

BOBCARD LIMITED
Co-brand Credit Card Policy

**(Approved by Board in meeting held on
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Document Information

Policy Name:	Policy on Co-brand Credit Cards
Policy Owner	BOBCARD LIMITED (earlier known as BOB Financial Solutions Limited)
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Policy Custodian	Head Product & Portfolio Management, Chief Operating Officer Chief Risk Officer
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Revision History

Sr. No.	Version No.	Addition in the Policy
1	1.0	New Policy
2	2.0	Policy revised specific to issuance of co-branded cards

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1. Objective -

The BOBCARD Cobranded Credit Card Policy governs the terms and conditions of the cobrand arrangement between the cobrand entity and BOBCARD for the issuance of cobranded Credit Cards. adhering to mentioned circular / Master Direction on: 'Outsourcing of Information Technology Services' and 'Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services' as directed by Reserve Bank of India vide Master **Direction – Credit Card and Debit Card – Issuance and Conduct Directions, 2022 (Updated as on March 07,2024)** [RBI/2022-23/92 DoR.AUT.REC. No.27/24.01.041/2022-23] and BOBCARD Credit Card Policy

2. Scope -

- This policy applies to Cobranded Credit Cards issued by BOBCARD. BOBCARD has defined a policy framework for co-branding on Credit Cards which covers the guidelines for the issuance of the cobranded card.

3. Co-branding framework -

- **Objective of entering into Co-branding arrangement** - Cobrand Credit Card is a card that is issued by BOBCARD with the cobranding entity bearing the logos of both the entities. Apart from traditional card acquisition process, BOBCARD shall engage in cobranding arrangements with various entities in different sectors to enable growth of its customer base and to offer an enhanced customer value proposition by partner including access to the loyalty program of the co-branding entity

Co-branding Partners are not selected through RFP (Request of Proposal) rather the selection process will as per business opportunity reviewed as per the internal selection criteria of BOBCARD, updated from time to time.

4. Co-branding arrangement-

At the time of entering into any Co-branding Arrangement, BOBCARD will consider all aspects of Regulatory Guidelines. Co-branding Partner activities will be limited in co-branding arrangement as per Regulatory Guidelines which are mentioned below:

- I. **Responsibility of Marketing & Distribution-** The role of the co-branding partner entity under the tie-up arrangement shall be limited to marketing/distribution of the credit cards and providing access to the cardholder for the goods/services that are offered. The co-branded card shall explicitly indicate that the card has been issued under a co-branding arrangement. The co-branding partner shall not advertise/market the co-branded card as its own product. In all

marketing/advertising material, the name of the card-issuer shall be clearly shown.

- II. **Limited Access of Information to the Co-brand Partner** -The co-branding partner shall not have access to information relating to transactions undertaken through the co-branded card for cobranding partnerships where the card management system is with the Issuer. However, transaction related data may be drawn directly from the card-issuer's system in an encrypted form and displayed in the Co-brand partner platform with robust security. The information displayed through the Co-brand partner's platform shall be visible only to the cardholder and shall neither be accessed nor be stored by the Co-brand partner.
 - III. **Limited Control in Post Issuance Process & Act as an initial Point of Contact** - Post issuance of the card, the co-branding partner shall not be involved in any of the processes or the controls relating to the co-branded card except for being the initial point of contact in case of grievances for cobranding partnerships where the card management system is with the Issuer except for cobranding partnerships where the CMS is with the cobrand partner and transactions & controls is on their system.
 - A. **Logo of the Issuer** – Co-branding Card must prominently contain the logo of the Issuing Company i.e. BOBCARD.
 - B. **Information to Card Holder about Revenue Sharing & Co-branding Arrangement** – The information relating to revenue sharing between the BOBCARD being a card issuer and the co-branding partner entity shall be indicated to the cardholder and also displayed on the website of the BOBCARD.
 - C. **Due diligence** – Before entering into any co-branding arrangement, BOBCARD shall carry out due diligence in respect of the co-branding partner entity with which they intend to enter into tie-up for issue of such cards to protect itself against the reputation risk they are exposed to in such an arrangement. BOBCARD shall ensure that in cases where the proposed co-branding partner is a financial entity, it has obtained necessary approvals from its regulator for entering into the co-branding arrangement as per current regulatory guidelines
5. **Risk Mitigation Measures** - Considering the inherited risk in the arrangement, BOBCARD shall ensure adherence to the guidelines on '**Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks**', as amended from time to time. Apart from the above, BOBCARD, as a card issuing partner focus on the following risk aspects:

- I. **Financial, Insolvency & Reputational Risk** - BOBCARD shall also be the endeavour to ensure that the cobrand partner does not carry any financial risk/insolvency/reputational risk by carrying out due diligence before entering into such an arrangement.
 - II. **Security of Information & System** – BOBCARD shall ensure well documented Information & Systems Security and related processes in accordance with regulatory and internal risk guidelines.
6. **CIC (Credit Information Companies) & FIU Reporting & CKYC Updating** – BOBCARD as an issuing Authority shall ensure updating in CICs, FIU & CKYC Repository within the stipulated time frame.
7. **Co-Branding Agreement** – BOBCARD shall ensure that the agreement which will be executed with the Co-brand Partner shall contain the roles & responsibility of the partner in detail & the agreement shall contain the most important clauses viz. Audit Right of BOBCARD & Regulatory Authority for conducting Audit in regular interval / as & when it is required , Business continuity plan, Termination / Exit Clause, Contingency Plan, engagement of sub-contractor, Data Preservation & Confidentiality Clause.
8. **Customer Acquisition & On Boarding Procedure** - BOBCARD, as per their internal risk policy verifies the customer data & ensure the on-boarding. In this process, BOBCARD is having its sole discretion regarding eligibility/ selection criteria. Responsibility of sourcing, acquisition, on-boarding and customer identification will be as per the terms of the agreement as mutually agreed with the cobrand partner.
9. **KYC and Income Documents** - KYC documents will be applicable to applicants as per BOBCARD's KYC policy in line with the regulatory guidelines.
10. **Sales and Marketing** -
 - 10.1. Both parties undertake to implement and support any marketing, advertising and promotional activities mutually agreed from time to time including the content and format thereof shall be mutually agreed upon and jointly approved by both the parties before publication/or distribution thereof.
 - 10.2. Neither party shall issue a press release/media/public announcement relating to the program without written consent of the other Party, which consent shall not be unreasonably withheld.
 - 10.3. Cobrand partner shall make reasonable efforts and provide support towards customer acquisition. Cobrand partner may in consultation with BOBCARD plan and implement any promotional and marketing activities for the cobranded credit card.

11. Branding -

- a. Subject to applicable law and as mutually agreed, cobranded credit card will carry BOBCARD and partner logo on the front face of the cobranded credit card. The reverse face of the cobranded card will carry the name of BOBCARD and any other imprints as may be defined by BOBCARD from time to time having regard to the applicable law/regulatory requirements.
- b. During the term of the cobrand arrangement, cobrand partner shall permit BOBCARD to use the trademark, copyrights and such other related intellectual property rights that may be permitted by the cobrand partner on brochures, literature, newsletters and other marketing, promotional and business communication material (including in webpage content) in such manner and form as prescribed in the respective brand manuals.

12. Reward Points/ Customer benefits - Bespoke Reward Points Program may be structured specifically for a cobrand partner, based on mutual agreement.

13. Tariff of Charges - Various fees and charges applicable on the cobranded credit card will be listed in the latest MITC document and it will be available to all prospect/existing cardholders and simultaneously on our official website

14. Policy Exception / Conflict / Interpretation Resolution -

- a. It is the responsibility of every BOBCARD employee to escalate to the Policy Custodian any conflicts or interpretation issues associated with the Policy
- b. All requests for exceptions to this policy, or its related procedures, must be approved by the Policy Approvers. Exception requests must include an action plan, and rationale, and must carry either an expiration date or a review date. Any identified exception to this policy that has not yet been approved must be escalated to the Policy Custodian immediately. Approved policy exceptions do not constitute policy non-compliance
- c. The Policy Approvers will maintain documentation of all exceptions, and the Policy Custodian will review the Policy Annually to assess whether a policy change is required and to ensure ongoing policy compliance

15. Periodicity of Review of the Policy

The policy shall be reviewed after one year from the date of approval or regulatory change/amendment, whichever is earlier and it shall continue to be in force till the reviewed policy comes into place.