



KNS BANK

THE KURLA NAGARIK SAHAKARI BANK LTD.

312, COMMERCIAL "A" WING, KOHINOOR CITY MALL,
KIROL ROAD, KURLA (W) MUMBAI - 400 070

LIMITED LIABILITY OF CUSTOMER FOR ATM, POS, E-COM, IMPS TRANSACTIONS POLICY 2020-2021

KNS BANK

The Kurla Nagarik Sahakari Bank Ltd.

Policy for Limited Liability of Customer for ATM, POS, E-Com, IMPS Transactions.

The Kurla Nagarik Sahakari Bank Ltd., hereinafter referred to as KNSB. This policy describes how the Limited Liability shares information from or about you and explains how the information may be shared or used.

The Bank may collect information from that may include but not limited to your Name, Address, Date of Birth, Identification Card Number, Telephone Numbers, Personal Demographic Data and Financial Information. Some of this information collection may be mandatory while some may be on a voluntarily basis. In any case, customers are expected to provide accurate and true information.

The bank will try to keep all customers' information as updated as possible. It is therefore required that all customers provide accurate information to bank and also notify all changes, inaccuracies, incompleteness or errors found in their information lodged with the bank in a timely manner.

This Policy protects private information of the customers provided to KNSB. This information will be used to carry out any obligation related to your business relationship with the Bank. Additionally, the bank may use this information for its operational and management requirements such as but not limited to statistics, product promotions, market survey, product development, creditworthiness evaluation and/or , debt collection, customer relationship management, fulfilling all statutory and regulatory obligations and all other legitimate purposes.



(2)

Reporting of unauthorised transactions by customers to banks :

KNSBL suggest the entire customer to activate the SMS services for all the online payment channels at the time of Account Opening. Customers are guided to report the unauthorised transaction to their Base Branch at the time of activating the customers for online payment channels. For customer complaints they can contact to base branches in the working hours i.e. (9.00 am to 8.00 pm) or send the SMS to Block/Unblock the card by sending the DACT to 9225592255 (Block/Deactivate) and ACTC to 9225592255 (Unblock/Activate). Bank also uses E-FRM portal given by NPCI for reporting the fraud transaction generated as per hundreds of rule set by NPCI. Bank call's to those customers for authenticity of online transaction done and responds to the fraudulent transaction.

Limited Liability of Customer

Zero Liability of a Customer

A customer's entitlement to zero liability shall arise where the unauthorised transaction occurs in the following events:

- 1) Contributory fraud/ negligence/ deficiency on the part of the bank (irrespective of whether or not the transaction is reported by the customer).
- 2) Third party breach where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, and the customer notifies the bank within **three working days** of receiving the communication from the bank regarding the unauthorised transaction.



(3)

A customer shall be liable for the loss occurring due to fraudulent transactions in the following cases :

(a) In cases involving negligence by a customer, such as where he has shared the payment credentials, the customer will bear the entire loss until he reports the unauthorised transaction to the bank. Any loss occurring after the reporting of the unauthorised transaction shall be borne by the bank.

(b) In cases where the responsibility for the unauthorised electronic banking transaction lies neither with the bank nor with the customer but lies elsewhere in the system and when there is a delay (of four to seven working days) on the part of the customer in notifying the bank of such a transaction, the customer liability shall be limited to the transaction value as per **Table 1**.

Table 1	
Maximum Liability of a Customer under paragraph 7 (ii)	
Type of Account	Maximum liability (₹)
• BSBD Accounts	5,000
• All other SB accounts • Pre-paid Payment Instruments and Gift Cards • Current/ Cash Credit/ Overdraft Accounts of MSMEs • Current Accounts/ Cash Credit/ Overdraft Accounts of Individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit up to Rs.25 lakh • Credit cards with limit up to Rs.5 lakh	10,000
• All other Current/ Cash Credit/ Overdraft Accounts • Credit cards with limit above Rs.5 lakh	25,000



(4)

Overall liability of the customer in third party breaches, where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, is summarised in the Table 2 :

Table 2	
Summary of Customer's Liability	
Time taken to report the fraudulent transaction from the date of receiving the communication	Customer's liability (₹)
Within 3 working days	Zero liability
Within 4 to 7 working days	The transaction value or the amount mentioned in <u>Table 1</u> , whichever is lower
Beyond 7 working days	As per bank's Board approved policy

Limited Liability of Customer for ATM, POS, E-Com,

IMPS Transactions – Policy - 2020

Policy Approved in Board Meeting held on Date - 28/05/2020

Vide Board Resolution No – 15


Chief Executive Officer


Chairman



