

## **CHAPTER 4 - INTERNATIONAL TRAVEL PREPAID CARD**

### **1. OBJECTIVE/ INTRODUCTION:**

- 1.1. This International Travel Prepaid Card Policy Document aims to set policy guidelines for Travel Prepaid Card Business in foreign currency.
- 1.2. Canara Bank International Travel Prepaid Card (CBITPC) which is multicurrency Forex Travel Prepaid Card, is specially designed for persons travelling abroad / students pursuing studies abroad for their use abroad.

### **1.3. Association:**

The Canara Bank International Travel Prepaid Card may be issued in association with Visa/ MasterCard / NPCI etc.

- 1.4. Variant - Non-personalized under different variants like Student / Platinum and such other variants supported by Visa/ MasterCard / NPCI etc.
- 1.5. The Bank may issue Multicurrency Prepaid Card with different flavors like Platinum & Business card, etc. to suit to the different segments of the customers.

### **1.6. Features:**

- 1.6.1. The card is a multi-currency prepaid card - the value of the card shall be paid up front.
- 1.6.2. The Card is valid for 5 years.
- 1.6.3. The Card is a non-personalized EMV CHIP Card with PIN/Signature.
- 1.6.4. Bank may introduce any number of foreign currency wallets based on feasibility and market study.
- 1.6.5. Where the card is used for transactions in a currency other than currency available in the card, cross-currency rates at Visa/ MasterCard / NPCI etc specified rates may be applied. This rate may be marked up by a rate as decided by the bank.
- 1.6.6. The card can be used for making payments for online purchase, merchant outlets as well as to withdraw cash from ATM abroad.
- 1.6.7. If the card contains more than one currency, any transaction done in the currency that does not exist in the card, default currency wallet (set by Visa / MasterCard / NPCI as the case may be) or as per the currency hierarchy, chosen by the card holder, will be debited. For this cross currency rate of Visa / MasterCard / NPCI (as published in the respective Network Associates' website) plus applicable markup shall be applied.

## 2. ROLES AND RESPONSIBILITIES:

- 2.1 Bank may issue this card through any Branch/Office of Canara Bank which is adept in handling Forex and choice of the branches/offices is at the discretion of the Wing Head, Digital Banking Services Vertical, IT Wing.
- 2.2 The card value can be reloaded during the validity of the card and the card can be surrendered at any time for which Bank may levy suitable charges.
- 2.3 Canara International Travel Prepaid Card kit shall contain two cards & respective PIN mailers. One is primary card & the second one is Backup card. In case the cardholder lose/misplace the primary card or the primary card is damaged, the Backup card can be activated through International Travel prepaid card Web Package provided to Branches (CBITPC Package)/or calling call centre/by logging in to the Customer portal provided in the Bank's website.
- 2.4 A web package shall be provided to the Branches/Offices' designated for 'Canara International Travel Prepaid Card' issuance for end to end handling of this card variant viz., card issuance, activation, loading, reloading, refund & cancellation of the card.

### 2.5 Card issuance:

- 2.5.1 The card shall be issued to our *resident individual* customers with full KYC compliance.
- 2.5.2 The card shall be issued to individuals who have attained majority. In case of minors, card application shall be obtained from parent or legal guardian so also for the acknowledgement for receipt of card kit.
- 2.5.3 Branches shall obtain the prescribed Canara International Travel Prepaid Card Application duly filled up & signed along with the following:
  - Copy of first and last pages of Passport, in force.
  - Form A2 (control form)
  - *Account number with Canara Bank*
  - *PAN number*
  - Proof of residence in case the address is different from that appearing on passport/ in the account with us.
  - Travel documents (copy of the ticket & VISA).

The photocopies are to be verified with the original & certified as true copies by the branch officials scrutinizing the application.

- 2.5.4 Cardholder shall submit the prescribed Card load application form duly filled up & signed.
- 2.5.5 LRS limit should be checked by branch before entering the application in CMS package.

- 2.5.6 Rupee equivalent of Card Load amount & applicable charges shall be collected applying the exchange rate (“International Travel Prepaid Card - sell rate’ provided under Ratex in bank’s intranet i.e., “CANNET” or communicated to branches by other means) of the respective currency.
- 2.5.7 Card shall be issued duly entering the details in the web based package and card kit containing primary card, additional card (back-up card), respective PIN mailers, user guide & other promotional collaterals, if any, are to be handed over to the card applicant against acknowledgement.
- 2.5.8 The card issuance details shall be noted on the Card application. The card application & relevant documents shall be preserved safely in the Double Lock under dual custody duly adhering to the procedure in vogue for safekeeping Loan papers.

## **2.6 Card Load/Reload**

- 2.6.1 Card re-load can be done only through any Branch/office which is authorized for card issuance.
- 2.6.2 Card reload shall be done based on the Card Re-load application duly filled up & signed and the required documents from the cardholder, if it is for a fresh trip along with account debit instruction. In case the reload is for the same trip, Form A2, Reload application form and Account debit instruction would suffice.
- 2.6.3 Card re-load amount shall be collected duly applying the applicable exchange rate International Travel Prepaid Card - sell rate’ provided under Ratex in bank’s intranet i.e., “CANNET” or communicated to branches by other means) and service charges.
- 2.6.4 The load / reload to the International Travel Prepaid Card is to be done by debit to operative Account SB/ CA/ OD account of the Card Applicant / Holder, as the case may be.
- 2.6.5 Such Load can also be done through debit to EEFC Account of the Card Applicant / Holder. The loading of the card using balance in EEFC account to in compliance of all instructions / guidelines applicable for EEFC Accounts.
- 2.6.6 In case of load/re-load on the days when Ratex is not published by Treasury Wing, Credit Card & Prepaid Card Reconciliation Section, Reconciliation Vertical, Operations Wing will provide the previous available published ratex for loading/re-loading/refund by Branches. Card Business Management Section, DBS Vertical, IT Wing will report all such transactions on the next working day to the Treasury Wing.

## **2.7 Cancellation & Refund of Balance:**

- 2.7.1 Cancellation & refund of the card load or surrender/refund of unspent balance in the card shall be done at Branches which are authorized to issue the card.

2.7.2 Refund shall be permitted only after 10 days from the date of last transaction in the card for ensuring accounting all transaction with the card.

2.7.3 Appropriate ‘International Travel Prepaid Card - Buy rate’ provided under Ratex in CANNET’ is to be applied for ascertaining the rupee equivalent. Encashment charges plus applicable GST are to be recovered and net amount is to be credited to the cardholder’s account

**2.8 Hot listing of cards and issue of replacement card:**

2.8.1 Along with Primary Card, a “Back up” card will also be provided in the card kit. In case of emergency situation like loss of Primary Card, cardholder can hotlist the primary card & activate the backup card.

2.8.2 Cardholder can hotlist the primary card & activate the backup card by logging into the cardholder’s web portal provided in Bank’s website.

2.8.3 In case the cardholder requires a replacement card despite the above facility, they may contact our call center and the card shall be re-issued free of cost & dispatched to the desired address. Dispatch cost - on actual basis - will be recovered from the Cardholder.

**2.9 Cardholder disputes handling when a transaction is charged back:**

2.9.1 The cardholder is responsible for all the transactions done with their card. When a cardholder disputes a transaction, Reconciliation Vertical, Operations Wing, HO shall take the decision whether to charge back the transaction or not.

2.9.2 Report of unauthorized transactions is to be handled by Credit Card & Prepaid Card Reconciliation Section, Reconciliation Vertical, Operations Wing in tune with Customer Protection Policy - Limited Liability of Customers.

2.9.3 Bank may provide insurance cover for covering fraudulent/ skimming of cards etc as is being taken care in respect debit / credit cards.

2.9.4 Credit Card & Prepaid Card Reconciliation Section, Reconciliation Vertical, Operations Wing will handle and process the claims received in respect of fraudulent transactions as per extant guidelines for Debit/Credit/Prepaid cards as and when such insurance claims are received for ITPC from Branches. The reporting format for insurance claims for ITPC fraudulent transactions will be similar to that followed for Debit/Credit/Prepaid Cards.

**2.10 Customer Care:**

2.10.1 Our Call centre with Toll free number ‘1800-1030’ shall attend customer queries related to this card product like balance enquiry, hot listing, additional card activation, transaction related queries etc., 24x7. Besides Credit Card & Prepaid Card

Reconciliation Section functioning at Reconciliation Wing, HO also attends calls from customers relating to this card

## **2.11 Miscellaneous**

- 2.11.1 Branches/Offices shall take all precautions of handling foreign exchange while issuing /reloading Canara Bank International Travel Prepaid Card.
- 2.11.2 Bank may levy suitable charges for load, reload, refund, cancellation, ATM usage, card inactivity fee, shortfall fee , charge back fee, charge slip retrieval fee etc. as per industry practice.

## **3. REPORTING STRUCTURE / REQUIREMENTS:**

- 3.1 A monthly statistical report of Travel Prepaid Cards issued (Currency Wise) to be submitted to Reserve Bank of India.
- 3.2 Bank will submit such report as on last day of every month with details of Fresh Cards issued, Currency Wise, their Balances, Usages and amount loaded on or before 7<sup>th</sup> of succeeding month.

## **4. RISK ASSESSMENT**

## **5. RISK MEASUREMENT**

## **6. RISK MITIGATION:**



- 6.1 All the transactions under the CBITPC are governed by FEMA regulations issued from time to time.
- 6.2 The cardholder shall solely be responsible for compliance with FEMA, AML and CFT guidelines or any other regulatory guidelines issued from time to time. Customer will undertake to abide by the same in his application for issue of CBITPC.
- 6.3 Bank will issue CBITPC only to our customers who have complied with full “Know Your Customer” guidelines and hence risks under AML and CFT is complied.

## **7. STRATEGIES FOR MEETING OBJECTIVES:**

The following strategies are envisaged to meet the objectives:

- 7.1. Bank may float campaigns / Customer or Staff Incentive Schemes for popularizing / increasing issue of CBITPC.
- 7.2. Bank in association with Network Associates viz., VISA / MasterCard / NPCI will provide wide publicity as to features / utility of CBITPC.

7.3. Month-wise Targets will be allocated to Circles for each financial year and performance of circle will be reviewed / monitored on a monthly basis.

8. **LIMIT STRUCTURE / TRIGGER MECHANISM, IF ANY: NA**

9. **PROVISIONS FOR EXCEPTION / RATIFICATION PROCEDURE AND ITS DELEGATION:**

9.1. Bank may modify/revise the fee structure / other features of the CBITPC keeping in view the industry trend / business strategy / customer demand to make the product more attractive, safe and secure duly factoring cost-benefit and technical feasibility. Such revision / modifications is to be approved / permitted by Executive Director.

9.2. Bank may revise and fix per day transaction limit per card based on industry practice / business need from time to time. Vertical Head, Digital Banking Services Vertical, IT Wing will be the competent authority to permit per day per card limit and revision / modification of same, as and when required.

9.3. Bank may introduce additional currency wallet/delete existing currency wallet keeping in view the industry trend/Business Strategy/ Customer Demand to make the product more attractive and cost effective duly factoring cost benefit and technical feasibility. Such addition/deletion of currency wallet is to be approved/ permitted by Executive Director.

10. **COMPLIANCE/ MONITORING OF IMPLEMENTATION OF THE POLICIES:**

10.1. Issue and operation of International Travel Prepaid Card is subject regulations by Reserve Bank of India and within the framework of rules set out by Network Associates namely, VISA, MasterCard and NPCI.

10.2. Compliance of guidelines of RBI, Card Network Association and all regulatory guidelines issued by competent authority from time to time in respect of “International Travel Prepaid Card in Foreign Currency” with regard to terms and conditions, charges, protection of customer rights, customer confidentiality, fair practice code, fraud control and internal control shall be ensured by Card Business Management Section, DBS Vertical, IT Wing. *Monitoring of transactional system, raising chargeback and dispute resolution/ redressal of grievance shall be ensured by Credit Card & Prepaid Card Reconciliation Section, Reconciliation Vertical, Operations Wing.*

10.3. Bank is charging certain fees/charges, which are payable in India on such instruments, in foreign currency and these fees/charges payable in India are denominated and settled in Rupees only with regards to RBI Notification RBI/2023-24/29 A.P. (DIR Series) Circular No. 04 dated 09.05.2023

## 11. REGULATORY PRESCRIPTION:

- 11.1. Maximum amount of load per individual during a calendar shall be as per the RBI / FEMA guidelines.
- 11.2. The card cannot be used in India, Nepal, Bhutan, and the exempted countries Democratic People's Republic of Korea, Iran, Myanmar as per RBI/regulatory guidelines.
- 11.3. Card loading & re-loading shall be done only up to the cap permitted for the purpose of travel as per RBI/ FEMA guidelines based on the Form A2 submitted by the card applicant.
- 11.4. Cardholders can retain the unspent foreign exchange in the card up to USD 2000 or its equivalent in other currency for future trips till expiry of the card, as per extant FEMA guidelines. Unspent currency in the card in excess of USD 2000 or its equivalent in other currencies need to be surrendered within 180 days of arriving in India (This is subject to change as per RBI/FEMA guidelines and updated guidelines shall be followed).
- 11.5. Onus of compliance with RBI/FEMA guidelines while using the card rests with the Cardholder.
- 11.6. Our Bank is authorized under Foreign Exchange Management Act (FEMA) to issue foreign exchange pre-paid payment instruments.
- 11.7. The use of such foreign exchange prepaid payment instruments shall be limited to permissible current account transactions and subject to the prescribed limits under the Foreign Exchange Management (Current Account Transactions) Rules, 2000, as amended from time to time.
- 11.8. Bank is complied with the guidelines given in Annexure as published by RBI based on Master Directions on Digital Payment Security Controls with regard to Card Payment Security vide Notification RBI/2020-21/74 DoS.CO.CSITE.SEC. No.1852/31.01.015/2020-21, dated 18.02.2021.

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