

## **TERMS & CONDITIONS FOR THE CREDIT CARD BUSINESS**

These terms and conditions form part of the agreement which govern the use of the credit card and further regulate the relationship between the Credit Card Issuers and the Cardholders on the provision of Credit Card Services. The use of this credit card service will be deemed as acceptance of all the terms and conditions governing the agreement. These terms and conditions are applicable to all Business card accounts.

### **Sections in this Agreement**

**Section A: Cards condition of Use**

**Section B: Account Charges and Fees**

**Section C: General Information**

**Section D: Definitions Table**

### **Section A: Cards condition of Use**

#### **1. Acceptance of these terms and conditions**

1.1 The use of the Credit Card by the cardholder will be deemed as the Cardholder's acceptance of all the terms and conditions governing the Agreement.

1.2 Should the Cardholder have entered into this Agreement electronically, telephonically or in writing, such mechanisms utilized to enter into this agreement shall be valid, binding and undisputed. By the acceptance of the terms of the Service, the customer has consented to the Service provider taking ownership and use of this Service.

1.3 The use, ownership and application of the data obtained from this service remains the property of the Service Provider.

1.4 Decision on how much limit to assign a cardholder is a result of risk assessment and credit scoring on customers using information or data supplied by customers on the enrolment portal. No alterations or additions to this standard terms and conditions can be effected without the express written consent of card Issuers and same being duly signed by the authorized representative of Banks.

#### **2. Customer On-boarding Requirements**

2.1 The sign-up process by each customer commences from the use of the Credit Card Customer Enrolment Portal. The customer supplies their personal Information required for the issuance of credit cards.

2.2 The Information received will be treated in strict confidence but would be verified against various entities at the discretion of the Service Provider like the BVN, Credit Bureaus and Quickteller database amongst others.

2.3 After data verification, the data are subjected to further risk assessment and Credit Scoring which uses a combination of statistical models; "Logarithms regression Method" and a 'Wald Chisq' algorithm

to ascertain the credibility of the customer and an insight on ability to repay amount suggested by the scoring engine.

2.4 Customers are either approved or declined at the end of this process and feedback sent to them via either the portal, email, SMS and outbound call center.

2.5 Upon approval, Customers are expected to accept the offer of the credit limit and the product assigned to them. This effectively signifies the customer's acceptance to allow direct debit of the issuance fee, annual fee and repayments of outstanding liabilities on their behalf on their salary account or account provided during enrolment.

### **3. Issuance of the card**

3.1 The issue of the card is subject to the terms and conditions of the card scheme as published by us from time to time.

3.2 The credit cards are card scheme branded cards

### **4. Card Delivery**

Fulfilled cards will be delivered to customer delivery address. The customer agrees that his picture and signature will be captured as an assured delivery mechanism. The customer also agrees that his/her account will be debited via direct debit of delivery fee of N500 which may be more due to location.

## **Section B: Account Charges and Fees**

Charges and fees, as may be applicable from time to time, are payable by cardholders for specific services provided by the issuer to the cardholder or for defaults committed by the Cardholder with reference to his card account. Charges such as card issuance fees, delivery fee and card hosting fees will be debited from the cardholders' personal account while charges such as the interest/finance charges, late penalty, cash withdrawal charges and other anticipated fees related to the running of the credit card service will be debited from the credit account.

Please Note: The bank retains the right to review any charges or fees from time to time or to introduce any new charges or fees, as it may deem appropriate. However, the customer must be duly intimated.

### **1. Fees and charges payable on the credit card by the customer.**

#### **i. Annual Fees and Renewal Fees**

Annual fees will be applicable on the credit card. The annual fees are a one-time charge and the renewal fees will be charged every year. These fees are same for all cardholders, and for all card variants. These shall be as communicated to the cardholders at the time of applying for the credit card. These fees, as applicable, are directly charged to the cardholder account through direct debit. There may be separate fees for additional cards issued to the primary cardholder.

## ii. Card Issuance Fees

Issuance fee is a one-time charge for the cost of the card, risk assessment and credit scoring. This fee is applicable once in a card lifetime and is billed to the customer salary or other account supplied on the portal during enrolment using direct debit.

## iii. Cash Advance Fees

The cardholder can use the card to access cash from domestic/International ATMs. A transaction fee would be levied on all such withdrawals and would be billed to the cardholder credit account and will reflect in the next statement. A transaction fee of N150.00 at domestic ATMs and N240 at international ATMs will be levied. The transaction fee is subject to change at the discretion of cards issuer & payment services. All cash advances also carry a finance charge (interest charge) equal to charges on revolving credit.

The cardholder can use other medium like transfers, payment across the counter at bank branches other than direct debit to offset outstanding bills. This can be done by indicating the credit card information and amount in the deposit or transfer form.

## iv. No Interest Free Grace Period

There is no interest free period for this credit card. What is applicable is the repayment period to allow the customer repay their outstanding without being liable of late penalty fee.

## v. Finance Charges (Interest Charges)

Finance charges are payable at the monthly interest rate on all transactions including unpaid balance 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. Card Interest Rate is dynamic and will be based on the cardholder's usage and payment patterns and is subject to periodic review. The current rate of finance charges is 2.5% per month [30% per annum] from the transaction date and is subject to change at the discretion of card issuer. Finance charges on cash advances and purchases are applicable from the date of transaction until the payment is made in full for this programme.

Making only the 20% minimum payment every month would result in the repayment stretching over a prolonged period with consequent interest payment on your outstanding balance.

If the cardholder keeps making the Minimum Amount Due (20%) payment every month and also consequently paying the interest amount, he would clear the outstanding in 5 months (100%/ 20% – 5).

vi. Late payment charges will be applicable if Minimum Amount Due is not paid by the payment due date.

vii. Over limit fees - As a service gesture this card will not approve certain transactions attempted by the cardholder which are over and above the credit limit. Please note that if the outstanding amount exceeds the credit limit, an over-limit fee of N2000 flat amount may be applied.

## **2. Billing & Statement**

a) The issuer will send the cardholder end-of-cycle statement showing the payments credited and the transactions debited to the cardholder's credit account since the last statement, provided the card has been active during the said period. Each credit card statement will be e-mail to the customer's email addressed supplied during the onboarding process.

b) 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. Any unpaid Minimum Amount Due of the previous statements will be added to the cardholders current Minimum Amount Due in addition to the outstanding exceeding the cardholders credit limit.

Minimum Amount Due shall be 20% of outstanding amount. Overlimit (OVL) amount shall also be included in the MAD in case cash or credit limit is exceeded. Any unpaid MAD of the previous statements, if any, shall also be included in the Minimum Amount Due

c) Payments made towards the card outstanding are acknowledged in subsequent statements.

d) Payments received against the cardholder's card outstanding will be adjusted against all Minimum Amount Due, fees & other charges, interest charges, purchase outstanding and cash advance in that order.

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

- Transfers Bank's internet banking to the credit account specified on your statement.
- Cheque or cash across the counter to the credit account specified on your statement.
- Payment using Interswitch's direct debit engine.

g) Billing Disputes: All contents of statements will be deemed to be correct and accepted by the cardholder unless within 30 days of the statement date the cardholder informs the Bank of any discrepancies, and these discrepancies are found to be true by the bank. On receipt of such information, the bank may reverse the charge on temporary basis. If on completion of subsequent investigations, the liability of such charges is to the cardholder's account, the charge will be reinstated in a subsequent statement.

h) Customer Grievance Management: All customer escalations should be marked to the customer support.

### **3. Default**

In the event of default where a cardholder is unable to meet his or her obligations to the credit card issuer on agreed date, the cardholder will be sent reminders from time to time for settlement of any outstanding on the card account, by telephone from outbound call center, e-mail, SMS messaging.

Where to customer fails to repay on or beyond 30 days, that customer's debt details will then be forwarded to the recovery agency, so appointed for the recovery service and shall adhere fully to the code of conduct on debt collection.

The total outstanding on the card account, together with the amount of any charges effected but not yet charged to the card Account, will become immediately due and payable in full to the Bank.

In the case of bankruptcy or death of the primary cardholder, the card account shall immediately stand cancelled. The primary cardholder's insurance will be responsible for settling any outstanding on the card account and should keep the bank indemnified against all costs, including legal fees and expenses incurred in recovering such outstanding. Pending such repayments, the issuer will be entitled to continue to levy finance charges at its prevailing rates.

## **Section C: General Information**

### **1. Lost/Theft/Misuse of cards**

i) The cardholder should contact the Bank immediately if the primary or any additional credit card is misplaced, lost, stolen, mutilated, not received when due or if he/she suspects that the credit card is being used without the cardholder's permission. Once a card is reported lost, it should not, under any circumstance be used if found by the cardholder subsequently, and the cardholder should send the card to the card issuer.

The cardholder can also block the card instantly personally. To block your lost/stolen card, please call up the help line to get your card blocked immediately and to avoid any misuse.

ii) Interswitch and the Bank are not liable or responsible for any transactions incurred on the card account prior to the time of reporting of the loss of the card to the bank and the cardholder will be wholly liable for the same. In addition to notifying the bank about the loss or theft of the card, the cardholder must report any theft of the credit card(s) to the Police and obtain Police report. The cardholder will, however, be liable for all losses when someone obtains and misuses the card or PIN with the cardholder's consent, or the consent of an additional cardholder.

iii) If the cardholder has acted fraudulently, the cardholder will be liable for all losses. If the cardholder acts without reasonable care, the cardholder may be liable for all losses incurred. This may apply if the cardholder fails to follow the safeguards as specified by the bank.

iv) The Bank may without referring to the cardholder or any additional cardholder, give the police or other relevant authorities any information that the issuer considers relevant about the loss, theft or misuse of a card or PIN.

### **2. Termination/ Revocation of cardholder**

i. The cardholder may end the agreement at any time by writing to bank or calling in to the bank contact centre, and by sending the card in for destruction by the bank. Termination will be effective after payment of all amounts outstanding on the card account.

ii. No annual, joining or renewal fees shall be refunded on a pro-rata basis.

iii. The issuer may also restrict, terminate or suspend the use of the cardholder account at any time without prior notice if issuer reasonably believes it necessary for business or security reasons and/or at the request of any law enforcement agency, and/or any

government authority and/or under the laws & regulations which apply to the bank & its customer.

- iv. Issuers can suspend the facility on the credit card, if the cardholder defaults on the payment due or exceeds the credit limit extended. The card must not be used after the agreement ends or while use of card account is suspended.
- v. In such a situation, the cardholder must (subject to any default or other notice required by law) immediately pay issuing bank the total outstanding balance on the account. This includes all amounts due to the bank under the agreement, including all transactions and other amounts not yet charged to the account. The cardholder account will not be considered as closed until the cardholder has paid all such due amounts.

**3. Disclosure**

The cardholder acknowledges that the bank is authorized to share cardholder information with any existing or future credit bureaus without any notice to this intent to the cardholder, and such information may pertain to positive or negative Performance/default by the cardholder.

The Credit Bureaus are an initiative of the Government to improve the functionality and stability of the financial system credit history. The cardholder further acknowledges that the bank is authorized to share cardholder information, including default in payments with financial institution, employer and to other third parties engaged by the bank for proper operation of card accounts, verification and other administrative services. The bank may also share cardholder information with any parent, subsidiary, affiliate or associate of the bank, for the purposes of marketing and offering various products and services of the bank.

Schedules of Fees/Charges		
#	Description	Values (rate or amount)
1	Card Hosting Fee (one time)	N1,200 per annum or N100 per month
2	Card Issuance and Renewal Fee (per.annum.)	N3000
3	Billing Cycle	1st – 31st day of the month with 10 days repayment period from the last day of the month (1st – 10th).
4	Statement Distribution date	2nd of every month
5	Payment Due Date	10th of every month
6	Finance Charges(Interest rate)	2.5% per month for the pilot period
7	Minimum Amount Due:	20% of Total Outstanding
8	Cash advance or withdrawal surcharge	N150 for domestic and N240 for international transactions
9	Late Penalty Fee	N2,000
10	Over Limit Fee	N2,000

**Governing Law:**

This Terms and Conditions shall be governed by and construed in accordance with the Laws of the Federal Republic of Nigeria and the Nigerian Courts shall have exclusive jurisdiction.

**Notices:**

Any notice required under these terms and conditions shall be in writing and may be served either personally, or by registered or recorded delivery mail, or by telex or facsimile transmission to the last known address of the parties. A notice shall be deemed to have been served, if it was served in person, at the time of service, or if it was served by post, 48 hours after it was posted, or if it was served by telex or facsimile transmission, at the time of transmission. All notices shall be issued by a management staff of either party or an authorized designate.

## **SECTION D: DEFINITIONS**

### **Definitions used in this Agreement**

ATM – Automated Teller Machine

Cardholder- The customer that applied for credit card facilities and to whom a card has been issued. |

Credit Control Account-The Cardholder's credit account created specifically for this service which account is linked to the personal account. |

Credit Card- Means either the Verve Card, MasterCard and VISA Cards issued by the Bank in the name of the Cardholder. The list of Cards mentioned are not exhaustive.

PIN- Personal Identification Number linked to Card