cardholder for activating a credit card, if the same has not been activated by the customer for more than 30 days from the date of issuance. If no consent is received for activating the card, Bank shall close the credit card account without any cost to the customer within seven working days from date of seeking confirmation from the customer. In case of a renewed or replaced card, the closure of an inactivated card shall be subject to payment of all dues by the cardholder.
- f) Bank shall not report any credit information relating to a new credit card account to Credit Information Companies prior to activation of the card.
- g) The consent for the cards issued or the other products/services offered along with the card shall be explicit and shall not be implied. In other words, the written consent of the applicant shall be required before issuing a credit card. Alternatively, Bank shall use other digital modes with multifactor authentication to obtain explicit customer consent with the permission of RBI.
- h) Bank shall ensure that the telemarketers (if engaged), comply with directions/regulations on the subject issued by the Telecom Regulatory Authority of India (TRAI) from time to time while adhering to guidelines issued on "Unsolicited Commercial Communications – National Customer Preference Register (NCPR)". The Bank's representatives shall contact the customers only between 10:00 hrs and 19:00 hrs.

11. Application processing and sanction of credit limit.

a) Applications submitted by the applicant at their respective Branches.

The Branch shall scrutinize the application and verify the authenticity of the details provided by the customer. The Branch shall ensure prudence while issuing credit cards and independently assess the credit risk to persons, especially to students and others without independent financial means.

The card generated after application is processed shall be dispatched to the respective Branch only and Branch shall intimate the customer once the same is received. The Branch shall take written consent from the customer to activate the card before handing over to customer.

b) Underwriting Standards

- i. The branches/offices of the Bank shall ensure prudence while issuing credit cards and independently assess the credit risk while issuing cards to persons, taking into account independent financial means of applicants.
- ii. The branches/offices of the Bank shall assess the credit limit for a credit card customer taking into consideration all the limits enjoyed by the cardholder from other entities on the basis of self-declaration/credit information obtained from a Credit Information Company/self-declaration, as appropriate.
- iii. The branches/offices of the Bank shall ensure that the credit limit as sanctioned and advised to the cardholder is not breached at any point in time without seeking explicit consent from the cardholder.
- iv. The branches/offices of the Bank shall put in place effective mechanism to monitor end use of funds.
- v. In case of rejection of Credit Card application, the Branch / Offices shall convey in writing the specific reason/s which led to the rejection of the application.

12. Eligibility, Income criteria and Documentation required to issue Credit Cards.

Credit cards can be issued to:

- i. Existing eligible customers of the Bank and Bank Staff as per criteria.
- ii. New customers without any banking relationship with the Bank as per criteria. The new customers shall however open a fully KYC compliant Normal Savings accounts with the Bank.

Documentation

The following documents will be required to be attached by the applicant along with the application.

a)	New Applicants	• KYC of Applicant including PAN Card.
		• Income Proof as per below

I)	Salaried/Pension Segment of Government Departments, Government Institutions/Corporations having Salary/Pension account with our Bank	Pay Certificate of last 3 months / ITR/Pension Statement
II)	Salaried Segment of Private Institutions having Salary account with Bank	i). Pay Certificate of last 3 months / ITR.
		ii).CIBIL Score (700 and above)
III)	Regular Employees of Recognized Universities, Recognized Schools, Colleges, Institutes and Central/State/UT Govt Employees or Employees of the PSU/Corporation/Govt Undertakings not drawing salary through our Bank.	i). Pay Certificate of last 3 months along with Bank Statement of last 6 months and ITR
		ii).CIBIL Score (700 and above)

b) Business Segment:

I) Income Tax Return for Proprietor/Partnership, Qualified Professional and Agent/Contractor.
 II) Form No 10 CCAC duly completed and attested for Income from Export Units shown in application for Proprietor/Partnership (Exporters Only).

III) CIBIL Score (653 and above).

The documents for the proof of Income should be retained at the branch for reference along with the application form.

13. Credit Limit for Card Variants.

The credit limits are sanctioned for different card types in individual cases depending upon the annual income of the applicant.

	Platinum Credit Card		World Credit Card
	Platinum Credit Card including Pink (MasterCard/VISA)	Govt. Employees Credit Card	
Credit/Cash Limit	Upto Rs 4.00 Lacs	Upto Rs 8.00 Lacs	Above Rs 4.00 lac

Cash Limit	20% of credit Limit Subject to max of Rs 80000.00	40% of credit Limit Subject to max of Rs 3.20 Lacs	20% of credit Limit Subject to max of Rs 5.00 lacs.
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* The cash limit is carved out of the total credit limit.

14. Validity & Renewal of the Credit Cards:

The Cards issued once would remain valid for a period of 3 years. The credit card limit will be renewed on yearly basis, the renewal limit will be set depending upon usage of credit card limit during the financial year, however an enhancement of the limit based on the review process shall be set only after taking written confirmation from the customer over Contact centre/IVR/SMS Channel/ Digital Channels/Branch etc.

However, if the account is regular and usage of credit card is good enough to continue with the existing credit card limit, the card credit limit would be treated as renewed every year. The annual fee (if applicable) would be charged to the cardholder's account and would reflect in the monthly statement of the anniversary month of the card account.

The active credit cards having at least one customer initiated transaction are renewed centrally one month prior to expiry of existing cards. In case the card holder intends not to renew the card; the Branch shall inform the same to the Credit Card Division two months prior to expiry of existing card. The Cardholder shall also be intimated about the renewal and dispatch of the renewed card.

15. Sanctioning limits & Delegation of powers:

The overall exposure for Credit Card business of the Bank shall be as per the norms detailed in Credit Risk Management Policy of the Bank.

The sanctioning limits based on Eligibility/Income criteria to issue Credit Cards to customers/corporates shall be as per appraisal norms of the Bank.

16. Credit Card features:

The JK Bank 'PLATINUM', and 'WORLD' Credit Cards would carry the following features to benefit the cardholders.

A). Acceptance and International Usage:

The Credit Card would be accepted for Purchase and Cash withdrawals across all domestic and Global locations accepting Master Card/VISA Cards. However for E-Commerce, Contactless and international usage, the card would be required to be enabled based on customer request at Branch or by the Customer through Mobile Banking Application of the Bank as per RBI guidelines.

B). Free Credit Period:

The billing statement would be generated on 20th of every month (billing date), which is called statement date. The payment due date would be 20 days from the billing date (9th or 10th of

succeeding month). Thus the cardholder would get maximum 50 days to minimum 20 days free credit period provided the total payment due shown in the statement is paid in full on the due date. If any transaction were billed to the card account one day after the statement date the same would be reflected in the next statement, which facilitates the cardholder to enjoy a maximum of 50 days of free credit period.

However, the interest free credit period would not be available if the payment made is Minimum Payment Due or less than the Total Payment Due and the applicable financial charges would be levied for all the purchases from the date of transaction.

C). Revolving Credit Facility:

For availing Revolving Credit Facility the cardholder shall pay minimum of 5 % of the actual balance in the month and 100% of over the limit usage charges plus EMI's (if any), which is called 'Minimum Payment Due'. The cardholder has the option to pay only the 'Minimum Payment Due' or any amount higher than the 'Minimum Payment Due' and less than the 'Total Payment Due' before the Payment Due Date of the statement while the balance could be carried forward to the next statement with applicable interest charges.

If the payment made is 'Minimum Payment Due' or less than Total Payment Due, the interest free credit period would not be applicable and the applicable financial charges would be levied for all the billed & unbilled purchases.

D). Cash Advance:

The Cardholder can avail cash advance within the overall credit limits sanctioned for the Card with maximum cap defined at Clause 8. Fee/Interest charges for the cash withdrawals will be levied from the date of withdrawal.

E). EMI Facility.

I) Retail Transaction to Loan

A customer who has made a purchase using Bank's Credit Card can convert his/her purchase into an EMI based loan account. For this the customer can convert 100 % of their credit limit with transaction above Rs 2500/- upto a maximum of Rs 2 Lacs through POS, various merchants like Amazon, Flipkart, Branch or Bank's Contact Center on toll free number 1800-890-2122 at interest rates prescribed and approved from time to time & available at Banks website.

II) Outstanding to EMI

A customer can also avail the Outstanding to EMI scheme wherein customers having valid credit card with no past dues (Days Overdue=0) and having satisfactory track record for past 6 Months can convert 75% of the credit card limit or Rs 5 Lacs whichever is lower into EMI's. This scheme can be availed at branch only at interest rates prescribed and approved from time to time & available at Banks website.

F). Lost Card Liability:

The Bank shall provide to the cardholder the detailed procedure to report the loss, theft or unauthorised use of card or PIN. They shall provide multiple channels such as a dedicated helpline, dedicated number for SMS, dedicated e-mail-id, Interactive Voice Response, clearly visible link on the website, internet banking and mobile-app or any other mode for reporting an unauthorized transaction on 24 x 7 basis and allow the customer to initiate the blocking of the card.

Bank shall immediately send a confirmation to the cardholder subsequent to the blocking of a card. The process for blocking the card, dedicated helpline as well as the SMS numbers, shall be adequately publicized and included in the billing statements.

In the event the card is lost/ stolen, the liability of the cardholder would be limited as per the regulatory guidelines issued by the Reserve Bank of India vide its notification RBI/2017-18/15DBR.No.Leg.BC.78/09.07.005/2017-18 under Consumer Protection Limiting.

G). Replacement of card

For issuance of a duplicate card in case of Stoplist/Block status, the cardholder has to request the bank for a duplicate card and the same shall be issued on payment of charges stipulated in Charges schedule of the bank applicable at that point of time as available on Bank's website.

H). 24X7 Customer Assistance line:

An exclusive personalized 24 Hour Customer Assistance Line has been provided which could be accessed through Toll Free line 1800 890 2122 or +91-194- 2481936.

I). Family or Add on Cards

Add on (Family) Card to the primary Cardholder will be issued to only family members of the cardholder on specific request. The customer can request for add on card at the time of applying for the Credit Card or at a later date in the prescribed application format. The add on credit card will be used within the limits that have been assigned to the primary card holder i.e. if the primary card has a limit of Rs.50,000 the same shall be shared by the add on card holder. The Add-on cards may be issued with the clear understanding that the liability will be that of the principal cardholder.

J). Fuel against Card:

The Card would be accepted at all Fuel pumps across India, where MasterCard/VISA cards are accepted. A processing fee as per industry practice and as applicable would be levied. This processing fee may be waived from time to time by the Bank as part of its promotional campaigns.

K). Rewards Programme:

The cardholder will earn rewards points whenever the cardholder spends on JK BANK Credit Card, in India or abroad. The details along with terms and conditions of reward program is provided in "<https://www.jkbrewards.com>". The Rewards program is dynamic in nature and shall be revised as and when required.

L). Self Service

The card holders availing Banks eBanking and Mobile Banking services have the facility of generating online Bill statements as well viewing of unbilled transactions, bill payments, activate/hotmark the Credit Card, enable/disable transaction type (domestic/international), enable/disable transaction mode (E-Com, ATM/POS, Contactless etc) and can also set the transaction limit for each mode.

M).Tie-ups

The Bank shall engage Tie-ups for offers on Credit Cards like Cash Back, Instant discounts, Zero Cost EMI etc. The offers would increase the brand value of the card and encourage customers for more usage. The Tie-ups shall be informed to customers through SMS, email, social media campaigns, bank website, newspapers advertisements etc.

N) Closure of Credit Card

Any request for closure of a credit card shall be honoured within seven working days by the Bank, subject to payment of all dues by the cardholder. Subsequent to the closure of credit card, the cardholder shall be immediately notified about the closure through email, SMS, etc. Cardholders shall be provided option to submit request for closure of credit card account through multiple channels such as helpline, dedicated e-mail-id, Interactive Voice Response (IVR), prominently visible link on the website, internet banking, mobile-app or any other mode. The Bank shall not insist on sending a closure request through post or any other means which may result in the delay of receipt of the request. Failure on the part of the Bank to complete the process of closure within seven working days shall result in a penalty of ₹500 per calendar day of delay payable to the cardholder, till the closure of the account provided there is no outstanding in the account.

If a credit card has not been used for a period of more than one year, the process to close the card shall be initiated after intimating the cardholder. If no reply is received from the cardholder within a period of 30 days, the card account shall be closed by the Bank, subject to payment of all dues by the cardholder. The information regarding the closure of card account shall also accordingly be updated with the Credit Information Company/ies within a period of 30 days.

Subsequent to closure of credit card account, any credit balance available in credit card accounts shall be transferred to the cardholder's bank account. Bank shall obtain the details of the cardholder's bank account, if the same is not available with them.

O) Billing

Bank shall ensure that there is no delay in sending/dispatching/emailing bills/statements and the customer has sufficient number of days (at least one fortnight) for making payment before the interest starts getting charged. In order to obviate frequent complaints of delayed billing, the Bank shall provide bills and statements of accounts through internet/mobile banking with the explicit consent of the cardholder. Bank shall put in place a mechanism to ensure that the cardholder is in receipt of the billing statement.

Bank shall ensure that wrong bills are not raised and issued to cardholders. In case, a cardholder protests any bill, the Bank shall provide explanation and, wherever applicable, documentary evidence shall be provided to the cardholder within a maximum period of 30 days from the date of complaint.

Bank shall provide the list of payment modes authorised by them for making payment towards the credit card dues, in their websites and billing statements. Further, Bank shall advise cardholders to exercise due caution and refrain from making payments through modes other than those authorised by them.

No charges shall be levied on transactions disputed as 'fraud' by the cardholder until the dispute is resolved.

Any debit to the credit card account shall be done as per the authentication framework prescribed by the Reserve Bank from time to time, and not through any other mode/instrument.

Any credit amount arising out of refund/failed/reversed transactions or similar transactions before the due date of payment for which payment has not been made by the cardholder, shall be immediately adjusted against the 'payment due' and notified to the cardholder.

Bank shall seek explicit consent of the cardholder to adjust credit amount beyond a cut-off, one percent of the credit limit or ₹5000, whichever is lower, arising out of refund/failed/reversed transactions or similar transactions against the credit limit for which payment has already been made by the cardholder. The consent shall be obtained through e-mail or SMS within seven days of the credit transaction. The Bank shall reverse the credit transaction to the cardholder's bank account, if no consent/response is received from the cardholder. Notwithstanding the cut-off, if a cardholder makes a request to the Bank for reversal of the credit amount outstanding in the card account into his/her bank account, the Bank shall do it within three working days from the receipt of such request.

For business credit cards wherein the liability rests fully with the corporate or business entity (principal account holder), timeframe provided for payment of dues and adjustment of refunds may be as agreed between the Bank and the principal account holder.

Bank shall inform the cardholders of the implications of paying only 'the minimum amount due'. A legend / warning to the effect that "Making only the minimum payment every month would result in the repayment stretching over months / years with consequential compounded interest payment on your outstanding balance" shall be prominently displayed in all the billing statements to caution the cardholders about the pitfalls in paying only the minimum amount due. The MITC shall specifically explain that the 'interest-free credit period' is suspended if any balance of the previous month's bill is outstanding.

17. Credit Card Transaction statement process

The statement of account reflecting the transactions on the card account would be generated for every cardholder on monthly basis and sent via email to the cardholder's email address directly and in addition to this shall also be made available on banks website, Mobile Banking and E-Banking channels. The statement of account consists of two parts viz.; Payment Voucher and Account details. Other few important details of the statement are as under

- The billing cycle : once in a month
- The statement date : 20th of every month
- Payment due date: 20 days from the billing date (9th or 10th of succeeding month.)
- Minimum Payment Due : 5 % of the actual balance in the month or 5 % of the Card limit + 100% of over the Limit usage and EMI transactions
- The bifurcation of EMI shall be provided in the statement.

The Bank would provide the required e-statement to customers on registered email id along with an SMS for payment amount and due date on registered mobile no. The Credit card statements shall also be available on Mobile Banking, e- banking and Bank website.

Any credit amount arising out of refund/failed/reversed transactions pertaining to that billing cycle or similar transactions before due date of payment for which payment has not been made by the cardholder, shall be adjusted against the payment due and notified to the cardholder.

The Bank makes regular efforts on educating the cardholders of the implications of paying only 'the minimum amount due'. The "Most Important Terms and Conditions" specifically explain that the 'free credit period' is lost if any balance of the previous month's bill is outstanding. The Bank has also worked out illustrative examples and included the same in the Welcome Kit sent to the cardholders and also published on the website. Any change in MITC shall be conveyed to Customer.

18. Collection of dues

- a) The JK BANK Credit Card holders having their deposit accounts with the Bank have the option to authorize the bank to transfer/recover the ' Minimum Amount Due' or 'Total Payment Due' from their existing accounts, on the debit authorization format, for credit towards their Credit Card Outstanding's.
- b) The Credit card holders can credit the amount at any branch of our bank via cash /Cheque by or before the due date toward his credit card account .The customer can credit the bill amount after due date also, however same shall attract charges like interest, late fee etc. No clearing cheques should be credited in the credit card account directly.
- c) Apart from above methods of payment customers can also use any digital mode for payments against credit card i.e. (E-Banking, Mobile Banking, NEFT etc.)

19. Appropriation of the payments / GST Charges / GST on NPA Settlement:

The payments received from the cardholder would be appropriated towards cardholder's dues in the priority given below.

- i) GST
- ii) FEE /INTEREST
- iii) PURCHASE and EMI
- iv) CASH

The GST on Credit cards in compliance with GST norms shall be charged on the Fee/Interest based income like Annual Fee, Renewal Fee, Over limit Fee etc.

The GST charges for card holders whose GSTIN is registered with the bank is submitted on GST portal by the Bank.

20. Recovery of over dues/ bad debt management and NPA Settlement:

It will be the responsibility of the concerned Branch, to recover the over dues and bad debts. The credit card status viewer would be providing Sol wise overdue position of Credit Cards for every Branch.

The credit card status viewer is updated on daily basis. The credit card status viewer will have the following fields: (Credit card A/c no., Name, minimum Due, Outstanding Balance, delinquency of Card, Days Past Due) Any cardholder failing to pay the Minimum Payment Due consequently for two billing cycles will be marked as potential NPA and the list of such cardholders would be communicated to the respective branches for recovery of the dues.

In case any cardholder fails to pay the Minimum Payment Due consequently for three billing cycles, the card operations would be blocked, further activation of the Card would be enabled only on payment of minimum /total dues. If the payment of the minimum/total dues from the cardholder were not received for 90 days the card shall turn into NPA category and branches have to start recovery process.

In accordance with the provisions of the Regulatory Guidelines the Banks are required to recognize incipient stress in borrower accounts, immediately on default, by classifying them as special mention accounts (SMA). The classification of borrower accounts as SMA as well as NPA shall be done as part of day-end process for the relevant date and the SMA or NPA classification date shall be the calendar date for which the day end process is run. Accordingly, the date of SMA/NPA shall reflect the asset classification status of the account at the day-end of that calendar date. The basis of classification of SMA/NPA category shall be as follow:

Outstanding in the Credit Card account or additional loan thereon (For Credit Card dues referred hereinto is the Minimum Amount Due as the mentioned in the credit card billing statement).	
SMA Sub-Categories	Basis for classification-Principal or interest payment or any other amount wholly or partly due
SMA-0	Upto 30 Days
SMA-1	More than 30 Days and up to 60 Days
SMA-2	More than 60 Days and up to 90 Days
NPA*	More than 90 Days

* A Credit Card account will be treated as Non-Performing Asset if the Minimum Amount Due as mentioned in the statement is not fully paid within 90 days from the payment due date mentioned in the statement.

An Illustration of such classification is as follows:

- SMA 0 - If due date of a Credit Card account is August 31, 2022, and dues are not received on this date, the account shall be SMA 0 on day end of August 31, 2022.
- SMA 1 - If it continues to remain overdue, then this account shall get tagged as SMA-1 upon completion of 30 days of being continuously overdue i.e. Sep 30, 2022.
- SMA 2 - If the account continues to remain overdue, it shall get tagged as SMA-2 on Oct 30, 2021

- NPA – If the account continues to remain overdue further, it shall get classified as NPA on Nov 29, 2022

As per RBI guidelines, classification of accounts as NPA is done Borrower wise and not Facility wise and hence, it may be noted that in case of non-payment of dues by the customer in case of any facility availed from the Bank and consequently the account is to be classified as NPA, all other loan/credit card and accounts of the Borrower/Card Holder, with the Bank, also shall be classified as NPA and it shall entitle the Bank to recall all such loans/credit cards/facilities availed from the Bank, irrespective of regular payment in such accounts.

21. Corporate/Business Credit Cards for Companies / Partnership Firms / Business entities

The Bank may issue business credit cards to business entities / individuals for business expenses. Business credit cards can be issued together with add-on cards wherever required.

The Card allows for better control and visibility of transactions while offering a host of features and benefits. The Corporate/Business Credit Card with Corporate/Business Liability is issued after the credit assessment of the Corporate/ business like revenue, profit, overall financial health, overall credit rating of the company, expenditure on tickets, boarding, lodging, food etc.

The corporate/business shall bear the liability for the entire outstanding amount on the cards. The liability of the corporate/business entity on account of credit card shall form part of their total assessed credits for compliance to the instructions issued by the RBI on exposure norms as well as prudential norms on Income recognition, Asset Classification and provisioning pertaining to Advances. The payment shall be made directly to the bank once a month.

The liability of the corporate/business entity on account of business credit cards shall form part of their total assessed credits for compliance to instructions issued by the Reserve Bank on Exposure Norms as well as Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.

The corporate/business shall bear the liability for the entire outstanding amount on the cards. This card shall be a charge card wherein full payment is to be made at the end of each billing cycle.

Documents for Corporate/Business Credit Card Issuance:

- a) For Credit Appraisal
 - i. Corporate Application Form
 - ii. MOA/AOA/Partnership deed
 - iii. Audited Financials for last two years
 - iv. Corporate /Firm PAN card
- b) Post Credit Appraisal:
 - i. Board Resolution for Company

ii. KYC of Individual Employees (PAN Card, Photo ID proof and address proof)

The assessment of Card limits to be assigned to a Corporate Credit Card shall have to be carved from the existing credit limit provided to the Corporate/Firm or to which a Corporate/Firm is entitled to in case there is no existing Credit facility provided. The Branch issuing Corporate/Business Credit cards shall effectively monitor the end use of funds for which the card has been issued on a regular basis.

22. Tariff of Charges

- a) The interest rates (Monthly & APR) and other charges for the Credit cards are informed to the customer's along with the Card. This information is also available on banks website and updated as and when required. The information on charges other than interest is also circulated as a part of MITC (Most Important Terms & Conditions) in the monthly card statements.
- b) Interest shall be levied only on the outstanding amount, adjusted for payments/refunds/reversed transactions. Late payment charges and other related charges shall also be levied, only on the outstanding amount after the due date, and not on the total amount due. The unpaid charges/levies/taxes shall not be capitalized for charging/compounding of interest.
- c) Changes in charges shall be made only with prospective effect giving prior notice of at least one month. If a cardholder desires to surrender his/her card on account of any change in charges to his/her disadvantage, he/she shall be permitted to do so without levying any extra charge for such closure, subject to payment of all dues by the cardholder.
- d) There shall not be any hidden charges while issuing credit cards free of charge.

The tariff of charges are as under. Any change to the charges structure shall be updated through Circular, Bank website and MITC on the Card statement.

S.No.	Particulars	Charges
1	Maximum Interest Free Credit period (only on full payment, on or before the due date)	Upto 50 days
2	Finance charges / interest rate (Purchase / Cash)	3% per month (Annual Rate of 36% and APR of 42.57%)
3	Minimum Payment Due on Revolving credit.	5 % of the actual balance in the month or 5% of the Card limit + 100% of over the limit usage + EMI's of the month (if any)
4	Statement Date	20th of every month
5	Payment due date	20 days from the billing date (9th or 10th of succeeding month.)

6	Cash advance on credit limit	20% of the credit limit
7	Cash advance charges at our Bank ATMs From the date of transaction.	3% of the amount with a minimum of Rs. 300/- for each transaction.
8	Reissue of stolen, Lost or damaged card.	As per Card Variant
9	Cash advance charges at other bank ATMs in India. From the date of transaction.	3 % of the amount with a minimum of Rs.300/- for each transaction.
10	Cash advance charges (Overseas). From the date of transaction,	3 % of the amount with a minimum of Rs: 300/- for each transaction.
11	Late payment fee	Rs. 100/-
12	Charges for over the credit limit usage	2.5% of overdrawn amount or minimum Rs. 400/- for each occasion
15	Card replacement fee	As per Card Variant
16	Retrieval of Charge slip	Rs. 100/- or the actual charges incurred whichever is higher
17	PIN Replacement fee	Rs.100/-
18	GST	As applicable from time to time

Type Of Fee/Charge	Amount In INR				
	Gold Credit Card	Platinum Credit Card	Govt. Employees Credit Card	World Credit Card	Corporate Credit Card
Entrance Fee primary/add-on card	NIL	NIL	NIL	NIL	NIL
Annual Fee primary/add-on card	200+GST	300+GST	NIL	1000+GST	500+GST
Renewal Fee primary/add-on card	200+GST	200+GST	NIL	200+GST	200+GST
Card replacement Charges	200+GST	200+GST	200+GST	200+GST	200+GST

primary/add-on card					
Product Upgrade Charges	NIL	NIL	NIL	NIL	NIL
Limit Enhancement Fee	NIL	NIL	NIL	NIL	NIL
primary/add-on card					

Annual Fee for a card holder shall not be levied in case a cardholder transacts above the tabulated minimum amount in the year as per below table

	Gold Credit Card	Platinum Credit Card including Pink	World Credit Card
Purchase Amount (INR) for Not Levying Annual Fee	Above 50,000	Above 75,000	Above 2,00,000

23. Use of Direct Sales Agent (DSAs) / Direct Marketing Agents (DMAs), Recovery and other agents

The Bank does not use the services of Direct Sales Agent (DSAs) / Direct Marketing Agents (DMAs), Recovery and other agents for Credit Cards.

24. Protection of Customer Rights / Customer Confidentiality/Conduct

Customer's rights in relation to credit card operations is primarily related to personal privacy, clarity relating to rights and obligations, preservation of customer records, maintaining confidentiality of customers information and fair practices in debt collection. The credit card customers shall also be governed by Customer Rights Policy of the Bank. The Customer Rights policy brings out the rights of the customer and also the responsibilities of the Bank. The policy sets minimum standards of banking practices, which the bank has to follow while dealing with individual customers.

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. 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 provided by them with other agencies, Bank shall clearly state and explain 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. The Bank shall be solely responsible for the correctness or otherwise of the data provided for the purpose.

If Bank outsources various credit card related operations, Bank shall ensure that the appointment of such service providers do not compromise the quality of the customer service and the bank's ability to manage credit, liquidity and operational risks. In the choice of the

service provider, the Bank shall be guided by the need to ensure confidentiality of the customer's records, respect customer privacy and adhere to fair practices in debt collection.

Bank shall have a system of random checks and mystery shopping to ensure that their agents have been properly briefed and trained as to how to handle customers and are also aware of their responsibilities, particularly with regard to soliciting customers, hours for calling, privacy of customer information, conveying the correct terms and conditions of the product on offer.

Bank shall ensure that their employees/agents do not indulge in mis-selling of credit cards by providing incomplete or incorrect information to the customers, prior to the issuance of a credit card. The Bank shall also be liable for the acts of their agents. Repetitive complaints received in this regard against any employee/agent shall be taken on record by the Bank and appropriate action shall be initiated against them including blacklisting of such agents. A dedicated helpline and email-id shall be available for the cardholders to raise complaints against any act of mis-selling or harassment by the representative of the Bank.

25. Fair Practices in debt collection/recovery.

In the matter of recovery of dues, the Branches / offices should ensure that they adhere to the instructions laid out in Recovery Policy for Non-Performing Assets.

26. Reporting to CIC's

With the aim of taking informed credit decisions, the Bank has become a member of Credit information Bureaus of India, institutions set up for creation of data base of borrowers of banks / FIs, for sharing it amongst the member banks. The terms and conditions about the sharing of information to CIC's shall be shared to Cardholders through SMS's and details shall also be provided in MITC. The Bank shall not share any information to CIC's for Not-Activated Credit Cards.

Bank shall report a credit card account as 'past due' to credit information companies (CICs) or levy penal charges, viz. late payment charges and other related charges, if any, only when a credit card account remains 'past due' for more than three days. The number of 'days past due' and late payment charges shall, however, be computed from the payment due date mentioned in the credit card statement, as specified under the regulatory instructions on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances' amended from time to time.

The card holder shall be intimated through SMS before reporting default status of a credit cardholder to a CIC. If the cardholder settles his/her dues after having been reported as defaulter, the Bank shall update the status with CIC within 30 days from the date of settlement. Bank shall be particularly careful in the case of cards where there are pending disputes. The disclosure/release of information, particularly about the default, shall be made only after the dispute is settled. In all cases, a well laid down procedure shall be transparently followed and be made a part of MITC.

27. Redressal of grievances

The Bank has put in place an effective mechanism for redressal of customer complaints. The grievance redressal procedure of the Bank and the time frame fixed for responding to the complaints is communicated to all Branches from time to time. The redressal of customer grievances shall be resolved as per the TAT defined in the Grievance Redressal policy of the

bank. Further to this the name, designation, address and contact number of the Grievance Redressal Officer of the Bank is also displayed on the website. The Bank has put in place a mechanism of submitting quarterly analysis of credit card related complaints to the Top Management.

28. General Guidelines

The Bank may restrict, terminate or suspend the use of the Credit card at any time without prior notice, if the Bank reasonably believes it necessary for business or security reasons.

The Bank reserves the right of unconditional cancellation of undrawn portion of the credit limit without prior notice. An intimation through SMS alert shall be sent to the cardholder.

Any discounts, cashbacks, reward points, loyalty points or any other benefits offered by the Bank shall be provided in a transparent manner including source of such benefits. The accounting process for the same shall be verifiable in the books of the Bank. Detailed information regarding these benefits shall be displayed on the website and a copy of the same shall also be provided to the cardholder.

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 the Banks' 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 Bank shall ensure complete transparency in the conversion of credit card transactions to Equated Monthly Instalments (EMIs) by clearly indicating the principal, interest and upfront discount provided by the merchant/Bank (to make it no cost), prior to the conversion. The same shall also be separately indicated in the credit card bill/statement. EMI conversion with interest component shall not be camouflaged as zero-interest/no-cost EMI.

The Bank shall ensure that loans offered through credit cards are in compliance with the instructions on loans and advances issued by the Reserve Bank from time to time.

29. Changes in Product Features and Tariff of Charges

All features and charges related to cards are subject to change from time to time as per the regulatory / statutory guidelines, market dynamics and internal strategic decisions for increasing usage. The customers shall be informed about any change in charges prior to implementing the change.

30. Compliance with Other instructions

The issue of cards as a payment mechanism shall also be subject to relevant instructions on cash withdrawal, issue of international card, 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 Systems, Reserve Bank of India under

the Payment and Settlement Systems Act, 2007, and the Foreign Exchange Department, Reserve Bank of India under Foreign Exchange Management Act, 1999, as amended from time to time.

31. Review

Policy shall be reviewed at annual intervals or as and when considered necessary by the Management/ Board of Directors of the Bank.



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