

# Fair Practices Code for Depositors

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## 1. Policy Content

### 1.1. Preamble

The Fair Practices Code sets the standards of practices the bank will follow while dealing with individual customers. It provides protection to customers and explains how bank is expected to deal with customers in their day-to-day operations. The code contains practices and commitments as prescribed in RBI regulations and Code of Bank's Commitment to Customers as issued by Banking Codes and Standards Boards of India.

### 1.2. About the Code

- Promote good and fair banking practices by setting minimum standards in our dealings with customer;
- Increase transparency so that Customers can have better understanding what they can expect from the bank;
- Encourage market forces, through competition, to achieve higher operating standards;
- Promote a fair and cordial relationship between customer and Fincare Small Finance Bank;
- Foster confidence in the banking system.

### 1.3. Application of Code

This Code applies to all the products and services listed below, whether they are provided by our branches or agents acting on our behalf, whether across the counter, over the phone, by post, through interactive electronic devices, on the internet or by any other method. However, all products discussed here may or may not be offered by us or may be introduced at a future date.

- Deposit Accounts: Current, Savings and Term Deposits, Payment services as in RTGS, NEFT.
- Collection and Remittance services offered by the Bank.
- Banking services related to Government transactions;
- Indian currency notes/coins exchange facility;
- Collection of Cheques, safe custody services, safe deposit locker facility;
- Card products Loans and Overdrafts
- Third Party Products offered through our network
- Advisory Services other para banking services

***(Commitments made in the code are applicable under normal operating environment)***

## 1.4. Key Commitments

**Bank promises to follow the below commitments while dealing with our customers:**

### 1.4.1 Act fairly and reasonably in all our dealings with our customers by:

- Meeting the commitments and standards set in this code, for the products and services the bank offer, and in the procedures and practices we follow
- Making sure the products and services offered by the bank meet relevant laws and regulations in letter and spirit
- Ensuring that the banks dealing with the customers rest on ethical principles of integrity and transparency.
- Operating secure and reliable banking and payment systems.

### 1.4.2 Help our customers understand how our financial products and services work by:

- Giving information about them in any one or more of the following languages – Hindi, English and the appropriate local language
- Ensuring that the customers are given clear information about the products and services, the terms and conditions and the interest rates/ service charges, which apply to them
- Customer contact point to address the queries and effective resolution for the same by:
- Correcting mistakes promptly/taking feedback and implementing changes to address customer queries
- Prompt communication of responses
- In case a customer is not satisfied with the way a complaint is handled bank will guide the customer on how to take the complaint forward.
- Ensuring that our advertisement and promotional literature is clear and not misleading

***The Code will be publicized by bank through their website***

## 1.5. Information Transparency

**Fincare Small Finance Bank will guide its customers in choosing products and services which meets the customer's requirements.**

- Give the customer clear information explaining the key features of the services and products that the customer has shown interest in, including applicable interest rates, fees and charges.
- Give the customer information on type of products and services which the bank will offer which may suit the customer's needs.
- Bank will provide information on the channels through which the products and services can be availed. The customer will also be informed on where further information on the products and services is available.
- Giving the information on KYC norms for the bank to comply with legal, regulatory and internal policy requirements.
- Guiding the customer on rights and responsibilities specific to the mode of operation under which the account is opened.
- Bank will recommend to utilise the nomination facility to all their customers at the time of opening deposit accounts or availing of a safe deposit locker.

- In case the customer had not availed of a nomination facility, bank will provide the information to the customer in dealing with deposits and other assets held in our custody in the name of deceased person.

### **1.5.1 Interest Rates**

Bank will provide information to Customers on:

- Interest rates that applies to the products and services availed by Customer
- Periodicity at which the bank pay interest on customer deposits or charge interest on the loan accounts
- At the time of customer on-boarding, bank will give information on the interest rates which apply to the accounts, and when bank will pay interest on customer deposits or debit interest on customer loan accounts in accordance with the formula and conventions advised by Indian Bank's Association. Bank will explain how bank apply interest to the customer's account.
- The bank will inform customer about the changes in interest rates on the loan products within a fortnight of decision by any of the following means: e-mail, SMS, website, notice boards, statement of accounts

### **1.5.2 Changes in fees & charges**

If the bank increases any fee or charge or introduce a new fee or charge, it will be notified through statements of accounts /e-mail /SMS alerts / notice board at branches/ our website, the same will be notified to the customer one month prior to the revised charges becoming effective.

### **1.5.3 Changes to Terms and conditions**

- Bank will advise the customer on the relevant terms and conditions for the products/services the customer has asked bank to provide.
- All terms and conditions will be fair and will set out the respective rights, liabilities and obligations clearly and as far as possible in plain and simple language.
- Bank will notify the customer of changes in terms and conditions through any one or more channels: Account statements/ ATMs, Notice Board at each branch, email and website, Newspaper, SMS.
- Normally, changes will be made with prospective effect giving notice of one month (30 Days).
- If the changes are to the customers disadvantage, he/she may close the account at any time up to one months (30 days) from the date of the notice without having to pay revised charges or interest

## **1.6. Advertising and Marketing**

- Bank will make sure that all our advertising and promotional material is clear, and not misleading.
- If the bank avails the service of the third party for providing support services, we would make sure that they handle customer specific personal information with the same degree of confidentiality and security as we would.
- Bank would like to provide the customer with the entire range of financial services products, some of which are our own products while some others are the products of our group/associate/entities or companies with whom bank have tie up arrangements. Bank will however tell the customer about our associate / group entities or companies having business tie-up arrangements with them if so desired by the customer, will direct the staff / agents of the company for marketing their products and services.
- Bank telemarketing agent will not call those customers who have registered with the bank in the 'Do Not Call' registry.

## 1.7. Account Operation

### Statements

- To help the customer manage his/her account and check entries in it, bank will provide the statement of account as per specific request will be given by the customer for specific frequency at the time of account opening.
- In case the customer requires statement at a frequency greater than the frequency defined by the product and our policy, bank will make the statement available to the customer at a greater frequency at applicable charges.
- The customer will be able to see the last few transactions in his/her account through an ATM, Internet Banking facility and also through phone and mobile banking wherever such facilities are available with us.

### Clearing Cycle / Collection Services

- We may provide a drop box facility to enable you to deposit cheques to be sent for collection. Necessary precaution will be taken to ensure that cheques deposited in the drop box are properly and promptly accounted for. However, you may, if you so desire, hand over cheques at the counter against acknowledgement instead of depositing in the drop box.
- Bank will tell the customer about the clearing cycle for local instruments and the outstation instruments including details such as when a customer can withdraw money after lodging collection instruments and when customer will start to earn interest.
- Bank will pay compensation/ interest, as per our Cheque Collection / Compensation Policy for any delay in collection of instruments, without waiting for a demand from the customer.
- Bank will provide details, if we offer immediate credit for outstation cheques, including the applicable terms and conditions, such as the limit up to which the instruments tendered by the customer can be credited, operating accounts satisfactorily, etc.
- Bank to pay interest on funds involved if collection is delayed beyond the normal period as stipulated by RBI.

### Cash Transactions

- Bank to make all attempts to ensure the correctness of cash dispensed at bank counters; the customer is advised to count and ensure correctness before leaving the cash counter.
- Avoid writing anything on the face of the notes and co-operate with us by remitting notes in unstapled / unstitched conditions as required under RBI's Clean Note Policy.
- PAN required if transaction above a limit exchange of mutilated notes/ coins

### Direct debits and standing instructions

Bank to act on any mandate given by account holders for Direct Debits (e.g. ECS) and other Standing Instructions.

### Cheques Issued

- Bank to maintain copies/ originals/ images of cheques paid/collected from accounts for such periods as required by law.

- In case of a dispute about a cheque paid/collected from an account, bank to provide a copy of the cheque (or the cheque) as evidence; provided the same is requested within a reasonable period after the entry has been made on the customer's account.
- Bank to guide customers on dealing with unpaid cheques and stale cheques.

### Getting Records

We will, on request, make available to you, at a cost, records pertaining to your transactions, provided this is within the prescribed preservation period of such record.

### Protecting Accounts

Bank to co-operate as an industry so that a customer enjoys secure and reliable banking and payment systems with trust.

- Bank to guide their account holders on ways and means to protect accounts from time to time. In case cheque book or ATM / Debit Card has been lost or stolen or someone else knows the customers PIN or other security information, on receipt of such information the Bank will take adequate measures to stop payments of the cheque or blocking of the card.

### Cards and PINs

- Bank to send cards to only those customers who request for one or as a replacement to a card already held.
- Bank to provide more details of Debit Card / ATM transactions that an account holder is unable to recognise that appears on an account statement. In some instances, we may seek evidences, information on un-authorized transactions in the account.
- Bank to dispatch PIN separately from the card, except in the case of accounts opened under the Instant account (handover of instant Welcome Kit). The PIN will not be revealed to anyone else.

Bank to guide the account holder through the process of changing / choosing their own PIN. This will make it easier for the account holder to remember the PIN.

## 1.8. Protecting your Account

Privacy and Confidentiality of Account Details:

Bank to treat all personal account information as private and confidential (This will apply even after a customer discontinues his/her accounts with us). Bank will not reveal transaction details of the customers' accounts to a third party, including entities in their group, other than in the following six exceptional cases when bank is allowed to do

- If Bank is required to provide information as required by Law/ Regulation/ Customer assessment purposes.
- If there is a duty towards the public to reveal the information
- If bank interests require them to give the information (for example, to prevent fraud) but bank will not use this as a reason for giving information about the customers or accounts (including name and address) to anyone else, including other companies in our group, for marketing purposes
- If the customer asks us to reveal the information, or if bank has the customers permission to provide such information to their group/associate/entities or companies where bank have tie-up arrangements for providing other financial service product

## Guidelines to account holders – Safeguarding Accounts

This section is all about what a customer can do to help prevent his/her accounts being misused.

- **Communication Links:** Customers are required to inform us as soon as possible when there is a change in Name, Address, Phone number, E-mail address
- **Checking your account:** Bank recommends its customer to check statement regularly. If there is an entry, which seems to be wrong, the customer should tell bank as soon as possible so that bank can investigate the same.
- **Taking care:** The customer should take care of cheques, passbook, cards, PINs and other security information to help prevent fraud and protecting the accounts.
  - a. Customers are advised to immediately inform the Bank in case of loss of cheque book or card. In case the customer discovers that the information relating to PIN is known by someone else the customer should immediately change the PIN by accessing the respective channel or contact bank to regenerate the PIN.
  - b. The customer could tell bank about the loss by phone at their Contact Centre/register the same through our website/ email and send us a written confirmation to that effect immediately.
  - c. The customer may be liable for misuses until the time that bank has been notified.
- **Precautions while using internet banking facilities:**
  - A. Visit our internet banking site directly. Avoid accessing the site through a link from another site and verify the domain name displayed to avoid spoof websites.
  - B. Ignore any e-mail asking for your password or PIN.
  - C. Bank advise the customer not to use cyber cafés to access our internet banking site.
  - D. Bank advise the customer to update the computer/device with latest anti-virus software regularly.

- **Cancelling Payment:**

If an account holder wants to cancel a payment or series of payments authorized by the account holder (cheque issued but not yet paid, direct debit), the customer should do the following:

- A. To stop payment of a cheque or cancel standing instruction given, or a direct debit, the account holder should give a request to us in writing.
- B. A direct debit may be cancelled by giving us or the originator the instruction in writing – account holders are advised to do both.

*(The request for cancellation of payment should be given with enough notice to allow us the time to act on the cancellation request)*

- **Liability of Losses:**

- A. If an account holder acts fraudulently or without reasonable care causing the loss to the account holder, Bank will not be liable for the loss.



- B. An account holder's liability to any misuse on his/her account/card is limited the amount stipulated in the terms and conditions governing the issue of the card/account.
- C. The account holder will be liable for misuses on account of loss of PIN or compromise of password or of other secured information until the time that we have been notified and we have taken steps to prevent misuse.

## 1.9. Further Assistance

### Complaints / Grievances and Feedback / Suggestions – Internal Procedures

- Bank would provide guidance to customer in case the customer wants to make a complaint: internal procedures, BO, Customers' meeting and branch level customer service meeting
- Bank will also guide a customer on how to take the complaint further if the customer is not satisfied.

Banking Customers can lodge complaint at:

- Register at Branch through e-complaint register.
- Contact the Branch Manager
- Call Contact Center (Banking Customers) Phone no. +91 8572335644 (South), +91 7933564444 (Rest of India).

### Banking Ombudsman Service and Other Avenues for Redressal

- If within 30 days of lodging a complaint with bank, a satisfactory response is not received from bank, the customer may pursue other avenues for redressal of grievances. The Banking Ombudsman appointed by the Reserve Bank of India under Banking Ombudsman Scheme 2006 (As amended up to July 1, 2017) maybe approached. Details of Banking Ombudsman are available in the Branch. Our staff will guide customers with the procedure in this regard.

### Feedback and Suggestions

We request our customers to provide feedback on our service to help improve services.

### Monitoring

- Bank have a "Nodal Officer" to ensure compliance of the Code. Bank internal auditing procedures make sure we meet the Code.
- The Nodal Officer will co-operate with the Standing Committee setup at the Indian Banks' Association to monitor the "Bankers' Fair Practice Code".

Compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of controlling offices will be reviewed on a periodical basis. A consolidated report of such reviews may be submitted to the Board at regular intervals.

The Fair Practices Code, will also be put on the website and will be given wide publicity.