

Deutsche Bank Compensation Policy

Introduction

Deutsche Bank AG (“Bank”) offers unparalleled financial services throughout the world. The Bank competes to be the leading global provider of financial solutions for demanding customers creating exceptional value for its shareholders and people.

The Bank believes in delivering high standards of service to customers and meet the committed service levels.

In the event, for some reason beyond the control of the Bank or inadvertently, the Bank is unable to meet the service levels committed to the customer , this Compensation policy will be applicable.

This Compensation policy of the Bank covers:

- unauthorized debit of customer’s account,
- payment of interest to customers for delayed collection of cheques/instruments,
- payment of cheques after confirmation of stop payment instructions
- compensation for delay in reimbursement of failed ATM transaction
- remittances within India,
- foreign exchange services, lending, etc.
- compensation for delay in returning security/documents/ title deeds to mortgaged property beyond 15 days of the repayment of all dues agreed to or contracted.
- penal interest payable for delays in credit / return of NEFT / NECS / ECS

This policy is based on principles of transparency and fairness in the treatment of customers.

It is reiterated that the policy covers only compensation for financial losses which customers might directly incur due to deficiency in the services offered by the Bank and as such the commitments under this policy are without prejudice to any right the Bank will have in defending its position before any forum duly constituted to adjudicate banker-customer disputes. Further, the Bank shall not be liable for any loss of profits, or any indirect, incidental, ancillary or consequential losses, damages or expenses. Acceptance of the compensation under this policy shall be deemed to be full and final settlement of all claims or issues arising out of grievances for which compensation is claimed and for this purpose this policy is made part of the General Business Conditions of the Bank applicable to all customers.

1. Unauthorized / Erroneous Debit:

If the Bank has affected an unauthorized/erroneous debit to an account, the entry will be reversed by the Bank immediately on being informed of the erroneous debit, after verifying the position. In the event the unauthorized/erroneous debit has resulted in a financial loss for the customer, the Bank will compensate the customer for direct financial loss, if any, **by way of loss of savings account interest** due to reduction in the minimum balance applicable for payment of interest on savings bank deposit or payment of additional interest to the Bank in a loan account or any charges levied for balance falling below minimum balance requirement or any charges levied for return of cheques or failure of direct debit instructions due to insufficiency of balance in the account.

In case verification of the entry reported to be erroneous by the customer does not involve a third party, the Bank shall arrange to complete the process of verification within a maximum period of 7 working days from the date of reporting of erroneous debit. In case, the verification involves a third party, the Bank shall endeavor, on a best efforts basis, to complete the verification process within a maximum period of one month from the date of reporting of erroneous transaction by the customer.

Erroneous transaction reported by customers in respect of credit card operations which require reference to a merchant establishment will be handled as per rules laid down by the relevant card association viz. Visa or Master Card. The Bank will provide explanations and, where requested, documentary evidence to the customer within a maximum period of sixty days in respect of such disputed transactions.

2. ECS direct debits/other debits to accounts

The Bank undertakes to carry out direct debit/ ECS debit instructions of customers in a timely manner. In the event the Bank fails to meet such commitment as a result of negligence on the part of its staff, customer will be compensated to the extent of direct financial loss, if any, incurred by way of loss of savings account interest on account of reduction in the minimum balance applicable for payment of interest on savings bank deposit or payment of additional interest to the Bank in a loan account or any charges levied for reason of balance falling below the minimum balance requirement or any charges levied for return of cheques or failure of debit instructions due to shortfall in balance in customer's account. Electronic payments such as RTGS/EFT/NEFT instructions will be governed by the applicable terms and conditions communicated to the customer.

The Bank would debit the customer's account with any applicable service charge as per the schedule of charges notified by the Bank. In the event the Bank levies any charge in violation of the arrangement, the Bank will reverse the charges when pointed out by the customer subject to scrutiny of agreed terms and conditions. The Bank will compensate the customer to the extent of direct financial loss, if any, incurred by way of loss of savings account interest on account of reduction in the minimum balance applicable for payment of interest on savings bank deposit or payment of additional interest to the Bank in a loan account or any charges levied for reason of balance falling below the minimum balance requirement or any charges levied for return of cheques or failure of debit instructions due to shortfall in balance in customer's account.

3. Credit Cards

Where it is established that the Bank had issued and activated a credit card without written consent of the recipient, the Bank would not only reverse the charges immediately but also pay a penalty without demur to the recipient amounting to twice the value of charges reversed.

4. Payment of Cheques after Stop Payment Instructions:

In case a cheque has been paid after stop payment instruction is confirmed by the Bank, the Bank shall reverse the transaction and give value-dated credit to protect the interest of the customer. Such debits will be reversed within 2 working days of the customer intimating the transaction to the Bank. The Bank will compensate the customer to the extent of direct financial loss, if any, incurred by way of loss of savings account interest on account of reduction in the minimum balance applicable for payment of interest on savings bank deposit or payment of additional interest to the Bank in a loan account or any charges levied for reason of balance falling below the minimum balance requirement or any charges levied for return of cheques or failure of debit instructions due to shortfall in balance in customer's account.

5. Compensation for delay in reimbursement of failed ATM transaction:

For any delay beyond 12 working days from the date of complaint, the Bank will pay compensation of Rs.100 per day for any amount wrongly debited due to failed ATM transactions. (Saturdays/Sundays and public holidays declared under Negotiable Instruments Act will be excluded in arriving at 12 working days.)

6. Foreign Exchange Services:

The Bank would not compensate the customer for delays in collection of cheques designated in foreign currencies sent to foreign countries as the Bank would not be able to ensure timely credit from overseas banks. It is the Bank's experience that time for collection of instruments drawn on banks in foreign countries differ from country to country and even within a country, from place to place. The time norms for return of instruments cleared provisionally also vary from country to country. Bank however, would consider at its sole discretion, extending upfront credit against such instrument by purchasing the cheque/instrument, provided the conduct of the account by the customer has been satisfactory in the past. However, the Bank will compensate the customer for undue delays in affording credit once proceeds are credited to the Nostro Account of the Bank with its correspondent. Such compensation will be given for delays beyond seven working days from the date of credit to Nostro Account. The compensation in such cases will be worked out as follows:

- a) Interest for the delay in crediting proceeds as indicated in the collection policy of the bank.
- b) Compensation for any possible loss on account of adverse movement in foreign exchange rate.

7. Compensation for delay in returning security/documents/ title deeds to mortgaged property beyond 15 days of the repayment of all dues agreed to or contracted:

For cases where the bank is not in a position to return the securities / documents / title deeds within a period of 15 working days, the bank shall compensate the customer Rs.100 per instance for delays upto 30 working days and Rs.250 per instance for delays beyond 30 working days.

8. Remittances in India:

The compensation on account of delays in collection of instruments would be as indicated in the Bank's collection policy.

9. Violation of the Code by banks agent

In the event of receipt of any complaint from the customer that the Bank's representative / courier or DSA has engaged in any improper conduct or acted in violation of the Code of Bank's Commitment to Customers ("Code") which the Bank has adopted voluntarily, Bank shall take appropriate steps to investigate and to handle the complaint and to compensate the customer for direct financial losses, if any, if it is established that the Bank's representative / courier or DSA is responsible for such deficiency in service or violation of Code. Notwithstanding the above, any other terms and conditions which have otherwise been specifically agreed by the Bank and its customers shall prevail over the above in the event of any inconsistency, to the extent not prohibited by applicable laws and / or regulations.

10 . Transaction of “at par instruments” of Co-operative Banks by Commercial Banks *

Bank will not honour cheques drawn on current accounts maintained by other banks with it unless arrangements are made for funding the account against the cheques issued. Issuing bank should be responsible to compensate the cheque holder for nonpayment/delayed payment of cheques in the absence of adequate funding arrangement.

11 .Penal interest payable by bank for delay in credit / return of NEFT / NECS / ECS transactions

Role of NEFT - Destination Bank

a) “In the event of any delay or loss on account of error, negligence or fraud on the part of an employee of the destination bank (Deutsche Bank) in the completion of funds transfer pursuant to receipt of payment instruction by the destination bank (Deutsche Bank) leading to delayed payment to the beneficiary, the destination bank (Deutsche Bank) shall pay compensation at current RBI LAF Repo Rate plus two per cent for the period of delay.

b) In the event of delay in return of the funds transfer instruction for any reason whatsoever, the destination bank (Deutsche Bank) shall refund the amount together with interest at the current RBI LAF Repo Rate plus two per cent till the date of refund.”

NECS / ECS-Credit

“The Bank would be held liable to pay penal interest at the current RBI LAF Repo Rate plus two per cent from the due date of credit till the date of actual credit for any delayed credit to the beneficiaries’ account.

Penal interest shall be credited to the Beneficiary's Account even if no claim is lodged by the customer.”

12. Force Majeure

The Bank shall not be liable to compensate customers for delayed credit or any other grievances, complaints or claims if some unforeseen event (including but not limited to civil commotions, sabotages, lockouts, strikes or other labour disturbances, accidents, fires, natural disasters or other “Acts of God”, war, damage to the Bank’s facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc.) or any reasons beyond the control of the Bank prevents it from performing its obligations within the specified service delivery parameters.
