

**GENERAL TERMS & CONDITIONS FOR CHANNEL FACILITIES FOR CURRENT  
ACCOUNTS**

**POINT OF SALES (POS) TERMINAL**

**1. DEFINITIONS**

- i. **“Business Day”** means a day on which the office of Federal Bank is open for normal business transactions in the place where branch/office of the Bank which has supplied the Equipment to the Merchant is located.
- ii. **“Charge Slip”** means the receipt generated or printed by the Equipment’s at the time of transaction.
- iii. **“Customer”** means any person holding a valid card and making payment using it for purchasing products/services.
- iv. **“Customer Charge”** means the sale price of the Product /Service purchased by the customer plus the shopping charge (if any) and all other taxes, duties, costs, charges and expenses in respect of the Product/Service that are to be charged to the Customers Valid Card.
- v. **“Equipments”** mean the POS terminal, i.e., the electronic data capture terminal, imprinter, credit authorization terminal or such related accessories, which expression shall include any replacement, modification, enhancement and/or additions to the Equipment(s) (including the software there used), provided by Federal Bank or it’s authorized agent for authorization.
- vi. **“Facility”** means the facility provided by Federal Bank to the Merchant for receiving payment through the point of sale/EDC terminal of Federal Bank for Products/Services sold by it.
- vii. **“Floor Limit”** means the limit as may be prescribed by Federal Bank in respect to each transaction, such that the Merchant shall be bound to obtain prior authorization from Federal Bank for transactions exceeding such limit.

- viii. **“Federal Bank”** means The Federal Bank Limited, a banking company within the meaning of Companies Act 2013, having its registered office at Federal Towers Aluva-683101, Kerala, India, its successors and assigns.
- ix. **“Merchant”** shall mean a retailer or any other entity, which agrees to accept payment by a Valid Card for Products/Services sold by it and who has signed and accepted the Federal Bank POS Application Form along with Terms and Conditions.
- x. **“Product”** shall mean any tangible product that is manufactured or distributed by the merchant and the customer purchases that and the payment for which is to be made by the customer’s valid card.
- xi. **“Sales Commission Fee/Merchant Discount Rate (MDR)”** shall mean a percentage of the Customer Charge charged by Federal Bank as a service fee for granting of the Facility. Provided however that the Sales Commission Fee may be revised by the Federal Bank at its own discretion, from time to time.
- xii. **“Service”** shall mean by any service that the merchant offers to provide, which can be availed of by the Customer by making payment through a valid card.
- xiii. **“Terms and Conditions”** shall mean the terms and conditions set out herein and/or as may be stipulated by Federal Bank at its sole discretion, and as may be amended/modified from time to time.
- xiv. **“Transaction”** shall mean an order that results in the delivery by the Merchant to the Customer of the Products(s)/ Services in respect of which the order was placed.
- xv. **“Card Schemes”** shall mean payment networks such as VISA, Master Card, Rupay etc linked to payment cards of which a bank or any other eligible financial institution can become a member
- xvi. **“Valid Card”** shall mean a Card issued by any institution designated to issue the Card which are enabled by Card Schemes (Visa , Master , Rupay etc ) , but shall not include:
- A card listed on Visa/Master/Rupay current warning notice; or
  - A card which has expired or is not yet operational; or
  - A card that can not be used in India; or
  - A card, which is damaged/torn out.

## **2. NON-EXCLUSIVE FACILITY**

These Terms and Conditions shall not prohibit Federal Bank from furnishing the services like those provided under this facility to others, including competitors of Merchant.

## **3. RIGHTS AND OBLIGATIONS OF FEDERAL BANK:**

- i. Federal Bank shall enable the Merchant to use the Facility, on such terms and conditions as it may deem it. For the above purpose Federal Bank shall install at the Merchant premises the Equipments and such related accessories and software, as Federal Bank may deem appropriate. All such Equipment(s) as may be provided by Federal Bank shall remain the property of Federal Bank and shall be surrendered to Federal Bank on demand and in the event of termination of the facility.
- ii. Federal Bank shall be entitled to charge the Merchant for the cost of the Equipment(s), and/or the costs of repairing the Equipment(s), in the event the Equipment(s) is/are damaged as a result of the improper handling by the merchant.
- iii. Federal Bank shall at all the times comply with applicable laws, rules and regulations insofar relevant to the provision of the facility.
- iv. Federal Bank shall have the right to share merchant information/transaction details with regulators/controllers, internal/external auditors and other statutory/regulatory authorities, as may be required from time to time
- v. In the event of any loss or damage to any equipments due to any use, misuse and/ or negligence on the part of the merchant /its employees/agents, bank shall have the right to deduct from the current account and/or other accounts maintained by the merchant with the bank, the amount of such loss or damage without any prior notice to or consent of the merchant. The bank reserves the right to determine the quantum of loss /damage at its sole discretion and the same shall be binding on the Merchant.

## **4. RIGHTS AND OBLIGATIONS OF MERCHANT:**

### **4.1 INSTALLATION OF THE EQUIPMENT'S**

- i. Where the Merchant is the owner of the premises:
  - a. The Merchant hereby expressly agrees and consents to the installation of the equipments at the premises to enable processing of payments for transactions made by Valid Cards
- ii. Where the Merchant is a lessee, licensee or not the full owner of the premises:
  - a. The Merchant has obtained all necessary permission to permit the Bank to install the equipments at the premises to enable processing of payments for transactions made by the customer
- iii. The Merchant shall retain in its possession and for its exclusive use the Equipment(s) provided under the Facility and keep the Equipment(s) in good condition. It shall be the duty of the Merchant to safe-keep and control the use of Equipment(s). Any transaction performed using the equipment(s) shall be deemed to be authorized and sanctioned by the Merchant.

#### 4.2 PAYMENT PROCESS

The Merchant shall obtain authorization for a payment in the following manner:

- i. Upon the Customer producing the card for payment, the Merchant shall confirm the following
  - whether the card is a Valid Card;
  - that the card is an original card and that the same bears the logo, the name of the issuing bank, a genuine hologram of the issuing member organization and such other details as may be stipulated by the Bank from time to time;
  - the card is not mutilated or altered;  
if the card is a photo card, the Merchant shall also verify that the photograph on the card matches with the Customer;
- ii. After the Merchant has completed the above verification, the Merchant shall swipe the card in the Equipment and enter the details of transaction upon being requested. If the Bank requires that the Customer be required to enter any PIN number, the Merchant shall ensure that the Customer is permitted to do so and that the Customer is given sufficient privacy for the same.

- iii. The Merchant shall ensure that the signature of the Customer is obtained on the Charge Slip. The Merchant shall specifically verify the Customer's signature on the Charge Slip with the signature on the Valid Card. The Merchant shall also verify the card number with the card number on the Charge Slip. Only in the event of the same matching should the Merchant complete the Transaction. The Merchant shall not complete the transaction in the event of any doubt in respect of either of the above.
- iv. The Merchant shall provide the Customer, his/her copy of the Charge Slip on completion of the transaction.
- v. It is hereby clarified that mere authorization of a payment request does not guarantee the payment, and actual payment shall be subject to other provisions of these Terms and Conditions.

The Bank may at its discretion provide the Merchant the option of Manual Processing without being bound to do so. Such Manual Processing shall be available only for the processing of payments in respect of Valid cards. In the event of the Merchant being provided the option of Manual Processing the Merchant shall obtain Authorization in the following manner:

- i. Upon the Customer producing the card for payment, the Merchant shall confirm the following
  - whether the card is a Valid Card;
  - (that the card is an original card and that the same bears the logo, the name of the issuing bank, a genuine hologram of the issuing member organization and such other details as may be stipulated by the Bank from time to time;
  - the card is not mutilated or altered;
  - if the card is a photo card, the Merchant shall also verify that the photograph on the card matches with the Customer;
- ii. After the Merchant has completed the above verification, the Merchant shall imprint the card on a charge slip. All details of the transactions as required in the Charge Slip shall be physically entered in the Charge Slip.
- iii. Thereupon the Merchant shall obtain such telephonic or other Authorization from the Bank as may be stipulated by the Bank from time to time, The Bank may stipulate limits for all such transactions from time to time and the Merchant shall strictly comply with all such limits.
- iv. Upon receiving the Authorization, the Merchant shall ensure that the customer places his signature on the Charge Slip.. Only on the event of the same matching should the Merchant

complete the transaction. The Merchant shall not complete the transaction in the event of any doubt in this regard.

- v. The Merchant shall provide the Customer his copy of the Charge Slip upon transaction being duly completed.
- vi. It is hereby clarified that mere authorization of a payment request does not guarantee the payment, and actual payment shall be subject to other provisions of these Terms and Conditions.
- vii. The Bank may in its discretion modify the aforesaid procedures for payment processing from time to time and shall intimate the Merchant of such modifications from time to time. The Merchants shall strictly comply with such payment processes.

#### 4.3 INSTRUCTIONS TO THE MERCHANTS

- i. The Merchant shall not:
  - Sell, assign, transfer, lease or otherwise cause or allow or attempt, to cause or allow any dealings with the Equipment(s) or any encumbrance on the Equipment(s)
  - Remove, conceal or alter any makings, tags or plates attached to the Equipment(s) or part of it indicating Federal Bank's Ownership of the Equipment(s)
  - Cause or allow Federal Banks right to access, repossession or disposition of the Equipment(s), to be encumbered in any way be jeopardized by any act of the Merchant or its servants or agents or by any other factor within its control
- ii. The Merchant shall not permit any third party to perform maintenance services of the Equipment(s) or modify, enhance or make Software/engineering changes to the Equipment(s) without the prior written consent of Federal Bank.
- iii. The Merchant shall honour and accept every valid card when properly presented as a mode of payment by Customers for all Transactions. The Merchant shall not engage in such acceptance, practices or procedures that discriminate against, or discourage the use of MasterCard, Visa Card & Rupay Card in favour of any other card that also accepted by the Merchant or other payment mode accepted by the Merchant. In addition, the merchant shall not attempt to levy any service charge on the Customer for permitting the Customer to use the Valid Card. The Merchant shall also not place any minimum Transaction limit for the

use of any valid Card. Any activity in contravention of the above-mentioned obligations may result in the termination of the Facility.

- iv. The Merchant shall ensure that:
  - a. The paper rolls used for charge slip generation are not more than 2months old.
  - b. The Card is a Valid Card
  - c. The Card is an original card and that the same bears the logo, the name of the issuing bank, a genuine hologram of bank's organization and such other details as may be stipulated by the Bank from time to time.
  - d. The card is not mutilated or altered
  - e. In the case of photo cards, the photograph on the card is matched with the customer.
  - f. The signature on the Card matches the signature of the customer on the Charge Slip.
- v. In case of a chip Card, if the Merchant doesn't insert the chip in the designated slot of the Equipments, any liability arising thereof shall rest on the Merchant.
- vi. The Merchant shall not use the Card issued by any bank in the name of the Merchant on the Equipments installed at the Merchant premises.
- vii. The Merchant shall extend all reasonable and necessary assistance to Federal Bank, Card Schemes and law enforcing authorities for the purpose of fraud prevention, investigation or any other such processes. Any cost arising out of a Transaction which crosses the threshold limit set for fraud by Card Schemes, will be borne by merchant.
- viii. The Merchant shall promptly on the request of Federal Bank produce evidence, to the satisfaction of Federal Bank, relating to the Customer's authority for using the Valid Card and will retain all documents and records relating to each transaction for a period of not less than 180 days thereafter and produce the same to Federal Bank on request.
- ix. The merchant shall not receive any monetary payment from a Customer with respect to Transaction for which the charges have been included on a Charge Slip. All Charge Slip be drawn in Indian Rupee, unless otherwise agreed in writing between Federal Bank and the Merchant
- x. During the course of this Facility, the Merchant shall comply with all applicable regulatory guidelines related to the procurement and/or use of the Equipment's, and any other applicable laws.

- xi. The Merchant shall make best effort to recover and retain any card: -
- Listed in a current warning bulletin; or
  - In respect of which a request has been made by Card schemes to recover the card; or
  - Which the merchant has reasonable grounds to believe to be counterfeit, fraudulent or stolen card. The Merchant shall promptly notify Federal Bank in respect of such recovery and will deliver the cards so recovered to Federal Bank within 48 hours of such recovery.
- xii. The Merchant shall not charge any Customer Surcharge, or any additional payment, unless so prescribed by the Federal bank, for a transaction in which a Valid Card is used. No MDR charges to be levied on Cardholders: Pursuant to Circular Nos: CEPD.CO.PRS.NO.3732/13.01.001/2017-18 from the Reserve Bank of India,” On the extra charges levied by merchants on customer making payments through debit cards”. Merchant agrees not to levy any transaction charges, on debit card transactions done by Cardholders at POS terminals. It is further clarified that the Merchant shall not require any Customer to pay any surcharge, to pay any part of the discount, whether through any increase in price or otherwise, or to pay any contemporaneous finance charge in connection with the transaction in which a Valid Card is used. If at any stage it is brought to the notice of the Bank that such a charge is being applied by the Merchant, the Bank reserves the right to terminate the Facility forthwith.
- xiii. The Merchant shall immediately inform Federal Bank in the event same card is being used for repeated transaction or if the same Customer uses the card indiscriminately or any other suspicious activity.
- xiv. The Merchant shall solely be liable for the payment of all present or future, direct or indirect, central, state and local levies, taxes, duties, fines and penalties, by whatever name called, as may become due and payable in connection with the Facility. The Federal Bank’s decision on the requirements (including on the amounts and the intervals for payment of such amounts) shall be final and binding upon the Merchant.
- xv. The Merchant shall be responsible for explaining to the customer the features/ advantages/ disadvantages of conducting an EMI Transactions.
- xvi. The Merchant agrees that any liability or risk related to a Mail Order /Telephone Order (MOTO) Transaction will rest on him and Federal Bank will not be held responsible in any manner whatsoever.
- xvii. The Merchant shall take express permission from the Federal Bank before changing its line of business or making additional to its business.



xviii. The Merchant shall not sell any items that have been prohibited under the law of the country where the customer resides.

xix. Merchant understands and agrees that in case of low utilization/non utilization of Equipment's for a continuous period of 2 months, Bank reserves the right to revise the service charges/withdraw any concessions granted and/or recall the Equipment's /terminate the Facility, without further notice to the Merchant".

xx. The Merchant understands that, based on his request, the Bank may, from time to time, at its sole and absolute discretion grant certain additional features/services, in respect of the Facility on such terms as may be prescribed by the Bank, and the Merchant agrees to be bound by the same with respect to availment of such additional features/services.

xxi. In case of International Card Transactions, the merchant understands that the merchant needs to comply with the below points while initiating a transaction and failure to comply these points may lead to lose of funds to merchant.

- ID(Passport or Visa) proof of the card holder shall be obtained and ensure that details provided are correct and genuine and are matching with the Details on the Card.
- In case of suspicious transactions, funds will be withheld and may be released only after bank is convinced about genuineness of transaction based on the representation and documentary proof given by the merchant.
- Merchant shall preserve the documents related to transaction and shall produce the same in the event of any chargeback / complaint raised by the cardholder. Failure to prove the genuineness of the transaction would lead to loss of funds received.

Further, in case of acceptance of Valid Cards from foreigners the Merchant agrees to verify the identity of the Customer with his valid passport and note the passport number, country of issuance of passport, and local address of the Customer and keep it for records along with a copy of the terminal receipt

xxii. In case of MOTO transactions/ Pre-Auth transactions, the merchant understands that the merchant needs to comply with the below points while initiating a MOTO transaction/ Pre-Auth transactions and failure to comply with these points may lead to loss of funds to merchant.

- Merchant shall obtain scanned copy of authorization letter from the card holder for processing MOTO Transaction/Pre-Auth transactions along with scanned copy of card face.

- ID proof (Passport and Visa) of the card holder shall be obtained and ensure that details provided are correct and genuine and are matching with the Details on the Card.
- In case of suspicious transactions, funds will be withheld and may be released only after bank is convinced about genuineness of transaction based on the representation and documentary proof given by the merchant.
- Merchant shall preserve the documents related to transaction and shall produce the same in the event of any chargeback / complaint raised by the cardholder. Failure to prove the genuineness of the transaction would lead to loss of funds received.

## **5.AUTHORISATION**

- a). The Merchant shall be liable to obtain authorizations from Federal Bank for recovery of transaction performed by it. Such authorization shall be obtained by using the Equipment(s), supplied by Federal Bank.
- b). The Merchant shall be required to obtain manual authorization from Federal Bank and record legibly on the Charge Slip the authorization number before completing transaction if;
- Amount of Transaction or a series of Transaction incurred in a Valid Card in a single day exceeds the Floor Limit as advised Federal Bank.
  - Merchant wishes to delay presentation; or
  - Customer does not present a Valid Card; or
  - Merchant believes that the Valid Card may be counterfeit, stolen or lost; or
  - There are suspicious circumstances surrounding the presentation of the Valid Card.
- c). In the event of breakdown or failure of any Equipment(s), the Merchant shall obtain manual authorization from Federal Bank for all Transactions.
- d). The Merchant shall not use two or more Charge Slips to avoid manual authorization for Transaction above the Floor Limit and shall not carry out a Transaction when only a part of the amount due with respect to the Transaction is included on a single Charge slip except:
- a. When the balance amount of the transaction is sought to be paid in cash or by cheque by the Customer; or
  - b. When the Products or Services are to be delivered or performed at a later date and one Charge Slip represents a deposit and the second charge Slip represents payment of the balance, in which case the Merchant must obtain authorization and shall note on the Charge Slip the authorization number and the words ‘deposit’ or ‘balance’ as appropriately labeled.

## **6. PRESENTMENT**

a). The Merchant shall be under an obligation to produce the Charge Slips and/or such other document as may be required by Federal Bank and shall present such documents within three days from the date of the Transaction or such other periods as notified by Federal bank and within five days, for Transaction above the Floor Limit.

b). In the event the Products are not received or rejected by the Customer or Services are not performed or cancelled or in case of any dispute with the Customer relating to the Transaction, The Merchant shall not make a cash refund to the customer and shall instead complete a credit form specifying such details and information as may be required by Federal Bank and present it to Federal Bank and a copy shall be delivered or forwarded to the customer. Such credit form and any other documents shall be submitted to the Federal Bank within Five days of the date on which the Merchant agrees to refund the Customer, The Merchant shall be liable to refund the net proceeds (i.e. the total Customer Charge less the Sales Commission Fee) to Federal Bank forthwith.

s. c). By representation of the Charge Slips, Credit form, or any other Transaction information and documents, the Merchant shall represent and warrant that: -

- i). All statements of fact contained therein, which are within the knowledge of the Merchant, are true and complete;
- ii). Merchant has supplied or caused to be supplied the Products and/or Services to which the Transaction information relates to, for the amount stated therein.
- iii). No other Charge Slip has been or will be issued or presented in respect of the same Transaction.

## **7. PAYMENT**

a). In consideration of the Bank agreeing to render the facility as aforesaid, the Merchant shall pay the Bank Sales Commission Fee/MDR at the rate specified in Item No. 7 of the Schedule hereunder written or such other rate as specified by the Bank from time to time. In the event of the Bank modifying the said Sales Commission Fee, the Bank shall forthwith intimate the same to the Merchant. The Merchant hereby expressly and irrevocably agrees that the Merchant has not entered into this agreement in reliance on any representation, statement or warranty (whether

written or oral and whether express or implied) made by or on behalf of the Bank other than as has been expressly set out herein.

b). Subject to the Terms and Conditions contained herein, the Bank shall pay in favour of the designated account of the Merchant, the Customer Charges less the Sales Commission Fee within two Business Days from the date of Settlement and In cases where manual authorization is given, within two Business Days of receipt of Charge Slips by Federal Bank for all Transaction processed and authorized by Federal Bank or as may have been specified to the Merchant by Federal Bank from time to time. Federal Bank shall have the right to deduct TDS and service tax, as applicable by law, before making payment to the Merchant. The payment of customer chargeless Sales Commission Fee shall be without prejudice to any claims or rights, which the Federal Bank may otherwise have against the Merchant under these Terms and Conditions. Any dispute with respect to the payment made to the Merchant shall be brought to the knowledge of Federal Bank within 60 days of making of payment by Federal Bank.

c). Federal Bank shall be entitled to reject payments in respect of a Transaction by setting it off or deducting from any payment due to the Merchant the required amount, if:

- i. A refund amount is due from the customer in accordance of Section 6; and
- ii. An excess payment is made by Federal Bank due to an error or otherwise; and
- iii. Any other sum is due or payable by the Merchant to Federal Bank; and
- iv. At Federal Bank's discretion, an amount equal to interest at the rate then currently charged to Customer in respect of their indebtedness from the due date until the date of payment (as well as after and before any demand made or judgment obtained) on the amount of any Charge Slip details which are not presented as required under these Terms and Conditions within seven days after the refund has been agreed between the Merchant and the Customer, or which is not dispatched to Federal Bank within such period together with a cheque in favour of Federal Bank for the full amount thereof.
- v. If the Transaction for which payment has to be made is disputed/suspected.

And Federal Bank shall have the right to: -

- i). Debit the Merchant account forthwith; and/or
- ii). Deduct the outstanding amount from subsequent payment to be made to the merchant's account; and/or
- iii) Withhold the applicable funds and/or
- iv). In the event of Merchant not having an account with Federal Bank, or due to insufficient fund therein, the Merchant shall undertake that it would forthwith on demand

by or on behalf of Federal bank, pay Federal Bank the amount to the extent to which such funds or deposits prove inadequate.

d). In the event of a breach of obligations by the Merchant under these Terms and Conditions, the Federal Bank shall be entitled to enforce any measures as provided in Section 7 (b).

e). In the event a refund is made to the Merchant for a disputed Transaction, Federal Bank reserves the right to deduct the Sales Commission Fee before making the payment.

f). Federal Bank shall have the absolute right and discretion to suspend all payment to be made for the utilization of this facility till such time that Federal Bank deems fit, if Federal Bank has the reason to believe that the Merchant has committed a breach of his obligations herein, misrepresentation, fraud in the performance of his obligations towards the utilization of the Facility.

g). The Merchant shall pay to Federal Bank such rentals/service charges payable in connection with Equipment(s) deployed at the Merchants Establishment, at such intervals as Federal Bank may by written notice specify. In addition, the Merchant shall pay the Federal Bank Setup fee, EMI fee and MOTO fees applicable from time to time, at the discretion of Federal Bank.

## **8. CHARGEBACK**

a). The Merchant shall make reasonable best efforts to make proactive refunds for all unsuccessful Transactions. If the merchant fails to process the refund proactively, it will result in a chargeback.

b). Federal Bank shall be entitled at any time to refuse total or partial payment to the Merchant with regard to a Transaction or, if payment has been made, to debit the Merchant's account with the requisite amount of the Transaction or to seek immediate reimbursement of the requisite amount of the Transaction from the Merchant within 3 days of receipt of a claim of chargeback from the customer, notwithstanding any authorization given by Federal Bank to the Merchant, in any of the following circumstances:

- .
- i). The Transaction is for any reason unlawful or unenforceable.
  - ii) Customers' signature is missing.
  - iii). Customer's signature on the Charge Slip or any other document required to be signed by the

Customer in relation to the Transaction is a forged or the Customer alleges the signature to

be a forged signature or the Customer's signature on the Charge Slip does not match the

Signature on the Valid Card used for transaction:

- iv). Copy of the Charge Slip or any other document required to be signed by the Customer in relation to the Transaction presented Federal Bank or retained by the Merchant is incompatible with the copy provided to the Customer;
- vi). Card presented to the Merchant in respect of the Transaction had been altered or was not a valid card at the time of the Transaction;
- vii). Price charged to the Customer with respect to the Products/Services is in excess of the price charged by the Merchant while receiving payment in cash for the same Products/Services;
- viii). Products and/or Services covered by the Transaction are returned or part thereof, and the Transaction is validly cancelled or terminated by a Customer.
- ix). Customer disputes the nature, quality or quantity of the products and/or services provided under the Transaction;
- x). Even though the sale price was in excess of the Floor Limit no prior approval was obtained from Federal bank for carrying out the Transaction;
- xi). Charge Slip or any other document required, or any part thereof is illegible, incomplete or unsigned or not submitted in accordance with these Terms and Conditions.
- xii). Any information presented electronically to Federal Bank in respect of the Transaction, is not received in accordance with Federal Bank's requirement from time to time.
- xiii). Federal Bank has requested evidence in relation to a transaction, which the merchant has failed to provide;

- xiv). There is a violation of the Terms and Conditions in relation to a Transaction.
- xv). Transaction information required to be presented in respect of the Transaction is not presented to Federal Bank within three days of the Transaction;
- xvi). In seeking authorization for a Transaction, the Merchant has given an incorrect Customer name or card account number to Federal bank;
- xvii). Transaction is posted more than once to Customers account due to deposit of incorrect copy of Charge Slip (copy other than Federal Bank Copy) by the Merchant;
- xviii). Federal Bank reasonably believes that the Transaction is Irregular or fraudulent;
- xix). Federal Bank is of the opinion that there are suspicious circumstances surrounding the transaction;
- xx). Issuing Bank refuses to honour the Charge Slips presented by the Merchant;
- xxi). Circumstances of the Transaction being so suspicious that the Merchant should have realized that the card is not a Valid Card and should have therefore declined the Transaction.
- xxii). Any other event or circumstances, occurring at the time of the Transaction, as may be notified in writing by Federal Bank from time to time.

## **9. INSPECTIONS AND PLACE OF BUSINESS**

The Merchant shall permit the authorized representatives of Federal Bank to carry out physical inspections of the place(s) of business of the Merchant and any godowns and warehousing facilities of the Merchant. The Merchant shall inform the Bank any removal of change of address and / or its cessation of business in writing or as per communication channel or electronic medium provided by Bank 30 working days prior to its effective date.

## **10. INDEMNITY**

The Merchant shall be liable to indemnify Federal Bank in respect of any actions, claims, costs, damages, demands, expenses, losses and liabilities made against, suffered or incurred by Federal Bank arising directly or indirectly in connection with breach of obligations by the Merchant as contained herein and/or due to any transaction between the Merchant and a Customer.

The Merchant shall further indemnify Federal Bank against all claims, losses, demands, actions, costs , expenses and liabilities whatsoever that may be suffered, incurred or sustained by Federal Bank as a result of or arising from the use or misuse of the Equipment(s) by the Merchant or its employees/agents.

## **11. DISCLAIMER**

Federal Bank disclaims all warranties, undertakings, inducements or representations whether expressed or implied, written or oral, including but not limited to warranties of merchantability and fitness of Products/Services, in relation to the Facility.

Further Federal Bank shall not, under any circumstances whatsoever, be under any liability to the Merchant or to any other party for any loss or damage (including consequential loss or damage) caused or incurred, arising directly or indirectly in relation to the Facility or in respect of the Equipment(s).

## **12. TERMINATION**

- i) The Merchant shall be entitled to terminate this Facility by giving 30 days prior written notice to Federal Bank, subject to the following:
  - a) Submit the POS termination letter of Federal Bank affixing the seal and signature of the merchant.
  - b) Merchant has to clear all the pending dues outstanding in his/her account related to the Equipment's.
- ii) Federal Bank shall be entitled to forthwith terminate this facility if the Merchant commits any breach of these Terms and Conditions or without assigning any reason and without prejudice to due completion and payment in respect of all Transaction processed and accepted by Federal bank on or before the termination date. In addition to the foregoing, the Bank shall have the right to immediately terminate this facility in the following cases:
  - a) In the event fees and charges payable to Bank are unpaid, for more than 90 days from due date.
  - b) In the event of using the Equipment(s) in any other locations other than the installation address shared at the time of availing the Facility
- iii) In the event that the said Facility is terminated, The Merchant shall present all Charge Slips to Federal bank, the payments for which shall be made within 180 days from the



date of transaction. No further charge slips shall be accepted by Federal Bank after termination of the Facility. In case any refund claimed by Federal Bank exceeds the amount due to the Merchant, the difference thereof shall be a debt due from the Merchant to Federal Bank and be recoverable forthwith by Federal Bank.

- iv) The termination shall not affect any liabilities incurred prior to the termination nor any provision expressed to survive or be effective on termination and (but without prejudice to the forgoing) clause 10, clause 11 and this clause shall remain in full force and effect, notwithstanding termination.
- v) The Bank shall have the right to exercise general lien or Debit Freeze on any account (Current / Saving) / deposits held by the Merchant with the Bank and set off the amounts lying therein / and or from monies received as part of future settlements, against recovery of outstanding dues towards the Bank, against any outstanding Charge Back recovery and / or any costs incurred by the Bank on account of damage / loss of the Equipment(s), etc. Such lien shall be released only after the Equipment(s) is handed over to the Bank in complete working / operating conditions to the satisfaction of the Bank and upon settlement of all outstanding dues under these Terms and Conditions.
- vi) If the Equipment(s) or its any of its accessories is lost or misplaced after installation or if the Merchant fails to produce them on demand by the Bank, the Bank shall have the right to recover the cost of the Equipment(s) and any of its accessories from the Merchant at the rates determined by the Bank, which shall be final and not contested by the Merchant.
- vii) The Bank will mark a lien on the Merchant account towards the terminal charges as mentioned in schedule of charges communicated at the time of onboarding, as updated on Bank website from time to time. The lien will be released only after the Equipment(s) is handed over in working / operating condition to the satisfaction of the Bank and upon settlement of all outstanding dues under these Terms and Conditions.
- viii) If chargeback received on Equipment(s) exceeds 10,000 INR, per MID per month, or put transaction settlements are put on hold on the Equipment's, or both, the Bank shall have the right to deactivate the Equipment(s). The Bank may, at its sole and absolute discretion, reactivate any deactivated Equipment(s) upon submission of satisfactory evidence to establish the transaction as genuine.
- ix) The Bank reserves the right to deactivate / de-install the Equipment(s) provided to the Merchant in case of non-compliance with regulatory guidelines in force by the Merchant
- x) The Merchant shall submit all Charge Slips relating to each transaction occurring 180 days prior to the date of termination of the Facility, to Federal Bank

### **13. PROMOTIONAL MATERIALS**

- a). The Merchant shall display Card Schemesymbols and names as well as promotional materials on its premises, place(s) of businesses, establishment(s) to inform the public that valid Cards under various card schemes will be honoured and accepted in the Merchant's establishment. Right to use or display Card Scheme symbols and names any promotional material shall be only for the term of this Facility.

- b). Federal Bank shall be irrevocably authorized by the Merchant to include the Merchant's name in any catalogue, directly or any other promotional material as may be prepared or produced by Federal Bank pertaining to acceptance of valid Cards .

#### **14. CONFIDENTIALITY**

- a). No Merchant shall, without the prior written consent of Federal Bank, disclose either the identity of any Customer who has entered into a Transaction or any information whatsoever relating to any Transaction to any other person; or otherwise use any information acquired by it in relation to such Customers in any manner than required for carrying out the Facility. However, any information required to be disclosed by any order of a court or regulatory authority of competent jurisdiction may be disclosed to such court or regulatory authority to the extent specified in the order.
- b). The Merchant shall not sell, purchase, provide or exchange a Customer's name/ or Valid Card information, obtained due to a transaction entered between the Merchant and the Customer, to any third party.
- c). Federal Bank shall be entitled at any time to disclose information concerning the Merchant to a third party in connection with the Facility provided by Federal Bank. This clause shall survive the termination of this Facility.

#### **15. FORCE MAJEURE**

If at any time the performance in whole or in part of the Bank's obligation under these Terms and Conditions are prevented or delayed by any reason beyond the control of the parties hereto, including but not limited to fire, storm, flood, earthquake, explosion, accident, military operation, war, rebellion, riot, wreck, epidemic, embargo, any virus in the system, any other electronic delay, or any laws, regulations or other Governmental actions, Merchant shall have no right to make any claim for damages against the other in respect of such non performance or delay in performance, and Bank shall be entitled to resume as soon as practicable after any such event has come to any end or ceased to exist.

#### **16. TERMS AND CONDITIONS FOR UPI**

The terms and conditions ("Terms") set out below along with Guidelines issued by National Payments Corporation of India ("NPCI") from time to time ("Guidelines") as also regulations issued by Reserve Bank of India ("RBI") and / or other regulators / statutory bodies from time to

time shall govern the collection arrangement of The Federal Bank Limited (“Federal Bank”) agreed to be availed by any Accountholder (“UPI Facility”) under Unified Payments Interface (“UPI”) service provided by NPCI under its guidelines (“UPI Guidelines”) and crediting account held by the Merchant with Federal Bank.

Federal Bank agrees to provide the UPI Facility to the Merchant to enable it to receive payments made to it by a Customer through an Account, in respect of the Products & Services availed by them through the Merchant’s Online Portal / Website / Mobile Application / Physical Store as per terms mentioned herein and Federal Bank hereby reserves its right to discontinue the same, at its sole discretion.

## 17. MISCELLANEOUS

- a) **Modifications:** These Terms and Conditions may be modified, amended, supplemented, or otherwise changed by Federal Bank at any time, and the continued use of the Facility by the Merchant shall be deemed as an acceptance to such modified Terms and Conditions.
- b) **Assignment:** The Merchant shall not assign, in whole or in part, the obligations or the benefits, arising under these Terms and Conditions, to any other person without the prior written consent of Federal Bank. Federal bank shall have the right to assign all its rights, titles, benefits under these Terms and Conditions to any of its affiliates, without the prior consent of the Merchant. These Terms and Conditions shall apply to and bind any successor or permitted assigns of any of the above parties hereto.
- c) **Set-Off:** Federal bank shall have the paramount right to set off and lien, irrespective of any other lien or charge, present as well as future on the deposits of any kind and nature (including fixed deposits) held/balances lying in any other account(s) of the Merchant maintained with Federal Bank towards the satisfaction of the Merchant’s liability under these Terms and Conditions.
- d) **Disclosure:** If the Merchant does not fulfill its rights and obligations under these Terms and Conditions, Federal Bank will have the right to disclose such default to associations and regulations like NMAS, MATCH, CARE, CRISIL etc and list the Merchant in their negative databases.
- e) **Waiver:** all rights and remedies hereunder shall be cumulative and may be exercised singularly and concurrently. If either party fails to perform its obligations under any of the provisions of these Terms and Conditions and the other party does not enforce such provision, failure to enforce it’s right on that occasion shall not prevent enforcement on later occasions.
- f) **Jurisdiction and governing law:** This Facility shall be governed by the laws of India only and no other nation. Any dispute with respect to the facility shall be submitted to the exclusive jurisdiction of the Courts located in Aluva, India.

- g) **Headings and subheadings:** The headings and subheadings in these Terms and Conditions are for convenience only and do not affect the meaning of the relative section/clause.
- h) **Disclosure of information:** Federal Bank shall be entitled at any time to disclose information concerning the Merchant to third party. in connection with Facility provided Federal Bank. This clause shall survive the termination of this Facility.
- i) **Relationship:** These terms and conditions shall not make the Merchant or Federal Bank an agent, representative, employee, partners of each other. The Merchant and Federal Bank will be independent contractors for the purpose of this Facility.
- j) **Notices:** Any notice, direction or instruction given under this facility shall be in writing and delivered by hand, post or facsimile on the address given below in case of Federal Bank and as given in the application form in case of Merchant. Notice and instructions will be deemed served seven days after it's posting by one of the parties or after receipt by the other party in the case of hand delivery or facsimile.

**Federal Bank**

Digital Centre of Excellence,

The Federal Bank Ltd,

3<sup>rd</sup> Floor, Federal Towers,

Aluva - 683102

Kerala.

## **CORPORATE FEDMOBILE**

### **DEFINITIONS**

In this document, the following words and phrases have the meaning set below unless the context indicates otherwise:

**The "Bank"** shall mean The Federal Bank Ltd, a banking company within the meaning of Companies Act, 2013, having its registered office at Federal Towers, Aluva -683101, Ernakulam, Kerala.

**"Customer" or "Entity"** shall mean a customer of the Bank, either a natural person or a Non-Individual Entity which can be Sole Proprietorship, Partnership, Company, Trust or Association, who has requested for Corporate FedMobile service and/or will be availing such service and shall also include User and External User, wherever the context so requires.

**"Account(s)"** shall mean bank account and /or any other type of account so maintained by the Customer with The Federal Bank Ltd or any of its Affiliate for which the Facility is being offered or may be offered in future (each an "Account" and collectively "Accounts").

**"Facility" or "Corporate FedMobile"** shall mean mobile banking facility provided by the Bank, which enables the customers to access specified banking services including information relating to their Account(s), transaction details and such other services as may be made available by the Bank from time to time.

**"Corporate FedMobile App"** - Mobile application (similar to FedMobile) available in Android and IOS for doing mobile banking transactions herein referred as Mobile App.

**"Corporate FedMobile Web"** - Web based application (similar to FedNet and Corporate FedNet) for doing banking transactions digitally herein referred as Web Application or Web App.

**"Corporate Customer ID"** - Customer ID number available in the records of the Bank, opened in the name of entity.

**"Corporate ID"** - User ID for the entity, set or preferred by the entity for the purpose of availing Corporate FedMobile services, which will be linked to the 'Corporate Customer ID'.

**"Mobile Phone Number" or "Mobile Number"** shall mean the last updated mobile number of the Customer or the last updated mobile number of the User, as may be applicable, in the records of the Bank, used by the customer to register for the Facility.

**"User"** – A natural person who uses the Mobile Application and has privilege to operate the account(s) pertaining to the entity. All Users should have a valid Customer ID registered with the

Bank linked to Customer ID of the entity or 'Corporate Customer ID'. All users should have a valid mobile number registered with the bank.

**"User ID"** - User ID set by users for the purpose of availing Corporate FedMobile services. Every User ID will be linked to a valid customer ID of the user in the Bank's records.

**"External User"** – A natural person and an employee or otherwise authorized by the entity, who has a limited privilege to view and initiate transactions in the web version of Corporate FedMobile ('Corporate FedMobile Web'). External Users need not have a valid Customer ID in Bank's records.

**"External User ID"** - User ID preference given for the purpose of availing Corporate FedMobile facility for external users. External User ID will be linked to Corporate ID.

**"Registering Entity"**—A natural person who does registration process on behalf of the entity and users of the entity. Registering entity need not have a valid Customer ID in the Bank's records. Registering entity can be authorized operators of the account or an employee or other person duly authorized by the entity.

**"Personal Information"** shall mean the information about the Customer obtained in connection with the Facility.

**"Website"** refers to [www.federalbank.co.in](http://www.federalbank.co.in), <https://fedcorp.federalbank.co.in> or any other website as may be notified by The Bank from time to time.

**"MPIN"** shall mean the Personal Identification Number (Password) for the facility.

**"Alert(s)"** means the customised messages sent to the Customer over his mobile phone number as short messaging service ("SMS") in response to the Triggers sent by the Customer.

**"Triggers"** means the customised triggers that are required to be set by the Customer with The Bank which shall enable The Bank to send the Alerts relating to his Account.

**"Mobile Banking Menu"** shall mean the options in the Corporate FedMobile App which can be installed on the mobile phone handset to access information pertaining to the Account(s), by keying in digits representing the relevant menu options.

**"GPRS"** shall mean the General Packet Radio Service.

In this document, all reference to Customer in masculine gender shall be deemed to include the feminine and neutral genders.

## **APPLICABILITY OF TERMS AND CONDITIONS**

These terms and conditions together with the application made by the Customer and as accepted by The Bank shall form the contract between the Customer and The Bank, and shall be further subject to such terms as The Bank may agree with the other service providers. These terms and conditions shall be in addition to and not in derogation of the terms and conditions governing the Telebanking facility, FedNet, ATM/ Debit Card Facility and those relating to any Account of the Customer and /or any other product/services provided by The Bank and its Affiliates. In addition to the terms and conditions contained herein all the terms and conditions governing the use of "FedMobile", the mobile banking service of The Federal Bank Ltd , shall also be applicable to and binding on the "Corporate FedMobile" customer/s and the authorized user/s to the extent the same are not inconsistent with the terms and conditions contained herein.

## **APPLICATION**

"The Customer shall apply to the Bank for availing the Facility (and/or for any changes to the options availing under the Facility) in the specified application form and/or by any other method as provided by the Bank from time to time for use of the facility. The Bank may provide an option to the Customers to apply for the Facility through the Corporate FedMobile App by way of authentication using debit card credentials of the Customer. Application for the Facility shall be accepted only after authentication of the Customer through any mode of verification as may be decided at the discretion of the Bank.

## **ELIGIBLE CUSTOMER**

1. All KYC Compliant customers under non-individual category having satisfactory running Current/Savings/Overdraft/Cash Credit accounts can avail of this service.
2. The facility will be available in case of account of a Customer operated singly or jointly. For jointly operated account, the facility will be provided to some or all the Users only after the Customer specifically authorizes the respective Users to avail the Facility.

## **APPLICABILITY**

1. The last updated mobile number in the records of The Bank would be the registered Mobile number for the facility. The Customer agrees to use the facility on a Mobile Phone properly and validly registered in his/ her name only with the Mobile Service provider and undertakes to use the Facility only through Mobile number which has been used to register for the Facility.
2. For the purpose of activation of the facility, Customer hereby consents to receive One Time Password (OTP) through automated voice call service, in addition to any other mode of authentication as prescribed by the Bank, on Customer's registered mobile number, even though the said mobile number may be registered with the 'Do Not Disturb' service/database of the Service Provider.
3. Currently, Mobile Banking Facility is not offered for two Mobile numbers for the same user.

4. All accounts linked to a same Customer ID can be registered for the Facility, but the primary Current/Savings/Overdraft/Cash Credit account of the customer will be the Primary account of the Facility.
5. The Bank reserves the right to reject a customer's application for the Facility without assigning any reasons.
6. Entering the wrong MPIN thrice will block the Facility to the account for the day and three such consecutive blockages will deactivate the customer and the customer should re-register for the facility as per the procedure laid down for the same.
6. The Customer is responsible for intimating to The Bank any change in his Mobile Phone Number or email address or Account details and The Bank will not be liable for sending Alerts or other information over the Customer's mobile phone number/email address /fax number recorded with The Bank.

## **USE OF THE FACILITY**

1. The Bank shall be entitled to use hardware, software and/or such other equipments as may deem fit by the Bank and modify the same as necessary or appropriate for providing the services. The Customer may also be required to modify/upgrade its systems/mobile devices/network to comply with the standards of the payment mechanisms (then in force) and the standards applicable to the various services provided by the Bank.
2. The Entity is free to choose a Corporate ID/User ID and the authorised User is free to choose a Password/MPIN of their choice as per the guidelines provided by the Bank. However, if due to technical or other reasons, Bank decides that the IDs/password/MPIN chosen by the Registering Entity/Authorised User cannot be allotted to him/her, the Registering Entity/Authorised User will have to choose another ID/password/MPIN. The Authorised User is advised to avoid choosing a password that is a dictionary word or is guessable/ inferable from personal data such as name, date of birth, address, telephone number, driving license/car number etc.
3. In the interest of customer safety, the system does not permit retrieval of a lost or forgotten Password. In case the Authorised User forgets his/her Password, the authorized user will have to register for a duplicate password and a fresh Password will be issued to the authorized user.
4. In case of an unintended termination of a valid session due to break in Internet Connectivity/and /or mobile network connectivity, it is suggested that the Authorised User login afresh and verify the status of last requested transaction and ensure that it has been recorded successfully and correctly.
5. Transactions originated by the Users are logged and transmitted to the concerned Bank Branch database for fulfilment. The requests take effect from the time these are recorded / registered at the respective branch where the customer/ corporate is maintaining the account.



6. The bank presupposes and the Customer acknowledges that log-in using appropriate User ID and Password/MPIN is a valid session initiated by none other than the Authorised User to whom the said User ID and Password/MPIN belongs. The Bank shall rely upon all electronic communications, orders or messages to the Bank through the registered mobile number and the Bank shall take it for granted that the originator of the communication is the Authorised User to whom the User ID/Password has been issued.

7. The Bank is not bound to enquire as to whether or not the Authorised User has been duly authorised to access the Corporate FedMobile Service on behalf of the Customer by an appropriate or competent authority of the Customer/Corporate. Accordingly, a person using the Corporate FedMobile Service on behalf of the Customer shall be presumed by the Bank to have the authority to have access to the Corporate FedMobile Service.

8. Notwithstanding anything contained herein, where the Bank has reason to believe that any transaction/debits or marking of liens, have been fraudulently made (hereinafter referred to as a "suspect transaction"), the Bank shall be entitled to withhold payment pertaining to such suspect transaction in accordance with the regulatory laws relating to Money Laundering etc. If the Bank determines after due enquiry and investigation that the transaction is a valid transaction and not a suspect transaction, the Bank shall release such withheld payment. Provided that the Bank shall not withhold payment to the Customer without sufficient cause, which shall be informed by the Bank to the Customer on the finding of such sufficient cause. Provided further that if within the period of 6(six) months the Bank determines after due enquiry and investigation that any suspect transaction is not a valid transaction at all, the Bank shall reverse the invalid transaction, consequently the Customer shall be liable to the bank for the resulted outstanding balance, if any.

9. The Authorised User must keep the User ID and Password/MPIN strictly confidential and known only to himself. It is a good practice to commit the password/MPIN to memory rather than write it down somewhere. The Bank shall not be responsible for loss sustained by the Customer due to breach of this condition. The Authorised User is also cautioned against leaving the mobile device during a valid session and/or permit use of the mobile device by third parties.

10. The grant of Corporate FedMobile facilities to the customer through its authorized users is not transferable under any circumstances and shall be used only by the customer.

## **AVAILABILITY & DISCLOSURE**

The Bank shall endeavour to provide to the Customer through the Facility, such services as The Bank may decide from time to time. The Bank reserves the right to decide what services may be offered to a Customer on each Account and such offers may differ from Customer to Customer. The Bank may also make additions / deletions to the services offered through the Facility at its sole discretion. The Facility is made available to the Customer at his request, at the sole discretion of The Bank and may be discontinued by The Bank at any time, without notice. The Bank shall have the discretion to offer the Facility to Non-Resident Indians subject to applicable laws. The instructions of the Customer shall be effected only after authentication of the Customer by means of verification of the Mobile Phone Number and/or through verification of MPIN/ password

allotted by The Bank to the Customer or through any other mode of verification as may be stipulated at the discretion of The Bank.

## **INSTRUCTIONS**

All instructions for availing the services under the Facility shall be provided through the Mobile Phone Number in the manner indicated by The Bank. The Bank shall be entitled to act upon the instructions of the Customer provided through Users/External Users and the Bank shall not be under any obligation to seek any confirmation or clarification from the Customer before acting on any instruction of the Customer provided through Users/External Users. The Customer and The Bank shall have the right to suspend the services under the Facility if The Bank has reason to believe that the Customer's instructions may lead to direct or indirect loss or may require an indemnity from the Customer before continuing to operate the Facility. The Customer accepts that all information /instructions will be transmitted to and /or stored at various locations and be accessed by personnel of The Bank (and its Affiliates). The Bank is authorised to provide any information or details relating to the Customer or to third party to facilitate the providing of the Facility and so far as is necessary to give effect to any instructions. The Customer accepts that each Alert may contain certain Account information relating to the Customer. The Customer authorises The Bank to send Account related information, though not specifically requested, if The Bank deems that the same is relevant. The Bank shall not be held responsible for the confidentiality, secrecy and security of the Personal or Account information being sent through the Facility.

## **FUND TRANSFER FACILITY**

If fund transfer service is made available to the Customer through the Facility, it may be used for transfer of funds from Account/s to other accounts belonging to third parties or Customer himself maintained at The Bank and/or at any other Bank which falls under the network of Reserve Bank of India's Electronic Fund Transfer or National Electronic Fund Transfer system or Real Time Gross Settlement or Immediate Payment Service or such other permissible medium. In such an event, the terms applicable to such facilities, in addition to this facility, shall be applicable. Bank has the right to impose limits/cap on transaction (per transaction, daily, weekly, monthly), transaction velocity limit, etc. as may be decided by the Bank from time to time and such transaction limits shall be notified on the website of the Bank.

## **ACCURACY OF INFORMATION**

The Customer undertakes to provide accurate information wherever required and shall be responsible for the correctness of information provided by him to The Bank at all times including for the purposes of availing of the Facility. The Bank shall not be liable for consequences arising out of erroneous information supplied by the Customer. If the Customer suspects that there is an error in the information supplied by Bank to him, he shall advise The Bank as soon as possible. The Bank will endeavour to correct the error wherever possible on a reasonable effort basis. While the Bank will take all reasonable steps to ensure the accuracy of the information supplied to the Customer, The Bank shall not be liable for any inadvertent error, which results in the providing of inaccurate information. The Customer shall hold The Bank harmless against any loss, damages

etc. that may incurred / suffered by the Customer if the information supplied to the Customer turns out be inaccurate / incorrect. **The Customer agrees that the access to the Facility shall be only through the Mobile Phone Number and any transaction which originates from the same, whether initiated by the Customer or not, shall be deemed to have originated from the Customer.**

## **AUTHORITY TO THE BANK**

The Customer irrevocably and unconditionally authorises The Bank to access all his Accounts for effective banking or other transactions of the Customer through the Facility. The Customer further authorizes The Bank to share the Account information with Third Party for the purpose of accepting/ executing request of the Customers.

The Customer agrees that The Bank and / or its Affiliates may hold and process his personal information concerning his Accounts on computer or otherwise in connection with the Facility as well as for analysis, credit scoring and marketing. The Customer also agrees The Bank may disclose, in strict confidence, to other institutions, such information as may be reasonably necessary for reasons inclusive of but not limited to the participation in any telecommunication or electronic clearing network, in compliance with legal directive, for credit rating by recognized credit scoring agencies, and for fraud prevention.

**The Customer authorises Bank and its agents to send any message or make calls to his mobile phone to inform him about any promotional offers including information regarding banks' new products either now available or which the Bank may come up with in the future, greetings or any other message that the Bank may consider appropriate to the user.**

**The User irrevocably and unconditionally agrees that such calls or messages made by the Bank and or its agents shall not be construed as a breach of the privacy of the user and shall not be proceeded against accordingly.**

## **FEES**

The Bank shall have the discretion to charge fees as it may deem fit from time to time and may at its sole discretion, revise the fees for use of any or all of the Facility, and the same shall be displayed on the Website which shall constitute sufficient notice to the Customer. The Customer may at any time discontinue or unsubscribe to the said Facility. The Customer shall be liable for payment of such airtime or other charges which may be levied by any cellular service provider in connection with availing of the Facility and The Bank is in no way concerned with the same. The charges payable by the Customer is exclusive of the amount payable to any cellular service provider and would be debited from the account of the Customer. The Customer shall be required to refer to the schedule of fees put up on the Website from time to time.

## **SET-OFF**

1. The Bank and its group companies shall have the paramount right of set-off and lien, irrespective of any other lien or charge, present as well as future on the deposits of any kind and nature (including fixed deposits) held/ balances lying in any other Account/s of the Customer maintained with the Bank and / or Affiliates, whether in single name or joint name(s) and on any monies, securities, bonds and all other assets, documents and properties held by/ under the control of the Bank and/or Affiliates (whether by way of security or otherwise pursuant to any contract entered/ to be entered into by the Customer in any capacity) towards the satisfaction of the Customer's liability under the Facility. The Bank and/ or Affiliates are entitled without any notice to the Customer, to settle any indebtedness whatsoever owed by the Customer to the Bank and/or Affiliates, (whether actual or contingent, or whether primary or collateral, or whether joint and/or several) hereunder or under any other document/ agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any Account/s held by the Customer with the Bank and/or Affiliates notwithstanding that the deposit(s)/ balances lying in such Account/s may not be expressed in the same currency as such indebtedness. The Bank's and its Affiliates' rights hereunder shall not be affected by the Customer's bankruptcy, death or winding-up. It shall be the Customer's sole responsibility and liability to settle all disputes/ objections with any such joint account holders.

2. In addition to the above mentioned right or any other right which the Bank and its Affiliates may at any time be entitled whether by operation of law, contract or otherwise, the Bank is authorized / will be entitled: (a) to combine or consolidate at any time all or any of the Accounts and liabilities of the Customer with or to any branch of the Bank and/or its Affiliates; (b) to sell or otherwise dispose off any of the Customers' securities or properties held by the Bank by way of public or private sale or otherwise without having to institute any judicial proceeding whatsoever and retain/appropriate from the proceeds derived there from the total amounts outstanding to the Bank and/or to the Affiliates from the Customer, including costs and expenses in connection with such sale or disposal;

## **MODIFICATION**

The Bank has the absolute discretion to amend or supplement any of the terms and conditions at any time and any such amendment or revision to these terms and conditions shall be displayed on the Website, which shall constitute sufficient notice to the Customer. Such amended terms and conditions will thereupon apply to and be binding on the Customer.

## **TERMINATION**

The Customer may request for termination of the Facility any time by giving a written notice of at least 30 days to The Bank. The Customer will remain responsible for any transactions made through his Mobile Phone Number through the Facility prior to the time of such cancellation of Facility.

The Bank may, at its discretion, withdraw temporarily or terminate the Facility, either wholly or

in part, at any time without giving prior notice to the Customer. The Bank may, without prior notice, suspend the Facility at any time during which any maintenance work or repair is required to be carried out or in case of any emergency or for security reasons, which require the suspension of the Facility. The Bank shall endeavour to give a reasonable notice for withdrawal or termination of the Facility.

The Bank may suspend or terminate Corporate FedMobile facilities without prior notice to the customer if the customer or the authorized user has breached any of the terms and conditions contained herein or any modifications effected to the same or the Bank learns of the death, bankruptcy, lack of legal capacity or existence of any dispute affecting the customer which in the opinion of the Bank is having a bearing on permitting operation of the account through the Corporate FedMobile facility granted to the customer. The closure of the of the customer will automatically terminate the Corporate FedMobile facility.

## **NOTICE**

The Bank and the Customer may give notice under these terms and conditions electronically (which will be regarded as being in writing) through e-mail. Any such notice shall be sent / received by the Customer through his e-mail id registered with the Bank. Any notice to the Bank may be forwarded to the e-mail id of the Bank, which is [contact@federalbank.co.in](mailto:contact@federalbank.co.in). The Bank and the Customer may also give notice in writing by delivering them by hand or by sending them by post to the last address given by the Customer and in case to The Bank at its office at The Federal Bank Ltd. Registered Office, Federal Towers, Aluva, Ernakulum District, Kerala, 683101. In addition, The Bank shall also provide notice of general nature regarding the facility and terms and conditions, which are applicable to all customers of the Facility, on its Website and/ or also by means the customised messages sent to the Customer / User over his mobile phone number as short messaging service ("SMS"). Such notice will be deemed to have been served individually to each Customer.

## **RECORDS**

All records of The Bank generated by the transactions arising out of use of the Facility, including the time of the transaction recorded shall be conclusive proof of the genuineness and accuracy of the transactions. The authority to record the transaction details is hereby expressly granted by the Customer to The Bank.

## **DISCLAIMER OF LIABILITY**

The Bank shall not be responsible for any failure on the part of the Customer to utilise the Facility due to the Customer not being within the geographical range within which the Facility is offered; Under no circumstance, The Bank shall be held liable if the Facility is not available for reasons including but not limited to natural calamities, legal restraints, system error, faults in the telecommunication network or network failure, or any other reason beyond the control of The Bank. If the Customer has reason to believe that his mobile phone number is / has been allotted to

another person and / or there has been an unauthorised transaction in his account and / or his mobile phone is lost, he shall immediately inform The Bank under acknowledgment about the same.

The Customer agrees that The Bank shall not be liable if

1. the Customer has breached any of the terms and conditions herein or
2. the Customer has contributed to or the loss is a result of failure on part of the Customer to advise The Bank within a reasonable time about unauthorised access of or erroneous transactions in the Account;
3. as a result of failure on part of the Customer to advise The Bank of a change in or termination of the Customer's Mobile Phone numbers. The Bank is in no way liable for any error or omission in the services provided by any cellular or any third-party service provider (whether appointed by The Bank in that behalf or otherwise) to the Customer, which may affect the Facility.
4. The Customer has not informed the Bank, at the earliest opportunity, about the suspension or termination of the authority of any of the users or external users to view/access/operate the account(s) of the entity.

The Bank does not warrant the confidentiality or security of the messages whether personal or otherwise transmitted through the Facility. The Bank makes no warranty or representation of any kind in relation to the system and the network or their function or performance or for any loss or damage whenever and howsoever suffered or incurred by the Customer or by any person resulting from or in connection with the Facility.

Without limitation to the other provisions of this terms and conditions, The Bank, its employees, agent or contractors, shall not be liable for and in respect of any loss or damage whether direct, indirect or consequential, including but not limited to loss of revenue, profit, business, contracts, anticipated savings or goodwill, loss of use or value of any equipment including software, whether foreseeable or not, suffered by the Customer or any person howsoever arising from or relating to any delay, interruption, suspension, resolution or error of The Bank in receiving and processing the request and in formulating and returning responses or any failure, delay, interruption, suspension, restriction, or error in transmission of any information or message to and from the telecommunication equipment of the Customer and the network of any cellular service provider and The Bank's system or any breakdown, interruption, suspension or failure of the telecommunication equipment of the Customer, The Bank's system or the network of any cellular service provider and/or any third party who provides such services as is necessary to provide the Facility.

Notwithstanding anything in the contrary provided in this terms and conditions, The Bank shall not be involved in or in any way liable to the Customer for any dispute between the Customer and a cellular services provider or any third-party service provider (whether appointed by The Bank in that behalf or otherwise). The Customer shall not interfere with or misuse in any manner whatsoever the Facility and in the event of any damage due to improper or fraudulent use by the Customer, the Customer shall be liable for damages to The Bank.

The Customer is solely responsible for protecting his Mobile Banking Personal Identification Number (MPIN) mobile phone number and any password given by The Bank for the use of the Facility. The Bank will not be liable for:

- (a) any unauthorised use of the Customer's MPIN, mobile phone or for any fraudulent, duplicate or erroneous instructions given by use of the Customer's MPIN or mobile phone number;
- (b) acting in good faith on any instructions received by The Bank;
- (c) error, default, delay or inability of The Bank to act on all or any of the instructions
- (d) loss of any information/instructions in transmission;
- (e) unauthorized access by any other person to any information /instructions given by the Customer or breach of confidentiality;
- (f) any unauthorized transaction in the Account as a result of any other issue/default/error/technological problem in the telecommunication instrument (such as the mobile handset) or duplication of mobile number / SIM of the Customer such as but not limited to SIM card cloning, virus/malware in handset etc.

The Bank may provide any other services as a part of the Facility and The Bank shall not be liable for the oversight on part of the Customer to update himself with the addition of services which have been included in the Facility and specific services for each product as may be provided on the website of The Bank and as will be available with the authorized call centres of The Bank.

## **INDEMNITY**

In consideration of The Bank providing the Facility, the Customer agree to indemnify and keep safe, harmless and indemnified The Bank from and against all actions, claims, demands, proceedings, loss, damages, costs, charges and expenses whatsoever The Bank may incur, sustain, suffer or be put to at any time as a consequence of acting on or omitting or refusing to act on any instructions given by use of the Facility.

The Customer holds The Bank/ its Affiliates, harmless against any loss incurred by the Customer due to failure to provide the services offered under the Facility or any delay in providing the services due to any failure or discrepancy in the network of the cellular service provider. The Customer agrees to indemnify and hold The Bank harmless for any losses occurring as a result of:

- i. the Customer permitting any third parties to use the Facility.
- ii. the Customer permitting any other person to have access to his mobile phone or as a consequence of leaving the mobile phone unattended or loss of mobile phone.

### **GOVERNING LAW**

These terms and conditions and/or the operations in the accounts of the Customer maintained by the BANK and/or the use of the services provided through the facility shall be governed by the laws of the Republic of India and no other nation • The BANK accepts no liability whatsoever, direct or indirect, for noncompliance with the laws of any country other than the Republic of India. The mere fact that the Facility can be accessed by a Customer in a country other than India shall not be interpreted to imply that the laws of the said country govern these terms and conditions and/or the operations in the Facility accounts of the USER/Entity and/or the use of the facility. Any dispute between Customer and the Bank with regard to the transactions done through Corporate FedMobile will be subject to the jurisdiction of the competent Courts where the concerned Bank branch maintaining the Account of the Customer is located.

### **DISCLAIMER**

The Bank may, at its sole discretion, utilize the services of external service provider/s or agent/s and on such terms as required or necessary, in relation to its products/services.

Customer/Authorised User understands that the Bank, IBA, RBI or any other regulators will never ask me/us to divulge the user-id, password or other personal credentials through email or other means. Bank or any of the regulators shall not be responsible for any loss that Customer /Authorised User may incur/have incurred due to divulging of Username/ password/other confidential information by Customer/Authorised User.



## **AUTOSWEEP FACILITY**

1. The terms and conditions governing savings/ current accounts and fixed deposit accounts shall inter alia apply to the auto-sweep linked savings/ current accounts, except where modified by these specific terms and conditions.
2. For accounts registered for the auto sweep facility, flexi fixed deposits in multiples of such amount as may be fixed by the Bank will be automatically created through sweep-out of funds available in the savings/ current account over and above the threshold limit, till the instruction is withdrawn or cancelled by the account holder.
3. Flexi fixed deposits(s) created under the auto sweep facility shall be broken in multiples of such amount as fixed by the Bank and the break value shall be credited back to the linked savings/ current account by automatic reverse sweep to meet the shortfall in the account arising on account of any debits into the savings/ current account (e.g. cheques issued, ATM withdrawals, POS transactions etc) and to maintain the threshold amount in the account, without the requirement of any consent/instruction of the account holder. The balance amount of the broken flexi fixed deposit linked to the savings/ current account shall continue at the applicable interest rate from time to time. Bank shall not be liable/responsible in any manner for any loss incurred by the account holder on account of the premature closure of the flexi fixed deposits as above.
4. The auto-sweep facility linked to operative accounts is available exclusively for savings/ current accounts.
5. The account holder/s must maintain a minimum average monthly balance in the above savings/current as determined by the bank from time to time. If at any time the average monthly balance falls below the stipulated balance, the bank reserves the right to levy and recover charges as per the current tariff sheet, by debiting the savings/ current account and/or by breaking any of the linked flexi fixed deposits.
6. When placing a request for sweep facility, if clear balance in multiples of such amount as fixed by the Bank, over and above the threshold amount is not available in the savings/current account, the request will stand cancelled and the account holder will have to give a fresh request for registering auto sweep facility, as and when balance in multiples of such amount as fixed by the bank, over and above the threshold amount, is available in the savings/current account.
7. Balance outstanding in all the flexi fixed deposits created under the auto-sweep linked savings/ current account will be automatically renewed upon maturity at the prevailing interest rate on the date of maturity.
8. All fixed deposits will be on card rates only, as per the prevailing interest rates published by the bank from time to time.

9. The savings/ current accounts and the linked flexi fixed deposits shall be in the same name/order of names and shall have the same account operating mandate.
10. The total limit available for withdrawal from the auto-sweep linked savings/ current account through ATM/POS/Online Banking is the sum of (i) the entire balance of the linked savings/ current account; and (ii) break value of all the linked flexi fixed deposits.
11. The Bank reserves the right to encash the linked flexi fixed deposit/s, fully or partly, prematurely or on maturity, as may be required, to meet/fulfill/satisfy any of the obligations of the linked savings/current account, without any prior notice or intimation to the account holder.
12. If the account holder/s has/have more than one linked flexi fixed deposit, the last flexi fixed deposit created will be broken first (LIFO basis) to meet any shortfall in the savings/ current account, and if this is insufficient, the flexi fixed deposit created prior to the last flexi fixed deposit will be broken, and so on, until the shortfall/demand is fully met.
13. If a fixed deposit of the account holder is not linked to the auto-sweep linked/enabled savings/ current account, it will not be considered for calculating the aggregate balances for honouring cheques, ATM/POS/Online banking transactions drawn on the said account.
14. TDS will be deducted as per applicable Income Tax rules.
15. The interest on prematurely withdrawn/broken flexi fixed deposits will be calculated as per the bank's policy prevailing from time to time. Details of the applicable interest rate and premature closure penalty will be published on the Bank's website, [www.federalbank.co.in](http://www.federalbank.co.in), from time to time.
16. Premature closure of the Resident/NRO deposit within 7 days and NRE deposit within 1 year will not carry any interest, including savings bank interest.
17. No overdraft/loan will be provided against the security of the flexi fixed deposits created under the auto-sweep facility.
18. The nomination for the flexi fixed deposits will be the same as applicable to the linked savings/ current account.
19. Bank may at any time at its discretion vary the threshold balance in the linked savings/ current account and/or minimum deposit amount required for creating flexi deposit and /or the reverse sweep amount to be credited in the linked savings/ current account on breaking the flexi fixed deposit.
20. The Bank will issue a consolidated account statement in lieu of confirmations for the flexi fixed deposits opened /renewed under the auto sweep facility from time to time.
21. The Bank shall have an unconditional lien on the flexi fixed deposit/s created under the auto sweep facility. The bank shall also have the unfettered right to set off amounts lying in the flexi

fixed deposits against any dues payable to the Bank by the account holder. Bank's lien/right to set off will have priority over any obligation to pay a cheque drawn on the savings/ current account or honour a transaction done through ATM/POS/Online Banking.

22. The Bank shall not be under any obligation to create flexi fixed deposit(s) in the event of any prohibitory order from a judicial/statutory authority in respect of the savings/current account.

## **BHIM UPI QR SERVICES WITH SOUNDBOX**

### **1. DEFINITIONS**

- a) “Business Day” means a day on which the office of Federal Bank is open for normal business transactions.
- b) “Customer” means any person having a Virtual Private Address and using a UPI PSP app for making payment for purchasing Product/Service from Merchant.
- c) “Equipment/s” shall mean “Sound Box” which is a voice-activated device that provides a verbal/audio confirmation of the transaction to the Merchant, and it reads out the alert that is provided by the Bank on the successful transfer of funds using UPI Quick Response Code (“QR Code”).
- d) “Federal Bank” means The Federal Bank Limited, a banking company within the meaning of Companies Act, 2013, having its registered office at Federal Towers, Aluva, Kerala, India, its successors, and assigns.
- e) “Merchant” shall mean a retailer or any other entity, who agrees to accept payments from the customers for the Products/Services sold/provided to such Customers, through UPI on the terms and conditions contained herein.
- f) “Product” shall mean any tangible product that is manufactured or distributed by the merchant and the Customer purchases that and the payment for which is to be made by the Customer.
- g) “Service” shall mean any service that the merchant offers to provide, which can be availed of by the Customer by making payment through a valid VPA.
- h) “Terms and Conditions” shall mean the terms and conditions set out herein and/or as may be stipulated by the Federal Bank from time to time, as amended.
- i) “Transaction” shall mean an order that results in the delivery by the Merchant to the Customer of the Products(s)/ Services in respect of which the orders were placed.

### **2. GENERAL TERMS**

- a. ‘Sound Box Facility’ is an optional facility that is provided by the Bank to the Merchant for convenience and is a value addition product and the same does not facilitate any electronic funds transfer.
- b. Federal Bank shall enable the Merchant to use the Equipment, on such terms and conditions as stipulated herein, or such modified terms as may be determined by Federal Bank. For the above purpose Federal Bank shall install at the Merchant premises the Equipment, and such related accessories and software, as Federal Bank may deem appropriate. All such Equipment as may be

provided by Federal Bank shall remain the property of Federal Bank and shall be surrendered to Federal Bank on demand and in the event of termination of the facility.

c. Federal Bank shall be entitled to charge the Merchant for the cost of the Equipment, and/or the costs of repairing the Equipment, in the event the Equipment is/are damaged because of the improper handling by the merchant.

d. The Federal Bank shall have the right to share merchant information/transaction details with regulators/controllers, internal/external auditors, and other statutory/regulatory authorities, as may be required from time to time.

e. In the event of any loss or damage to any Equipment due to any use, misuse and/ or negligence on the part of the merchant /its employees/agents, Federal Bank shall have the right to deduct from the current account and/or other accounts maintained by the Merchant with the Bank, the amount of such loss or damage without any prior notice to or consent of the merchant. The bank reserves the right to determine the quantum of loss /damage at its sole discretion and the same shall be binding on the Merchant.

### **3. RIGHTS AND OBLIGATIONS OF MERCHANT**

a. Where the Merchant is the owner of the premises: The Merchant hereby expressly agrees and consents to the handing over and installation of the Equipment.

b. Where the Merchant is a lessee, licensee or not the full owner of the premises: The Merchant has obtained all necessary permission to permit the Bank to install Equipment at the premises.

c. The Merchant shall retain in its possession and for its exclusive use the Equipment provided under these terms and keep the Equipment in good condition. It shall be the duty of the Merchant to safe-keep and control the use of Equipment.

d. The Merchant shall not:

a. Sell, assign, transfer, lease or otherwise cause or allow or attempt, to cause or allow any dealings with the Equipment or any encumbrance on the Equipment.

b. Remove, conceal, or alter any makings, tags or plates attached to the Equipment or part of it indicating Federal Bank's Ownership of the Equipment.

c. Cause or allow Federal Banks right to access, repossession, or disposition of the Equipment, to be encumbered in any way be jeopardized by any act of the Merchant or its servants or agents or by any other factor within its control.

e. The Merchant shall extend all reasonable and necessary assistance to the Federal Bank, NPCI, and law enforcing authorities for the purpose of fraud prevention, investigation or any other such processes.

f. The Merchant shall retain all documents and records relating to each transaction for a period of not less than three years thereafter and produce the same to the Federal Bank on request.

g. The Merchant shall solely be liable for the payment of all present or future, direct or indirect, central, state, and local levies, taxes, duties, fines, and penalties, by whatever name called, as may become due and payable in connection with the Equipment. The Federal Bank's decision on the requirements (including the amounts and the intervals for payment of such amounts) shall be final and binding upon the Merchant.

h. The Merchant shall take express permission from the Federal Bank before changing its line of business or making additional to its business.

i. The Merchant shall not sell any items that have been prohibited under the law of the country where the customer resides. The Merchant shall comply with all applicable laws, rules, regulations and RBI/NPCI guidelines while receiving payments through the BHIM UPI QR.

j. Merchant understands and agrees that in case of low utilization/non-utilization of Equipment for a continuous period of 2 months, Bank reserves the right to recall and take back the Equipment.

k. The Merchant understands that, based on his request, the Bank may, from time to time, at its sole and absolute discretion grant certain additional features/services, in respect of the Equipment. The terms and conditions in respect of such additional features/services shall be included under these terms, and the Merchant agrees to be bound by these terms and conditions, as modified from time to time.

l. The Bank shall have the right to recall the Equipment and blacklist the Merchant for issuance of the Equipment in future, if any statement/information provided by the Merchant to the Bank is untrue, inaccurate, not current, or incomplete or if the Bank has reasonable grounds to suspect that such information is untrue, inaccurate, not current or incomplete, or not in accordance with these terms.

#### **4. PAYMENT**

Federal Bank shall charge a one-time installation fee for installing the Equipment along with a monthly rental fee from the Merchants as per the terms contained in Schedule I.

#### **5. DISCLAIMER**

a) Federal Bank disclaims all warranties, undertakings, inducements, or representations whether expressed or implied, written, or oral, including but not limited to warranties of merchantability and fitness of Products/Services, in relation to the Equipment.

b) Further Federal Bank shall not, under any circumstances whatsoever, be under any liability to the Merchant or to any other party for any loss or damage (including consequential loss or damage) caused or incurred, arising directly or indirectly in relation to the Equipment.

## **6. TERMINATION**

Federal Bank shall be entitled to forthwith recall the Equipment if the Merchant commits any breach of these Terms and Conditions or without assigning any reason and without prejudice to the payment of fees as per Schedule I. The termination shall not affect any liabilities incurred prior to the termination nor any provision implied to survive or be effective on termination.

## **7. CONFIDENTIALITY**

a) The Federal Bank shall be entitled at any time to disclose information concerning the Merchant to a third party in connection with the Equipment provided by Federal Bank, even post recall of the Equipment.

## **8. MISCELLANEOUS**

a) Modifications: These Terms and Conditions may be modified, amended, supplemented, or otherwise changed by Federal Bank by updating the same on the website, and the Merchant agrees to comply with any revisions to the terms herein, and waives its right to receive a notice of such modification/revision.

b) Assignment: The Merchant shall not assign, in whole or in part, the obligations or the benefits arising under these Terms and Conditions to any other person without the prior written consent of the Federal Bank.

c) Set-Off: Federal bank shall have the paramount right to set off and lien, irrespective of any other lien or charge, present as well as future on the deposits of any kind and nature (including fixed deposits) held/balances lying in any other account(s) of the Merchant maintained with Federal Bank towards the satisfaction of the Merchant's liability under these Terms and Conditions.

d) Disclosure: If the Merchant does not fulfill its rights and obligations under these Terms and Conditions, Federal Bank will have the right to disclose such default to NMAS, MATCH, CARE, CRISIL etc. and list the Merchant in their negative databases. Federal Bank shall be entitled at any time to disclose information concerning the Merchant to third party in connection with the Equipment provided by Federal Bank. This clause shall survive the recall of the Equipment.

## **CORPORATE INTERNET BANKING**

1. Customer agrees to avail the Internet Banking services / Payment Services and other Facilities through the Bank's website [ww.federalbank.co.in](http://ww.federalbank.co.in) and through mobile version, offered by The Federal Bank Ltd to its corporate customers ("referred to as Corporate Internet Banking"). The customer do hereby accept such terms, regulations, conditions and stipulations laid down by the Federal Bank Ltd, (hereinafter referred to as 'the Bank') from time to time, for the purpose.
2. By logging on to the webiste and/or by using the mobile version of the Corporate Internet Banking platform for availing the facilities through Corporate Internet Banking, the customer confirms unequivocally to these Terms and Conditions guiding the operation of the Corporate Internet Banking services.
3. The Customer shall execute from time-to-time necessary documents including authority letter(s) for the purpose.
4. The Customer shall nominate Internet Banking Administrators and other users (herein after referred to as the 'Authorised Users' or 'Authorized signatories') to operate the accounts of the customer through internet, including payments, fund transfers, and to avail other facilities and services like supply chain Finance, Trade Finance, E-collections offered by the Bank through Corporate Internet Banking.
5. The Bank is entitled to accept and act upon instructions given by the Authorised users through "Corporate Internet Banking" service through electronic medium singly or jointly by using valid Username or Password in respect of Customer's account(s) as per the operating rules from time to time.
6. The Bank reserves the right to modify, change add or cancel any of the services offered through Corporate Internet Banking or the Terms and conditions of Services listed in this Document. The changes will be notified in the website of the Bank.
7. The Bank accepts the obligations to maintain confidentiality, privacy and integrity of the transactions completed through Corporate Internet Banking. Record in respect of the transactions entered through the Corporate Internet Banking will be maintained by the Bank in accordance with the existing practice of the Bank.
8. The Bank shall be entitled to act upon the instructions of the customer provided through Users/External and the Bank shall not be under any obligation to seek any confirmation or clarification from the customer before acting on any instruction of the customer provided through Users/external Users.



9. Entering the wrong User ID/ Password thrice will block the facility to the account for the day and three such consecutive blockages will deactivate the customer, and the customer should re-register for the facility as per the procedure laid down for the same.
10. The customer is responsible for intimating to The Bank any change in his mobile/phone number or email address or Account details and the Bank will not be liable for sending Alerts or their information over the customer's mobile/phone number/email address/fax number recorded with the Bank.
11. The Bank shall be entitled to use such hardware, software and/or such other equipment as may deem fit by the Bank and modify the same as necessary or appropriate for providing the services. The Customer may also be required to modify/upgrade its systems to comply with the standards of the payment mechanisms (then in force) and the standards applicable to the various services provided by the Bank.
12. The Authorised User is free to choose a Username /ID/ Password (Personal Identification Number (Password) for the facility of his choice as per the guidelines provided by the Bank. However, if due to technical or other reasons, Bank decides that the Username/Password/ID chosen by the Authorised User cannot be allotted to him/her, the Authorised User will have to choose another Username /ID/ Password. The Authorised User is advised to avoid choosing a password that is a dictionary word or is guessable/inferable from personal data such as name, date of birth, address, telephone number, driving license/car number etc.
13. The Authorised User can access Corporate Internet Banking from anywhere, anytime. However, as a matter of precaution and safety, the Authorised User should avoid using PCs with public access. In the case of mobile facilities, the access is subject to availability of mobile network/internet connectivity.
14. In the interest of customer safety the system does not permit retrieval of a lost or forgotten Password. In case the Authorised User forgets his/her Password, the Authorised User will have to register for a duplicate Password and a fresh Password will be issued to the Authorised User.
15. In case of an unintended termination of a valid session due to break in Internet Connectivity and/or mobile network, it is suggested that the Authorised User login afresh and verify the status of last requested transaction and ensure that it has been recorded successfully and correctly.
16. 'Corporate Internet Banking' is a service offered by the Bank as per the Terms of Service and the Bank is within its rights to deny access or withdraw access if the Customer/Authorised User is found to be acting in violation of the terms of service.

17. Transactions originated by the Users are logged and transmitted to the concerned Bank Branch database for fulfilment. The requests take effect from the time these are recorded / registered at the respective branch where the customer/ corporate is maintaining the account. The rules, regulations and conventions applicable to the banking transactions in the physical world will be applicable mutatis mutandis for the transactions done through the Corporate Internet Banking - service. For the present transaction, requests would be processed at the branch during the business hours on the same day or next working day.
18. The Bank presupposes and the Customer acknowledges that log-in using appropriate User Name /ID/ Password is a valid session initiated by none other than the Authorised User to whom the said Username /ID/ Password belongs. The Bank shall rely upon all electronic communications, orders or messages to the Bank through the internet and the Bank shall take it for granted that the originator of the communication is the Authorised User to whom the User Name /ID/ Password has been issued.
19. The Bank is not bound to enquire as to whether or not the Authorised User has been duly authorised to access the Corporate Internet Banking on behalf of the Customer by an appropriate or competent authority of the Customer/Corporate. Accordingly, a person using the Corporate Internet Banking on behalf of the Customer shall be presumed by the Bank to have authority to have access to the Corporate Internet Banking Service. Further any transaction done by the Customer/authorised user under Corporate Internet Banking whether initiated by the Customer/authorised user or not, shall be deemed to have originated from the Customer/Authorised User
20. The Bank's obligation and remedy in the event of interruption to the Services or loss of use and/or access to the Corporate Internet Banking, shall include taking all reasonable measures to restore the Corporate Internet Banking Service and/or access thereto as soon as reasonably possible.
21. The Bank shall not be liable for any direct, indirect or consequential loss or damage sustained by the Customer by any direct or indirect use of or reliance on the electronic communication, orders or messages. The Bank shall also not be liable to the Customer for any loss or damage caused to the customer in connection with the Corporate Internet Banking facilities on account of interruption or stoppage to the access to and/or use of this Corporate Internet Banking arising on account of circumstances not attributable to the Bank or beyond control of the bank.
22. Without prejudice to any other provision of this document, the Bank does not warrant to the Customer that the Corporate Internet Banking will be provided uninterrupted or free from errors or that any identified defect will be corrected; or the Corporate Internet Banking shall provide any function not set out or described in any associated documentation provided by the Bank.

23. Not with standing what is stated in these terms and conditions, no executive, officer or employee of the Bank shall incur any personal liability for having provided the Corporate Internet Banking to the Customer/Authorised Users and for acting upon their instruction in good faith.
24. Though the Bank strives to maintain the quality of service, timely delivery and execution of the instructions given by the Customer, the same is not guaranteed by the Bank and the Bank does not accept any responsibility for any delay and/or for not effecting or not completing any transaction entered into on the Corporate Internet Banking due to any break-down in computer hardware or software systems including any break-down of internet services , mobile network or internet connectivity or any delay or default of service providers from whom the Bank has availed of the services for providing the Corporate Internet Banking.
25. The Bank may for any reason refuse to execute any instructions placed by the Customer or the Authorised User.
26. Not with standing anything contained herein, where the Bank has reason to believe that any transaction/debits or marking of liens, have been fraudulently made (hereinafter referred to as a "suspect transaction"), the Bank shall be entitled to with hold payment pertaining to such suspect transaction in accordance with the regulatory laws relating to Money Laundering etc. If the Bank determines after due enquiry and investigation that the transaction is a valid transaction and not a suspect transaction, the Bank shall release such withheld payment. Provided that the Bank shall not withhold payment to the Customer without sufficient cause, which shall be informed by the Bank to the Customer on the finding of such sufficient cause. Provided further that if within the period of 6(six) months the Bank determines after due enquiry and investigation that any suspect transaction is not a valid transaction at all, the Bank shall reverse the invalid transaction, consequently the Customer shall be liable to the bank for the resulted outstanding balance, if any.
27. The Authorised User must keep the Username /ID/ Password strictly confidential and known only to himself. It is a good practice to commit the Password to memory rather than write it down somewhere. The Bank shall not be responsible for loss sustained by the Customer due to breach of this condition. The Authorised User is also cautioned against leaving the computer unattended during a valid session and/or against the customer permitting any other person to have access to his mobile phone or leaving the mobile device unattended during a valid session.
28. Should the Authorised User notice that any information relating to the Customer's account(s) appearing on Corporate Internet Banking is incorrect or discrepant the same should be immediately brought to the notice of the branch(es) of the Bank by telephone/e-mail or letter.

29. The Bank has taken care to protect the confidentiality and integrity of customer data or transaction on Corporate Internet Banking. At the same time this is a joint endeavour of the Bank and the Customer. The Bank, therefore, expects the Customer to appreciate the risks unique to transacting on the Internet and take precautions, as it may deem fit, in the interests of protecting confidentiality and transactional integrity. It is highly recommended that the advice of the IT department of the Customer or an external consultant be sought in this regard. Similarly, for best results it is suggested that the Customer's internal processes may be aligned to the procedures prescribed for the system.
30. The Authorised User/s undertake/s that if any wrongful use or misuse of the system is noticed by the User or any other person authorised by the Customer it shall be the responsibility of the User to bring the same to the notice of the Bank forth with and the User shall also co-operate with the Bank in the event of the Bank giving any alert about such wrongful use or misuse of the Corporate Internet Banking.
31. The Authorised User undertakes not to disclose the conditions or any of the transactions made or entered through the Corporate Internet Banking or any information that may come to the user's knowledge while using the Corporate Internet Banking.
32. The Bank has the absolute discretion to amend or supplement any of the terms and conditions contained herein at any time and will notify such changes in the website of the Bank.
33. The Bank may introduce new services through Corporate Internet Banking from time to time. The existence and availability of the new services will be notified to the customer or user or will be notified in the website of the Bank as and when they become available. The changed terms and conditions applicable to the new Corporate Internet Banking shall be binding on the customer as well as the Authorised Users.
34. The grant of Corporate Internet Banking facilities to the customer through its Authorised Users is not transferable under any circumstances and shall be used only by the customer.
35. The customer may request for termination of the Corporate Internet Banking facility or for making any addition, deletion or substitution of the name/s of the Authorised User/s or effecting any change in the mode of operation of the Corporate Internet Banking account by giving prior written request/notice of at least 10 days to the concerned Branch of the Bank where the application for availing the Corporate Internet Banking facility was registered and the account/s of the Customer is/are maintained. Such request/ notice shall be in the format prescribed by the Bank and signed by the Authorised Signatory/Signatories of the Customer supported by necessary resolution passed by appropriate authority/body of the customer. A letter given by the customer for change in the mode of operation or addition, deletion or substitution of the authorized signatory/signatories for operation of any or all the accounts of the Customer maintained

with the Bank shall not be treated or considered as a request letter/notice for effecting change in the operation of or name/s of the Authorised User/s of the Corporate Internet Banking facility granted to the customer unless the required changes are requested for with regard to the Corporate Internet Banking facilities also by giving a separate request/notice in the prescribed format as aforesaid. The Customer shall remain responsible for all transactions made in the customer's account(s) through Corporate Internet Banking prior to the cancellation of the Corporate Internet Banking or prior to the changes actually effected by the Bank as per the request of the Customer irrespective of the date of submission of the request/notice for effecting the change by the customer and receipt of the same by the Bank.

36. The Bank may at its discretion withdraw the Corporate Internet Banking facility granted to the customer at any time by giving reasonable notice to the customer or any of the Authorised Users. If the Corporate Internet Banking service is withdrawn by the Bank for a reason other than breach of the terms and conditions by the customer or the Authorised User the Bank's liability shall be restricted to the return of the annual/recurring charges, if any, recovered from the customer for the period in question.
37. The Bank may suspend or terminate Corporate Internet Banking facilities without prior notice to the customer if the customer or the Authorised User has breached any of the terms and conditions contained herein or any modifications effected to the same or the Bank learns of the death, bankruptcy, lack of legal capacity or existence of any dispute affecting the customer which in the opinion of the Bank is having a bearing on permitting operation of the account through the Corporate Internet Banking facility granted to the customer. The closure of the Corporate Internet Banking accounts of the customer will automatically terminate the Corporate Internet Banking.
38. By signing the Application Form for Corporate Internet Banking the Customer confirms that the Terms of service herein contained shall constitute the agreement between the Bank and the Customer for the use of the Corporate Internet Banking.
39. Authorised User/s confirms that he/they is/are duly authorized by the Customer to execute this Terms & Conditions.
40. The Customer agrees to pay charges/fees for Corporate Internet Banking as may be prescribed by the Bank from time to time.
41. In addition to the terms and conditions contained herein all the terms and conditions governing the use of "Corporate Internet Banking", the Internet Banking service of The Federal Bank Ltd as applicable to individual customers, as provided in the website of the Bank, shall also be applicable to and binding on the "Corporate Internet Banking" customer/s and the Authorised User/s to the extent the same are not in consistent with the terms and conditions contained herein.

42. The Customer hereby undertakes and agrees to protect the Bank against all claims and liabilities arising directly or indirectly as a result of any breach or non-performance by any user or any act, neglect or default of the user.
43. Any dispute between Customer and the Bank with regard to the transactions done through Corporate Internet Banking will be subject to the jurisdiction of the competent Courts where the concerned Bank branch maintaining the relative account of the Customer is located and will be governed by Local Laws in force from time to time.
44. The Bank reserves the right to reject a customer's application for the Corporate Internet Banking Facility without assigning any reasons.
45. The Bank has the right to impose limits/cap on transaction (per transaction, daily, weekly, monthly), transaction velocity limit, etc. as may be decided by the Bank from time to time and such transaction limits shall be notified on the website of the Bank.
46. The Bank is authorised to provide any information or details relating to the Customer or to third party to facilitate the providing of the Facilities through mobile version of Corporate Internet Banking Platform and so far as is necessary to give effect to any instructions. The Customer accepts that each Alert may contain certain Account information relating to the Customer. The Customer authorises the Bank to send Account related information, though not specifically requested, if the Bank deems that the same is relevant. The Bank shall not be held responsible for the violation of confidentiality, secrecy and security of the Personal or Account information being sent.
47. The Customer undertakes to provide accurate information wherever required and shall be responsible for the correctness of information provided by him to the Bank at all times including for the purposes of availing of the facilities under Corporate Internet Banking. The Bank shall not be liable for consequences arising out of erroneous information supplied by the Customer.
48. The Bank shall have the paramount right of set-off and lien on the moneys held in the customer's account whether in single name or joint name(s) and on any monies, securities, bonds and all other assets, documents and properties held by/ under the control of the Bank towards the satisfaction of the Customer's liability, if any under the Corporate Internet Banking facilities and Bank has the right to adjust, set-off any monies lying to the balance of any Account/s held by the Customer with the Bank towards Customer's liability, if any under the Corporate Internet Banking facilities.
49. In the case of payment services of Corporate Internet Banking, the Customers can request the Bank to remit/transfer funds from the customer's account with the Bank to certain beneficiaries through Corporate Internet Banking as may be stipulated by the customer based on the data furnished to the Bank by the customer.

50. Upon the request of the customers and based on the terms and conditions as may be stipulated by the Bank, the Bank may provide payment services i.e. Intra Bank, NEFT, RTGS, IMP under the Corporate Internet Banking Platform as per the requirements of the customers.
51. For availing the payment services / other services contemplated under this Terms & Conditions, the customer shall open Bank accounts) with the Bank. The customer shall arrange to fund the accounts and in the event of failure to open the account as envisaged, the Bank shall not process the files or make any payments.
52. Corporate Internet Banking software shall enable the Bank to arrange processing of Intra Bank, NEFT, files and other services offered through the software and the customer shall upload the files through internet
53. The customer hereby authorize the Bank to execute NEFT, Intra Bank, RTGS, IMP transactions on behalf of the customer solely based on the details uploaded by the customer as per the instructions of the Bank. The customer undertakes that it shall not hold the Bank responsible for any technical failure relating to the Internet or any other information technology system.
54. The customer hereby agrees and confirms that the duty of the Bank shall be limited to making payment from the customer's Bank account number as mentioned in the form with the Bank, subject to availability of clear funds in the customer's account to the designated account of the beneficiary, as stipulated by the customer. In case of insufficient funds, the transactions will not be processed by the Bank.
55. No implied duties or obligations shall be read or deemed to be read into these terms and conditions against the Bank. Apart from duty to remit funds as aforesaid, the provisions of any agreement, arrangement or understanding executed between the customer and/or the beneficiary shall not bind the Bank.
56. The customer hereby expressly agrees that the Bank shall not have or incur any financial liability or obligation of any nature whatsoever to any person or entity, by reason of its executing this document and accepting the mandate of remitting the funds. This document shall not be constructed as a guarantee or a sanction of credit facility on the part of the Bank to remit the funds and it shall be the sole liability and responsibility of the customer to arrange for clear funds into the customer's Bank account before issuing the fund transfer instructions to the Bank.
57. The customer agrees, confirms and acknowledges that there is an inherent risk in such uploading of the data particularly in respect of an unauthorized person using the User ID and password. The customer undertakes to have all necessary security systems in place and to take all safety precautions in order to safeguard the User ID and password.

58. The Bank shall accept and/or act upon any request made by the customer on Corporate Internet Banking, requesting remittance of funds from the customer's account with the Bank to the account of the beneficiary or remit the funds as per the mode requested by the customer. The Bank shall have the right to act upon the afore said requests on Corporate Internet Banking without going in to the authenticity and/or validity and/or authorization of the requests which are received by the Bank on the aforesaid site and such requests shall be deemed to be authentic, valid and duly authorized by the customer. The customer hereby agrees that the customer shall irrevocably and unconditionally be bound by such above mentioned requests given to the Bank by the customer through Corporate Internet Banking and the customer shall not be entitled to dispute the authenticity, validity or authorization of any such request appearing to have been sent to the aforesaid site by the customer. The customer undertakes that the web facility provided to it shall be utilized for the specific purpose as determined by the Bank and is aware and agrees that the Bank shall be processing the files based on the data uploaded by the customer through the Internet and the responsibility and risks for the same shall be solely borne by the customer.
59. The customer agrees not to utilize the said specific account for any purpose other than to avail the services contemplated under this Terms & Conditions and the customer shall receive the details of the transactions executed and it shall be the obligations of the customer to cross check the list with the uploaded data.
60. The Bank shall not be liable for (a) any unauthorised use of the Customer's UserID/Password, mobile phone or for any fraudulent, duplicate or erroneous instructions given by the customer/authorised user and/or any third party, (b) acting in good faith on any instructions received by the Bank, (c) error, default, delay or in ability of the Bank to act on all or any of the instructions given by the customer/authorised user, (d) loss of any information/instructions in transmission; (e) unauthorized access by any other person to any information /instructions given by the Customer or breach of confidentiality (f) any unauthorized transaction in the customer's account as a result of any default/error/technological problem or duplication of mobile number /SIM of the Customer such as but not limited to SIM card cloning, virus/malware in handset etc.
61. The Bank shall not be liable if the Corporate Internet Banking facilities are not available for reasons including but not limited to natural calamities, legal restraints, system error, faults in the tele communication network or network failure, lack of internet/network connectivity or any other reason beyond the control of the Bank.
62. In consideration of the Bank having agreed to extend the Corporate Internet Banking facility to the Indemnifier, the Indemnifier hereby irrevocably undertakes and agrees to indemnify and hold harmless the Bank, its directors, officers and employees from and against any direct, consequential or indirect, loss or damage arising from or related to the



use of all or any of the services under the Corporate Internet Banking facility by the Indemnifier/its Authorised Users /signatories.

63. The Indemnifier agrees and confirms that the Indemnifier shall be solely responsible for all the transactions effected by the Indemnifier by using the Corporate Internet Banking facility and that the Indemnifier shall indemnify the Bank at all times and save harmless from and against all claims, losses, damages, costs, liabilities, charges and expenses incurred, suffered by the Bank and also against all demands, actions suits and proceedings filed or instituted against the Bank on account of providing Corporate Internet Banking facility to the Indemnifier and/or in connection with or arising out of or relating to any of the transactions performed by the Indemnifier/ its authorized signatories or authorized users through Corporate Internet Banking facility.
64. The Indemnifier also confirms and agrees that the Bank shall not be responsible to verify the authenticity of the transactions effected by the Indemnifier/its authorized users /Signatories through Corporate Internet Banking facility and the bank shall not be responsible for verifying the authenticity of the requests/ data received from the Indemnifier/authorized users/signatories for remittance of funds from the Indemnifier's account to the account of the beneficiary through Corporate Internet Banking facility.
65. The Indemnifier shall at all times indemnify and keep safe, harmless and indemnified the Bank from and against all actions, claims, demands, proceedings, loss, damages, costs, charges and expenses what so ever the Bank may incur, sustain, suffer or be put to at any time as a consequence of the bank acting on or omitting or refusing to act on any instructions given by the Indemnifier and/or its authorized signatories using Corporate Internet Banking facility. This indemnity shall be a continuing indemnity and shall remain in force forever.