

Terms & Conditions – Personal Loan on Kotak Mahindra Bank Credit Cards

These detailed terms and conditions apply to and regulate the issuance and usage of Kotak Bank Personal Loan on Credit Card facility offered by Kotak Mahindra Bank Limited. These terms and conditions shall be in addition to and not in derogation to the Card Member Agreement or any other terms and conditions as stipulated by Kotak Mahindra Bank from time to time, and nothing contained herein shall prejudice or affect the terms and conditions of the Card Member Terms and Conditions unless otherwise specified.

1. DEFINITIONS:

In these terms and conditions, unless there is anything repugnant to the subject or context thereof, the expressions listed below, if applicable, shall have the following meanings:

- a. **"Cardholder"**, for the purpose of these Terms and Conditions, means the individual to whom a credit card has been issued by Kotak Mahindra Bank Limited ("Kotak Mahindra Bank").
- b. **"Credit Limit"** means the limit up to which the Card Holder is authorized to spend on his/her credit card.
- c. **"Card Account"** means the account opened in the name of the Card-Member and maintained by Kotak Mahindra Bank for the purpose of usage of the Credit Card as per the Terms & Conditions.
- d. **"MITC" & "CA"** means the Most Important Terms & Conditions and Card Agreement governing the credit card issued by Kotak Mahindra Bank, a copy of which is provided to the cardholder and also available at <https://www.kotak.com/en/personal-banking/cards/credit-cards/mitc-and-ca.html>
- e. **"EMI" or "Equated Monthly Installment"** means the equated monthly Installments of amounts payable by the Card Holder to Kotak Mahindra Bank in respect of the Personal Loan on Credit Card Facility and comprises the principal amount of the Facility and interest thereon.
- f. **"Interest"** – The cost that Card Holder incurs for borrowing funds through the Personal Loan on Credit Card facility expressed as an annual percentage rate. This interest incorporated into the EMI that the Card Holder is required to pay over the loan tenure.
- g. **"Processing Fee"** – A one-time fee charged for processing the Installment facility, plus applicable taxes

- h. **"Foreclosure Fee"** – A charge levied by the bank when the Card Holder opts to repay the entire outstanding loan amount before the completion of the loan tenure. Applicable taxes will also be levied over and above the foreclosure fee.
- i. **"KFS"** means Key Fact Statement shared with the customer pre-application and post-disbursement consisting of essential loan information.
- j. **"PLCC" or "Installment Facility"** means the 'Personal Loan on Credit Card' provided/ agreed to be offered to cardholders at the sole discretion of Kotak Mahindra Bank, based on the cardholder's profile, credit behaviour, and other criteria determined by the Bank.
- k. **"Terms and Conditions"** shall mean the terms and conditions for PLCC.

2. USAGE OF THE FACILITY:

2.1. The Installment Facility shall be available only to a Cardholder, who has been pre-approved by Kotak Mahindra Bank for availing the Facility, at the sole discretion of the Bank. The Cardholder can avail loan amount in below modes:-

- **Above the Credit Limit facility**- In '*above the credit limit*' Installment facility, the cardholder can avail an amount over the available credit limit. Hence, the Cardholder can continue spending on their credit card up to their current credit card limit. This type of installment facility will be reported to Credit Bureaus as over and above the existing credit limit.
- **Within the Credit Limit facility**- In '*within the credit limit*' Installment facility, the cardholder can avail an amount up to the available credit limit on the credit card, which will be blocked for the loan amount that is granted. This will form part of the available limit on the Credit Card. The loan will be converted to EMI when the cardholder's request is processed. The credit limit shall be reinstated to the extent of the amount of principal repaid by the Cardholder on a monthly basis.

2.2. The Card Holder can avail a minimum loan amount of ₹5,000 and maximum loan amount up to the eligible amount as determined by Kotak Mahindra Bank at its sole

discretion. Such an amount, on approval, shall be disbursed to the Card Holder in the form of a transfer to his/her Kotak Mahindra Bank savings account or through NEFT to a Non-Kotak Mahindra Bank Savings account. For disbursement through NEFT to a Non-Kotak Mahindra Bank account, the bank details provided by the customer (subject to successful processing at the beneficiary banks end) shall be stored securely at Kotak Mahindra Bank's end. These details will also be shared internally with relevant teams solely for the purpose of loan disbursement. The Card Holder shall be required to pay a processing fee on the facility basis the amount specified by Kotak Mahindra Bank to the Cardholder.

- 2.3. The Installment facility will be disbursed within 3-5 working days, subject to mandatory policy and credit checks. The cardholder agrees and undertakes that the loan amount shall not be used for speculative, capital market investments, money laundering, or any anti-social purposes.

3. REPAYMENT OF INSTALLMENT FACILITY:

- 3.1. The Cardholder shall repay the principal and interest thereon in EMIs. The interest shall be at such rate as has been indicated by Kotak Mahindra Bank to the Cardholder at the time of making the offer for the Facility. The amount of the EMIs, together with other details of the Facility (including rate of interest), shall also be communicated to the Card Holder via KFS in the pre-application stage as well as post disbursement at his/her registered email address.

The monthly EMI is calculated as (Principal Amount + Interest charge)/Tenure. Tenures available are 6,9,12,18,24,36,48 & 60

Illustrative example for computation of PLCC (Personal Loan on Credit Card) EMI Amount

- For a transaction of Rs. 1,00,000 with PLCC EMI booking date on 1st May at ROI 12% against a tenure of 12 months.
- EMI amount will be = ₹8,885 (The EMI includes 1st month Interest of $1,00,000 \times 12\% / 12 = 1,000$ & 1st month principal of 7,885)

100% of the processing fees and EMI amount under the Installment facility will be included as part of the Minimum Amount Due in the card account statement. Late Payment Charges will be applicable if the MAD is unpaid after the Payment Due Date. The details of these charges are also available in MITC & CA.

<https://www.kotak.com/en/personal-banking/cards/credit-cards/mitc-and-ca.html>

- 3.2. Service Tax, GST, any / all applicable taxes from time to time (including applicable cess and surcharge) at the applicable rate will be levied on the interest / finance charges component, on the processing fee, on the foreclosure fee, if any, and on any other billed financial charges/ fees as may be applicable from time to time shall form part of the minimum amount due.
- 3.3. The Cardholder shall be required to pay the entire amount of the EMI for a particular month on the Payment Due Date as indicated in the Statement and the same shall not be permitted to be carried forward/included in the next Statement. In the event the payment is not made by the payment due date, it shall be construed as a default by the Card holder and Card holder shall become liable to pay the amount together with late payment charges, as specified in the MITC & CA.
- 3.4. Any payment made into the card account over and above the EMI under the installment facility will not be considered payment towards the installment facility. The excess amount will be apportion logic mentioned in the MITC & CA.

4. CANCELLATION/ FORECLOSURE OF INSTALLMENT FACILITY:

- 4.1. The Cardholder may cancel the Facility within 15 days of receiving the transfer to his Kotak Mahindra Bank Liability account by contacting Kotak Mahindra Bank's contact centre at '1860 266 2666'.
- 4.2. In case of a non Kotak Mahindra Bank account transfer through NEFT, cancellation is subject to payment of the transferred funds to the Card Account. In case of transfer to his/her Kotak Mahindra Bank liability account, the cancellation request can be raised at Kotak Mahindra Bank's customer care, and such amount will be reversed from the account, where the transfer was effected.

- 4.3. The Cardholder may foreclose the Facility at any time by contacting Kotak Mahindra Bank's Contact Centre to avail of the foreclosure. Full payment of the total loan amounts under the installment facility will not automatically close the facility. The cardholder will be liable to pay foreclosure charges of 2% on the outstanding principal after a 15-day free-look period from loan booking. The Bank reserves the right to revise the foreclosure charges at its discretion.
- 4.4. The installment facility will be cancelled/terminated if the credit card becomes delinquent or blocked before all installments are charged. The outstanding principal amount will be moved back to the cardholder's retail balance, and interest will be charged on the unpaid billed principal and unpaid billed monthly installments. Late Payment Charge will be applicable in case.

5. PARTICULAR AFFIRMATIVE COVENANTS:

- 5.1. The Cardholder has understood and agrees that by availing of the Installment Facility, the Cardholder shall not be, unless otherwise stated by Kotak Mahindra Bank in writing, eligible for any reward points whatsoever, whether awarded under the Kotak Mahindra Reward Points Scheme or any other Reward Points Scheme on the card that may be announced by Kotak Mahindra Bank from time to time.
- 5.2. The Cardholder agrees that once the cardholder opts for the Installment facility, a request to change or modify the installment facility with respect to interest rate, processing fee or tenure will not be possible.
- 5.3. The Cardholder understands that Kotak Mahindra Bank reserves the right to add, modify, or amend any terms and conditions or withdraw the installment facility altogether at any time, without prior notice.
- 5.4. The Cardholder shall make payment of all taxes, duties, and levies (including GST) in connection with the Installment Facility.
- 5.5. The Cardholder is deemed to have accepted these terms and conditions.

6. EVENTS OF DEFAULT:

If one or more of the events specified in this Clause ("Events of Default") occur or shall have occurred, the Cardholder will be sent reminders from time to time by representatives of the Bank including third parties appointed by the Bank for settlement of any loan outstanding on the Credit Card Account or for taking any remedial action on the Account/Cardholder, by visits (of representatives of the Bank/third parties appointed by the Bank in this regard), post, and telephone, E-mail, SMS messaging and / or engaging its representatives to remind, follow up and collect dues. The Bank and any such third party so appointed shall adhere to the Bank's Fair Practice Code for collection of dues as modified from time to time. This is also covered in 17.1 of the MITC & CA available at <https://www.kotak.com/en/personal-banking/cards/credit-cards/mitc-and-ca.html>

- 6.1 The Cardholder's commission of a breach of any of the terms and conditions and covenants herein contained or having made any misrepresentation to Kotak Mahindra Bank.
- 6.2 The Cardholder's have been declared as an insolvent.
- 6.3 Any proceedings for misconduct have been initiated against the Cardholder.
- 6.4 The Cardholder's failure to furnish any information or documents that may be required by Kotak Mahindra Bank
- 6.5 The existence of any other circumstances which, in the sole opinion of Kotak Mahindra Bank, jeopardises Kotak Mahindra Bank's interest.

7. MISCELLANEOUS:

- 7.1. Kotak Mahindra Bank shall, as per the amortisation schedule and KFS provide details of the processing fee, foreclosure fee, GST, and interest rate applicable on the Installment Facility to the Cardholder. Details of all other charges shall be as per the MITC & CA
- 7.2. Nothing contained in the Terms and Conditions shall be construed as an obligation of Kotak Mahindra Bank to continue to offer the Installment Facility after the date of termination of the Facility. Kotak Mahindra Bank reserves the right at any time, without previous notice, to add, alter, modify, change, or vary all or any of the Terms and Conditions.

- 7.3. The Terms and Conditions governing the Installment Facility shall be in addition to and not in substitution or derogation to the MITC & CA
- 7.4. The Cardholder/s has/have no objection to Kotak Mahindra Bank Limited and its representatives providing information on various products, offers and services provided by Kotak Mahindra Bank Limited/third parties through any mode (including without limitation through telephone calls/SMSes/e-mails) and authorise Kotak Mahindra Limited, representatives for the above purpose.
- 7.5. The Cardholder acknowledges and agrees that Kotak Mahindra Bank may also share the Cardholder's information with any parent, subsidiary, affiliate, or associate of Kotak Mahindra Bank, for the purposes of marketing and offering various products and services of Kotak Mahindra Bank or its group companies, subsidiaries, affiliates, and/or associates.
- 7.6. In case of any grievances with regard to the product, please contact the nodal grievance redressal officer. Details can be found at:
<https://www.kotak.com/en/customer-service/grievance-redressal/personal-banking/level-2.html>.
- 7.7. In case required, details of recovery agent authorized to approach the borrower can be found at:
<https://www.kotak.com/en/customer-service/grievance-redressal/recovery-agent.html>
- 7.8. The Cardholder agrees & consents to the collection, use, sharing & storage of their information in accordance with the Bank's privacy policy. Details can be found at:
<https://www.kotak.com/en/privacy-policy.html>