

MOST IMPORTANT TERMS AND CONDITIONS – KOTAK SMART EMI CARD

1. Important Terms:

- a. Smart EMI Card is not a credit card or a debit card and doesn't allow withdrawal of cash or access to ATM. It is used only for the authentication of customer's identity while providing a loan.
- b. The minimum loan amount that Cardholders can avail using Smart EMI Card is Rs.3000.
- c. All the outstanding loan amount including fees, penalties and other charges will be deducted from Cardholder's primary Kotak Account. In case Cardholder don't have a Kotak Bank Account, the amount/charges will be deducted from the Account mentioned in e-NACH / NACH form submitted to the bank.
- d. To facilitate transaction on your Smart EMI card, the card will be linked to your Primary Kotak Savings Account. For every POS/ Offline/ in-store transaction using your Smart EMI card, Re 1 will be debited from your linked savings account to maximum of Rs 5 per day.
- e. If you are not holding Kotak Savings Account, a new Savings Account restricted only for your Smart EMI card usage will be opened. In case you want to use it as normal Saving Account as well, please visit the nearest branch. Please note that Re 1 will be debited from this Savings Account to maximum of Rs 5 per day.

2. Schedule of fees and charges:

a. Issuance fee, Annual fee, Add-on card fee upto:

Description of charges	Amount (in Rs.)
Issuance fee	499 + Applicable taxes
Annual fee	299 + Applicable taxes
Add – on Card fee	299 + Applicable taxes
Replacement fees	299 + Applicable taxes

- i. The above referred fees may vary from customer to customer, and from offer to offer. The same is communicated to the customer at the time of applying for the card.
 - ii. **Issuance fee:** Issuance fee is a one-time fee and is charged for the issuance of card.
 - iii. **Annual fee:** No annual fee is charged for the first year. Annual fee is applicable from 2nd year onwards and is deducted in the first month of the respective year.
- #### b. Interest charges:
- i. EMI is calculated by adding an Interest amount at a fixed rate of interest on the principal loan amount. The interest rate will be communicated to customer while availing the loan using Smart EMI Card. Applicable Interest rate shall be in accordance with MCLR guidelines.
 - ii. EMI will be billed in the Smart EMI Card Loan welcome letter starting from the immediate billing cycle date. The Fixed Rate of Interest, as prescribed by the Bank, from time to time will get levied on reducing balance basis
 - iii. The Bank shall have the right to vary the Interest Rate from time to time, at its sole discretion or as per the guidelines / rules / regulations / laws issued by the Reserve Bank of India. In the event that the Interest Rate is varied as aforesaid, the Bank shall furnish to the cardholder a revised computation of the EMIs on applicable loans and the cardholder undertakes to pay the EMIs as re-calculated by the Bank to adjust for the change in the Interest Rate.

- c. **NACH/Cheque bounce charges:** Rs. 750 + applicable taxes and Auto Debit return penal interest of 3% will be levied on the monthly instalment outstanding on a cumulative basis.
- d. **Late payment charges:** Rs. 750 + applicable taxes.
- e. **Pre-closure charges:**
 - i. Pre-closure can only be done after paying 3 EMIs.
 - ii. 4% of the balance principal outstanding will be charged.
 - iii. As the pre-closure charge is subject to change, we request you to contact the Phone Banking on 1860 266 7777 (Local call rates apply) for the applicable charge if you decide to pre-close the loan.
 - iv. Kotak Mahindra Bank reserves the right to revise the pre-closure penalty at its discretion. Additional interest if any on the principal outstanding from last EMI date till date of loan pre closure need to be paid by the customer.

3. Pre-approved Limit:

Pre-approved Limit means the maximum limit up to which you are authorized to spend on your Smart EMI Card. The pre-approved limit are communicated to you at the time of delivery of the Card. The Bank will review your Card Account periodically and may increase/decrease your pre-approved limit based on internal criteria without prior notice to you.

4. Billing:

- a. **Welcome letter:** Once a loan is taken the bank will send a welcome letter to the cardholder showing the loan amount, interest amount and EMI due for all the months within in the loan tenure. A digital welcome letter will be dispatched by email to cardholder's mailing address that is registered with the bank. Cardholder will be reminded twice about the EMI due amount by the bank in the form of SMS to cardholder's registered mobile number before the due date of every month during the loan tenure.
- b. **Methods of payment:**
 - i. **Standard instruction (Auto debit):** Cardholder's primary Kotak Account will be auto-debited for the EMI amount on due date of every month. In case Cardholder don't have a Kotak Bank Account, the EMI amount will be auto-deducted from the Account mentioned in e-NACH / NACH form submitted to the bank.
- c. If EMI due amount is not auto-deducted from your bank due to any reason then cardholder will receive an SMS to make the payment. The payment can be done in the following ways:
 - i. **Pay by cash at branches:** The cardholder can pay the EMI due by depositing cash at any Kotak Mahindra Bank branch during banking hours
 - ii. **Pay online:** The cardholder can pay EMI due by paying online to below account
Account details -
Account Number: CFB (Consumer Finance Business) Loan Number
IFSC: KKBK0000631
- d. **Billing disputes:** In the event the Cardholder disagrees with the charges indicated in the welcome letter, it should be communicated in writing to the correspondence address of Kotak Mahindra Bank or the Cardholder should contact customer centre by writing a mail to cdservice@kotak.com within 60 (Sixty) days of receipt of the welcome letter, failing which it would be constructed that all charges indicated in the welcome letter are in order and acceptable to you.

5. Customer Contact Centre:

In all your communication with us, please indicate your 16-digit Kotak Smart EMI Card number. You can write to us on cdservice@kotak.com or call us on 1860 266 7777 (Local call rates apply) between 10:00 am to 7:00 pm from Monday to Saturday, excluding holidays.

6. Grievances Redressal/Complaints/Escalation:

In the unlikely event that you are not satisfied with our services, you may register your grievance by

- a. Filling the "Complaint Form" at www.kotak.com
- b. Calling our Customer Contact Centre
- c. Writing to us on cdservice@kotak.com
- d. For further escalations you can write to nodalofficer@kotak.com.
- e. If your complaint is not resolved within 30 days of receipt at the Bank then the said complaint can be escalated to Banking Ombudsman. The details of the Banking Ombudsman for your location are displayed at the branches.

7. Events Of Default:

- a. An Event Of Default shall have occurred upon the happening of any event or circumstances mentioned hereunder:
 - i. The Cardholder does not pay, on any due date, any amount payable pursuant to these presents.
 - ii. If any litigation, arbitration or administrative proceedings are filed against the Cardholder which proceedings may in the sole opinion of the Bank adversely affect the interests of the Bank.
 - iii. If the Cardholder dies or commences a voluntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or admits inability to pay his/her debts as they fall due, or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment of or the taking of possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of his/her property.
 - iv. If any representations and/or warranties contained in these presents are found to be untrue, misleading or incorrect, when made or deemed to be made.
 - v. If the Cardholder is unable to meet any of its obligations when due to the Bank or any other Bank, financial institution or other lender.
 - vi. Any breach of the terms and conditions contained in these presents.
- b. On the occurrence of an Event Of Default, all amounts due in respect of the Loan shall forthwith become due and payable to the Bank and the Bank shall be entitled to exercise all of its rights powers and remedies available hereunder and under law against the Cardholder to recover the same and the Bank can exercise its rights to suspend the card or block the usage of card.
- c. The Cardholder undertakes to have and maintain sufficient balance in the primary account maintained with the Bank in respect of which the Smart EMI Card Loan linked standing instructions have been provided for the payment of the EMI on any of the due dates. If any payment of the EMI which is to be made by the Cardholder under Smart EMI Card Loan linked standing instructions is not made on the relevant due date for any reason whatsoever, the Bank, may without prejudice to the other rights available to it hereunder or under applicable law, block the usage of any or all Bank issued cards held by the Cardholder.

8. Termination/revocation of card membership:

- a. The Cardholder may choose to terminate his Smart EMI Card facility at any time by way of a written request or by calling the Bank's Customer Contact Centre and cut the card diagonally into pieces. All your outstanding amounts will immediately become due. Where the Smart EMI Card is never used for more than 270 days, the card may be temporarily blocked for security reasons.
- b. Kotak Mahindra Bank may also cancel the use of the Card at any time without prior notice, if it reasonably believes it necessary for the business or security reasons, including if you delay payments, exceed the pre-approved limit or if Cheques are returned.

9. Loss/Theft/Misuse of card:

- a. The Cardholder shall report the loss of the Card to the Bank by calling the Customer Contact Centre immediately. The Bank at the request of the Cardholder will attempt to deactivate the card immediately to prevent misuse. The Cardholder must file a First Information Report ("FIR") with the local police. The Cardholder will, however be liable for all losses when someone obtains and misuses the Card or PIN with/ Without - Cardholder's consent, or consent of an Add-On Cardholder or if the Cardholder has acted fraudulently or acts without reasonable care, the Cardholder will be liable for all losses.
- b. You will not be liable for any misuse on the Card after you have informed Kotak Mahindra Bank of the loss, unless you have acted with gross negligence.
- c. In the event any amount is charged by the merchant, which is due and payable by the customer, whether disputed or not, the customer is liable to make the payment to the Bank as per the billing cycle as applicable to the customer. In addition thereto, where the Bank has made the payment, the bank is entitled to recover the said amount from the customer. Further, where the amount is in dispute, the customer shall be required to make the payment of the same as per the billing cycle and shall not wait for the outcome/decision of the dispute. The said right of the Bank to recover and the liability of the Customer to make payment shall be valid and subsisting irrespective of the fact that the existing relationship of the customer has ceased with Bank and/or the card has been suspended/closed for any reason whatsoever.

10. Disclosure:

The Cardholder acknowledges that as per existing business practices, the Bank is authorized to disclose from time to time any information relating to the Smart EMI Card(s), to any credit bureau (Existing or Future) without any notice to the customer. The credit Information BUREAU India Ltd (CIBIL) and other credit bureaus is an initiative of the Government of India and Reserve Bank of India to improve the functionality and stability of the financial system. Any refresh/updation of data on receipt of payment towards overdue card accounts will reflect in CIBIL/other credit bureaus within a period of 60 days from the date of receipt of payment by the bank. We also wish to inform the Cardholder that the bank will, at its own discretion, record specific conversions between Cardholder and the representative of the Bank, in cases of grievance-related conversion or payments recover related conversions or any other conversion, that Bank may deem fit.

11. GOVERNING LAW AND ARBITRATION:

- a. These presents shall be governed by, and construed in accordance with, the laws of India.
- b. All disputes, differences and/or claims arising out of these presents shall be referred to the arbitration of a sole arbitrator to be nominated by the Bank, which arbitration shall

be governed by the Arbitration and Conciliation Act, 1996. The award including interim award/s of the sole arbitrator shall be final and binding on all parties concerned.

- c. Subject to the provisions of Clause 11b (*Governing Law and Arbitration*) above, these presents shall be subject to the jurisdiction of the courts and tribunals at Mumbai, India.

12. MISCELLANEOUS:

- a. The Bank does not hold any warranty or make any representation with respect to the availability, delivery, quality, merchantability or suitability of the Products and the Bank shall not be liable for the same in any manner whatsoever.
- b. The loan once approved and processed cannot be cancelled. Tenure confirmed at the time of booking cannot be changed. Notwithstanding anything stated above, the continuation of the loan shall be at sole discretion of the bank and outstanding will be payable to the bank on demand.
- c. The Bank reserves the right to revise the terms and conditions set out above, which revisions shall take effect immediately on the Cardholder being notified of the same.

DECLARATION

I hereby expressly acknowledge and confirm that I have carefully gone through the above terms and conditions (which I have fully understood) and hereby record my agreement and consent to abide by the aforesaid terms and conditions.