

**FAIR PRACTICE CODE
FOR
CREDIT CARD OPERATIONS**

JANUARY 2006

1. Preamble

- 1.1 This is a voluntary code, adopted by HDFC Bank for the operations of their Credit Cards Division. It is expected that this Fair Practice Code will act as a benchmark service standard in their dealings with individual customers. The code is expected to help the credit card users in knowing their rights and also measures they should take to protect their interests. This code is being made available on the website of HDFC Bank, for free access by the customers of the Bank and the general public.

The covenants of this code will supplement and will not replace those applicable under Banker's Fair Practice Code recommended by Indian Banks' Association and adopted by the credit card issuing members/institutions.

About this code

- 1.2 As a voluntary document, the code promotes competition and encourages market forces to achieve higher operating standards to benefit customers. In the Code, 'you' denotes the credit card customer and 'we' the credit card issuer. The standards of the Code are governed by the four key commitments detailed in section 2.

Unless stated otherwise, all parts of this code apply to all the credit card products and services, whether we provide them across the counter, over the phone, on the Internet or by any other method.

Commitments outlined in this code are applicable under normal operating environment. In the event of *force majeure*, we may not be able to fulfill the commitments under this Code.

2. KEY COMMITMENTS

We promise to:

- 2.1 Act fairly and reasonably in all our dealings with you by:
- Meeting the commitments and standards in this Code, for the products and services we offer, and in the procedures and practices our staff/agents follow
 - Making sure our products and services meet relevant laws and regulations
 - Ensuring that our dealings with you will rest on ethical principles of integrity and transparency.
 - Not engaging in any unlawful or unethical consumer practice.
- 2.2 Help you to understand how our credit card products and services work by giving you the following information in simple language:
- What are the benefits to you
 - How you can avail of the benefits
 - What are their financial implications
 - Whom you can contact for addressing your queries and how
- 2.3 Deal quickly and effectively with your queries and complaints by:
- Offering channels for you to route your queries
 - Listening to you patiently
 - Accepting our mistakes, if any
 - Correcting mistakes/ implementing changes to address your queries
 - Communicating our response to you promptly
 - Telling you how to take your complaint forward if you are not satisfied with the response.
- 2.4 Publicize this code, by making it available for public access on our website and make copies available for you on request.

3. Information

(To help you choose products and services, which meet your needs)

3.1 Before you become a credit card customer, we will:

- Give you information explaining the key features of our credit card products including applicable fees and charges
- Advise you what information/documentation we need from you to enable us to issue credit card to you. We will also advise you what documentation we need from you with respect to your identity, address, employment etc., and any other document that may be stipulated by statutory authorities (e.g. PAN details), in order to comply with legal and regulatory requirements.
- Verify the details mentioned by you in the credit card application by contacting you on your residence and / or business telephone numbers and / or physically visiting your residence and/or business address through the agencies appointed by us for this purpose, if deemed necessary by us.

3.2 While you apply for a credit card from us, we will explain the relevant terms and conditions such as fees and interest charges, billing and payment, renewal and termination procedures and any other information that you may require to operate the card.

3.3 We will advise you of our targeted turn around time while you are availing / applying for a product / service.

3.4 We will send a service guide/member booklet giving detailed terms and conditions, interest and charges applicable and other relevant information with respect to usage of your credit card along with your credit card.

3.5 We will advise you of our contact details such as contact telephone numbers, postal address, website/email address to enable you to contact us whenever you need to.

3.6 If you do not recognize a transaction which appears on your credit card statement, we will give you more details on request. In some cases, we may need your cooperation to get us confirmation or evidence that you have not authorised a transaction. If you believe that an error has occurred in the statement you should promptly inform us in writing (so that the same is received by us within 30 days of the date of statement in which the transaction under

dispute was charged). The operating rules applicable under the Credit Cards Scheme impose time limits on reporting disputed transactions. If you do not report / inform us within the above time, it would make it difficult for us to gather information about the transactions and this may work to your disadvantage. It is therefore advisable to notify us of any disputed transactions immediately upon receipt of the statement of account. This includes any disputes regarding reward points (if applicable) allocated to the card account.

- 3.7 We will inform you, through our Usage guide / cardmember agreement booklet of the losses on your account that you may be liable if your card is lost/misused

4. Tariff (Fees/Charges/Interest)

- 4.1 You can find our schedule of common fees and charges (including interest rates) by:

- Referring to the Usage guide/Cardmember agreement booklet
- Calling up on customer service numbers, or
- Visiting our website

- 4.2 When you become a customer, we will provide you information on the interest rates applicable on your credit card and we will charge the same to your credit card account, if applicable.

- 4.3 We will explain how we apply interest to your account on request. However the Most Important Terms and Conditions document and the monthly statements contain details of the method of interest calculation.

Changes in our tariff

- 4.4 When we change our tariff (Interest rate or other fees/charges) on our credit card products, we will update the information on our website and monthly statements, and will make the information available at our telephone helpline.

5. Marketing Ethics

5.1 Field Personnel

Our sales representatives will identify themselves when they approach you for selling card products.

We have prescribed a code of conduct for our Direct Selling Agents (DSAs) whose services we may avail to market credit card products.

In the event of receipt of any complaint from you that our representative has engaged in any improper conduct, we shall take appropriate steps to redress the complaint.

5.2 Telemarketing

If our telemarketing staff/agents contact you over phone for selling any our credit card products or with any cross sell offer, the caller will identify himself/herself and advise you that he/she is calling on our behalf.

6. Issuance of credit Card / PIN

6.1 We will dispatch your credit card only to the mailing address mentioned by you through courier / post. Alternatively, we shall deliver your credit card at our branches which maintain your banking accounts(s) under due intimation to you.

6.2 PIN (Personal identification number) whenever allotted, will be sent to you separately.

7. Account Operations

Credit card statements

- 7.1 To help you manage your credit card account and check details of purchase/cash drawings using the credit card, we will offer you a facility to receive credit card transaction details either via monthly mail or through the internet. Credit card statement will be dispatched on a predetermined date of every month.
- 7.2 In the event of non-receipt of this information, we expect you to get in touch with us so that we can arrange to resend the details to enable you to make payment and highlight exception if any in a timely manner.
- 7.3 We will let you know / notify changes in schedule of fees and charges and terms and conditions. Normally, changes (other than interest rates and those which are a result of regulatory requirements) will be made prospective effect giving sufficient notice.

Protecting your account

- 7.4 We will advise you what you can do to protect your credit card from misuse.
- 7.5 In the event your credit card has been lost or stolen, or that someone else knows your PIN or other security information, we will, on your notifying us, take immediate steps to try to prevent these from being misused, subject to operating regulations and law in force. We will be able to take necessary action only if you intimate to us about the loss of your card, hence we would request your cooperation in this regard

Processing activities at our end

- 7.6 We may allow processing of credit cards related activities including operations and cross selling to third party agencies that we consider appropriate for these purposes.

8. Confidentiality of Account Details

8.1 We will treat all your personal information as private and confidential (even when you are no longer a customer). We will not reveal transaction details of your accounts to a third party, including entities in our group, other than in the following exceptional cases when we are allowed to do –

- if we have to give the information by law or by a mandate from any regulatory authority
- If such sharing of information will contribute towards correct credit appraisal decisioning by us or by any financial institution
- if there is a duty towards the public to reveal the information
- if you ask to reveal the information, or if we have your permission to provide such information to our group/associate/entities or companies when we have tie-up arrangements for providing other financial service products.

9. Collection of dues

Our bank's dues collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long-term relationship. Our staff or any person authorized to represent us in collection of dues or/and security repossession will identify himself/herself and interact with you in a civil manner. We will provide you with all the information regarding dues and will give sufficient notice for payment of dues. Our staff/agents are governed by Model Code for Collection of Dues and Repossession of Security issued by Indian Banks' Association.

10. Redressal of Grievances

10.1 Redressal of your complaints internally

- You can call our 24 hour call center numbers or write to us or email us, and our staff will resolve all your queries related to your credit card. In case you are not being satisfied with the response you could seek an escalation to the next level

bank officer/ manager. In the rare event that you are still not satisfied you can call us / write to the grievance cell within the bank. The contacts details for all the above contact points are available separately in our marketing collaterals, Usage guide, monthly statements and in the HDFC Bank Cards website for your reference.

- Our complaint handling procedure is displayed on our website, along with the timeframe for responding to your complaints and escalation process etc.

10.2 Banking Ombudsman Service and other avenues for redressal

- Within 60 days of lodging a written complaint with us, if you do not get a satisfactory response from us and you wish to pursue other avenues for redressal of grievances, you may approach Banking Ombudsman appointed by Reserve Bank of India under banking Ombudsman Scheme 2002.

11. Termination of Credit Card

- 11.1 You may terminate your credit card by giving notice to us and by following the procedure laid down by us in our Usage guide / cardmember agreement booklet after clearing outstanding dues, if any.
- 11.2 We may terminate your credit card, if in our opinion, you are in breach of the cardholder agreement

12. Scheme guidelines and regulations

All card issuing banks are bound by the regulations of the scheme (Visa, MasterCard and any other scheme under which the card would apply), and in turn you as the customer would be governed and bound by the same. These card operating regulations are subject to changes from time to time by the scheme. We will update you as and when it happens.

13. Feedback and Suggestions

Please provide feedback on our services. Your suggestions will help us to improve our services.