

AU Small Finance Bank Limited
Citizen's Charter

Contents

1.	Introduction.....	3
2.	Guiding Principles.....	3
3.	Application of Charter.....	4
4.	Bank's Key Commitments.....	5
5.	Common areas of customer-banker relationship.....	8
6.	Customer Obligations.....	14
7.	Customer Education.....	16
8.	Time norms.....	17
9.	Customer Grievance Redressal.....	17
10.	Glossary.....	18

1. Introduction

This Charter has been prepared to promote fair banking practices and to provide information regarding various activities related to customer service. This document will seek to maintain transparency in various products and services offered by the Bank for an enriching banking experience. The Bank strongly believes that a satisfied customer is the primary factor in developing business. This document highlights the Bank's commitment towards customer satisfaction, thereby ensuring accountability and responsibility amongst the Bank's staff and officials.

This document not only explains the Bank's commitment and responsibilities but also specifies the obligations on part of the customers for maintaining a healthy banking relationship.

This document shall not be considered as a legal document creating rights and obligations, but is intended as a reference document, to create better understanding between the Bank and its Customers.

Only key information regarding various services/facilities is given in this Policy, the complete information including the terms and conditions regarding various services will be available on request.

2. Guiding Principles

This Policy document is based on the following guiding principles:

- To promote excellence in customer service.
- To foster transparency and ethics in all dealings with customers.
- Innovate banking products and financial services to serve all the segments of the society.
- Contribute towards growth in economy through multiple activities /services.
- Contribute towards social banking.

The Bank will seek to maintain continuous communication with the customers incorporating their feedback to evaluate, improve and widen the range of services provided. Customers are requested to share their feedback and experiences with the Bank in this regard.

3. Application of Charter

This Policy document will apply to all products and services provided below whether provided by branches, subsidiaries and agents acting on behalf of the Bank, across the counter, by post, through electronic devices and through technology. However, all the products mentioned in the document may not be offered by the Bank at all its branches, directly or through designated officials.

Products:

- All deposit accounts e.g. savings account, current accounts, term deposits, recurring deposits, NRE, NRO.
- Fund based and non - fund based credit products.
- Foreign exchange products including remittances and money changing, as permitted under the provisions of Foreign Exchange Management Act, 1999 and given under RBI Small Finance Bank guidelines i.e. prescribed under AD Category II.
- Third party products and investment products

Services

- Remittance facility to the customers by transfer through RTGS/NEFT/Issuance of Demand Drafts, etc.
- Collection of cheques.
- Safe custody services, safe deposit locker facility
- Banking services related to Government transactions
- Indian currency notes exchange facility
- Mobile Banking/Phone Banking/Internet Banking services

Know Your Customer (KYC) Compliance

In order to ensure compliance with the regulatory / statutory requirements and to protect itself against fraud or misuse, the Bank will adhere to its KYC / AML policy while opening and periodic review of an account.

4. Bank's Key Commitments

The Bank will act fairly and reasonably in all dealings with the customer. Further, the Bank will adhere to its Board Approved Policies for dealing with its customers

4.1. The Bank will display all customer centric information on its website.

4.2. The Bank shall maintain secrecy that arises out of contractual relationship between the bank and the customer, and as such no information shall be divulged to any third party except under the following circumstances:

- Where disclosure is under compulsion of law
- Where there is a duty to the public to disclose
- Where disclosure is in the interest of the Bank
- Where the disclosure is made with the express or implied consent of the customer.

4.3. Common Practices Followed by our Service Channels Branches:

- The Bank will display business hours of each of its branches at the respective branch.
- It will render courteous services and will attend to all the customers present in the branch at the close of the business hours.
- The Bank will provide separate 'Enquiry' or 'May I help you' counter at large branches.
- Offer nomination facility to all deposit accounts (i.e. account opened in individual capacity) and all safe deposit locker hirers (i.e. individual hirers).
- It will keep the customers informed about prevailing interest rates for various deposit schemes and notify changes in interest rates on deposits and advances, charges and terms and conditions through the Bank's website.
- It will display time-norms for various banking transactions at its branches.
- The Bank will provide details of various deposit schemes/services offered by them on its website.

- The Bank will provide immediate credit in respect of outstation and local cheques up to a specified limit subject to certain conditions, as advised by RBI from time to time.
- The Bank will have a complaint book/register and a suggestion box in the branch premises to improve customer service.
- It will provide information regarding the addresses and contact details of various Branch / Nodal Officer for customer grievance redressal process.
 - The bank will issue Demand Drafts, Pay Orders, etc. on receipt of instructions from the customers.
 - The bank will pay interest for delayed credit of outstation cheques, as advised by Reserve Bank of India (RBI) from time to time.

PHONE/ INTERNET BANKING

- Render service 24 hours a day 7 days a week
- Attend to all customers calling in to the phone banking number/ logging on to the internet banking website
- Make the branch/ ATM locations, Phone Banking numbers and Internet Banking address of the Bank known to customers easily
- Provide details of various deposit schemes/ services of the Bank
- Respond to customer queries related to customer account(s) with us subject to verification of the customer
- Provide facility for logging complaint/ suggestions

Special Customers

4.4. While dealing with special customers, the Bank will commit to the following:

4.4.1. *Pensioners and Senior Citizens*

- The Bank will provide prioritized service to pensioners and senior citizens by providing them special assistance at all branches.
- It will provide automatic updation of age records and thereby conferring senior citizen benefits wherever applicable once a customer attains senior citizen status.
- The Bank will take in due consideration the needs of the senior citizens while deciding on the branch location and access.

4.4.2. *Customers in Rural and Semi-urban Areas*

- The Bank will ensure proper currency exchange facilities in such areas. Further, it will ensure that the quality of notes in circulation in such areas is acceptable.
- It will ensure that the branches are opened as per the schedule and operated for full business hours on all working days applicable to that branch.

4.4.3. *Self Help Groups (SHGs)*

- The Bank will grant loans to SHGs, which will take into account the business requirements of SHG along with the viability of the business and other lending norms as prescribed for SHGs in the Bank's internal Credit Policy. Further, while lending to SHGs, the Bank will not compel them to buy other products like Insurance.

4.4.4. *Tribal Areas*

- The Bank will ensure that at least one of the staff members in the branches located in tribal areas is fluent with the local language.
- The Business Correspondent (BC)/facilitator model will be used for improving the Banking facilities in the tribal areas. The Bank may appoint prominent citizens belonging to important tribes of that region as BC.
- Financial education material in pictorial form and audio presentations in local dialect will be used in tribal areas for the purpose of customer education.
- The Bank will facilitate opening of accounts for the SHGs in the region in order to ensure financial inclusion in the region.
- In order to facilitate financial inclusion, it will be the endeavor of the Bank to implement the guidelines suggested by RBI regarding transferring and posting of staff to such areas. Further, the staff posted in such areas will also focus on local talent building and development.
- The Bank will take steps to ensure an improvement in provision of RTGS/NEFT facility to the customers from such region.

4.4.5. *Visually impaired person/Differently abled*

- The Bank will ensure that all the banking facilities such as Cheque book facility/operation of ATM/ locker/ Internet Banking etc. is offered to the visually challenged/ differently abled without any discrimination.
- Legal Guardianship Certificate issued under the National Trust Act, 1999 empowers the differently abled persons with autism, cerebral palsy, mental retardation and multiple disabilities to have accounts.
- The Bank will rely upon the Guardianship Certificate issued either by the District Court under Mental Health Act or by the Local Level Committees under the above act for the purposes of opening/operating Bank account.
 - The Bank will provide due priority to such customers at various branches of the Bank. Further, the Bank will also provide staff assistance to visually impaired and differently abled customers in navigating within the branch.

5. Common areas of customer-banker relationship

5.1. Savings Bank account

- Savings Account refers to an interest-bearing demand deposit primarily meant to encourage saving and to meet the future requirements of money. Customers can withdraw/ deposit from/to these accounts by way of cheques/withdrawal slips. The details regarding Savings Bank account is given in the "Deposit Policy" of the Bank.

5.2. Current Account

- Current Account is a form of demand deposit which allows withdrawal for any number of times depending upon the balance in the account or up to a particular agreed amount. The detail regarding Current Account is given in the "Deposit Policy" of the Bank.

5.3. Term deposit accounts

- A Term Deposit is a deposit received by the Bank, withdrawable only after the expiry of a fixed period. The details regarding Term Deposit accounts is given in the "Deposit Policy" of the Bank.

5.4. Nomination

- The Bank will provide nomination facilities for all deposit accounts, articles in safe custody and safe deposit vaults. This facility will be available for accounts opened in individual capacity (i.e., single/joint accounts as well as accounts of sole proprietary concern) only. The Bank will allow such facilities to be made in favor of minors also.
- The Bank will allow the account holders to make, cancel or vary the nomination during their lifetimes. The details regarding Nomination facilities is given in the "Deposit Policy" of the Bank.

5.5. Cheque Collection Service

- The Bank has a "Cheque Collection Policy" in accordance with the guidelines provided by RBI. This policy provides the details regarding the collection services offered by the Bank. It also outlines the compensation that will be provided to the customer in case of delay in the collection of cheques by the Bank.

5.6. Service charges/Interest on deposits

- The Bank will pay interest on deposits as per various deposit schemes. These interest rates will be revised from time to time and any change will be made known to the public by displaying it on Bank's website and notice boards of branches. The revised interest rates will be applicable only for renewal and fresh deposits, whereas the existing deposits will continue to get interest at the original rate.
- The service charge levied for various services offered by the Bank will be subject to revision from time to time. Service charges will be levied for collection and remittance of funds, processing of loan proposals, issue of guarantees, safe custody, issue of duplicate instruments/statements etc. The Bank will make the details regarding various service charges available on request.

5.7. Payment of Balance in Accounts of the Deceased Customers to Survivors/Claimants

- The Bank will follow a simplified procedure for settlement of claims in case of deceased depositors regarding deposits, contents of lockers and articles kept in safe custody with the Bank. However, the Bank will exercise due care and caution for settlement of claims as appropriate including accepting an indemnity bond. The Bank offers nomination facility for expeditious settlement of claims in case of deceased depositors. The Bank will periodically communicate to its customers the need for making nomination in the accounts as mentioned in the provisions of Banking Regulation Act. The Bank has also laid down a policy for settlement of claims of Missing Persons.

5.8. Exchange of soiled/slightly mutilated currency notes

- All branches of the Bank will exchange freely soiled and slightly mutilated/cut notes of all denominations free of cost. The Bank will ensure that no essential feature of the note is missing. In case a branch, for any reason, is not able to immediately adjudicate the mutilated notes across the counter, it may accept such banknotes from the tenderers and send them to the currency chest branch to which it is linked, for adjudication and ensure that the tenderer receives the exchange value as per RBI norms (Note Refund Rules). Currency exchange facility is offered to the Bank's customers and others. In accordance with RBI guidelines, the Bank will exchange mutilated currency notes which are genuine and where mutilations are such as not to cause suspicion or fraud as per Note Refund Rules prescribed by RBI from time to time

5.9. Safe Deposit Vaults (Lockers)

- The Bank will offer the facility of safe deposit lockers as an ancillary service in some of its branches. The allocation of locker facility will be a completely transparent process. The branches which offer this service shall be chosen at the discretion of the Bank based on its potential and commercial considerations. The Bank shall exercise due care and necessary precautions for the protection of the lockers provided to the customer. However, the Bank will not be responsible or liable for any damage or loss to lockers or its contents due to any reason(s) whatsoever.

The major aspects governing this service are:

- A locker may be hired by an individual (singly or jointly, not applicable to minors, firms, limited companies, associates, societies, trusts etc.
- Nomination facility will be available to the individual hirer of safe deposit locker.
- In case of loss of key, the customer will ensure to immediately report the same to the branch. However, all the expenses incurred in repairing the lock and key shall be borne by the hirer(s).
- The lessee(s) will be advised to get an insurance cover for the jewellery, valuables etc. kept in the locker.
- Lockers will be available in different sizes.
- The Lockers will be rented out for a minimum period of 1 year and rent will be payable in advance. In case of overdue rent, the Bank will charge penalty as decided from time to time.
- The rent may be paid from the deposit account of the lessee through standing instructions.
- The Bank reserves its right to break open the locker in case the rent is not paid despite notices sent by the Bank, and recover charges thereof.
- The Bank, at the time of allotment, may obtain a fixed deposit to cover 3 years' rent and any other related charges.
- As per regulatory guidelines, branches will contact the locker-hirer, when the locker has remained un-operated for more than one year. This exercise will be carried out even when the rent is being paid regularly. In case hirer does not respond or operate the locker, the branch will have the right to cancel the allotment of the locker and open the locker, even if the rent is paid regularly.

5.10. Articles in Safe Custody

- The Bank may offer facility to keep articles like shares, securities, sealed packages etc. in safe custody for certain prescribed charges. Large/Small boxes used for this facility shall be locked by the customer(s). The relationship between the Bank and the customer shall be that of Bailor and Bailee.

5.11. Remittance Services

- The Bank will allow the customers to remit funds from one account to another through RTGS, NEFT and Demand Drafts etc. by paying specified charges.
- Demand Drafts for Rs 50,000/- and above will be issued by the Bank only by debit to the customer's account or against cheques or other instruments tendered by the purchaser and not against cash payment. Similarly, payment of a Demand Draft for Rs 20,000/- and above will be made only through banking channels and not in cash.
- Before taking delivery of the drafts, the customers shall verify the completeness of draft in all respects including signature of the official(s).
- Bank will issue duplicate demand draft upto Rs. 5,000/- on the basis of adequate indemnity and without obtaining Non-Payment Advice from the drawee branch.
- The Bank will issue a duplicate demand draft to the customer within a fortnight from the receipt of request. For delay in issuing duplicate draft beyond the above stipulated period, bank will pay interest at the rate applicable for fixed deposit of corresponding maturity in order to compensate the customer for such delay.
- The Demand Draft/Cheque/Banker's Cheque will be valid for a period of 3 months from the date of issue.

5.12. ATM/Debit Card Transactions

- The Bank will strive to provide services at its ATMs, 24 hours a day, 7 days a week. Cash withdrawal facility will be provided at all locations. The Bank will provide other facilities at select locations.

5.13. Internet Banking

- The Bank will provide Internet Banking facility for its customers providing services like statement enquiry, funds transfer, payment of bills, prepaid recharges, repayment schedule etc. The transactions will have a two-step authentication process in order to ensure secure payments.

The Bank will take appropriate measures to educate customers regarding the secure usage of such facilities. It will also ensure that sufficient steps are taken to ensure secure Internet Banking.

5.14. Mobile Banking

- Mobile Banking provides a secure, anytime, anywhere banking experience from a mobile device by enabling access to services like fund transfers, payment of utility bills and prepaid recharges. Customers can also view the details of their banking relationship and place service requests using mobile banking.
- The Bank will take appropriate measures to educate customers regarding the secure usage of such facilities. It will also ensure that sufficient steps are taken by them to ensure secure Mobile Banking.

5.15. SMS/ E-Mail Alerts

- The Bank will provide SMS/E-Mail alerts to all subscribed customers for all financial transactions above a threshold limit. The Bank will also send SMS alerts for transactions made through Credit/Debit cards. The Bank will also provide an account statement in the PDF format, through e-mail if requested by the customer.
- The Bank will provide the balance position at agreed periodicity viz. daily, weekly, fortnightly etc. to Current account holders with high transactions on request.

5.16. National Automated Clearing House (NACH) Mandate System

- The Bank will ensure that the NACH Mandate Management System is in place to comply with the mandate given by the customer regarding debit amount, expiry date, withdrawal of mandate etc.

5.17. Loans and Advances

- All terms and conditions of loans, pricing and others, will strictly adhere to the regulatory guidelines. The Bank will ensure that the pricing policies of the Bank is clearly understood by the prospective borrowers.
- The Bank will provide the list of documents required for processing the Credit Application Form to the prospective borrower at the time of application itself rather than on a piecemeal basis.
- The Bank will ensure that loan statements are issued to the borrowers periodically giving details regarding loan disbursed, demand and repayment schedule along with interest and charge details.

- The Bank will issue Housing/Education Loan Interest Certificate for all housing loans and education loans customers in the month of April every year as such certificates are required for Income Tax purposes by the borrowers.
- In accordance with the Compensation Policy of the Bank and the Fair Practice Code for Lenders, the Bank will return to the customer all securities/documents/title deeds to the mortgaged property within 15 days of repayment of all dues agreed to or contracted. In case of delay on behalf of the Bank in return of securities/documents/title deeds to mortgaged property beyond 15 days of repayment, the customer will be paid compensation in accordance with the Bank's Compensation Policy.

6. Customer Obligations

In order to safeguard the interests of the Bank and the customer, the Bank urges the customers to take the following precautions:

- Customers should check the Statement of Accounts and the passbook regularly and in case of any discrepancy they should report it to the Bank immediately.
- In case the passbook has been issued to the customers, they should get their passbooks updated from time to time.
- Customers should ensure safe and separate custody of cheque book/passbook/debit card/ATM cards. In case signature on the card is required, it should not be left unsigned.
- Customers should try to issue crossed/account payee cheques as far as possible. They should ensure that the contact details along with the account number should be mentioned on the reverse of the cheques before dropping it in the cheque collection box. It is the responsibility of the customer to verify the details viz. date, amount in words and figures, crossing etc. before issuing the cheque. Customers can take acknowledgement from the Bank official while tendering the cheques at the branch for collection/dropping in the cheque collection box.

- Cheques should be issued without any overwriting/cutting. In case a change is required to be made in the payee's name, courtesy amount (amount in figures) or legal amount (amount in words), the customer should make use of fresh cheque forms in order to help the Banks to identify and control fraudulent alterations. Blanks in spaces meant for writing 'Payee's name/Amount in word and figure should be securely plugged by putting a cross or drawing a line. Cheques issued with cuttings are liable to be rejected if presented under Cheque Truncation System (CTS), even though the cutting(s) is/are authenticated.
- Customers should use the nomination facility provided by the Bank.
- Customers should ensure that the cheques and financial instruments are sent by registered posts or by courier. Blank cheques should not be signed and customers should not record their signatures either on the passbook or the cheque book. The customers should ensure that no cheque is issued without confirming the adequate balance at the time of issuance.
- Customers should note down important information like account numbers, Fixed Deposit Receipt, locker number etc. separately.
- In the event of loss of demand draft, fixed deposit receipt, cheque leave(s)/book, locker key etc., the customer should immediately inform the same to the concerned branch.
- In case of a change in address, telephone number, mobile number and email-id, the customer should immediately inform the same to the Bank, through available channels.
- Customers should pay interest, instalments, locker rent and other dues on time.
- Any complaint relating to deficiency of customer service should be reported within a reasonable time period.
- Customers should operate their account regularly to maintain its status as operative/active.
- Customers should take reasonable care to ensure the confidentiality of password for internet/mobile banking and PIN for credit/debit card. They should ensure that passwords and PINs are not recorded on any paper or accessible electronic devices in order to prevent frauds.
- In case of loss of ATM/Debit card, the customer should immediately notify the Bank to take immediate steps to prevent it from being misused. Customers shall be liable for any misuse until the Bank has been notified.

- Customers should never give the account details, password or any other security credential to anyone. They should memorize the Personal Identification Number (PIN) and change it on a regular basis.
- The account holder should ensure that the account is not being used for money laundering or any fraudulent transaction.
- Customers should cooperate with the Bank /police/ any other investigating agency, for any investigation on any transaction in their account.
- Customers should ensure that the loan amount is utilized properly for the purpose mentioned in the Credit Facility Agreement along with timely repayment as per the repayment schedule agreed upon by the Bank and the customer.

Customer obligations regarding Internet Banking

- Customers should never respond to any unauthorized email asking for password/PIN.
- Customers should avoid accessing Bank's internet banking site through a link from another site or an e-mail. They should not use cyber cafes/shared PCs to access any Internet Banking site.
- Customers should keep the Internet Banking password as a combination of alphabet, special character and number and should use virtual keyboard while entering the Internet Banking login ID and password.

7. Customer Education

- The Bank will undertake special efforts to educate the customers regarding the use of technology in banking. For this purpose, the Bank may use print media, television and radio. Further, the Bank will also arrange short training programs at the branch level for the customers.
- The Bank will ensure full transparency to the customer in levying of various fees/service charges and penalties.
- The Bank will establish a proper Customer Grievance Center which will work in an integrated manner across various channels like - branches, call centres, internet.

- The Bank will use various technology channels for the purpose of customer education and recording relevant feedback providing suggestions for improving its services.

8. Time norms

The indicative time norms for general transactions will be as follows:

Sr.No	Particulars	Time Taken
1.	Cash payment	Up to 15 minutes
2.	Receipt of cash	Up to 15 minutes
3.	For issuance of demand draft	Up to 20 minutes
4.	Payment of demand drafts	Up to 15 minutes
5.	Payment of fixed deposit receipts	Up to 20 minutes
6.	Opening/Closing of an account	Up to 4 working days
7.	Statement of accounts (request for duplicate)	Up to 1 working days
8.	Transfer/RTGS/NEFT	Up to 15 Minutes
9.	Passbook Request	Up to 1 working days
10.	Passbook updation	Up to 15 minutes
11.	Nomination Updation	Up to 4 working days
12.	Collection of Local Cheques	As per clearing house rules
13.	Collection of Outstation Cheques	Up to 14 days depending on the location

9. Customer Grievance Redressal

Please refer the grievance redressal policy available on our website: www.aubank.in

10. Glossary

Term	Definition
AML	Used as an acronym for "Anti-Money Laundering"
ASBA	Used as an acronym for "Applications Supported by Blocked Amount"
ATM	Used as an acronym for "Automated Teller Machine"
Bank	It refers to AU Small Finance Bank
BC	Used as an acronym for "Business Correspondent"
CTS	Used as an acronym for "Cheque Truncation System"
ECS	Used as an acronym for "Electronic Clearing System"
FDR	Used as an acronym for "Fixed Deposit Receipt"
IBA	Used as an acronym for "Indian Banks' Association"
JP	Used as an acronym for "Journal Print"
KYC	Used as an acronym for "Know Your Customer"
NACH	Used as an acronym for "National Automated Clearing House"
NEFT	Used as an acronym for "National Electronics Fund Transfer"
NRE	Used as an acronym for "Non- Resident External"
NRO	Used as an acronym for "Non Residential Ordinary"
PC	Used as an acronym for "Personal Computer"
PIN	Used as an acronym for "Personal Identification Number"
PO	Used as an acronym for "Pay Order"
RBI	Used as an acronym for "Reserve Bank of India"
RTGS	Used as an acronym for "Real Time Gross Settlement"
SHG	Used as an acronym for "Self Help Group"
SMS	Used as an acronym for "Short Message Service"