

Policy For Credit Card Issuance and Conduct - RBL Bank

Policy For Credit Card Issuance and Conduct - RBL Bank is a guidance framework adopted by the bank to enlist guidelines that are relevant for current or future credit card customers to understand issuance and conduct of credit cards. The broad framework covers the service offerings of credit cards and binding governance mechanism in place. This policy is in consonance with RBI's circular (Master Direction – Credit Card and Debit Card – Issuance and Conduct Directions, 2022) and is subject to change in accordance with developments in regulatory directions or internal policies. This framework will be reviewed yearly to encapsulate any change in internal policies, processes, or external factors.

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Section 1: Type of Credit Card Programs

Credit Card product provides revolving credit facility to the card holder and can be used as a payment mechanism for settling amount due against purchase of goods and / or services and can also be used for cash advances. Primary engagements for bank's credit cards are bifurcated into 2 main programs:

1. Retail (including Co-brand) Program
2. Corporate or Commercial or Business (including co-brand) Program

1. Retail Program

Bank provides a host of credit cards to individual borrowers with diversity in offerings targeted to various customer segments. Bank has bouquet of solely bank owned proprietary cards for affluent, mass and millennial segments along with the co-brand cards in partnership with merchants, technology players or distribution franchise to service the customers with solutions to their varied financial needs. In addition, bank may also provide add-on cards to existing primary cardholders as per their request. A co-brand credit card is jointly sponsored by the bank and the merchant where co-brand partner does the origination of customers, and Bank manages the credit assessment, acceptance, line/account management and client service etc.

Below is the Bank's website link where all Cards that are currently being sourced (may change with time) under retail program are listed:

<https://www.rblbank.com/category/credit-cards>

2. Corporate/Commercial Program

RBL Bank offers a range of commercial/corporate cards designed to support expense management in SME, mid-sized and large corporates. The products are offered basis various programs under company payment liability. Additionally, these cards could either be charge cards (no revolve), or cards which allow for limited revolve. The entity needs to make the payment as per the product setup. The card member is not allowed to split the transactions done using this card into an EMI.

3. Secured Credit Cards: Secured Card offering is a Fixed Deposit (FD) based Credit Card Program.

Retail Program: The Bank may offer Secured Card to the existing customers who are holding fixed deposit account with Bank. Corporate/Commercial Program: May be offered against a fixed deposit with certain criteria. The terms may be altered by the Bank, however 30 days' notice shall be given to the cardholder. After the notice period of 30 days, the cardholder would be deemed to have accepted the terms.

Section 2: Our Acquisition Channels

Bank utilizes various channels to acquire customers. Either prospects can self-initiate the application request through digital or bank's branch channel or bank will directly reach out through below listed means to understand the interest of a prospect and fulfil the application for issuance of credit card:

- **Digital Sourcing** – marketing campaigns through SMS, email, web, etc. or customer can self-apply on Bank website.
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- **Branch Sourcing/ Cross-sell to existing bank customers** – branch walk-ins; application request through MoBank app, ATM, inbound call centres; cross-sell to prequalified base, secured card against FD etc.
- **Through Storefront channels** – identified marketplaces where outsourced employees advertise and fulfil credit card applications.
- **Telesales Sourcing** – fresh tele-calling to the identified eligible base
- **Direct Sales Team** – RBL field representatives reaching out to prospects through market sourcing.
- **Co-brand Partner-led system** – card request on partner’s website or application

Credit Cards can be sourced through both digital modes as well as via physical application depending on the source of application.

Section 3: Our Credit Policy and Checks

Every customer application goes through all or some of the checks and scorecard-based underwriting where the applicants are assessed through analytics driven model.

- **Scorecard based analytical assessment:** At the time of applying, basis application score model, which includes but not limited to parameterized criteria and bureau behaviour the customer is either approved, declined, or conditionally approved. Only approved and conditionally approved applications are passed to the next level assessment. This tool is reviewed and enhanced basis the portfolio performances from time to time.
- **Credit checks and underwriting:** Basis customer segment type (salaried/self - employed/carded/non-carded etc.) and bureau history.
- **Contactability check and transparency in communication:** At various stages of the application flow journey, contact may be established with the applicant for the purpose of verification and/or sharing of useful information regarding the applied product and for post issuance engagement/account information.
- **Credit Limit assignment:** Credit limit is assigned to an approved card post assessing a customer’s credit profile which is based on factors such as customer’s profile, bureau history, overall current exposure and past re-payment track records.

Credit limit increase: Credit limit increase is based on a pre-approved offer according to the bank’s internal policies, or customers who request a limit increase who are not part of a pre-approved credit limit offer will need to send Income documents to check the limit increase facility. Explicit consent of the customer shall be obtained during any subsequent enhancement of credit limits.

Framework for Card Deactivation, Suspension & Blocking

Card Deactivation:

As per RBI guidelines on ‘Enhancing Security of Card Transactions’, all Credit Cards are issued in a deactivated state for security purpose. These cards are enabled for use only at contact-based points of usage [ATMs and Point of Sale (PoS) devices] within India. Customers can use 24*7 Mobile Banking/ Bank’s website/ Helpline to switch on / off and set / modify transaction limits.

Card suspension and blocking:

Bank at its sole discretion can temporarily suspend the card. The suspension can either be removed or the card may get permanently blocked depending upon Bank's policy.

Discretionary block / suspension may be placed when the Bank observes any adverse trigger on customer account:

- a. Event based such as customer moving into High- Risk segment, card usage for transactions related to online forex trading, lotteries, betting, gambling, Bitcoins or any form of virtual currency / demographic change then the Bank may take a series of actions culminating into card block.
- b. Instruction based such as alert triggered by external agencies like regulatory/government agencies (DOT, I4C-MHA, Law Enforcement Agency (LEA), NPCI etc), Credit Bureaus, usage on blocked MCCs etc
- c. Transaction based such as when the Bank identifies suspicious transaction and customer is non contactable for confirmation of transaction.

Rule Based Blocks / suspension may be placed under the following scenarios:

1. Rule-based block may be placed due to displayed bad behaviour (non-payment of dues).
 - a) Due to Non-payment of dues.
 - b) Settlement: When customer has demonstrated inability to re-pay due amount and has been given waiver on total amount outstanding, this is called Settlement.
2. When customer has agreed to take better variant card, existing card gets blocked.
3. Fraud: When Fraud has been reported by customer.
4. Inactive closure: customers who have not used their cards for 37 days from origination date or have remained inactive for 12 months.
5. Customer initiated request for card closure.
6. Deceased customer: In case of customer's death.
7. KYC Block: This is placed when customers fail to submit their KYC documents.
8. Legal Action Initiated against customer.
9. Return to origin: Block is placed when despite attempts, card has not been delivered to customer.
10. Lost or Stolen: Blocked on intimation from customer that his/her card has been lost or stolen.
11. Moratorium, Restructured accounts.
12. Customer initiated potential dispute on card or transaction/s.

Section 4: Our KYC (Know your Customer) Policy

During the application journey, as a standard process KYC mechanisms are used as per latest KYC regulations issued by RBI for KYC completion to onboard credit card customers as well as for re-KYC purpose. Below are the KYC approaches that can be followed as per applicant's choice:

KYC for Credit Cards Application:

1. KYC Mode 1: eKYC + Video KYC

Applicant requesting for RBL Bank Credit Cards through various channels will be required to authenticate their Aadhaar details through OTP as a pre-requisite for completion of KYC process. Those applicants who complete eKYC can complete all the details required for application completion on digital form and then can schedule Video KYC as per preferred time, which will be assessed by an independent checker.

2. KYC Mode 2: Biometric KYC

Applicant may opt to fulfil KYC requirement through biometric where bank associated agent will meet the applicant to complete the KYC requirement. The agent will assist applicant in conducting biometric KYC.

3. KYC Mode 3: Physical KYC

Applicant should have Officially Valid Documents (OVD) of current address as per RBI circular on KYC and bank officer will validate applicant's personal and demographic details with the provided document.

KYC for add-on Cards

For add-on Cards, only Identity proof of applicant will be taken. Below documents will be accepted for add-on Cards:

- Passport
- Voter ID Card
- Aadhaar/ Proof of possession of Aadhaar
- Driving License

For the purpose of issuance of add-on Cards, above documents will be accepted through primary cardholder's registered email id or upload on web form through OTP validation or through MyCard Mobile app post login or internet banking or other consent modes implemented from time to time.

KYC for address change

OVD to be provided or self-declaration from the customer is obtained if the KYC available in bank records is valid and as per current standards through following modes in case there is a request of address change on card account:

- Registered email ID
- Registered mobile number
- ATM
- Digital Channels – Online Banking/MoBank/MyCard/Chatbot
- Letter to the bank

Post declaration, due diligence is conducted by bank on the declared address.

Re-KYC basis risk tagging:

In line with RBI guidelines, Bank conducts re-KYC basis the risk categorisation of all credit card customers following which the respective customers are requested (through various channels) to share their latest KYC. In case the customer fails to submit the same, card account may get closed.

Risk categorization grid with frequency of KYC is as below:

Risk Categorization	Frequency
High	Every 2 years from account opening
Medium	Every 8 years from account opening
Low	Every 10 years from account opening

For the above purpose, below modes shall be applicable for KYC:

No Change in Address/KYC (individuals):

If the KYC available in bank records is valid and as per current standards, we shall obtain self-declaration from the individual through following modes:

- Registered email Id
- Registered Mobile Number
- ATM
- Digital Channels – Online Banking/MoBank/MyCard/Chatbot
- Letter to the bank

No address verification would be needed if there is no change in customer's address.

Only Address change during REKYC (individuals):

OVD to be provided or if the KYC available in bank records is valid and as per current standards obtain Self declaration from the Individual through following modes:

- Registered email id
- Registered Mobile Number
- ATM

- Digital Channels – Online Banking/MoBank/MyCard/Chatbot ▪ Letter to the bank

Due diligence is conducted by bank on the declared address.

Commercial / Business cards are issued after conducting KYC of the corporate and individual (each user). Corporate KYC is conducted after verifying corporate establishment due diligence and individual KYC can be done using any of the above-mentioned approaches.

Section 5: Capturing Customer Consent:

Bank captures explicit consent from customers through various modes on customer's interest and application processing for credit card product or other additional value offerings.

Credit Card:

For the issuance of credit card, customer's consent for application, associated terms, KYC and due diligence, etc. is obtained either through physical signature on the application or through OTP (one time password) consent during the application journey. While taking the consent from the prospective customer, a copy of Most Important Terms and Conditions and Agreement/Declaration is shared with the customer.

Cross-Sell Offerings:

Consent for credit cards' cross-sell products for e.g. STPL, Xpress Cash, SnP, Insurance Cross-Sell etc. (products may change overtime) is also captured through various mechanisms/channels mentioned below. These consent mechanisms will also be incorporated for any future cross-sell products.

- Application Form
- SMS via short code
- IVR recordings
- RBL MyCard Mobile app
- Internet banking credentials
- Through OTP consent on RBL Bank website
- Chatbot

Any acceptance from the customer on any above channels would be deemed a valid consent and request will be actioned. The modes of consent may change with time. Consent logs of SMS, E-mail, calls and other channels will be maintained by the bank.

For Commercial cards the Bank considers consent of both corporate and individuals before issuance of the card. However, credit limit & terms / features of the cards are agreed with corporate authorized signatory only (principal account holder).

Section 6: Co-branding Arrangement and Roles

Co-branding Arrangement:

Any co-brand partnership will be first duly approved by an internal Name Clearance Committee (consisting of key bank members) which follows a set framework to exercise better diligence to assess and decision engagement related with the co-brand partner.

Further, yearly review of existing partners happens to gauge the reputational and financial aspects for continuous monitoring of partner engagement.

Role of Partner:

Co-brand partner is responsible for marketing, origination of application through its own channel and distribution network. Bank may let some features be enabled on partner application (used by the card holder) through approved integrations where partner will not have access to the customer data.

Revenue Share Arrangement with Co-Brand Partners:

Revenue sharing with cobranding entity is usually linked to new card acquisition, card spends, total no of customers in the cobrand program, portfolio quality, portfolio performance of the program etc. The criteria mentioned is indicative and not exhaustive and revenue sharing arrangement may vary across co-brand partners.

	Money Tap	Paisa Bazaar	Bank Bazaar	Book My Show	BFL	LazyPay
Revenue Share	Yes	Yes	Yes	Yes	Yes	Yes

Section 7: Post-Onboarding customer engagement/Cross-Sell

Credit Card Service Extensions:

Bank may reach out to customers for offering service extensions with a variety of value add cross-sell products (which may change or be added in the below list with time) like:

- Dial for Cash (STPL-Short Term Personal Loans)
- Xpress Cash
- SnP (EMI Conversion)
- Utility Bill Payments
- EMI Infinity Pass
- SnP Plus
- Digi Saver Accounts
- Insurance and Protection products

Post-onboarding Engagement:

Card Activation

Cards dispatched to customers are sent in accordance with the card's security guidelines. Post-delivery of credit card, a card will be deemed active once any of the below events are triggered by the customer:

- Successfully processed and approved retail/cash or credit line transaction
- Card PIN change via any channel such as MyCard application, IVR and website
- Settings change through Card Controls (switch control on or off)
- Successful registration on MyCard application
- Card unblock through any bank's channel (SMS short code/IVR/reaching out to customer service helpline) for deactivated cards delivered with speed post
- Creating token on merchant websites without transaction authorization
- Commercial cards given to any corporate can be activated by the principal account holder (corporate authorized signatory) or respective user.

MyCard Mobile App:

Bank provides credit card customers with a dedicated Mobile App "RBL MyCard" available at Android and iOS platforms which encapsulates various functionalities (may change with time) such as:

- Spends analyser
- Location based offers
- Utility bill payments
- Other cross sell products
- Promotional offers
- Statements
- Bill payments
- Access digital savings accounts
- Reward program
- Card controls and card settings
- Help/support

- Other features aimed at better customer experience

Chatbot:

Customers can also access digital services via the Bank's chatbot. This is available on the Bank's website and is also sent as part of outreach or promotional campaigns.

Billing and Payments:

Bank will send monthly statement to customers at their registered email address or mailing address as per their billing cycle, with details of payments credited and the spends, transactions debited to their respective account since the last statement date.

Multiple bill payment options (both offline and online) are available for customers to pay their Credit Card bills- including NEFT, Internet Banking, UPI, NACH, Cash and Cheque. A Standard Instruction (SI) form may be taken from an existing bank's customer to enable his/her credit card bill payments. In addition, in case of secured card a lien maybe marked against customer's banking account to recover dues.

Commercial card re-payment can be done in bulk by corporate or one-by-one for each employee / individual card users.

Card Controls

As per RBI guidelines – 'enhancing security of card transactions', bank is sending credit card plastics with card controls enabled for only domestic ATM and POS transactions. Customers can instantly switch on the transaction categories and control spends limits using any of the below self-help channels:

- Web URL – bit.ly/cardsettings
- MyCard App
- MoBank App
- IVR (Only transaction categories)
- RBL Cares Chatbot on www.rblbank.com

Contactless functionality:

RBL Bank has started issuing credit card plastic with contactless technology. Plastics which have contactless technology carry the contactless logo. This enables customers to make contactless POS transaction up to Rs.5,000 at contactless enabled POS terminal.

Recurring Transactions:

To process recurring merchant payments, RBL Bank has tied up with payments partner for its Standard Instruction (SI) Hub solution to comply with the regulatory mandates on recurring transactions. Recurring transactions are processed basis SI validation flag sent by the acquirer at the time of authorisation. RBL Bank may also tie up with other aggregators in future to increase merchant coverage.

Loss/Theft/Misuse of Card: In scenarios, where customer reports credit card as lost or stolen, claims/reports misuse, block code is placed at card level and an immediate communication goes to customer once block is placed. Customer can call RBL Bank Credit Card Helpline on the numbers mentioned on the website (<https://rblbank.com/contact-us>) to report the loss, theft or unauthorized use of card or PIN.

Dispute Transactions:

Customer may dispute any transaction by contacting the helpline or approaching the grievance redressal mechanism. The Bank will follow the dispute resolution process in accordance with the stipulated guideline.

Card Closure:

Customer can reach out to bank's customer care number or dedicated customer service email id cardcancellation@rblbank.com for requesting card closure. The request will be honoured within seven working days by the bank subject to payment of all dues by the customer. If card is unused for a year by customer, Bank will initiate card closure post 30 days of intimation to customer if the intent of keeping card active has not been consented from customer.

If a credit card has not been activated by the customer for more than 30 days from the date of issuance, Bank shall close the credit card account without any cost to the customer within seven working days.

Section 8: Fees and Charges

All disclosures, fees, charges and applicable interest rates duly approved by the board associated with credit card are updated in MITC and Schedule of Charges, links of which are as under:

MITC:

<https://www.rblbank.com/api/v1/doc/document/Credit%20Cards/RBL-MITC-final.pdf>

<https://drws17a9qx558.cloudfront.net/document/credit-cards/commercial-cards-mitc.pdf>

Schedule of Charges:

<https://drws17a9qx558.cloudfront.net/document/Credit%20Cards/CardsScheduleCharges.pdf>

<https://www.rblbank.com/api/v1/doc/document/Credit%20Cards/SOC-Supercard.pdf>

<https://drws17a9qx558.cloudfront.net/document/credit-cards/commercial-cards-schedule-of-charges.pdf>

The consent on the MITC/terms and conditions is taken at the application stage.

Section 9: Collections Policy

Collection activities are performed when an account turns overdue on their payment obligation. To prevent accounts from turning overdue/delinquent, digital reminders are sent before the payment due date.

Collection process of the bank is carried out primarily through three different modes, viz. digital reminders, tele-calling through outsourced agents and field visitations by authorized debt recovery agents employed by authorized collection/recovery agencies of the bank. Overdue accounts are assigned to debt recovery agents for field visitations after attempts to recover the overdue amount through digital reminders and tele-calling have failed.

The bank has a defined code of conduct for its collection/recovery agents, which outlines requirements that need to be adhered by its agents when contacting a customer for collection/recovery of the overdue amount. It is aligned to the standards of banking practices for banks set by BCSBI (The Banking Code and Standards Board of India) and Fair Practices Code for lenders.

The bank has a detailed collection/recovery policy approved by the Board, which outlines the process and the approach to be followed to carry out the collection activity in an effective, efficient, and compliant manner, in sync with regulatory norms and service standards of the bank.

Section 10: Services and Grievance Redressal

Once customer applies for credit card, it takes up to 20 days (subject to availability and correctness of required details, KYC etc. are furnished completely) to process and decision the application.

Customer can contact the Bank through any of the following communication channels for any enquiries and/or redressal of concerns.

- Level-I: Customer Care number at 022-6232 7777 or 1800 102 6222 or
 - For Retail cards email to cardservices@rblbank.com from registered e-mail id or write to the bank to: Card Services, RBL Bank Limited, Unit 306-311, 3rd Floor, JMD Megapolis, Sohna Road, Sector-48, Gurgaon, Haryana – 122018
 - For commercial card, email to corporatecard.support@rblbank.com from registered email id or write to the bank to: Corporate Card Support, RBL Bank Limited, 2nd Floor, JMD Megapolis, Sohna Road, Sector-48, Gurgaon, Haryana
- Level-II: In case customer is not satisfied with the provided resolution, customer can email to headcardservice@rblbank.com with mention of card number and the reference number provided at level 1

- Level-III: In case customer is still dissatisfied at level ii, he/she can escalate to our Principal nodal Mr. Vikas Nigam by calling at 022-71432700 or writing email to principalnodalofficer@rblbank.com

The timeline of grievance redressal is duly updated in the grievance redressal policy of the Bank.

The bank compensates the customer as per the compensation policy hosted on the website in accordance with the regulatory guidelines

<https://s3.ap-south-1.amazonaws.com/rbl-website-prod-bucket/document/bank-policies/customer-compensation-and-protection-policy.pdf>

Section 11: Reporting of Information to Credit Information Companies

Under the Credit Information Companies (Regulation) Act, 2005, all banks and financial institutions are required to share relevant customer information with Credit Information Companies (CIC) (that have obtained Certificate of Registration from RBI) to improve the functionality and stability of the Indian financial system. This activity requires the Bank to disclose information relating to credit history/repayment record and/or days past due status of the Card Member to the CICs.

Reporting Responsibilities of the Bank:

For providing information relating to credit history/repayment record of the cardholder to a Credit Information Company, the Bank will explicitly bring to the notice of the customer that such information is being provided in accordance with the terms of the Credit Information Companies (Regulation) Act, 2005. The Bank will make this disclosure a part of the Most Important Terms and Conditions (MITC) so that the customer is fully aware about the same at the time of entering into a relationship with the Bank.

The information elements to be shared with the CICs have been pre-aligned between CICs and RBI and the Bank will strive to adhere to the same approved format while reporting information.

The Bank will also report credit information relating to a new credit card account to Credit Information Companies only post activation of the card.

Reporting of Delinquencies:

The Bank will report a credit card account as 'past due' to credit information companies (CICs) only when a credit card account remains 'past due' for more than three days. The number of 'days past due' is to be computed from the payment due date mentioned in the credit card statement.

The Bank will intimate a Customer before reporting a credit cardholder as delinquent to a Credit Information Company (CIC). In case of commercial / business cards, reporting will be done for the corporate.

In the event the customer settles his/her dues after having been reported as defaulter, the Bank will update the status within a month from the date of the settling of dues.

Reporting of Account Closure:

The information regarding the closure of a card account will be updated with the Credit Information Companies within one month of the closure event.

Section 12: Compliance with other Instructions

Bank's credit card's function follows list of various binding policies and regulations to determine the governance mechanism for conduct of its business and related processes. Some of the main RBI guidelines (but not limited to) are listed below that we follow on:

- Customer's limiting liability in unauthorized electronic banking transactions
- Enhancing security of card transactions
- Managing risks and code of conduct in outsourcing of financial services by banks
- Harmonisation of turnaround time (TAT) and customer compensation for failed transactions using authorised payment systems
- Security controls on digital payments
- KYC directions
- Guidelines on Digital Lending
- Guidelines for overseas forex trading through credit cards
- Processing of e-mandate on cards for recurring transactions
- Restriction on storage of actual card data
- Storage of payment system data
- Tokenisation of card transactions
- Guidelines for outsourcing of technology and services by committee on banking sector reforms
- Arrangements with Card Networks for issue of Credit Cards