

## **Weizmann Digital Ltd.**

### **Customer Protection Policy**

*(Customer Liability In Case Of Unauthorized PPI Transactions)*

#### **Introduction:**

Weizmann Digital Service Enterprise Limited is authorized by the Reserve Bank of India (RBI) to operate a Payment System. It is governed by the Payment and

Settlement Systems Act, 2007 (“the PSS Act”), Regulations made thereunder and the Issuance and Operation of Prepaid Payment Instruments in India (Reserve Bank)

Directions, 2017 (“the RBI Guidelines”) laid down by the RBI. Under this authorization, Weizmann Digital Ltd. issues JaldiCash Card which is a virtual wallet (known as “JaldiCash”) as a payment option alternative to cash for large segment of population in the country who do not have access to the regular banking channel or who require assistance in transferring funds. It is a financial instrument which can be reloaded up to the maximum stipulated amount for subsequent use as per the holder’s convenience. Weizmann Digital Ltd. offers safe and easy payment option to every customer for seamless transactions across MCommerce and ECommerce domains. To ensure a safe and secure environment for conduct of transactions electronically, Weizmann Digital Ltd. has invested in technology with robust security systems and fraud detection and preventions mechanisms. With the increasing thrust on financial inclusion and customer protection, the Reserve Bank of India had issued a circular on Customer Protection – Limiting Liability of Customers in Unauthorized Electronic Banking Transactions. *(RBI/2017-18/15 DBR.No.Leg.BC.78/ 09.07.005/ 2017-18 dated July 6, 2017)* which, *inter-alia*, requires PPI Issuers to formulate a Board approved policy in regard to customer protection and compensation in case of unauthorized PPI transactions, if eligible.

#### **Objective:**

This policy seeks to communicate in a fair and transparent manner the Weizmann Digital Ltd.’s policy on:

- a) Customer protection (including mechanism of creating customer awareness on the risks and responsibilities involved in PPI transactions),

- b) Customer liability in cases of unauthorized PPI transactions
- c) Customer compensation due to unauthorized PPI transactions (within defined timelines), if eligible.

**Scope:**

Electronic financial transactions usually cover transactions through the below modes:

- a) Remote / online payment transactions [transactions that do not require physical payment instruments to be presented at the point of transactions, e.g., internet banking, mobile banking, card not present (CNP) transactions, Pre-paid Payment

Instruments (PPI), etc.]

- b) Face-to-face / proximity payment transactions (transactions which require the physical payment instrument such as a card or mobile phone to be present at the point of transaction e.g., ATM, POS, etc.)
- c) Any other electronic modes of credit effected from one entity to another currently being used or adopted from time to time

This policy covers transactions only through Semi-closed prepaid payment instrument (Virtual Wallet) business. The policy excludes PPI transactions effected on account of error by a customer (e.g., NEFT carried out to an incorrect payee or for an incorrect amount), transactions done under duress, consequential loss, claims due to opportunity loss, reputation loss, other incidental costs or collateral damage.

**Applicability:**

This policy is applicable to individuals who hold PPI wallet.

**Definitions & Explanations: (for the purpose of this policy)**

- a. Real loss is defined as financial outgo from customer's account, e.g., debit to customer's PPI wallet.

- b. Payment transactions are defined as transactions that involve transfer of funds from one account / wallet to another or to a bank account electronically and do not require card information, e.g., NEFT.
- c. Unauthorized transaction is defined as debit to customer's account without customer's consent.
- d. Consent includes authorization of a transaction debit either through additional authentication required by "JaldiCash" such as use of security passwords, input of dynamic password (OTP) or any other electronic authentication option provided by "JaldiCash".
- e. Date & time of reporting is defined as date & time on which customer has submitted a unique complaint. Date of receiving communication from Weizmann Digital Ltd., is excluded for purpose of computing number of working days for all action specified in this policy. The working schedule of the home branch would be considered for calculating working days for customer reporting. Time of reporting will be as per Indian Standard Time.
- f. Notification means an act of the customer reporting unauthorized PPI transaction to the Weizmann Digital Ltd.
- g. Number of days will be computed based on working days, which will be from Monday to Saturday excluding the three national holidays, viz., Republic Day, Independence Day and Gandhi Jayanti, and excluding the date of receiving the communication. .
- j. Mode of reporting will be the channel through which customer complaint is received first time by the Weizmann Digital Ltd., independent of multiple reporting of the same unauthorized transaction.

### **Limited Liability of a Customer**

- (a) Zero Liability of a Customer

A customer's entitlement to zero liability shall arise where the Unauthorized transaction occurs in the following events:

- i. Contributory fraud / negligence / deficiency on the part of Weizmann Digital Ltd. (irrespective of whether or not the transaction is reported by the customer).
- ii. Third party breach where the deficiency lies neither with Weizmann Digital Ltd. nor with the customer but lies elsewhere in the system, and the customer notifies Weizmann Digital Ltd. **within three working days** of receiving the communication from Weizmann Digital Ltd. regarding the unauthorized transaction.

(b) Limited Liability of a Customer

A customer shall be liable for the loss occurring due to Unauthorized transactions in the following cases:

- i. In cases where the loss is due to negligence by a customer, such as where he has shared the payment credentials, the customer will bear the entire loss until he reports the unauthorized transaction to Weizmann Digital Ltd.. Any loss occurring after the reporting of the unauthorized transaction shall be borne by Weizmann Digital Ltd..
- ii. In cases where the responsibility for the unauthorized PPI transaction lies neither with Weizmann Digital Ltd. nor with the customer, but lies elsewhere in the system and when there is a delay (of **four to seven working days** after receiving the communication from Weizmann Digital Ltd.) on the part of the customer in notifying Weizmann Digital Ltd. of such a transaction, the per transaction liability of the customer shall be limited to the transaction value or the amount mentioned in Annexure-I, whichever is lower.

**Third Party Breach**

The following would be considered as third party breach where deficiency lies neither with Weizmann Digital Ltd. nor customer but elsewhere in the system:

- a) Application frauds;
- b) Account takeover;
- c) External frauds / compromise of other systems, e.g., mail servers, etc., being compromised.

**Roles and responsibility of the customer** Customer is

bound by the following:

- i) The customer must register with a valid mobile no. ii) The customer must register with correct name as per the Official Valid Document (OVD).
- iii) Customer shall not share sensitive information such as OTP / password / TPIN with any person including Weizmann Digital Ltd. staff or partners iv) Customer must set transaction limits to limit exposure.
- v) Customer must verify transaction detail and raise query to Weizmann Digital Ltd. as soon as possible in case of mismatch.
- vi) The customers must notify Weizmann Digital Ltd. of any Unauthorized PPI transaction at the earliest after the occurrence of such transaction. The longer the time taken to notify Weizmann Digital Ltd., the higher will be the risk of loss to customer.
- vii) Customer shall share relevant documents as needed for investigation or insurance claim, viz., cardholder / dispute form and police complaint. viii) Fully co-operate and comply with Weizmann Digital Ltd.'s reasonable requirements towards investigation and provide details of transaction, customer presence, etc.

Customer is entitled to:

- i) Receive SMS alerts to registered mobile number for all debit transactions to the account.
- ii) Receive Email alerts where there is a valid email id registered with Weizmann Digital Ltd. iii)

Register complain through modes provided.

- iv) Receive compensation as mentioned in Annexure-I.

### **Roles and responsibility of Weizmann Digital Ltd.**

- i. Provide customers with access through multiple channels (at a minimum, via website, phone, e-mail, a dedicated helpline, reporting to home branch, etc.) for reporting unauthorized transactions that have taken place and / or loss or theft of payment instrument such as card, etc.
- ii. A direct link for lodging the complaints, with specific option to report Unauthorized PPI transactions will be provided by Weizmann Digital Ltd. on home page of the website.
- iii. The loss / fraud reporting system shall also ensure that immediate response (including auto response) is sent to the customers acknowledging the complaint along with the registered complaint number.
- iv. The communication systems used by Weizmann Digital Ltd. to send alerts and receive their responses thereto must record the time and date of delivery of the message and receipt of customer's response, if any, to them. This shall be important in determining the extent of a customer's liability.
- v. During investigation, in case it is detected that the customer has falsely claimed or disputed a valid transactions, Weizmann Digital Ltd. reserves its right to take due preventive action of the same including closing the account or blocking PPI wallet limits vi. This policy should be read in conjunction with Grievance Redressal Policy. Clauses from the Weizmann Digital Ltd.'s Grievance Redressal Policy shall form a part of this policy where not specifically addressed in this policy. The policy is available on the following link:

<https://jaldicash.com/T&C/CustomerGrievanceRedressalPolicy.pdf>

### **Proof of customer liability**

The burden of proving customer liability in case of Unauthorized PPI transactions will lie on Weizmann Digital Ltd.

### **Force Majeure**

Weizmann Digital Ltd. 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

Weizmann Digital Ltd.’s facilities or of its agents, absence of the usual means of communication or all types of transportation, etc., beyond the control of Weizmann Digital Ltd. prevents it from performing its obligations within the specified service delivery parameters.

### **Annexure-I**

#### **Unauthorized transaction – Extent of Liability of Customer / Weizmann Digital Ltd.**

<p><b>Unauthorized transaction due to Weizmann Digital Ltd.’s fault:</b></p> <p>Contributory fraud / negligence / deficiency on the part of Weizmann Digital Ltd. (irrespective of whether or not the transaction is reported by the customer)</p>	<p>Liability of a Customer: Zero</p>

<p><b>Unauthorized transaction due to fault neither of Weizmann Digital Ltd. nor customer:</b> Third party breach where the deficiency lies neither with Weizmann Digital Ltd. nor with the customer but lies elsewhere in the system</p>	<p>If reported by customer:</p>	
	<p>(i) Within 3 working days:</p>	<p>Liability of a Customer: Zero</p>
	<p>(ii) Within 4 to 7 working days:</p>	<p>Liability of a Customer: The transaction value <b>or</b> Rs.10,000 (applicable to PPI), whichever is lower</p>
	<p>(iii) Beyond 7 working days:</p>	<p>Liability of a Customer will be treated as 100%</p>
<p><b>Unauthorized transaction due to Customer's fault:</b> In cases where the loss is due to negligence by a customer, such as where he has shared the</p>	<p>(i) Until the customer reports the Unauthorized transaction to Weizmann Digital Ltd..</p>	<p>Liability of a Customer: 100%</p>



payment credentials	(ii) After reporting the Unauthorized transaction to Weizmann Digital Ltd..	Liability of a Customer: Zero Liability of Weizmann Digital Ltd.: 100% (Any loss occurring after the reporting of the unauthorized transaction shall be borne by Weizmann Digital Ltd.)
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