

Customer Compensation Policy

American Express Banking Corp, India ("Bank")

The objective of this Compensation Policy is to establish a system whereby the Bank compensates the customer for any financial loss he/she might incur due to deficiency in service by the Bank or any act of omission or commission directly attributable to the Bank. The grounds under which a customer can seek compensation from the Bank are outlined as below:-

1. Unauthorized action of the Bank leading to a financial loss to customer.

The Bank will compensate for any unauthorized actions of the Bank leading to financial loss to the customer. It is reiterated that the policy covers only compensation for financial losses which customers might incur due to deficiency in the services offered by the Bank which can be measured directly and as such the commitments under this policy are without prejudice to any right, the Bank will have, in defending its position before any forum duly constituted to adjudicate banker-customer disputes.

2. Erroneous Debits arising out of fraudulent/ other transactions

Cardmember Liability to American Express arising out of any unauthorized use of the Credit Card shall be nil if American Express receives the report within 3 working days of the fraud, provided that the Cardmember has acted in good faith. If the fraud is reported beyond 3 working days then the maximum liability of the customer will be limited to INR 1000. This is supported by a dedicated Fraud Unit which reviews and investigates promptly all fraudulent charges as reported by the customer (please refer to Bank Fraud Policy). Post investigations and confirmation of the fraud, a permanent credit is applied on the customer's account for all fraudulent transactions not done by the customer. The customer's card may be replaced for cases which involve counterfeit cards or where the customer's card number/details may have been compromised.

In the event a customer disputes certain transactions on their statement of accounts or amounts over charged by a particular merchant or ATM withdrawals, the same is set up as a disputed transaction where the customer is given an immediate temporary credit normally within 48 hours. The customer does not need to pay for the disputed transactions till such time the dispute is fully resolved. Basis supports received from the merchants and other investigations, a permanent credit is applied to the customer's account if the disputed transaction is established not to have been incurred by the customer.

If it is established that the customer's account was erroneously debited for ATM transactions and the Bank fails to re-credit the customer's account within 7 working days of receiving the customer complaint, it shall compensate the customer @ Rs. 100/- per day on account of delay. However, the customer is entitled to receive compensation for delay only if the claim is lodged with the Bank within 30 days of the date of transaction.

3. Delayed credit to the customer

Incase a complaint is received from the customer on delayed credit to customer accounts for any of the valid reasons, the Bank will pay interest at the prevailing deposit rates of State Bank of India or the prevailing term deposit rates of the AEBC India, whichever is higher. Merits of each case will be reviewed to establish the reason of delayed credits

4. Violation of Bank's Code by its Agents

It is Bank's commitment to act fairly and ethically in all its customer dealings either directly or through its agents. For this reason the Bank has adopted a Fair Practice Code that governs the conduct of its agents and representatives. In case the Bank receives a customer complaint alleging improper behavior or misconduct by its agent, the Bank shall initiate an investigation and take necessary steps within 7 working days to redress the same. The Bank will also make good the financial loss incurred by the customer on account of the same.

5. Issue of unsolicited cards

The Bank shall not issue card without written consent of the customer. However, in the event, an unsolicited card is issued and activated without the customer's consent and he/she is billed for the same, the Bank shall immediately reverse the charges and shall also pay penalty twice the value of the charges reversed on account of the same.

6. Force Majeure

The Bank shall not be liable to compensate customers for delayed credit if some unforeseen event (including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other "Acts of God", war, damage to the Bank's facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc beyond the control of the bank) prevents it from performing its obligations within the specified service delivery parameters.