

## **TERMS & CONDITIONS**

### **1. DEFINITIONS**

In this Agreement unless the context requires, the following expressions shall have the meaning set out against them.

- i. 'ATM' – automatic Teller Machine or Terminal
- ii. 'CARD' – The People's Card issued to the Cardholder by the Bank pursuant to this Agreement
- iii. 'CARDHOLDER' – Any Person for whose use a card is issued by the Bank
- iv. 'CARDHOLDER'S ACCOUNT' – The card account opened pursuant to this Agreement
- v. 'BANK' – The People's Bank
- vi. 'PIN' – the Personal Identification Number issued to the Cardholder
- vii. 'CARD CENTRE' – The People's Bank Credit Card Centre

Clause headings are inserted for convenience of reference only and shall be disregarded in the interpretation of this Agreement. Reference to clauses are to be construed as references to clauses of this Agreement, words importing the singular shall include the plural and vice versa. References to the masculine gender shall include the feminine or neuter gender and vice versa and reference to persons shall be construed as references to an individual, firm, company, corporation, statutory body, government body, incorporated body of persons, association or trust as the context may require.

In consideration of the bank agreeing to issue the card and to extend facilities to the cardholder, the Cardholder agrees to be bound by the terms & conditions of this agreement as amended by the Bank from time to time.

### **2. USE OF THE CARD**

The Card must be signed by the cardholder immediately on receipt and may only be used –

- i. Solely by the Cardholder.
- ii. Subject to the terms of this Agreement at the time of use.
  - iii. Within the credit Limit (any excess over the Credit Limit being immediately repayable to the Bank). In computing whether the Credit Limit has been exceeded the Bank shall take into account the amount of any Card Transaction not yet debited to the Card Account and of any authorization given by the Bank to a third party in respect of a prospective Card Transaction.
  - iv. To obtain the facilities and benefits from time to time made available by the Bank in respect of the use of the Card.
  - v. During the validity period embossed on the Card, subject to the right of the Bank in its absolute discretion and without prior notice, at any time to withdraw the right to use the Card for or to refuse any request for authorization of any particular Card Transaction and to publish any such withdrawal or refusal.
  - vi. The Card holders should not use this card for capital transactions abroad and import of goods for commercial purposes.

### **3. THE CARD ACCOUNT**

- i. The Bank may debit the Card Account with the amounts of Card transactions, any other liabilities of the Cardholder inclusive of any legal fee and all other administrative costs incurred by the Bank, and any loss incurred by the Bank arising from the use of the Card. The Principal Cardholder will be liable to pay the Bank all amounts so debited whether or not a sale or cash advance voucher is signed by the Cardholder.
- ii. The Bank will normally send a monthly Statement of Account to the Card Holder who shall pay to the Bank the amount shown as the minimum due on or before the 'Due Date' stated. However, he may pay the full amount due or any amount above the minimum amount at his discretion. When the last date for payment falls on a Bank non-working day payment shall be made on the preceding working day.
- iii. Subject to any limitation imposed by statutes all amounts due under this Agreement will be immediately payable in full on the commission of an act of bankruptcy by or on the death of the Principal Cardholder or at the Bank's discretion, if there is any breach of this Agreement by the Cardholder.
- iv. Any Payment to the Bank will only take effect when received at the address notified by the Bank and credited to the Card Account. The Principal Cardholder shall ensure that funds are available to meet any cheque given to the Bank in respect of the Cardholder's obligations under this Agreement.
- v. Annual fee will be debited to the Credit Card Account on the date of card issuance.

### **4. INTEREST & CHARGES**

- i. Interest is charged at a monthly rate determined by the Bank from time to time (the prevailing rate is 2.0%). The general procedure for charging interest is that when a payment is made to the card account, interest is charged upto the date of such payment on the full Debit Balance. Thus for all part payments, on the balance outstanding upto the date of such payment and if still there is balance outstanding as at the statement generation date, on such outstanding amount upto that date.
- ii. The first statement received by the Card Holder following opening of the Card Account will carry details of the transactions done from the date the account was opened upto the date the Statement is generated as received at the Card Centre, and the charges due. No interest charges will be indicated in this statement unless a cash advance has been obtained in which case there will be an interest charge. If payment is made in full on or before the date shown as payment is due, no interest at all will be charged.
- iii. Interest will be charged when payment is made not of the full amount due but of the minimum or of any amount above the minimum but not of the full balance. Interest so payable is indicated in the statement for the next billing period. But for transactions due during that billing period (other than for cash advances) no interest will be charged at that stage.
- iv. Thus the Card Holder who makes full payment of the amount shown in the statement received monthly is relieved from paying interest for his transactions (other than for cash

advances) the card holder who makes payment of the full amount due enjoys an interest-free period of upto 51 days, which includes the thirty days from one statement date to the next and the 21 days allowed to make payment.

v. A fee of 2% (minimum Rs.100/-) is charged on Cash Advances obtained from People's Visa Card Account. For fuel Purchases a Fee of 2% is charged.

vi. On Cash Advances interest will be charged from the date of withdrawal to the date of Settlement.

vii. If the minimum payment due is not met on or before the due date, cardholder is liable to pay a Late Charge in addition to the interest.

viii. Cardholder agrees to pay the Bank when applicable, the following charges & fees at rates determined by the Bank from time to time;

Joining fee (subscription), Annual fee (Renewal fee), Re-issue or replacement charges (when a replacement card is issued in lieu of a lost or stolen card), Over limit fee (for exceeding the credit limit), Cheque return charges (if a cheque handed over by the cardholder get returned unpaid), Retrieval fee (to issue photocopy of sales vouchers), Any other fees or charges imposed by the Bank in respect of the operations of the Card from time to time.

## **5. WITHDRAWAL OF USE OF THE CARD**

- i. The Card remains the property of the Bank at all times and has to be returned by the Cardholder on Bank's demand.
- ii. The Bank may at any time and without notice cancel or suspend the right to use the Card entirely or in respect of specific facilities or refuse to re-issue, renew or replace any Card, without in any case affecting the Cardholder's obligations under this Agreement which shall continue in force.
- iii. The Bank reserves the right to withdraw the card in the event of misuse or breach of the contractual terms.

## **6. TERMINATION**

- i. The Principal Cardholder may terminate this Agreement by written notice to the Bank but such termination shall only be effective on the return of all Cards issued and the payment of all liabilities of the Principal Cardholder, under this Agreement

## **7. LIABILITY & LOSS OF THE CARD**

- i. The Cardholder shall exercise all possible care to ensure the safety of the Card and the PIN becoming known to any person.
- ii. In the event of the Card being lost or stolen and/or the PIN being disclosed to an unauthorized person, the Cardholder shall immediately notify the Card Centre and the police of the said loss, theft or disclosure.
- iii. The Cardholder shall thereafter send to the Bank a written confirmation of the loss, theft or disclosure together with a copy of the police report.
- iv. The Bank may in its absolute discretion issue a replacement Card for any Card lost or stolen on the same terms and conditions as the original Card, subject to the cardholder will give the Bank all the information in the Cardholder's possession as to the circumstance of the loss,

theft or misuse of the card or disclosure of the PIN and take all steps deemed necessary by the Bank to assist the recovery of a missing Card in the even of any such loss, theft, misuse or disclosure.

In the event the Cardholder recovers the lost or stolen Card, the Cardholder shall return the recovered Card to the Bank immediately.

## **8. SUPPLEMENTARY CARD**

- i. The Bank may at the request of the Cardholder issue a Supplementary Card to the cardholder's immediate family member provided that the Supplementary Cardholder and use of the Supplementary Card shall be bound and governed by the same terms and conditions contained in the Agreement where applicable.
- ii. The Cardholder and the Supplementary Cardholder shall be jointly and severally liable to the Bank for any charges incurred by the use of the Card.
- iii. Upon determination of this Agreement and use of the Card, use of all supplementary cards shall also be determined and the Supplementary Cards shall be returned immediately to the Bank.

## **9. EXEMPTION AND EXCLUSION**

- i. The Bank shall not be liable for any loss or damage however incurred or suffered in the event that a merchant, bank or any other party refuses to honour or accept the Card or to extend credit facilities including cash advances to the full and authorized credit limit.
- ii. The Bank shall not be liable for any defect in the goods purchased or services rendered and paid for by the use of Card. The claim or dispute with the establishment, merchant or bank shall be settled between the Cardholder and establishment, Merchant or Bank without any payment being withheld from the bank and the liability of the Cardholder to the Bank shall not be affected by such dispute or any counterclaim or right of set-off which the Cardholder may have against the establishment, merchant or bank.
- iii. The Cardholder shall not hold the Bank liable if the Bank is unable to perform its obligations under this agreement due to the failure of any machine, data processing system or transmission link or industrial dispute or anything beyond the control of the Bank and its servants.
- iv. If the Bank is unable to send a monthly statement to the Cardholder, the Cardholder's liability shall continue and for the purpose of calculating interest or establishing the date on which payment is due the bank may select a date each month as the statement date.

## **10. STATEMENT OF ACCOUNT**

- i. The Bank shall be entitled to treat;
  - (a) Any sales draft, transaction record, credit voucher cash disbursement draft and/or other charge record bearing the imprint or other reproduction of embossed information contained on the Card and duly completed and,
  - (b) The Bank's record of Cash Advances effected by the use of the Cash as evidence of a charge properly incurred by the Card Holder to be debited to this Card Account.

- (c) The Cardholder agrees that the Bank's records and the statement of accounts of all transactions shall be conclusive and binding on the Cardholder for all purposes. Cash withdrawals from the Cardholder's People's Visa Card Account effected by means of the ATM Machine will be reflected in the Cardholder's usual monthly account.

## **11. RECOVERY**

Bank may at any time and without notice or liability set-off or transfer any monies standing to the credit of any of the Cardholder's Account/s with the Bank towards the discharge of the sum due to the bank on the Card Account.

## **12. RIGHT OF SET-OFF**

In addition to any general right of set-off or other right conferred by law or under any other agreement, the Bank may, without notice, combine or consolidate the outstanding balance on the Card Account with any other account (s) which the Cardholder maintains with the Bank and set-off or transfer any money standing to the Credit of such other account (s) in or towards satisfaction of the cardholder's liability to the Bank under this Agreement.

## **13. DISCLOSURE**

Bank may with or without notice to the Cardholder disclose information in respect of the Cardholder's Card Account to any other Credit Card Company, Bank or Financial Institution and if required by law to do so to the Department of Inland Revenue, Court of Law or any other government department or authority.

## **14. VARIATION OF THIS AGREEMENT**

The Bank may vary this Agreement at any time or times whether or not a similar variation is made to the agreement(s) with any other Cardholder (s).

## **15. IDEMNITY**

The Cardholder undertakes to hold harmless and to indemnify the Bank for any liability, loss, damage, costs and expenses (legal or otherwise) which the Bank may incur by reason of the provisions herein or its enforcement of its right hereunder.

## **16. EFFECT OF THIS AGREEMENT**

Notwithstanding the termination of this Agreement, all provisions contained herein shall continue to have full force and effect against the Cardholder and any Supplementary Cardholder(s) with respect to any Card Transactions entered into and liabilities of the Cardholder and any Supplementary Cardholder(s) incurred hereunder.

## **17. LAW**

This agreement is governed by and shall be construed in accordance with the laws of Sri Lanka

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