



**GENERAL
TERMS AND CONDITIONS
FOR UNION BANK CREDIT CARDS**



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UNION BANK CREDIT CARD – CARDHOLDER AGREEMENT

IMPORTANT

Before you use the credit card issued by Union Bank of Colombo PLC bearing registration No.PB 676PQ, please read the Cardholder agreement carefully. By accepting and/or signing and/or using the Card, you accept the terms and conditions set out below and will be bound by them.

01. DEFINITIONS

- 1.1 "Applicant" means person(s) who has / have applied for a Union Bank Credit Card.
- 1.2 "Bank" or "Union Bank" refers to Union Bank of Colombo PLC, its successors and assigns.
- 1.3 "Card" or "Credit Card" means the Credit Card issued by Union Bank at the request of the Applicant.
- 1.4 "Card Account" means the card account opened in the name of the Cardholder and maintained by Union Bank for the purpose of usage of the Credit Card as per the terms and conditions contained herein.
- 1.5 "Cash Advance" – means an act of obtaining money by the use of the Card, the Card number and/or the PIN.
- 1.6 "Cash Advance Limit" means the maximum limit permitted by the Bank for Cash Advances.
- 1.7 "Cardholder" – means an Applicant to whom a Card is issued by the Bank and who holds such Card.
- 1.8 "Charge" or "Transaction" means any transaction made or charged with the Card including applicable fees levied and all other amounts which the Cardholder agrees/has agreed to pay the Bank or agrees/has agreed to be liable for, under this agreement.
- 1.9 "Credit Limit" means the limit up to which the Cardholder is authorized to spend on his Credit Card.
- 1.10 "Minimum Payment Due" is the amount specified on the Statement as the minimum amount payable by the Payment Due Date.
- 1.11 "Merchant" or "Merchant establishment" means establishments, wherever located, which honor the Card or are willing to accept the Card as a payment instrument for purchase of goods or services.
- 1.12 "Past Due" is the cumulative Minimum Payment Due (if any) outstanding from previous Statement(s). Any Past Due is shown separately on the Statement, and is payable immediately.
- 1.13 "Payment Due Date" means the date specified on the Statement as the date by which, payment of the total Outstanding or any part thereof or the Minimum Payment Due is to be made to the Bank.

- 1.14 "PIN" means the Personal Identification Number allocated to the Cardholder by Union Bank or chosen by the Cardholder from time to time, in relation to the Card.
- 1.15 Post Date – means the date on which a transaction is processed and transferred to the Card Account.
- 1.16 "Primary Cardholder" is the person in whose name the Bank has opened or decided to open a Card Account.
- 1.17 "Supplementary Cardholder" means an individual other than the Primary Cardholder to whom a Card is issued at the request of the Primary Cardholder, and whose Charges are chargeable to the Primary Cardholder's Card Account.
- 1.18 "Statement" means monthly statement(s) of account or other periodic Statement of account sent by Union Bank to a Cardholder setting out the financial liabilities on that statement date, of the Primary Cardholder and any Supplementary Cardholder, to Union Bank in respect of the Card Account.
- 1.19 "Total Outstanding" – means the total debit balance (inclusive of all Charges which shall be debited to the Card Account) outstanding on the Card Account payable to the Bank according to the Bank's records.

02. APPLICABILITY OF TERMS AND CONDITIONS

- 2.1 The "Terms and Conditions" mean the terms and conditions set out herein and/ or as may be stipulated by Union Bank from time to time, as amended. In these Terms and Conditions, unless the contrary intention appears:-
- i. A reference to an "amendment" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to be construed accordingly; an "authorization" or "approval" includes an authorization, consent, clearance, approval, permission, resolution, license, exemption, filing and registration; "law" includes any constitution, statute, law, rule, regulation, ordinance, judgement, order, decree, authorization, or any published, directive, guideline, requirement or governmental restriction having the force of law, or any determination by, or interpretation of any of the foregoing by, any judicial authority, whether in effect as of the date of signing/submission of the Application Form or thereafter and each as amended from time to time.
 - ii. The singular includes the plural (and vice versa);
 - iii. The headings in these Terms and Conditions are inserted for convenience of reference only and are to be ignored in construing and interpreting the Terms and Conditions;
 - iv. Reference to the words "include" or "including" shall be construed without limitation;
 - v. Reference to a gender shall include references to the female, male and neuter genders;

- 2.2 The Cardholder evidences the acceptance of, and the agreement to the terms and conditions mentioned herein by placing the signature on the Card application form, and/or by placing the signature on the card, and/or by making use of the card.
- 2.3 Use of the card must be in strict accordance with all the applicable laws, relevant exchange control regulations of Sri Lanka, and any policies and regulations as applicable and as amended from time to time.
- 2.4 In the event of any disagreement or dispute between Union Bank and the Cardholder regarding the materiality of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorization, proceeding, act, omission, claims, breach, default or otherwise, the opinion of Union Bank as to the materiality of any of the foregoing shall be final and binding on the Cardholder.

03. THE CARD

- 3.1 The Card is the property of Union Bank and shall be returned to the Bank immediately by the Cardholder when requested by the Bank.
- 3.2 Union Bank reserves the right to ascertain the credit worthiness of the Applicant by obtaining credit bureau report (CRIB) and such other reports as it may deem necessary and decline to issue a Card to any Applicant at its sole discretion.
- 3.3 Union Bank reserves the right to create a savings account in the name of the Primary Cardholder for the purpose of collection of payments from the cardholder. Such account shall not be permitted for any other use of the cardholder.
- 3.4 The Card is not transferable and its usage is subject to the terms mentioned herein and any additional conditions stipulated by Union Bank from time to time. The Card will be valid until the expiration date printed on its face. The Bank may at its absolute discretion and without prior notice or reason withdraw at any time the Card and the Cardholder's right to use the Card entirely or in respect of specific facilities or refuse to reissue, renew or replace any Card, without in any case affecting the Cardholder's obligations under this Agreement, which shall continue to be in force. In case of a Cardholder returning the Card voluntarily, obligations under the Agreement will continue to be in force until all such obligations of Cardholder hereunder have been satisfied by the Cardholder, to the satisfaction of the Bank.
- 3.5 The Cardholder should sign on the reverse of the Card immediately upon receipt and should not permit any other person to use it and should at all times safeguard the Card and keep it under the Cardholder's personal control.

04. SUPPLEMENTARY CARD

- 4.1 The Bank at its sole discretion may provide the facility of a Supplementary Card at the joint request of the Primary Cardholder and the Supplementary Cardholder(s) on terms and conditions as decided by the Bank from time to time. The holder(s) of any Supplementary Card(s) on the account and the Cardholder authorizing its issuance are jointly and severally liable for all Charges incurred by the use of Card(s). The facility of a Supplementary Card will be dependent on the continuation of the Primary Cardholder.
- 4.2 Annual fee charges for the Primary and Supplementary Cardholders shall be charged on the respective anniversaries of their Card opened dates.
- 4.3 The same Credit Limit is applicable to the Primary Cardholder and all Supplementary Cardholders collectively unless otherwise the Primary Cardholder had given instructions to reduce the limit for each supplementary cardholder.
- 4.4 All communications sent or given to the Primary Cardholder or the Supplementary Cardholder(s) is deemed to be sent or given to both parties.
- 4.5 The primary Cardholder agrees that the supplementary cardholder shall have access to relevant card account information without the need for the primary cardholder's or any other supplementary cardholder's consent. The primary Cardholder consents the Bank to provide information about the card account to any of the supplementary cardholders at the discretion of the Bank. However, the Bank is in no obligation to do so.
- 4.6 Termination of a Supplementary Card account will only be with a written request from the Primary Cardholder.

05. DELIVERY OF THE CARD

The Card(s) may be couriered to the cardholder and the supplementary cardholder(s). When the Primary Cardholder and any Supplementary Cardholder(s) receive the Card(s), he/she shall produce proof of his/her identity and acknowledge the card. The Cardholder/Supplementary Cardholder at his/her discretion may authorize a third party to accept or collect the Card(s) on his/her behalf and will be liable for all charges incurred on the Card/s from the time the Card/s is/are accepted by the Cardholder/Supplementary Cardholder(s) or the person authorized on his/her behalf. The Bank may at its discretion hand over the Card to a third party determined by the Bank or its representative to be the representative of the Cardholder. The Cardholder shall be liable for all Charges on the Card from the time the Card is delivered.

06. USE OF THE CARD

- 6.1 The Card is valid worldwide at Merchant establishments, online merchants and ATM machines where Visa cards are accepted. Upon use of the Card at a service establishment, the Cardholder must collect the copy of the Charge slip at the time of signing the Charge slip. Normally, the Bank shall not provide copies of other Charge slips to the Cardholder.

However, at the sole discretion of the Bank, copies may be provided on payment of additional fees as determined by the Bank. The Cardholder accepts that the Bank may selectively agree to provide him/her with the facility of effecting mail order or telephone order purchases or transactions through the internet, and in such cases, the Charge slips will not be signed by the Cardholder at the time of Card utilization. Accordingly, the Cardholder accepts that, even in the event of any dispute regarding the authenticity or validity of such a purchase or a Charge, for any reason whatsoever, the Cardholder will settle the total outstanding. Any such dispute shall be a matter between and will be settled by the Cardholder and the concerned Merchant establishment.

- 6.2 The Card may be used only for bona fide personal or official purposes and its use is not permitted to be exploited to purchase/import goods in commercial quantities or for capital transactions. The Card should not be used for any illegal or unlawful purpose. The Bank reserves the right to decline any or all Card Transactions if the Card Account is overdue or due to suspicious activities.
- 6.3 The Card is valid internationally, and if its usage exceeds the entitlements as per the guidelines of the Central Bank of Sri Lanka (CBSL), then the Cardholder undertakes to obtain the requisite permission from CBSL and to comply with CBSL requirements.
- 6.4 The Card shall not be used on internet or otherwise for the purchase of lottery tickets, gambling transactions, foreign exchange trading, and prohibited adult content.
- 6.5 The Cardholder acknowledges that the Card issued by the Bank incorporates a feature which enables the Card to be utilized to pay for goods and services by tapping or waving the Card at contactless card readers/Point of Sale terminals, such transactions referred as "Contactless Transactions" or "Paywave Transactions".
- 6.6 Contactless Transactions not exceeding an amount which may from time to time be specified by the Bank, may be processed at Merchant establishments who accept such transactions, and the Card Account shall be debited with the Contactless Transaction amount without requiring the:
 - i. Card to be swiped at a magnetic strip reader; or
 - ii. Card's chip to be read by a chip terminal; or
 - iii. Cardholder's signature to authorize the transaction or entry of the Cardholder' PIN number to authorize the transaction.
- 6.7 The Contactless Transaction Limit may vary from market to market when doing overseas transactions.
- 6.8 Dynamic currency conversion (DCC) is a service offered at selected Merchant establishments and ATMs which may become useful when travelling overseas. DCC converts a foreign currency transaction into the currency of a card account (Sri Lankan Rupees) at the point of sale. If the Cardholder requests to convert the overseas transaction to Sri Lankan Rupees via DCC, he/she acknowledges and agrees that the process of conversion and the exchange rates applied are determined by the relevant Merchant establishment or ATM operator.

- 6.9 The Cardholder understands and agrees that the Card is automatically enabled for 3D-Secure technology, referred to as 'Verified by Visa' (VbV), and thereby some transactions performed on the internet would require authentication of the transactions via a 'One Time Password' (OTP) to complete the transaction. The Bank or the Merchant establishment shall not hold responsibility if a transaction could not be completed due to failure of the said authentication. The OTP received by the Cardholder should not be shared with any third party and should be protected similarly to the PIN during the life span of the OTP.
- 6.10 The Card may be used within the Credit Limit notified by the Bank to the Cardholder; and not after the last date of the month embossed on its face.
- 6.11 The Bank gives no guarantee that the Card will be honored by any particular merchant establishment and accepts no responsibility for refusal by any Merchant establishment to honor the Card.
- 6.12 The Bank reserves the right to take security measures that may decline transactions of suspicious nature or which are not within the general pattern of transacting by an average cardholder, as categorized by the Bank. The Bank may from time to time contact the primary Cardholder or the supplementary Cardholder(s) to verify such transactions performed using the Card.
- 6.13 The Bank shall not in any way be responsible for merchandise, warranty or services purchased or availed by the Cardholder from Merchant establishments including on account of delay in delivery, non-delivery, and non-receipt of goods or receipt of defective goods from mail order placed by the Cardholder. It must be distinctly understood that the Card facility is purely a facility to the Cardholder to purchase goods or avail of services and the Bank holds no warranty or makes no representation about quality, quantity, delivery or otherwise howsoever regarding the goods or services, and the Cardholder with the Merchant Establishment must resolve any dispute. The existence of a dispute shall not relieve the Cardholder and he/she agrees to pay promptly such Charges, notwithstanding any of his objections to the bank pending dispute or claim whatsoever.
- 6.14 The Cardholder's right to use the Card shall determine forthwith in the event of termination by the cardholder or the bank; or in the event of loss /misuse or theft of Card.
- 6.15 The Cardholder agrees that he/she has made a standing request that, subject to the sole discretion of the Bank, renewal and/or replacement Cards be issued to each Cardholder until such time the Bank is notified in writing by the Cardholder to the contrary. The Bank reserves the sole right of renewing the Card facility on expiry, loss, damage, or theft of the Card. In the event of such non-renewal, the Cardholder shall immediately settle the balance due to the Bank without demur or delay.
- 6.16 A Cardholder migrating and/ or proceeding abroad on permanent employment, or who is deemed "non-resident" as per definitions of exchange control regulations in force at that time must inform the Bank in writing, and must settle all billed

and unbilled Charges and must also surrender the Primary Card and any supplementary Cards.

- 6.17 The Cardholder must inform the Bank of any change in name or address by writing to the Bank.
- 6.18 In the event of a credit card program closure or at the time of renewal of credit card, Union Bank at its sole discretion reserves the right to provide a card type that is different from the existing card type held by the Cardholder. The credit limits and cash limits on any credit card at any point in time are as per sole discretion of Union Bank of Colombo PLC.
- 6.19 The Cardholder shall act in good faith at all times in relation to all dealings with the Card and Union Bank.

07. PERSONAL IDENTIFICATION NUMBER (PIN)

A Personal Identification Number (PIN) will be issued to the Primary Cardholder / Supplementary Cardholder(s) at the Bank or may be delivered, posted under registered cover/ normal post or delivered through courier at the discretion of the Bank. Once received, it is the property of the Cardholder and the Cardholder should take every precaution to ensure that the PIN is secured and not compromised in anyway or manner.

This pin enables transactions in a secure platform and is required to complete the following services on the card,

- i. Obtain cash advance or for balance inquiry type transactions at any VISA ATM (Automated Teller Machine) locally or internationally.
- ii. The PIN will also be requested for POS (Point of Sale) purchases at selected merchants , especially for overseas transactions.

08. CARD ISSUANCE TO NON-RESIDENTS AND FOREIGN NATIONALS

- 8.1 A foreign national Cardholder may apply and use the Card if he/she resides in Sri Lanka. Such foreign national Cardholder should inform the Bank in writing one month prior if he/she is leaving the country permanently, and/or one month prior to the expiration of his/her resident visa. He/she should settle the billed and unbilled Charges in full and surrender the Card(s) to the Bank before either of the aforesaid events occurs.
- 8.2 The Card shall be issued to a non-resident only on the condition that he/she maintains and fairly operates a Non Resident Foreign Currency Account up to the satisfaction of the Bank, and makes arrangements to settle the credit card outstanding in foreign currency using such an account.

09. CREDIT LIMIT

- 9.1 The Bank will assign a Credit Limit to the Card Account, which will be mentioned in the cover letter accompanying the card, as well as the periodic statements. The Bank will determine the Credit Limit and may enhance or reduce the same and notify the same to the Cardholder from time to time. The Bank shall not be liable for any consequence arising out of any loss or damage suffered by the Cardholder due to such reduction or increment of the Credit Limit.

- 9.2 The Bank shall notify the Cardholder via SMS alert, letter or telephone call of any proactive measures taken to increase the Cardholder's Credit Limit permanently. Should the Cardholder disagree to such measures taken by the Bank, it is his/her obligation to immediately notify the Bank. Unless such disagreement is expressed, it is understood that the Cardholder has acknowledged such limit increment granted to him/her.
- 9.3 If the Current Balance exceeds the Credit Limit, the Cardholder must make immediate payment of any excess. An over limit Charge may be levied to the Card Account as may be applicable from time to time if the Credit Limit is exceeded, irrespective of the amount by which the Credit Limit is exceeded.
- 9.4 Cardholders can obtain Cash Advances up to the Cash Advance Limit. Temporary Credit Limit enhancements and/or cash deposits or fund transfers to Card accounts will not in any way increase the Cash Advance Limit. This facility may be changed or withdrawn by the Bank without prior notice to the Cardholder.

10. CHARGES

- 10.1 The Cardholder agrees to pay to the Bank upon the request of the Bank, a joining fee as prescribed by the Bank for the Card when issued, and a joining fee prescribed by the Bank for each Supplementary Card when issued. Joining fee is charged at the time of the card issuance from the bank and has no reliance to the card activation.
- 10.2 Annual fees are payable for use of the Card and shall be billed in advance at such rates as the Bank communicates to the Cardholder, starting from the First year. Annual fee is charged at the time of card issuance from the bank, and has no reliance to the card activation.
- 10.3 When the Card is couriered to an overseas address, the Bank will debit a handling fee to the Card account.
- 10.4 A handling fee for limit increases may be debited to the Card Account.
- 10.5 A handling fee for copies of Statements will be debited to the Card Account.
- 10.6 The Bank shall charge the Cardholder and debit the Card Account a handling fee at a rate to be determined by the Bank, if any cheque or other payment order issued or presented by the Cardholder or any other party to the Bank is not honored for any reason whatsoever.
- 10.7 A Cash Advance fee and/or a handling fee will be charged on all Cash Advances and debited to the Card Account at a rate to be determined by the Bank.
- 10.8 An over limit fee may be charged and debited to the Card Account if the assigned Credit Limit is exceeded at any point in the billing period. It is levied once per billing period. In computing whether the Credit Limit has been exceeded, the Bank shall take into account the amount of any Card

Transactions not yet debited to the Card Account and the Account Balance of any authorization given by the Bank to a third party in respect of a prospective Card Transaction or any amount that has been reserved by the bank for a forthcoming transaction as a request made by the cardholder.

- 10.9 Purchases of petrol, diesel, gas and other supplies available from petrol stations in Sri Lanka are subject to a handling fee, which will be debited to the Card Account at a rate to be determined by the Bank.
- 10.10 A retrieval fee for the photocopy of sales/Cash Advance drafts will be debited to the Card Account at a rate to be determined by the Bank.
- 10.11 Any statutory Charge(s) which may be applicable from time to time will be charged to the Cardholder's Card Account as and when it/they become applicable.
- 10.12 The Bank reserves the right to charge a fee for any extra service carried out at the request of a Cardholder and to debit the Card Account with such fee.
- 10.13 A debit for a purchase and a subsequent credit for cancellation of goods / services are two separate transactions. The Cardholder must pay for the purchase transaction as it appears in the Statement to avoid any additional charges being levied. On cancellation, the refund will only be credited to the Card Account (less cancellation charges) as and when received by Union Bank. If the credit is not posted to the Card Account within a reasonable time, the Cardholder must notify Union Bank.
- 10.14 Transactions which are effected in currencies other than Sri Lankan Rupees will be debited to the Card Account after conversion into Sri Lankan Rupees at an exchange rate determined by the Bank. In respect of all foreign currency transactions, a conversion factor determined by the bank will be added to the converted amount.
- 10.15 The bank reserves the right to charge a penalty fee or penalty interest or collection/recovery fee on card accounts which are delinquent or continuing in delinquent status. The bank will at its discretion determine the fee structure and application of such charge.
- 10.16 The bank reserves the right to charge an external payment collection point fee when card payments are made at external payment collection points.
- 10.17 Cash Advances obtained by Cardholder(s) from automated teller machines (ATMs) or Bank branches or cash disbursing merchants or agents will be subject to ATM, bank, merchant, agent, local or country limits and restrictions. Central Bank and Exchange Control Department regulations will also apply. The Cardholder will not be able to obtain Cash Advances from ATMs with the Card unless he uses the PIN issued by the Bank. Cash Advance transactions performed in the form of 'POS withdrawal' at Point of sale merchants or bank counters would be subject to a maximum amount allowed as determined by the bank from time to time.

- 10.18 If the card is used to purchase goods or services by instalments or to make payments on a recurring basis, the Cardholder here by authorizes the bank to pay such instalments as they become due, provided that the available balance permits and the Cardholder agrees to make payment for each of instalments to the Card Account when they become due.
- 10.19 Any fee reductions or waivers that may be offered by the Bank from time to time may be withdrawn or restricted by the Bank at any time at its discretion. The Bank at its own discretion may exempt some of the Charges depending on the Card type and the circumstances.
- 10.20 Details of the finance Charges and other fees and Charges applicable to the Card and its use are stated in the tariff published by the Bank, copies of which are available on request at any of the Bank's branches in Sri Lanka. All Charges, fees, interest rates, fines and margins are subject to change without prior notice at the Bank's sole discretion and any such changes/additions to the tariff will be communicated to the cardholders by way of a narrative in or enclosed with the Statement or by publication of such notice of change/addition in one or more newspapers published in Sri Lanka or in the notice board at the Bank/Bank's branches or on the bank website.

11. STATEMENTS, PAYMENTS, AND RESULTS OF NON-PAYMENT

- 11.1 A statement shall be generated at the end of each billing period and be sent to the primary Cardholder with the details of the total amount outstanding on the Card Account, and the Minimum Payment Due from the Cardholder as at the Statement generated date in respect of the current Statement Period, which must be paid to the Bank on or before the payment due date as specified therein.
- 11.2 The Minimum Payment Due amount will be determined by the Bank from time to time, which will be calculated as a percentage of the outstanding balance based on the transaction or charge type, or a flat charge rate, whichever is higher. The Minimum Payment Due amount shall be equal to Total Payment Due, if the Total Payment Due is less than the flat charge rate.
- 11.3 All statements will be sent by normal post or at the Cardholder's request via electronic mail (e-statement) to the latest address provided to the Bank by the Cardholder in writing. It shall be deemed to have been received within 48 hours of posting if dispatched under ordinary post, and at the time the message leaves the Banks Mail Server if dispatched as e-statement. Non receipt of a statement will not be considered a valid reason for nonpayment.
- 11.4 The Cardholders who have opted for e-statements shall not receive any paper statements. Should the Cardholder require paper statements/certified copies of the statement, a request must be made to the bank to be subject to a service fee.

- 11.5 A statement shall not be sent to the Cardholder if there is no financial activity during the given statement period, and the Total Payment Due on that statement is zero or carries a credit balance.
- 11.6 If the Cardholder fails to pay the Minimum Payment Due / Total Minimum Payment Due by the stated Payment Due Date, a Late Payment fee will be charged and debited to the Card Account at a rate to be determined by the Bank. Non-payment of the Minimum Amount Due by the Payment Due Date shall render the Cardholder liable to the risk of withdrawal or suspension of the facility (whether temporary or permanent/ partial or full) on the Card. Such instances may result in the primary card and all supplementary cards being declined for usage and being negatively reported on the Credit Information Bureau and other regulatory reporting, and thereby affect the Cardholder's current/future relationships with other banks/financial organizations.
- 11.7 If the Bank at its sole discretion reserves the right to demand the total outstanding to be settled in full at any time during the life cycle of the Card.
- 11.8 Payments made by the Cardholder to the Bank in respect of the Card Account will be applied by the Bank in or towards payment of their liabilities to the Bank in an order determined by the bank. If the Cardholder does not settle the Total Outstanding by the Payment Due Date, a finance charge shall apply on the transactions and charges calculated on the daily balance starting from the transaction/charge posted date, over the billing period at a rate to be determined by the Bank.
- 11.9 All sums due under this Agreement shall be paid in Sri Lankan Rupees. If a payment is received in a currency other than Sri Lankan Rupees, the bank reserves the right to reject the payment or to convert it to Sri Lankan Rupees at the prevailing rates of exchange. The Cardholder/s must bear all exchange risks, losses, commission, fees and charges which may thereby arise.
- 11.10 Payment takes place only when the Bank receives the payment and credits the same to the Card Account, and not when the Cardholder dispatches it. Any cash deposits may only be regarded as having been received by the Bank upon crediting the same to the Card Account.
- 11.11 A cheque deposit shall not be deemed as payment until the cheque has been cleared and the proceeds received by the Bank and credited to the Card Account.
- 11.12 The Cardholder may issue direct debit standing instructions to the Cardholder's current or savings account (designated settlement Account) with Union bank to make payments of a percentage of the Cardholder's outstanding credit Card bill amount to the Card Account on the payment due date. The Cardholder agrees that any amendments and/or cancellations to any such standing instruction should reach the Bank at least two weeks before the next Payment Due Date. For a direct debit standing instruction given to the designated settlement Account with the Bank, the following additional terms and conditions shall apply.

- i. The Cardholder agrees that the Bank reserves the right to determine the priority of any such standing instruction against cheques presented or any other arrangements made with the Bank.
- ii. The Cardholder agrees to provide sufficient funds in the designated settlement Account in order to meet the standing instruction, on the day prior to the Payment Due Date. In case of insufficient balance in the settlement Account, the Bank at its discretion may grant overdrafts from time to time to cover the payment amount as per the standing instructions. The Cardholder is bound to repay on demand all outstanding amounts together with all related charges, fees and levies including finance charges accrued thereon, at a rate to be determined by the Bank from time to time.
- iii. The Cardholder agrees that the Bank shall only make one attempt to perform the standing instruction transaction, and is not obligated to perform multiple attempts.
- iv. The Cardholder agrees that all the interim payments made between the statement date and the payment due date will not be taken into consideration when calculating the direct debit standing instructions given to a designated Settlement Account with the bank.

If there were no sufficient funds in the designated Settlement Account to carry out the standing order instructions the bank may charge a service fee although a part payment has been made or recovered. The said fee may be varied from time to time at the discretion of the bank.

- v. If the designated Settlement Account has a balance which is not sufficient to cover the full amount of the standing order instructions, the bank shall however collect the amount that is available in the account. The Card Account shall be charged with finance charges and Late Payment fee if the collected amount is not sufficient to recover the cardholder's Minimum Payment Due for the Statement period.

- vi. The Bank shall not be liable for any delay in crediting the Cardholder's account for non-receipt of any payments made at the counters of the Bank's third party networks and any other partner outlets that the Bank may add from time to time in settlement of the Cardholder's Card bills. The Bank shall levy a charge on such late payments at such rate or rates to be determined from time to time at the discretion of the Bank. All payments made through such third party networks are subjected to a handling fee, which shall be debited to the Card Account at a rate to be determined by the Bank.

11.13

12. ONLINE BANKING AND MOBILE BANKING

The Cardholder understands and agrees that if he/she has obtained or obtain in future the facilities for Online Banking or Mobile Banking of Union Bank, he/she would by default have the access to the information of their credit cards, and related activities pertaining to such facility. The use of such facility is bound by the Bank's terms and conditions for the said facilities.

13. DISPUTES

- 13.1 Any Charge or other payment requisition received from a Merchant establishment by the Bank for payment shall be conclusive proof that the Charge recorded on such requisition was properly incurred at the Merchant establishment in the amount and by the Cardholder referred to in that Charge or other requisition, as the case may be, by the use of the Card except where the Card has been lost, stolen and properly informed to the Bank as per section 14. The burden of proving fraudulent use of the Card shall be on the Cardholder. The other payment requisition referred to in this clause shall include any and all payments pertaining to permissible expenses incurred by a Cardholder at a Merchant establishment by use of the Card which is not recorded as a Charge, such as miscellaneous hotel Charges etc. Signature of the Cardholder on such Charge slip together with the Card number noted thereon shall be conclusive evidence as between the Bank and the Cardholder as to the extent of liability incurred by the Cardholder and the Bank shall not be required to ensure that the Cardholder has duly received the goods purchased/to be purchased or has duly received the service availed or to be availed to the Cardholder's satisfaction.
- 13.2 The Cardholder may be informed of all Transactions carried out using the Primary card and Supplementary card(s) by the periodic statement and/or a SMS (Short Message Service) alert(s). Should the Cardholder disagree with a Transaction informed to the Cardholder through a SMS, the Cardholder shall within 24 hours of receipt of same communicate to the Bank, and in the event the Cardholder disagree with a charge indicated on the Statement, the same shall be communicated to reach the Bank within 20 days of the Statement generate date; failing which, it would be construed that all Charges and Statements are entirely in order. The Bank shall make bona fide and commercially reasonable efforts to resolve an aggrieved Cardholder's disagreement with the applicable Charge indicated on these statements on receipt of the notice of disagreement. If, after such effort, the Bank determines that the Charge indicated on the Statement is correct, then it shall communicate the same to the Cardholder along with details including a copy of the Charge slip or payment requisition. The Cardholder shall thereafter without demur make payment, including interest and any other applicable Charges, and the Bank shall be entitled to recover such payments due to the Bank.
- 13.3 The Cardholder shall be liable for any exchange loss, which may result from the cancellation, reversal or refund of a transaction including refunds or reversals due to disputed transactions.

14. LOST/ STOLEN CARDS

- 14.1 If a Card is lost or stolen, the Cardholder must immediately inform the Bank's Card Centre in Sri Lanka. The Cardholder must also file a report with the local police/law enforcement agency where the loss/theft occurred. The Cardholder shall be liable for Charges incurred on the Card until the Bank's Card Centre in Sri Lanka is notified of the loss. A Cardholder may report a Card lost over the telephone, duly supported thereafter by sending to the Bank's Card Centre a copy of the notarized affidavit confirming loss of the card and disclaiming the Charges, if any, and also sending to the Bank a signed copy of the report lodged with the local police authorities/law enforcement agencies where the loss occurred. The Bank may, with or without adequate verification, temporarily suspend the Card Account and will not be liable for any inconvenience caused to the Cardholder on this account.
- 14.2 The Cardholder shall be liable for all amounts debited to the Card Account and pending transactions yet to be debited to the Card account, as a result of the unauthorized use of the Card until effective notification is given to the Bank's Card Centre in Sri Lanka.
- 14.3 Once a Card is reported lost, stolen or damaged, the Card should not be used again even if found subsequently, as it may result in dishonored transactions. The Cardholder declares that if a Card is reported lost, stolen or damaged and is subsequently found, the Cardholder shall be solely responsible for invalidating the Card. The Cardholder is responsible for the security of the Card at all times and shall take all steps towards ensuring the same. In the event the Bank determines that the aforementioned steps are questionable, it may cancel the Card Account.
- 14.4 In the event, the Cardholder, after being informed by Union Bank of the probable fraud risk, still requests to unblock the Card, Union Bank shall not stand liable or responsible in any manner for any fraudulent transactions reported to it thereafter on account of fraudulent usage of the Card or otherwise.
- 14.5 The Cardholder will give the Bank all the information in the Cardholder's possession as to the circumstances of the loss, theft or misuse of the Card and take all steps deemed necessary by the Bank to assist in the recovery of the missing Card.
- 14.6 With regard to lost Cards, the Bank may levy a Charge to cover the administrative costs in informing the merchant network.
- 14.7 The Bank will be under no obligation to issue a replacement Card to the Cardholder following its loss or theft. Any replacement Card will be subject to a handling fee which will be debited to the Card Account at a rate to be determined by the Bank and shall be issued where the Bank so determines on the same terms and conditions as the original Card.
- 14.8 The Cardholder must exercise all possible care to ensure the safety of the PIN, and the Card Verification number and should prevent the PIN and/or the Card Verification number becoming known to any other person. In the event the PIN and/or the Card Verification number is lost, stolen or disclosed to any other

party, the Cardholder shall immediately notify such loss or disclosure together with the particulars thereof to the Bank as in Section 14 (1).

15. INSURANCE PROTECTION

The Bank may, in its discretion, provide a Cardholder with various insurance products from time to time. The Card holder specifically acknowledges that the insurance company shall be solely liable for the payment of claims under such policy and shall not hold the Bank responsible whether for compensation processing of claims or otherwise or in any manner whatsoever. The Bank may withdraw this insurance policy and its benefit at any time without prior notification to the Cardholder(s). Separate terms and conditions as determined by the insurance company and the bank shall apply for such insurance policies.

16. THE USE OF SMS ALERTS FACILITY

- 16.1 The Bank may from time to time decide to send SMS alerts for Card transactions, Card related activities and Payment reminders. The bank does not hold any responsibility for damages caused by such alerts, including reputational damage, mental stress, and information divulgence.
- 16.2 The Customer acknowledges that the facility is dependent on the telecommunications infrastructure, connectivity and services within Sri Lanka. The Customer accepts that timeliness of alerts sent by the Bank will depend on factors affecting the telecommunications industry. Neither the Bank nor its service providers shall be liable for non- delivery or delayed delivery of alerts, error, loss, distortion in transmission of and wrongful transmission of alerts to the Customer.
- This service may not be available in certain countries due to relevant country regulatory requirements and constraints.
- 16.3 The Bank is entitled to effect any charges to the service, suspend and/or terminate the service, and to vary the service at any time at its sole and absolute discretion without notice and without assigning any reason therefore and without prejudice to any of its rights of action for any antecedent breach of these Terms and Conditions by the Customer.

17. AUTHORIZATION AND INDEMNITY FOR TELEPHONE, INTERNET, TELEX, FASCIMILE, AND EMAIL INSTRUCTIONS

- 17.1 The Cardholder authorizes the Bank to rely upon and act in accordance with any notice, instruction, demand or other communication, which may from time to time be, or purport to be, given by telephone, internet, telex, facsimile or e-mail by the Cardholder or on his/her behalf, without any inquiry on the Bank's part including, without prejudice to the generality of the foregoing, as to the authority or identity of the person giving or purporting to give the instructions and regardless of the circumstances prevailing at the time of receipt of the instructions. The Cardholder will accept the Bank's ruling on time/date of receipt of instructions as final.

- 17.2 The Bank shall be entitled to treat the instructions as fully authorized by and binding upon the Cardholder and the Bank shall be entitled to take such steps in connection with or in reliance upon the instructions as the Bank may consider appropriate, whether the instruction is to pay money or otherwise to debit or credit any account, or relate to the disposition of any money or documents, or purports to bind the Cardholder to any agreement or other arrangement with the Bank or with any other person or to commit the Cardholder to any other type of transaction or arrangement whatsoever, regardless of the nature of the transaction or arrangement or the amount of money involved and notwithstanding any error, ambiguity, misunderstanding or lack of clarity in the terms of the instructions.
- 17.3 In consideration of the Bank acting in accordance with the terms of this authorization and indemnity the Cardholder hereby irrevocably undertakes to indemnify the Bank and to keep the Bank indemnified against all losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by the Bank of whatever nature and howsoever arising out of or in connection with the instructions.
- 17.4 The terms of this authorization and indemnity shall remain in full force and effect unless and until the Bank receives, and has a reasonable time to act upon, notice of termination from the Cardholder, save that such termination will not release the Cardholder from any liability under this authorization and indemnity in respect of any act performed in accordance with the terms of this authorization and indemnity prior to the expiry of such time.

18. COLLECTIONS

Union Bank shall be entitled, at the sole risk and cost of the Cardholder, to engage one or more person(s) to collect the Cardholder's dues and/or to enforce any security provided by the Cardholder, and Union Bank may (for such purposes) furnish to such person(s) such information, facts and figures pertaining to the Cardholder and the security as Union Bank deems fit. Union Bank may also delegate to such person(s) the right and authority to perform and execute all acts, deeds, matters and things connected therewith, or incidental thereto, as Union Bank deems fit.

The Bank reserves the right to assign dues from any Cardholders to its authorized collection agency to collect the amount outstanding and the Bank shall be entitled to charge to the Cardholder account the expenses it has incurred in doing so.

19. SET-OFF

Union Bank and its group companies shall have the paramount right of set-off and lien, irrespective of any other lien or charge, present as well as future on the deposits of any kind and nature (including fixed deposits) held/ balances lying in any other account(s) of the Cardholder maintained with Union Bank and / or its group companies, whether in single name or joint name(s) and on any monies, securities, bonds and all other assets, documents and properties held by/ under the control of Union Bank and/or its group companies (whether by way

of security or otherwise pursuant to any contract entered/ to be entered into by the Cardholder in any capacity) towards the satisfaction of the Cardholder's liability under his Card Account. Union Bank and/ or its group companies are entitled without any notice to the Cardholder, to settle any indebtedness whatsoever owed by the Cardholder to Union Bank and/ or its group companies, (whether actual or contingent, or whether primary or collateral, or whether joint and/ or several) hereunder or under any other document/ agreement, by adjusting, setting-off any deposit(s) and/ or transferring monies lying to the balance of any account(s) held by the Cardholder with Union Bank and/ or its group companies notwithstanding that the deposit(s)/ balances lying in such account(s) may not be expressed in the same currency as such indebtedness. Union Bank's and its group companies' rights hereunder shall not be affected by the Cardholder's bankruptcy, death or winding-up. It shall be the Cardholder's sole responsibility and liability to settle all disputes/ objections with any such joint account holders.

- i. In addition to the above mentioned right or any other right which Union Bank and its group companies may at any time be entitled whether by operation of law, contract or otherwise, Union Bank is authorized / will be entitled: (a) to combine or consolidate at any time all or any of the accounts and liabilities of the Cardholder with or to any branch of Union Bank and/ or its group companies; (b) to sell or otherwise dispose of any of the Cardholders' securities or properties held by Union Bank by way of public or private sale or otherwise without having to institute any judicial proceeding whatsoever and retain/ appropriate from the proceeds derived there from the total amounts outstanding to Union Bank and/ or its group companies from the Cardholder, including costs and expenses in connection with such sale or disposal; and (c) in case of cross currency set-off, to convert an obligation in one currency to another currency at a rate determined at the sole discretion of Union Bank and/ or its group companies.

20. GENERAL

- 20.1 The Cardholder shall notify the Bank promptly in writing of any changes in employment and/ or his/her office or residence address and telephone numbers ("Contact Details") and the Bank shall treat the Contact Details in the Card application as the most updated Contact Details and the existing Contact Details of the Customer shall be replaced with the new details according to the Card application.
- 20.2 Any notice given or correspondence with the Cardholder by post shall be delivered to the latest address provided by the Cardholder to the Bank.
- 20.3 Whenever required by the Bank, the Cardholder shall furnish data concerning his/her financial position to the Bank. The Cardholder further authorizes the Bank to verify information furnished. If the data is not furnished when called for, the Bank at its discretion, may refuse renewal of the Card or cancel the Card forthwith.
- 20.4 The Bank reserves the right to redirect the Cardholder's Statements and/ or correspondence to another address

- designated on the application form in the event the Bank's mailings are returned and the Cardholder cannot be contacted.
- 20.5 In the event of the Bank crediting the Card Account of the Cardholder by error the Bank shall be entitled at any stage to reverse the said entry and/or to claim the said amount from the Cardholder.
- 20.6 The Cardholder agrees that the Bank is entitled to telephonically remind the Cardholder of the payments due on a bill or leave a reminder message with the person receiving the telephone call on behalf of the Cardholder or remind via SMS alert. The Bank shall be under no obligation whatsoever to remind the Cardholder regarding dues payable on the Card whether in writing or otherwise and the Bank exercising its option and right on the aforesaid shall not be called into question.
- 20.7 The Cardholder understands and agrees that pre-loading of the Card Account to the effect of creating a credit balance is not allowed. The Cardholder shall take cognizance of the fact that any such credit balance shall not attract any interest obligation on the part of the Bank whatsoever. If however, such balance is maintained by the Cardholder, he/she is under obligation to provide information or to take immediate action on such credit balance.
- 20.8 Loyalty/ Reward programs, if any, available to the Cardholder by virtue of his/her Card membership will be governed by separate terms and conditions as may be applicable for such program.
- 20.9 The Bank shall have absolute right and discretion to make reference to the Card in the warning bulletin in Sri Lanka or abroad notifying the service establishments to seize the Card, without assigning any reason whatsoever.
- 20.10 The Bank may forward marketing and promotional alerts via mail, email or SMS from time to time which may or not be specific to the Cardholder.
- 20.11 The Bank shall at all times comply with the requirements of the controller of exchange or any other regulatory authority as stipulated from time to time, and will disclose transactions to such relevant authorities under prevailing rules and regulations of the Democratic Socialist Republic of Sri Lanka. Card holder acknowledges and consent to bank's reporting requirements to the Controller of Exchange or any other regulatory authorities as stipulated from time to time within Sri Lanka / or any other jurisdiction.
- 20.12 The Bank reserves the right to verify details mentioned/enclosed with the card application, by gathering/disclosing personal information from/to certain parties for legal and/or operational reasons. The cardholder consents with the bank for the use of the third party service providers for providing the services and understands that the customer data may be exposed to such service providers. The cardholder also consents for hosting such data outside of Sri Lanka and to be subjected to non-Sri Lankan jurisdictions.

21. BREACH/ TERMINATION

- 21.1 The Bank may, on its own accord cancel the Card without notice to the Cardholder in the event that the Bank has any reason whatsoever to believe that there has been a violation of this agreement, or of the Exchange Control regulations or any other statutory regulations in force at the time of such cancellation.
- 21.2 In the event of any breach of this agreement by any Cardholder:
- i. Notwithstanding any other provision of this agreement, the Cardholder will indemnify the Bank for any loss to the Bank directly or indirectly resulting from such a breach.
 - ii. The Cardholder will be liable to pay the Bank, upon demand, all outstanding amounts from the Cardholder to the Bank, whether due and payable to the Bank at the date of such demand or not.
- 21.3 The Cardholder may at any point of time request termination of the Card facility, by providing written notice to the Bank accompanied by the return of the Primary Card and of any Supplementary Card(s). Such a notice will not take effect until the Card has been cut into four pieces, ensuring that the magnetic strip/ EMV chip have been cut, and have been received by the Bank.
- 21.4 The whole of the outstanding balance of the Card Account together with the amount of any outstanding Card transactions effected but not yet charged to the Card Account will become immediately due and payable in full to the Bank on termination of this agreement or on the Cardholder's bankruptcy or death. The Cardholder or his estate will be responsible for settling any outstanding on the Card Account and shall keep the Bank indemnified against all costs, Charges (including legal fees) and expenses incurred in recovering such outstanding.
- 21.5 Pending such repayment, the Bank will be entitled to continue to charge finance Charges and other fees and Charges at its prevailing rate(s).
- 21.6 Union Bank, at its sole discretion, reserves the right to, either temporarily or permanently, withdraw the privileges on the Card and/or cancel the Card at any time without giving any notice or assigning any reason therefor.
- 21.7 On termination of the Card Account and notwithstanding any prior agreement between Union Bank and the Cardholder to the contrary, the Cardholder's right to use the Card will immediately cease; and the total of all the Charges then outstanding, whether or not already reflected in the Statement shall become forthwith due and payable by the Cardholder and interest will accrue thereon from the date such charges have been incurred, as applicable from time to time.

22. EXCLUSION OF LIABILITY

The Bank shall be under no liability whatsoever to the Cardholder in respect of any loss or damage arising directly or indirectly out of:

- 22.1 Any defect in any goods or services supplied by a merchant;
- 22.2 The refusal of any person/merchant establishment to honor or accept a Card;
- 22.3 Decline of a Charge for any reason whatsoever;
- 22.4 The malfunctioning of any computer terminal and/or EDC machine;
- 22.5 The giving of Transaction Instruction by any person other than by a Cardholder;
- 22.6 Handing over of the Card by the Cardholder to any person other than designated employees of the Union Bank;
- 22.7 Any Statement made by any person requesting the return of the Card or any act performed by any person in conjunction with such a request;
- 22.8 The exercise by the Bank of its rights to demand and procure the surrender of the Card prior to the expiry date embossed on the face of the Card, whether such demand and surrender is made and/or procured directly by the Bank or through a Service Establishment or an agent of the Bank;
- 22.9 The exercise by the Bank of its right to terminate any Card or Card account;
- 22.10 Any injury to the credit character and reputation of an applicant or Cardholder alleged to have been caused by the repossession of the Card and/or, any request for its return or the refusal of any merchant establishment/ mail order establishment to honor or accept the Card;
- 22.11 Any misstatement, misrepresentation, error or omission in any details disclosed by Union Bank;
- 22.12 In the event a demand or claim for settlement of outstanding dues from the Cardholder is made, either by Union Bank or any person acting on behalf of Union Bank, the Cardholder agrees and acknowledges that such demand or claim shall not amount to be an act of defamation or an act prejudicial to or reflecting upon the character of the Cardholder, in any manner.
- 22.13 The communications and arrangements for various services are provided by a Third Party Service Provider and/or contractors of such, Third Party Service Provider and are paid for by either such Third Party Service Provider or by the Bank. The Cardholder is responsible for the cost of any and all such services used. Assistance is provided on a best effort basis and may not be available due to problems of time, distance or locations. The insurance, medical and/or legal professionals suggested and/or designated by Third Party Service Providers are not their employees or employees of contractors of Third Party Service Providers. Therefore, they are not responsible for the availability, use, acts, omission, or results of any insurance, medical, legal or any other services. The Bank does not accept

any responsibility or liability of whatsoever nature for the arrangement or use of services provided or for the acts or omissions of any of the aforementioned parties.

23. DISCLOSURES

Subject as hereinafter provided in this Section 23, the Bank shall preserve the confidentiality of all details of transactions or dealings between the Cardholder and the Bank to the extent required by law. Notwithstanding the foregoing, the Cardholder hereby authorizes the Bank to provide information about the Cardholder and/or the Card account to:

- 23.1 Any bank or financial institution, or credit bureau or common service provider who manages a credit bureau or database of defaulting customers;
- 23.2 Any actual or proposed assignee of the Bank or participant or sub participant in or transferee of any of the Bank's rights in relation to this agreement or the Card Account;
- 23.3 Any agent, contractor or service provider under a duty of confidentiality to the Bank or to any related company;
- 23.4 Any supervisory or regulatory authority;
- 23.5 Anyone when ordered to do so in accordance with the laws of Sri Lanka;
- 23.6 Any office or branch of any company associated with the Bank for commercial use; or
- 23.7 Visa International Incorporated or any of its affiliated companies or any other party at the discretion of Visa International Incorporated.

24. LAW AND JURISDICTION

This agreement shall be governed by the laws of Sri Lanka and the appropriate jurisdiction shall be vested in the courts of Sri Lanka. However the Bank shall have the right to pursue the repayment of the loan in any other country and for such purpose the Bank shall have the right to invoke the jurisdiction of any appropriate court in any other country. Further this will automatically stand amended if law, government regulations or instructions issued by the Central Bank of Sri Lanka or any other statutory body, necessitates such amendments.



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