

Policy on Limitation of Customer’s Liability

At YES BANK, we are committed to our mission of building the World’s Best Quality Bank in India, by providing our customers with an unparalleled “Customer experience”.

The Customer Protection policy is designed to ensure customer protection relating to unauthorised transactions resulting in debits to customer’s accounts / cards. The policy is based on the principles of transparency and fairness in the treatment of customers. This policy aims to define customer’s liability in case of an unauthorised transaction as per details below -

- On being notified by the customer, the Bank shall undertake a preliminary investigation to establish the reason for the dispute. Where verification for confirmation with regard to the unauthorised transaction does not involve a third party, the Bank will endeavour to complete the investigation process within 10 working days from the date it receives an erroneous debit complaint from the customer.
- Where verification involves a third party or requires reference to a merchant establishment, the same will be handled as per the rules laid down by the Card associations. For such instances, the Bank will provide a value-dated temporary / shadow credit for the disputed amount, into the respective account within 10 working days from the date it receives the erroneous debit complaint from the Customers. Bank will also further ensure to complete the process and provide final resolution on the liability of the unauthorized transaction, within a maximum of 90 days from the date of receipt of the complaint. Saving and Current account holder will not be able to use the funds credited by way of temporary/shadow credit till the dispute is resolved in favour of the customer. The temporary/shadow credit is not applicable for Prepaid Cards.
- Transactions where a Password/PIN/OTP (One Time Password) has been used or where the transaction has been performed with information available only with the customer or can be done only with the knowledge of the customer, will be treated as “Transaction performed due to customer negligence” and the liability for such transactions will be borne by the Customer.
- **Maximum Liability of the customer:** RBI has defined Customer’s liability for unauthorised transactions as per the period of reporting. The customer is obliged to promptly report the unauthorized transaction to the Bank. The customer has the right to receive the compensation as mentioned below:

Liability for unauthorised transactions on Electronic Banking Channels reported within 3 working days from the transaction date.

Sr. No.	Situations / Events defined by the regulator for unauthorised transactions	Customer Liability (Maximum)	Bank Liability
1	Contributory fraud/ negligence/ deficiency on the part of the bank, even if not reported by the customer but identified by the bank.	INR 0.00	Full Transaction Value

2	Third party breach where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system.	INR 0.00	Full Transaction Value
3	Negligence by the customer, However if the transactions have occurred after the reporting of the unauthorised transaction the liability shall be borne by the bank.	INR 0.00	Full Transaction Value
4	Negligence by the customer, for e.g. where the customer has shared the payment credentials with the 3 rd party. Customer to bear the entire loss occurred until the time of reporting the unauthorised transaction to the bank.	Full Transaction Value	INR 0.00

Liability for unauthorised transactions Electronic Banking Channels reported between 4 to 7 working days from the transaction date.

Sr. No.	Situations / Events defined by the regulator for unauthorised transactions	Customer Liability (Maximum)	Bank Liability
1	BSBD Accounts	INR 5000	Residual Transaction Value > INR 5000
2	All other SB accounts, Pre-paid Payment Instruments and Gift Cards, Current/ Cash Credit/ Overdraft Accounts of MSMEs, Current Accounts/ Cash Credit/ Overdraft Accounts of Individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit up to Rs.25 lakh & Credit Cards with limit up to Rs.5 lakh	Transaction Value or INR 10,000.00 (whichever is lower)	Residual Transaction Value > INR 10,000
3	All other Current/ Cash Credit/ Overdraft Accounts & Credit Cards with limit above Rs.5 lakh	Transaction Value or INR 25,000.00 (whichever is lower)	Residual Transaction Value > INR 25,000

Liability for unauthorised transactions on Electronic Banking Channels reported beyond 7 working days from the transaction date.

Sr. No.	Situations / Events defined by the regulator for unauthorised transactions	Customer Liability (Maximum)	Bank Liability
1	For all type of accounts	Full Transaction Value	INR 0.00

- For all the disputed cases the Bank would need the customer to provide the supporting documents namely, dispute form, copy of the FIR, etc. within the stipulated time frame. In an event the customer is unable to provide the documents or when there is a delay on part of the customer in submitting the documents within the stipulated timeframe, post due follow up by the Bank, the Bank will be unable to conclude the investigation and the liability of the unauthorized transaction(s) on such cases will remain with the customer only.
- The Bank will continue to carry out periodic customer awareness and education campaigns on safe usage of Electronic Banking Channels & Do's and Don'ts of the respective electronic banking channels through:
 - Welcome Kits
 - SMS
 - E-Mail
 - Website
 - Monthly Statements
- The Bank periodically reviews the unauthorised electronic banking transactions reported by the customers and will publish the relevant MIS to its Standing Committee on Customer Services.