Annexure-II

Most Important Terms and Conditions

1. **Limits:** Credit Limit and Cash Limit are assigned to Cardholders based on Bank's internal credit criteria. The Credit Limit, Cash Limits and available credit limit, Cash Limit are communicated to the Cardholder in every statement. Cardholders seeking to have their credit limit increased can do so by enhancing limit by opening additional Fixed Deposits only from the ZET app.

2. **Fees and Charges:** Charges and fees, as may be applicable from time to time, are payable by Cardholders for specific services provided by Bank to the Cardholder or for defaults committed by the Cardholder with reference to his/her Card account.
   Bank retains the right to alter any charges or fees from time to time or to introduce any new charges or fees, as it may deem appropriate, with due intimation to cardholders.

a) Joining fee, Annual fee and Supplementary Card fee:

IOB Credit card Variants	Joining fee	Annual fee	Supplementary card fee	Minimum spends for Annual Fee reversal	Free Physical Card criteria
IOB ZET Card	NIL	NIL	NA	NA	Cumulative FD amount ≥ Rs. 5000

b) **Cash Advance Fee:**
The Cardholder can use the Card to withdraw cash from domestic/international ATMs. A transaction fee would be levied on all such withdrawals and would be billed to the Cardholder in the next statement. A transaction fee of 3.5% will be levied. The transaction fee is subject to change at the discretion of the Bank. All cash advances also carry a finance charge equal to charges on revolving credit (please refer to the schedule of charges) from the date of withdrawal until the date of full payment.

c) **Forex Conversion Fee:** 2.49% on international transactions. The exchange rate used to convert Foreign Currency transactions into INR will be determined by Rupay, as the case may be, based on the exchange rates governed by them on the date the transaction is settled with Indian Overseas Bank, which may not be the same date on which the transaction was made. The Foreign currency transaction fee will be applied on the INR converted amount shared by Rupay.

d) **Fuel Surcharges:** Surcharge of 1% of the total transaction amount will be charged/levied.

e) **PIN Replacement Charges:** NIL

f) **Card Replacement Charges:** Rs.199/- per card+ GST

g) **Card Closure Charges:** ₹499 + GST will be levied if the card is closed within 2 year from the date of issuance

h) **Over Limit charges:** NIL

i) **Late Payment fee:** If a card member fails to pay at least the minimum dues, Late Payment Fees will be charged after 3 days from the due date. The number of days past due and late payment charges shall, however, be computed from the payment due date mentioned in the credit card statement. The Late Payment Fees would be applicable based on total outstanding amount and it's subsequent charges provided in the table below:

Total Outstanding	Late Payment Charges
₹1 to ₹2500	₹149 + GST
₹2501 to ₹5000	₹199 + GST
₹5001 and above	₹299 + GST

j) **GST on charges:** Currently 18% GST is applicable (as per GOI) on charges applied by bank.

3. **Interest free Period:** 20 to 50 days' subject to transaction date / submission of claims by the merchant. However, interest free period is not applicable for cash advance transactions and if the previous month's balance is not cleared fully.
4. **Minimum Due/ Repayment Amount:** 5% of the total billed amount for Cash Advance and 5% of the total POS/ECom/UPI amount and 100% of the Interest & charges applied if any, plus applicable GST subject to a min. of Rs.100/-.
5. **Interest / Finance charges:** Finance Charges are payable at monthly compounding interest rate on all transactions from the date of transaction; in the event of the Cardholder choosing not to pay his balance in full, and on all cash advances taken by the Cardholder, till they are paid back. The current rate of finance charges is 3.25% per month [39% per annum]. This charge may change time to time on the discretion of Bank. Finance charges, if payable, are subject to levy of applicable taxes and are debited to the Cardholder's account till the outstanding on the card is paid in full.
   Illustration of Interest calculation:
   a) Interest on cash advances and unpaid dues are applicable from the date of transaction until the payment is made in full.

b) If the Cardholder does not make payment of total due amount on the due date i.e. the Customer has outstanding balance from previous months, in this case applicable interest will be charged from the date of purchase till further due date of payment. If customer pays total dues before the due date; interest already applied for the remaining period will be refunded to the cardholder.

Example: Purchase of Rs.11,000/- is made on 21/09/2021. This transaction shall be accounted in the bill generated on 20/10/2021 where the due date is 09/11/2021 and the Interest free credit period in this case is 50 days (Sep – 10 days, Oct – 31 days, Nov – 9 days). Had the cardholder made the purchase on 20/09/2021, the transaction would have been accounted in the bill generated on 20/09/2021 where the due date of payment would have been 10/10/2021. In this case, Interest free credit period of 20 days would have been available. (Sep – 10 days, Oct – 10 days)

Case-I (Paid within Grace Period) – Customer pays the dues by cash/NEFT/online on 12/11/2021. Since this is within the grace period, this will be deemed to have been paid in time and accordingly late payment fee and interest for non-payment/delayed payment shall not be applicable.

Case-II (Not Paid within Grace Period) - Customer pays minimum dues of Rs. 1100/- by cash/NEFT/online on 13/11/2021. Since total dues is not paid within the grace period, late payment fee and interest for non-payment/delayed payment shall be applicable. Late payment fee for 1 month – Rs.100/-, Applicable Interest - From 21/09/2021 for entire purchase of Rs.11,000/- till 12.11.2021 and from 13-11-2021 for Rs.9,900/- till payment of total dues. All these fees, interest and applicable Goods and Services Tax (GST) shall be billed on 20/11/2021 and payable in full by 10/12/2021.

6. **GST on interest and charges:** GST is applicable on interest and charges applied by the bank.
7. **Cash Advance Limit:** Max. 40% of the card Limit.
   Gold Purchase Limit: Max. 50% of the card Limit.
8. **ADD ON cards:** No ADD ON Cards will be available in this program
9. **Billing Cycle:** BANK will send the Cardholder a monthly statement showing the payments credited and the transactions debited to the Cardholder's Account since the last statement, provided the card has been active during the said period. BANK will either mail a statement of transactions in the card account to the mailing address it has on record, or send a statement through email to the email id on record, on a pre-determined date.

   Credit Cards offer the Cardholder a revolving credit facility. The Cardholder may choose to pay only the Minimum Amount Due printed on the statement and such payment should be sent before the Payment Due Date, which is also printed on your statement. The balance outstanding can be carried forward to subsequent statements. The Cardholder can also choose to pay the Total Amount Due or any part of the amount above the Minimum Amount Due. Card member will be sent a monthly statement for a standard period of **21st to 20th** of every month showing transaction, payments, and charges if any, subject to the minimum dues of Rs.100/-

   Making only the minimum payment every month would result in the repayment stretching over months, years with consequential compounded interest payment on your outstanding balance. Kindly note that the interest free credit period is suspended if any balance of the previous month's bill is outstanding.

10. **Payment Due date:** Twentieth day from the billing date, will be considered as the Payment Due Date for each Credit Card cycle.
11. **Method of Payment:**

Payments towards the credit card account may be made in any of the following ways:

a) Customers can pay the dues through ZETs mobile app
b) Customers can pay the dues through apps enabled for Credit Card Bill Payment via Bharat Connect
c) Customers can pay the dues through IOB Net banking/ IOB Mobile banking.
d) Cash/Cheque at all IOB Branches in India.
e) NEFT/RTGS/IMPS by Using IFSC- IOBA00CARDS and Card number in the place of Account number.
f) Auto debit instruction for total dues or Min. Dues on due date.
g) Through BHIM/UPI.

12. **Payment Adjustment (Appropriation of Payment):** Payments received against the credit card shall be adjusted against the various categories in the following order: taxes, fees, other charges, interest charges, EMI plans, retail purchases and cash-withdrawals.

13. **Billing Dispute resolution:** In the event of billing dispute card member must inform IOB credit card division within 30 days of receipt of the statement and not later than 60 days from the date of transaction.

For billing dispute bank will investigate and confirm the liability for such transactions.

14. **Liability of card holder**
The Cardholder shall be liable for all transactions on the credit card up to the time of reporting of the loss/theft/damage.
a) Card swipe transactions may get processed by merchants without PIN / additional authentication, when it is initiated on merchants located outside India as it may not be a mandate in those countries. Cardholder is wholly liable for all transactions prior to reporting of loss of the card.
b) In the event the loss/theft of Card is not reported in writing as above to the Bank, the Cardholder shall be liable for all the charges transactions on the lost/stolen Card and the Cardholder indemnifies the Bank fully against any liability that may arise due to loss or misuse of the Card.
c) Card holder will be entitled for Zero liability where the unauthorized transaction occurs in the following events:
i. Contributory fraud / negligence / deficiency on bank's part.
ii. Third party breach where the deficiency lies elsewhere in the system and the card holder notify the Bank within three working days of receiving the communication from the Bank regarding the unauthorized transaction.
d) In cases where the loss is due to card holder's negligence such as where card holder has shared the payment credentials, card holder will bear the entire loss until cardholder report the unauthorised transaction to us. Any loss occurring after the reporting of the unauthorized transaction shall be borne by bank.

15. **Reversal Timeline for Zero Liability / Limited Liability**
On being notified by the card holder, bank shall credit (shadow reversal) the amount involved in the unauthorised electronic transaction to card holder's account within **10 working days** from the date of such notification by the card holder (without waiting for settlement of insurance claim, if any). The credit shall be value dated to be as of the date of the unauthorised transaction.
16. **Grievance Redressal:** Credit Card holder can use any of the following channels for reporting their complaints; SPGRS via visiting the Bank website (www.iob.in), Written complaints at any of IOB branch/Credit card division/customer service department Central Office, Chennai, via email to creditcard@iobnet.co.in or toll free No 1800 890 4445 or Tel no 2851 9573/2851 9574 /2851 9575.
17. **Complete postal address of bank:** Indian Overseas Bank, Central Office, Credit Card Division, 2nd Floor, Annex building, 763 Anna Salai, Chennai-600002, Tamilnadu
18. **Default and Circumstances:** If the Card Member does not pay at least the Min. Dues by the payment due date plus 3 days, the card will be reported as delinquent in the monthly submissions to the Credit Information Companies (CICs), authorized by the Reserve Bank of India (RBI). If requisite payment is made, the record will be updated as 'current' in the subsequent monthly refresh to the CICs.

The Credit Card holder has understood the following illustrative example of Special Mention Account (**SMA**)/ Non Performing Asset (**NPA**) classification methodology.
For Due Date: 12th March 2022

Overdue Days	Date of Classification	Classification Status
0	12-03-2022	Standard
1	13-03-2022	SMA 0
31	10-04-2022	SMA 1
61	11-05-2022	SMA 2
91	10-06-2022	NPA

19. **Recovery procedure in case of default**
If any cardholder fails to pay at least the Minimum Amount Due (MAD) by DPD 11 (11 days past the payment due date), the Bank shall apply an automatic temporary authorization block on the credit card, suspending all further spending and transactions. Customer-initiated unblocking through mobile banking apps, web portals, or other digital channels shall remain disabled while the account is in delinquent status. The card will only be automatically unblocked upon successful payment of at least the Minimum Amount Due (MAD) or full outstanding balance prior to account closure.
The Bank reserves the right to permanently close the credit card and liquidate the linked Fixed Deposit(s) to recover all total outstanding dues—including principal, accrued interest, and late payment charges—based on the card's limit utilization:
I. High Limit Utilization (> 88%): If the card limit utilization exceeds 88%, the Bank reserves the right to execute immediate card closure and FD liquidation at DPD 11.
II. Moderate/Low Limit Utilization ($\le$ 88%): If limit utilization is 88% or lower, the card will remain blocked and roll over to DPD 39 (Bill #3 generation date), at which point the Bank will execute final card closure and FD liquidation if dues remain unpaid.

No closure fees will be levied for automated delinquent closures. Any remaining balance from the Fixed Deposit following full recovery of all outstanding dues will be credited back to the customer's linked source Bank Account. Defaulter cardholders will be intimated regarding their delinquency status. If dues remain unpaid post-liquidation or in cases of unrecovered balances, the Bank reserves the right to engage approved recovery agents, initiate legal proceedings, or offer compromise settlements for final repayment.

20. Recovery of dues in case of death/permanent in capacitance of cardholder

Recovery of dues in case of a deceased or permanently incapacitated cardholder will be made from the estate/legal heirs of such Cardholder.

21. Termination/Revocation/Surrender of card membership:

A Card Member may terminate the Card membership with IOB at any time by writing to the Bank or sending an email or by calling the helpline number. The entire card outstanding dues and EMI facilities linked to credit card (if availed) will immediately become due. You can also reach out to ZETs customer support to raise a request to close your IOB ZET Credit Card.

IOB may also cancel the card membership at any time under notice to customer, if it considers it necessary for business or security reasons, which may include delay in payments, improper use of credit card (for Foreign Exchange trading, business use, etc.), misleading or incorrect information/documents given along with card application or otherwise, failure to furnish information or documents as required by relevant laws/regulations (including identification documents) as may be required under the Bank's/ RBI's Know Your Customer (KYC)/ Anti Money Laundering (AML)/ Combating of Financing Terrorism (CFT) guidelines, if the Card Member is involved in any civil litigation or criminal offence / proceedings by any authority, court of law or professional body or association, etc.

22. **Loss/Theft/Misuse of card:** In case the card is lost, stolen, misplaced, Card Member should contact IOB immediately by calling 24hour Helpline at 1800 890 4445 or member can block card by login in IOB Credit Portal as well as Mobile App him/herself. Card Member must report the theft of the Card(s) to the Police and lodge an FIR.

    Card Member will not be liable for any misuse on a card or PIN after informing to bank of the loss, unless the Card Member has acted with gross negligence.

    Card Member will be liable for all losses owing to any misuse that happened with his/her consent or knowledge or prior to intimation to Bank about loss of card. The card cannot be used for any purpose prohibited by regulations or applicable law.

23. **Disclosure**: IOB has tied up with Credit Information Companies (CICs) authorized by the RBI and will share credit information including but not limited to the current balance, EMI facilities linked to credit card (if availed), balance outstanding on credit card, payment history etc. along with the demographic details with these organizations on a monthly/ weekly/ daily basis, as per the Credit Information Companies (Regulation) Act, 2005.

    IOB reserves its right to report a delinquent customer to the CICs even in an instance of Card Member raising a billing dispute which the Bank had clarified as an invalid dispute earlier or the dispute being raised by Card Member after the cut-off date, as defined by the Bank, and/or the dispute is in relation to secured transactions where a PIN or a One Time Password was used.

    Transaction alerts received may not be assumed as a confirmation of transaction completion.

24. **Disclaimer:** IOB may Its sole discretion utilize the service of external service providers or agents and on such terms as required or necessary in relation to its products.

25. Important Regulatory information

- The Card is valid for use both in India as well as abroad. It is, however, not valid for making foreign currency transactions in Nepal and Bhutan.
- Usage of the Card for transacting outside India must be made in accordance with applicable law including the Exchange Control Regulations of the RBI and the Foreign Exchange Management Act, 1999. Foreign exchange trading through internet trading portals is not permitted. In the event of any violations or failure to comply, you may be liable for penal action. You should consult your Authorized Dealer (AD) regarding your Foreign Exchange Entitlement.
- If you have any credit balance on the credit card account, Bank has the right to return this credit balance to you.
- Please do not use credit cards for making remittances/payments towards capital account transactions such as investment in overseas entities or setting up of entities overseas as it is not a permissible method of funding under RBI"s Master Direction - Direct Investments by Residents in

Joint Venture/ Wholly Owned Subsidiary abroad.

- As per RBI Master Circular – Reporting of LRS and deduction of TCS on applicable Credit Card transactions.
- As per RBI Master Circular- Master Circular on Miscellaneous Remittances from India facilities for Residents, use of Credit Card is prohibited for purchase of prohibited items like lottery tickets, banned or proscribed magazines, participation in sweepstakes, payment for call-back services, etc., since no drawl of foreign exchange is permitted for such items/activities. Please refer Master Circular on Miscellaneous Remittances from India facilities for Residents for more details.
- For regulatory and operational update always visit our website https://www.iob.in/CreditCard