

Policy for Issuance and Operation of DCB Bank Debit Card

Version 1.5

Confidential

DCB Bank Limited

**Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013**

Policy for Issuance and Operation of DCB Bank Debit Card

Regulatory Circulars, Advisory, Master Directions referred:

1. **RBI Circular** – Customer Protection Policy RBI/2017-18/15 DBR.No.Leg. BC.78/09.07.005/2017-18 dated 6th July, 2017.
2. **RBI Circular** on Enhancing Security of Card Transactions - CRBI/2019-20/142 DPSS.CO.PD No.1343/02.14.003/2019-20 dated 15th January, 2020.
3. **RBI Master Direction** – Credit Card and Debit Card – Issuance and Conduct Directions dated 21st April, 2022
4. RBI circular **RBI/2023-24/91 CO.DPSS.POLC.No.S-919/02-14-003/2023-24** - Card-on-File Tokenisation (CoFT) – Enabling Tokenisation through Card Issuing Banks
5. RBI circular **RBI/2022-23/73CO.DPSS.POLC.No.S-518/02.14.003/2022-23** - Processing of e-mandates for recurring transactions

Abbreviations

ATM	Automated Teller Machine
CVV	Card Verification Value
ECOM	E-Commerce (online payments)
EMV	Europay, MasterCard and Visa
FEMA	The Foreign Exchange Management Act, 1999
HUF	Hindu Undivided Family
IT	Information Technology
IVR	Interactive Voice Response
KYC	Know Your Customer
MCC	Merchant Category Code
MOP	Mode of Operation (of banking account)
OTP	One Time Password
PIN	Personal Identification Number
POS	Point of Sale
RBI	The Reserve Bank of India
RMN	Registered Mobile Number
T&C	Terms and Conditions
VBV	Verified by VISA
ACS	Access Control Server (for online payments by cards)

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Debit Card Policy

1. Purpose

To formulate guidelines for issuance of Debit Card to Savings Bank and Current Account holders.

This policy will provide guidelines for issuance of Debit Card / Co-Branded Debit Card, including types of Debit Card, customer eligibility, usage, limits, fees/charges, Terms and Conditions (T&C), security aspects and customer grievance handling mechanism.

This policy will be governed by applicable RBI guidelines and will be subject to changes to ensure conformity with applicable RBI guidelines.

2. Understanding a Debit Card

A Debit Card is a physical and/or virtual payment instrument that provides the cardholder electronic access to his / her bank account (s).

A Debit Card has the following components on the card:

Card Number: This is a 16-digit number linked to the customer account.

Name of Person: This is applicable only for personalised cards. This indicates the person authorized to use the card.

Validity Date: Indicates the validity period of the card. The card is valid till the last day of the expiry month. It is in MM/YY format.

Card Verification Value (CVV) / CVV2: This is a 3-digit number printed on the back of the card. This is used as a validation factor for online (Card Not Present) transactions.

3. Types and issuance of Debit Card

All DCB Bank Debit Cards in physical form will be EMV-chip based cards.

EMV Card: EMV stands for Europay, MasterCard and Visa. EMV is a global standard for Credit and Debit cards based on chip card technology. At the time of transaction, the chip on the card is read for card details.

DCB Bank will issue only EMV cards in line with RBI circular RBI/2015-16/163 DPSS.CO.PD.No.448/02.14.003/2015-16 on Security and Risk Mitigation Measures for card Present and Electronic Payment Transactions – Issuance of EMV Chip and PIN cards dated August 27, 2015.

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

DCB Bank may issue VISA, Rupay, MasterCard (or any other network provider) enabled personalised or non-personalised Debit Cards on its different Savings / Current accounts products in physical and /or virtual form.

The Bank may issue different variants of cards, like Classic, Platinum, etc. (or any other new variant) basis customer / business requirements.

EMV Card with Dual Interface (DI): EMV Chip Card with additional feature of contactless transaction up to the limit approved by RBI may be issued by DCB Bank.

A Debit Card can be requested by the customer at the time of account opening or at a later stage till the bank account is active. Limits on the card will be determined by factors like product (scheme), type of card, etc. Personal Identification Number (PIN) of the card, which is required to operate the card, will be sent separately by physical mailers as a measure of safety. The Bank may also decide to stop physical mailers in order to avoid the same falling in wrong hand and alternatively provide customers with the facility to call from their registered mobile number and reset or generate a new PIN automatically. The Bank also provides other means of generating PIN through Mobile Banking, Internet Banking and website.

4. Card Control through Call Center and other Alternate Channels

Customers can control the usage of their card for ATM, POS (contact or contactless) and/or E-commerce transactions (domestic or international) in the following manner:

I. ATM transactions

- a. Allow only Domestic
- b. Allow only International
- c. Allow both Domestic and International
- d. Restrict both Domestic and International

II. POS transactions

- a. Allow only Domestic
- b. Allow only International
- c. Allow both Domestic and International
- d. Restrict both Domestic and International
- e. Enable / disable Tap and Pay (Contactless)

III. E-commerce transactions

- a. Allow only Domestic
- b. Allow only International
- c. Allow both Domestic and International
- d. Restrict both Domestic and International

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

IV. Contactless / Tap and Pay transactions

- a. Allow only Domestic
- b. Allow only International
- c. Allow both Domestic and International
- d. Restrict both Domestic and International

The above can be controlled through Mobile Banking, IVR and Call Center. Other channels may be enabled in the future.

As RBI guidelines on “Enhancing the Security of Card Transactions”, from October 1, 2020 all new/ reissued Debit cards are being issued with only domestic ATM and POS channels enabled. All other channels are blocked by default. These channels can be enabled/ disabled by the customer through Mobile Banking, IVR or Call Center depending upon card type.

5. Co-branding Arrangement

As permitted under regulations, DCB Bank may issue co-branded Debit Cards based on business requirements. The co-branding arrangement will be done after assessing the various risks associated with such an arrangement including reputational risk and mitigation measures.

The Bank will also carry out due diligence of the entity with which it intends to enter into a tie-up for issuance of such cards in order to protect against any reputational risk. In cases where applicable, the Bank will ensure that the entity has obtained necessary approvals from its regulator for entering into the co-branding agreement.

The role of the co-branding entity under the tie-up will be limited to marketing/distribution of the cards and/ or providing access to the cardholder (customer) for the goods/services it offers.

Specific risks identified for co-branding arrangements along with mitigants

Type	Risk	Mitigants
Reputation Risk	Inadequate / unsatisfactory interaction by staff of co-branding partner with customers	Continuous reiteration of Bank's standards to co-branding partner, along with the periodic training

6. Customer Eligibility

- a) The Bank may issue Debit Cards to following Savings Bank and Current Account holders:
 - Individuals and Sole Proprietors
 - Partnerships/Limited Liability Partnerships (where MOP of account is 'Any One')
 - Limited / Private Limited Companies (as per Board Resolution)
 - Hindu Undivided Family (HUF) - only to Karta operating the account.

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

- b) Individual Savings Bank account holders of age 14 years and above can be issued Debit Card if the account is self-operated. If the account is operated by the Guardian, then the card can be issued to the Guardian.
- c) The Bank shall not issue Debit Cards to customers without a registered mobile number. Customers will be required to mandatorily register for SMS alerts. Where email is available, customers may also register for email alerts. SMS alerts shall mandatorily be sent to all customers, while email alerts may be sent wherever emails are registered.
- d) The Bank may issue Debit Card to account holders only after obtaining requisite application form. Applications may also be obtained through other channels like Contact Center, Digital modes, etc.
- e) Debit Cards will not be issued on accounts which are dormant, due for KYC, in debit or total freeze, lien against any regulatory or statutory order/attachment notice or any other reason as the Bank may define time to time.
- f) Debit Cards to customers other than those eligible as above or to a minor below age of 14 years (minimum age to be 10 years or above) may be issued with approval from Product Head/Business Head.
- g) Debit Cards may be issued to primary account holders or to joint holders on the basis of the MOP in the account.
- h) In case of joint accounts, cards will be issued to primary and/ or joint holder(s). Primary card can be issued to the primary account holder and add-on card(s) can be issued to other joint holder(s) where the MOP in the account is:
 - (i) Anyone
 - (ii) Anyone or survivor
 - (iii) Either or Survivor

Where the MOP is Former or Survivor, the card will be issued only to the primary account holder.

A card cannot be issued where the MOP in the account is:

- (i) Jointly
 - (ii) Operation by Authorised Signatories only
- i) Debit Cards will not be issued to Cash Credit and loan account holders (including overdraft account holders) with the following exceptions:
 - (i) Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts availing overdraft facility (refer RBI Master direction dated April 21, 2022)
 - (ii) Schemes under Kisan Credit Card (refer RBI Master Circular- Kisan Credit Card Scheme dated July 4, 2018)

DCB Bank Limited

**Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013**

- j) DCB Bank will issue Debit Card basis the availability of PAN or Form 60 in the account(s) as follows:
 - (i) For domestic usage: PAN or Form 60 required
 - (ii) For international usage: PAN required

7. Limits

- a) Transaction limits are as per the discretion of the Bank and basis regulatory guidelines and are subject to revision from time to time.
- b) Debit Card can be used for both domestic and international transactions depending on customer request and availability as per the scheme/ product. International transactions are not allowed in Non Resident Ordinary (NRO) accounts, government restricted schemes and/ or other specific schemes.
- c) RBI has mandated that banks may issue new Debit Cards only for domestic usage unless international use is specifically sought by the customer.
- d) Issue of international Debit Card would be subject to the direction issued under the FEMA, 1999, as amended from time to time.
- e) The Bank will also carry out periodic review of the various transaction limits in order to minimise risks of frauds in accordance with RBI advisory.
- f) As per RBI guideline on “Enhancing Security on Card transactions”, from October 1, 2020 onwards the option to set/ modify card limit has been provided to customers through Call Center, Mobile App and Internet Banking. Other channels may be introduced in future.
- g) In case of DCB Bank Debit Cards (including DCB Bank co-branded Debit Cards, like DCB Niyo Global Card), from October 1, 2020 onwards ‘Tax Collected at Source’ (TCS) is applicable on international transactions above INR 7 lakhs in a financial year. The threshold may undergo changes basis regulations.
- h) The threshold for computing TCS shall be the consolidated value of INR 7 lakhs at bank level considering all sources of overseas transactions. A unique customer will be identified basis PAN. TCS will not be applicable for Non-Resident customers.
- i) In line with Reserve Bank of India guidelines Additional Factor of Authentication (AFA) limit has been increased from INR 15,000 to INR 1,00,000 per transaction for the following categories:
 - Subscription to Mutual Funds
 - Payment of insurance premiums
 - Credit Card bill payments

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower ‘A’, 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

8. Usage of Debit Card

a) ATMs

DCB Bank Debit Card can be used for the following services at DCB Bank ATMs and ATMs of other banks where VISA and Rupay Debit Cards are accepted:

- Fast Cash
- Cash Withdrawal
- Balance Enquiry
- Mini Statement
- Change of PIN
- Card to Card transfer (if applicable)

DCB Bank International Debit Card can be used for ATM transactions in India as well as overseas (except Nepal and Bhutan).

In case of DCB Bank Rupay Debit Card, international transactions initiated from Bhutan is being accepted with effect from August 30, 2019 in accordance to the NPCI mandate NFS_OC 328 (NPCI/NFS/OC No. 328/2018-19) on NFS ATM Network – Connectivity with Royal Monetary Authority (RMA), Bhutan.

The Bank may add other service providers in addition to Visa and Rupay in the future.

b) POS Terminals

DCB Bank Debit Cards can be used for POS transactions at merchants accepting VISA and Rupay Debit Cards in India and overseas (except Nepal and Bhutan).

In case of DCB Bank Rupay Debit Card, international transactions initiated from Bhutan is being accepted with effect from August 30, 2019 in accordance to the NPCI mandate NFS_OC 328 (NPCI/NFS/OC No. 328/2018-19) on NFS ATM Network – Connectivity with Royal Monetary Authority (RMA), Bhutan.

Customers can also use the Tap and Pay (contactless payment) feature at merchant outlets (with Tap and Pay enabled POS terminals) for upto INR 2,000 per transaction after enabling this feature. It will not be mandatory for a customer to make contactless payment. The choice will be left to the customer to convey to the merchant.

c) Online Usage

All newly issued cards (fresh/ reissue) are by default blocked for online domestic and international transactions. Customer will have to enable online domestic / international transactions through Mobile Banking, IVR or Call

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

center. Post enabling online usage, the customer can perform online transactions with Visa 3DS (3D secure) system generated OTP.

Additionally, ECI 7 transactions have been enabled on DCB Visa Debit Cards. ECI 7 transactions are international online transactions without OTP validation. Visa has the provision of chargeback to handle disputes from such transactions.

The guidelines of Reserve Bank of India on enabling tokenisation through card issuing banks will be implemented by the Bank on availability of network support from Visa/ Rupay and integration with bank environment.

d) Customer Transaction Intimation

An intimation of ATM, POS or online transactions will be sent to the customer's registered mobile number (RMN)/ registered email ID, as per the Bank's records, via SMS and/ or email.

9. Terms and Conditions (T&C) for Issuance and Usage of Debit Cards

The relation between the Bank and the cardholder (customer) will be contractual and will be based on the following guidelines:

- a) These terms shall be expressed clearly and shall maintain a fair balance between the interests of parties concerned.
- b) The terms shall specify the basis of any charges, but not necessarily the amount of charges at any point in time and shall specify the period within which the cardholder's account would be normally debited.
- c) The terms and conditions for issuance and usage of Debit Cards shall be mentioned in clear and simple language (preferably in English, Hindi and the local language) comprehensible to the cardholder.
- d) The terms shall put the cardholder under an obligation to take all appropriate steps to keep the card safe along with the means (such as PIN or OTP) which enable it for use.
- e) The terms shall put the cardholder under an obligation not to record the PIN or OTP, in any form that would be intelligible or otherwise accessible to third party if access is gained to such a record, either honestly or dishonestly.
- f) The terms shall put the cardholder under an obligation to notify the Bank immediately after becoming aware:
 - Of the loss or theft or copying of the card or the means which enable it to be used
 - Of any unauthorised transaction on the card
 - Of any error or other irregularity in the maintaining of the card account by the Bank.

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

- g) The terms shall specify the contact point to which such notification can be made. These notifications can be made at any time of the day or night.
- h) The terms shall specify that the Bank shall exercise care when issuing PINs or OTP and shall not disclose the cardholder's PIN or OTP, except to the cardholder.
- i) The terms shall specify that the Bank shall be responsible for direct losses incurred by a cardholder due to a system malfunction directly within the Bank's control. However, the Bank shall not be held liable for any loss caused by a technical breakdown of the payment system if the breakdown of the system was recognisable by the cardholder by a message on the display of the device or otherwise known.
- j) The terms, including charges, fees and interest rates, may be altered by the Bank at its own discretion. 30 days' notice of the change(s) will be given to cardholders to enable them to withdraw their card if they so decide. After the notice period of 30 days, cardholder would be deemed to have accepted the terms if they had not withdrawn the card within the specified period (irrespective of whether they had transacted during the specified period). The change in terms will be notified to the cardholder through available communication channels.

10. Security Aspects

- a) The customer shall be provided with a written record of the transaction after they have completed it, either immediately in the form of a receipt or within a reasonable period of time in any another form such as the customer's bank statement, etc.
- b) The Bank shall not dispatch a card to a customer unsolicited, except where the card is a renewal for a card already held by the customer.
- c) In case a card is blocked at the request of the customer, replacement card in lieu of the blocked card shall be issued with the explicit consent of the customer.
- d) The Bank will not renew a card in the following instances:
 - a. Card is blocked
 - b. Card has not been used in the last 12 months
 - c. The account on which the card is issued is dormant or closed/ in debit balance/ in freeze state
- e) The Bank will block the card immediately upon intimation received for loss or theft of the card or unauthorized transaction on the card.

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

11. Review and Reporting

The Bank will undertake a review of the operations/ issuance of Debit Card (half yearly) which may include card issuance and usage analysis, including cards not used for an extended period. The same may be presented to the required committee/ authority of the Bank. Necessary reporting to RBI will also be done as per regulatory requirements.

12. Anticipated Risks and Mitigants

The anticipated risks and mitigants have been documented in a process note for issuance of Debit Cards approved by the Management Committee for Approval of Processes (MCAP):

Sr. No.:	Anticipated Risks	Mitigants
1	KYC related risks	A card will be issued on an account for which KYC is compiled in line with the RBI guidelines and the Bank's KYC policy. The KYC updation in the account will be periodically checked and updation if required will be notified to the customer as per Bank's policy.
2	Transaction Security Risk	The cards can be used in ATM, POS and online portals where Visa/ Rupay cards are accepted. The card can be used for both domestic and international transactions basis available card limits. As per the Bank's IT security policy, customers will be made aware of the measures to be followed for the security of their card and transactions.
3	End usage monitoring	Adequate system-level checks will be put in place to ensure that the card cannot be used on internet for purchase of prohibited items like lottery tickets, banned or proscribed magazines, participation in sweepstakes, escorts services, payment for call-back services etc. This is done on the basis of MCC code of VISA/ Rupay.
4	Customer Service	The Bank will enable customer service touch points and grievance redressal modes to card customers, including Bank branches, Call Centre and internet/emails. The Customer Grievance Redressal Mechanism as available to Bank's customers is available to cardholders.
5	Money Laundering	The Bank has a system for transaction monitoring and scanning of probable duplicate records to prevent money laundering through this route.

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

13. Discount / Rewards / Offers

Any discounts, cashbacks, reward points, loyalty points or any other benefits shall be offered by the Bank with approval of Head-Retail Banking. 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 Bank website and other relevant material.

14. Redressal of Grievances

The redressal of grievances will be governed by the Bank's Customer Grievance Redressal Mechanism.

15. Customer Protection - Limiting Liability of Customers in Unauthorised Electronic Banking Transactions

The Customer Protection Policy was approved by the Board in its meeting held on January 17, 2018. The same policy will be applicable on electronic banking transactions through Debit Card also.

16. Confidentiality of Customer Information

The Bank will ensure not to reveal any information relating to customers obtained at the time of opening an account or issuing a card to any other person or organization without obtaining the cardholders' (customers') 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. The Bank will also ensure compliance to the framework on data protection. Further, in case where the customers give explicit consent for sharing the information with other agencies, the Bank will explicitly state and explain clearly to the customer the full meaning/implications of the disclosure. The information sought from customers will not be of such nature which will violate the provisions of law relating to maintenance of secrecy in the transactions. Where the Bank, with due customer consent, shares customer information with any other person or organization, the Bank will be held solely responsible for the correctness or otherwise of the data shared.

A co-branding entity will not be permitted to access any details of customers' accounts that may violate the card issuer's secrecy obligations.

17. Outsourcing of Services

The Bank will ensure adherence to the guidelines of 'Managing Risks and Code of Conduct in Outsourcing of Financial Services' while appointing and using the services of any outsourcing vendor.

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

18. Fees / Charges:

- a. Bank may levy Issuance fee, Re-issuance fee, Annual fee and Service Charges on the Debit Card issued by the Bank
- b. The fees and charges to be levied will be approved by the Board or a Committee of the Board
- c. Details of the fees and charges will be updated on the DCB Bank website

-----XXXXX-----

DCB Bank Limited

Registered Office Address: 601 & 602, Peninsula Business Park, Tower 'A', 6th floor,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013