



## TERMS AND CONDITIONS

This document lays out the “Terms and Conditions”, which shall be applicable to all transactions initiated by the User vide the Unified Payment Interface, as defined herein below, through Karnataka Bank.

Before usage of the “Unified Payment Interface”, users are advised to carefully read and understand these Terms and Conditions. Usage of the Unified Payment Interface by the user shall be construed as deemed acceptance of these Terms and Conditions mentioned herein below.

**Definitions:** The following words and expressions shall have the corresponding meanings wherever appropriate.

1	UPI	Unified Payment Interface - A payment platform extended by NPCI for the purpose of interbank transfer of funds i.e., pay someone [push] or collect from someone [pull] instantly pursuant to the rules, regulations and guidelines issued by NPCI, Reserve Bank of India and Banks, from time to time.
2	UPI Application	Shall mean the Karnataka Bank’s Unified Payment Interface Application downloaded by the user to his/her mobile phone.
3	Payment Service Provider or PSP	Shall mean entities which are allowed to issue virtual addresses to the Users and provide payment [credit/debit] services to individuals or entities and regulated by the Reserve Bank of India, in accordance with the Payments and Settlement Systems Act, 2007.
4	KBL	Shall mean Karnataka Bank Limited, a company within the meaning of the Companies Act, 1913 and a banking company within the meaning of Section 5(c) of the Banking Regulation Act, 1949 having its Registered Office at Mahaveera Circle, Kankanady, Mangaluru, Karnataka, India.
5	Bank	Shall mean any Bank including Karnataka Bank which is enabled on UPI platform.
6	RBI	The Reserve Bank of India [RBI] is the Central Bank of India established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934. RBI regulates the issuing of bank notes to ensure secure monetary stability in India.

7	NPCI	National Payments Corporation of India - A company incorporated in India under Section 25 of the Companies Act, 1956 and having its registered office at 1001A, B wing 10th Floor, The Capital, Plot 70, Block G, Bandra-Kurla Complex, Bandra [East], Mumbai - 400 051
8	User	Shall mean an individual/entity who is a holder of a Bank account who has downloaded Karnataka Bank's UPI Application, wishes to register with Karnataka Bank's UPI Application by accepting the terms and conditions and avails the UPI Facility.
9	Beneficiary	The person's account details where in transfer amount is supposed to be credited.
10	VPA	Virtual Payment Address - is a payment identifier for sending/collecting money. VPAs are aliases to Account No. & IFSC. This enables the user to complete a transaction without having to enter the account credentials of the beneficiary.
11	Cellular Service Provider	Hereafter referred to as "CSP" refers to the GSM/CDMA/GPRS/EDGE Service provider [for operation of Mobile Phones].
12	Account	Shall mean Savings and/or Current account held in individual capacity [other than NRIs] at present at a bank which has been enabled for UPI.
13	User's Mobile Number	Shall mean the specific Mobile Phone Number registered by the user with Bank[s] where he / she is holding the accounts and that has been used by the User to register for the UPI facility.
14	Authentication Credentials	Shall mean Password, Biometrics, PIN etc., as created by the user or provided by the Bank from time to time, which shall be required by the Customer for completion of the transfer of funds through UPI.
15	AADHAR Number	Shall mean the Unique identity number issued by Unique Identification Authority of India [UIDAI].
16	Finger Print Authentication	Shall refer to the automatic method of verifying an individual's identity by their fingerprints and is also used to grant or deny access to a computer system/mobile device/tablet /any other device.
16	Personal Information	Refers to the information provided by the User in connection with UPI service.
17	Eligibility	Any individual having a Savings and/or Current account in a Bank held in individual capacity [other than NRIs],

		authorized to operate the account individually. The user shall possess a smart phone. The User should be compliant of KYC of the Bank[s] where he holds account[s].
18	Registration	The User agrees that he/she shall be entitled to use the UPI Service by downloading Karnataka Bank's UPI Application provided that /his/her Mobile Phone is found in order to support the UPI Application and the relevant particulars are registered with the Bank.
19	1 Click 2 Factor Authentication	The same shall be identifying the user on basis of two factor. The two factor shall have proper identification as below: <ul style="list-style-type: none"> <li>✓ What you have i.e. mobile number and mobile handset.</li> <li>✓ What you know i.e. MPIN and Password.</li> </ul>
20	Device Finger Printing	This shall mean identifying the device on basis of device configuration or identifier as used by application. The device shall be uniquely identified for unique user.
21	Beneficiary Bank	Shall mean the Bank holding a bank account of the Receiver where the credit of the UPI instruction is received from the Payer to be executed either in real time basis or periodically with a settlement process.
22	Remitter Bank	Shall mean a bank holding a bank account of the Payer where the Debit of the UPI instruction is received from the Payer to be executed on real time basis.
23	Merchant	Shall mean a merchant established under the prevalent law and has an agreement with Master Merchant to accept payment through UPI Services towards the sale of products or services to its customers.
24	Authorization/Authorized Transactions	Means the process by which Bank approves a Transaction as stipulated by competent authorities/ 3 <sup>rd</sup> parties, from time to time.
25	Chargeback	Shall mean approved and settled UPI transactions which are at any time refused, debited or charged back to Merchant's account by the Issuer, Acquiring Bank or NPCI for any reason whatsoever, together with Bank fees, penalties and other charges incidental thereto.
26	Payer	Shall mean any person holding a banking account and who desires to pay money to the Receiver for purchase of goods or services online using the UPI Services, being offered by the Merchant on its website or mobile application thereto.
27	Receiver	Shall mean any person or the Merchant holding a banking account, who are desirous to receive payments from the Payer over the internet using the UPI Services. In case the

		Payer is customer of the Merchant and is paying money to the Merchant for purchase or utilization of goods and services from the Merchant, the Merchant shall be the Receiver.
28	Customers	Shall be used to collectively refer to Payer[s] and Receiver[s] using UPI services on Merchant Platform for initiating and executing UPI transactions.
29	Merchant Account	Shall mean Bank account of the Merchant maintained with Bank for collecting Fees, charges and other levies. In case the Merchant intends to use this Merchant Account to settle UPI transactions, for which the Merchant is the Receiver, then the Merchant Account shall also be used for settlement of transactions using UPI Services.
30	Service Providers	Means banks, financial institutions and software providers who are in the business of providing information technology services, including but not limited to, internet based electronic commerce, internet payment gateway and electronic software distribution services and who have an arrangement with Bank or with NPCI to enable use of UPI Software developed by them to route UPI Transactions.
31	Commission	Means the commission, fees, charges or levies payable to Bank, for facilitating a transaction.
32	Transaction	Shall mean every payment instruction that results in a debit to the Payer's Account and a corresponding credit to the Receiver's Account.
33	Merchant Platform	Shall mean the website/mobile with the domain name or Application name and which is established by the Merchant Platform for the purposes of enabling Payers and Receivers to carry out transactions.

**Applicability of Terms and Conditions:**

By using UPI Facility, the user thereby agrees to these Terms and Conditions form the contract between the User and Karnataka Bank. UPI facility shall be governed by such terms & conditions as amended by Karnataka Bank from time to time. These terms and conditions and shall be in addition to and not in derogation of the Terms and Conditions relating to any account of the User and / or the respective product or the service provided by Karnataka Bank unless otherwise specifically stated.

**General Business Rules Governing Unified Payment Interface [UPI] Facility:**

The following Business rules will apply for UPI:

- 1) The facility will be available to users having satisfactorily running Savings/ Current account at individual capacity with the Bank.
- 2) UPI facility shall be available to users who have registered for the facility as per the discretion of Banks, NPCI and RBI.
- 3) The daily upper ceiling per customer shall be Rs. 1,00,000/- for funds transfer.
- 4) Entering the wrong login password Four times will block the application. Customer can use the Forgot Password option to reset the login password.
- 5) Entering the wrong MPIN Five times will block the UPI facility and the customer should reset the MPIN to use the facility as per the procedure laid down for the same. Any change in the business rules of any of the processes will be notified on Bank's website [www.karnatakabank.com](http://www.karnatakabank.com) which will be construed as sufficient notice to the customer. Karnataka Bank shall not be liable for any losses occur there in.
- 6) Karnataka Bank shall endeavour to provide to the user through UPI Application, such services as it may decide from time to time. Karnataka Bank reserves the right to decide the type of services, which category of user shall be offered on each account type and may differ from category to category.
- 7) Karnataka Bank may also make additions /deletions to the services offered through UPI Application at its sole discretion.
- 8) Once a Virtual address is deleted by the user, the user will not be allowed to create the same virtual address for the next 2 years.
- 9) There will be no obligation on Karnataka Bank to support all the versions of existing Mobile Phone operating Systems and new versions of mobile phone Operating Systems as and when those are released. Karnataka Bank can withdraw support to existing version of operating system without prior notice to users
- 10) The User agrees that he/she shall use only his/her Mobile Phone to access the UPI application offered by Karnataka Bank. The access is restricted to him/her on the specific Mobile Phone Number only as registered with the Bank[s] for UPI service.
- 11) The user is responsible for the correctness of information supplied to Karnataka Bank through the use of or through any other means such as electronic mail or written communication. Karnataka Bank does not accept any liability for the consequences arising out of erroneous information supplied by the user.
- 12) The user agrees to use single handset for accessing the services under UPI. Change of handset shall be properly re-registered according to application requirement.
- 13) User agrees that dispute resolution shall be as per the guidelines issued by NPCI from time to time.

**Usage of facility:**

By accepting the terms and conditions on the mobile phone while registering for the UPI facility, the User:

- 1) Agrees to use UPI Facility for financial and non-financial transactions offered by Karnataka Bank from time to time and irrevocably authorizes the respective Bank to debit the Bank Accounts which have been registered for UPI Facility for all transactions/services undertaken.
- 2) Authorizes Karnataka Bank to map the account number and mobile number for the smooth operation of the facility offered by Karnataka Bank and to preserve the mapping record in its own server or server of any other third party and to use such data at its discretion for providing/enhancing further banking/ technology products that it may offer.
- 3) Agrees that he/she is aware and accepts that facility offered by Karnataka Bank will enable him/her to transact using MPIN/1Click 2FA/ or Biometric authentication and will be deemed as bonafide transaction.
- 4) Agrees that the transactions originated using mobile phones are non retractable as these are instantaneous/real time.
- 5) Agrees to acquaint himself/herself with the process for using the facility 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.
- 6) Agrees that Karnataka Bank is authenticating the User by using Mobile Number, Mobile Phone, MPIN and/or can introduce other advanced authentication mechanism such as Finger print authentication etc in future which is acceptable and binding to the user and Hence the user is solely responsible for maintenance of the secrecy & confidentiality of the MPIN and unauthorized usage of his/her mobile phone, without any liability to Karnataka Bank.
- 7) Confirms that notwithstanding anything mentioned herein, in no event shall Karnataka Bank be liable to the user or any other third party affected by the Transaction for loss of profits or revenues, indirect, consequential or similar damages arising out of or in connection with the Transaction, materials, information technology services or assistance provided under this Terms & Conditions.
- 8) The User undertakes to execute such other documents and writings in addition to the instructions for activating, initiating or making transfer of funds via UPI facility, in a form and manner as required by Karnataka Bank, from time to time.
- 9) The User understands that the transaction may be rejected or cancelled in case the instructions and/or any Authentication Credentials or any details, documents or information provided by the User are false or not in accordance with the conditions stipulated by Karnataka Bank or the Reserve Bank of India or the Beneficiary bank or the remitter Bank
- 10) The User also understands that the transaction may also be cancelled/rejected due to any of the reasons like "the designated account of beneficiary not being maintained by the Beneficiary bank" or an attachment order having been passed on the designated Beneficiary account by a competent authority/Court or details pertaining to the

Beneficiary/Beneficiary account details recorded with the Beneficiary bank does not match or any other reasons.

- 11) The User ensures and confirms that upon completion of the transaction initiated by the User, i.e., receipt of fund by the recipient maintained with the Beneficiary Bank, Karnataka Bank will be entitled to charge such fees, cost and charges, as specified by Karnataka Bank/NPCI, from time to time.
- 12) The User acknowledges and understands that the completion of transactions for transfer of funds based on the User's instruction shall involve various Counterparties [especially in the case of collect transaction]. The User confirms that Karnataka Bank shall not be held liable or responsible for any delays/deficiencies in settlement of a transaction due to system constraints, actions of 3rd parties or any other circumstances outside the control of Karnataka Bank.
- 13) Without prejudice to the generality of the foregoing, the User agrees to indemnify and save, keep harmless and keep indemnified Karnataka Bank against any improper/fraudulent instructions purporting to be received from the User and/or for furnishing incomplete information.
- 14) The User understands that the provision of UPI is subject to Indian laws and the guidelines and regulations issued from time to time by the NCPI or Reserve Bank of India in this behalf.
- 15) The User agrees and confirms that Karnataka Bank reserves the rights to call for logs, proofs, User details or documents at any time on account of audit, compliance, regulatory or legal requirements if necessary.
- 16) The User agrees and confirms that the Minimum and Maximum amount Stipulated for UPI may be stipulated by Karnataka Bank in accordance with the Guidelines set By NPCI or RBI, from time to time. However, at present the maximum stipulated limit is mentioned in point No. 3 above.
- 17) In a collect request transaction [PULL transaction], the User/merchant agrees and understands that it is subject to the approval and expiry period defined by the User/merchant at the time of making such requests to the remitter.
- 18) Agrees that dispute resolution shall be as per the guidelines issued by NPCI from time to time.

**Liability of the User:**

- 1) The user shall be responsible for each transaction initiated under his/her registered UPI Application. The user is liable for the losses arising out of any unauthorized transactions occurring through his/her accounts.
- 2) The user has to immediately bring in to the notice of Karnataka Bank in case he/she suspects that his / her Mobile number is / has been allotted to another person and/or notices unauthorized transactions in his / her accounts and make sure that the facility is deregistered for his / her mobile no.

- 3) The user agrees that the access to Karnataka Bank's UPI Application through his/her Mobile Phone and any transaction, which originates from the same, whether initiated by him/her or not, shall be deemed to have originated from the respective user.
- 4) The user understands that in the event of loss of his/her Mobile Phone / SIM Card or it falling in the wrong hands, it can be misused. The user indemnifies Karnataka Bank for any such misuse arising out of the same. The user shall not hold Karnataka Bank responsible for any loss that the user may suffer in these circumstances.

**Liability of Karnataka Bank:**

Karnataka Bank shall, in no circumstances, be held liable to the user, if access is not available in the desired manner for reasons including natural calamities, floods, fire and other natural disasters, legal restraints.

- 1) Karnataka Bank shall, in no circumstances, be held liable to the user, if there are faults in the telecommunication network or any other reason beyond the control of Karnataka Bank.
- 2) Under no circumstances shall Karnataka Bank be liable for any damages whatsoever whether such damages are direct, indirect, incidental, consequential and irrespective of whether any claim is based on loss of revenue, investment, production, goodwill, profit, interruption of business, wrong beneficiary credentials, wrong credits or any other loss of any character or nature whatsoever and whether sustained by the User or any other person.
- 3) Karnataka Bank shall, in no circumstances, be held liable to the user for other Bank services.

**Termination of UPI Service:**

The user agrees that he/she will remain responsible for any transactions made on UPI through Karnataka Bank's UPI application until the termination of the Service. The user shall be liable for all the transactions occurred prior to the termination of service. Similarly Karnataka Bank may suspend or terminate UPI Services without prior notice if the user has breached the Terms and Conditions or if Karnataka Bank notices some errors / omissions / fraudulent transactions related to the user's accounts or User.

The facility may be suspended due to maintenance or repair work or any breakdown in the Network/Hardware/ Software for UPI Facility, any emergency or for security reasons without prior notice and Karnataka bank shall not be responsible for any losses/damages to the Users.

**Miscellaneous:**

- 1) The User shall be solely responsible for any error made while using the facility unless contrary is proved.
- 2) The user shall keep the LOGIN PASSWORD and MPIN confidential and will not disclose these to any other person or will not record them in a way that would compromise the security of the facility.

- 3) It will be the responsibility of the User to notify his/her Bank immediately if he/ she suspect the misuse of the LOGIN PASSWORD/MPIN. He will also immediately initiate the necessary steps to change his MPIN.
- 4) The user shall be liable and responsible for all legal compliance and adherence of all commercial terms and conditions in respect of the mobile connection/SIM card/mobile phone through which the facility is availed and Karnataka Bank does not accept/ acknowledge any responsibility in this regard.
- 5) The Karnataka Bank reserves the right to add/remove the facilities offered to the User at its sole discretion.
- 6) The instructions of the User shall be effected only after authentication under his/her MPIN/Password or through the biometric authentication.
- 7) The User understands that the Bank shall not process the transactional request sent by the User in case of any discrepancy in AADHAAR Number/Virtual Payment Address and same will not be executed.
- 8) Karnataka Bank shall not be responsible for the delay/ failure in carrying out the transactions due to any reasons whatsoever including failure of operational system or any other unforeseeable reasons which is beyond the control of the Bank.
- 9) The User expressly authorizes Karnataka Bank to access his/her account Information required for offering the services under the facility and also to share the information regarding his/her accounts with NPCI/any other third party as may be required to provide the services under the facility.
- 10) The transactional details will be recorded by Karnataka Bank and these records will be regarded as conclusive proof of the authenticity and accuracy of transactions. Karnataka Bank may store the transactional details for a period which may deem fit for the Bank.
- 11) The User hereby authorizes Karnataka Bank or its agents to send notifications, promotional materials including the products of the Bank, greetings etc.
- 12) The Karnataka Bank shall make all reasonable efforts to ensure the User information to be kept confidential however it shall not be responsible for any inadvertent divulgence or leakage of confidential User information for reasons beyond its control or by action of any third party.
- 13) The User expressly authorizes the Karnataka Bank to carry out all requests/ transactions purporting to have been received from his/ her mobile phone and authenticated with his/ her MPIN/Password/biometric authentication. In the case the case of funds transfer facilities the User shall be deemed to have expressly authorized the Bank to make the payment when a request is received from his/ her mobile phone.
- 14) The Karnataka Bank shall not be responsible for any additional charges/fees levied by the Telecom service provider during the course of availing the UPI facility.

**Responsibilities and obligations of the User:**

- 1) The User shall be responsible for all transactions, including fraudulent/erroneous transactions using the UPI facility through the use of his/her mobile phone, MPIN, password/biometric authentication regardless of whether such transactions are in fact

entered into or authorized by him/ her. The User shall be responsible for the loss/ damage, if any suffered.

- 2) The User shall use the UPI facility only by following the security credential in accordance with the prescribed norms as laid down by Karnataka Bank from time to time.
- 3) The User shall keep the security keys confidential and shall not divulge/ tamper the same and Karnataka Bank shall not be liable for such instances in any manner.
- 4) The User accepts that any valid transaction originating/ receiving from/ by the registered mobile phone number shall be assumed to have been initiated/ accepted by the User and any transaction authorized by the MPIN/ password/ biometric authentication is duly and legally authorized by the User.
- 5) The User shall be liable for any loss on breach of the Terms and Conditions contained herein or contributed or caused loss by negligent actions.

### **Disclaimer**

**Karnataka Bank, when acting in good faith, shall be absolved of any liability in case:**

- 1) The Karnataka Bank is unable to receive or execute any of the requests from the User or there is loss of information during processing or transmission or any unauthorized access by any other person or breach of confidentiality or due to reasons beyond the control of the Karnataka Bank.
- 2) There is any kind of loss, direct or indirect, incurred by the User or any other person due to any failure or lapse in the facility which are beyond the control of the Karnataka Bank.
- 3) There is any failure or delay in transmitting of information or there is any error or inaccuracy of information or any other consequence arising from any cause beyond the control of the Bank which may include technology failure, network failure, mechanical breakdown, power disruption, force majeure, etc.
- 4) The Karnataka Bank, its employees, agent or contractors, NPCI 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, whether foreseeable or not, suffered by the User or any other person howsoever arising from or relating to any delay, interruption, suspension, resolution or error of the Karnataka 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 to and from the mobile phone of the User and the network of any service provider and the Karnataka Bank's system or any breakdown, interruption, suspension or failure of the mobile phone of the User, the Karnataka Bank's/ NPCI's system.

### **Indemnity:**

In consideration of Karnataka Bank providing these facilities, the User agrees to indemnify and hold the Karnataka Bank harmless against all actions, claims, demands proceedings, loss, damages, costs [including attorney fees], charges and expenses which the Karnataka Bank may at any time incur, sustain, suffer or be put to as a consequence of or arising out of or in connection with any services provided to the User pursuant hereto. The User shall indemnify

the Karnataka Bank for unauthorized access by any third party to any information/instructions/triggers given/received by the User or breach of confidentiality.

**Governing Law & Jurisdiction:**

The laws of India shall govern these terms and conditions and/or the operations in the Account[s] maintained with Bank. Any legal action or proceedings arising out of these Terms shall be brought under the exclusive jurisdiction of the courts or tribunals/forums located in Mangaluru, Karnataka, India only.

These terms & Conditions are subject to periodic updation. The User understands that Bank may amend the above terms and conditions at any time without any notice or assigning any reason whatsoever and such amended Terms and Conditions will thereupon apply to and be binding on the User and same will be published in our website i.e., <https://www.karnatakabank.com>