

TranServ Private Limited

(CIN:U93090MH2010PLC211328)

BREAKAGE POLICY

(Reviewed and Adopted by the Board as on 21/10/2019)

Objective

The Reserve Bank of India vide its Master Direction on Issuance and Operation of Prepaid Payment Instruments issued on October 11, 2017 and as amended from time to time has laid down provisions for recognizing and treatment of balances in expired Prepaid Payment Instruments (PPIs). The primary objective of the policy is to define a framework regarding:

- A. Validity period of PPIs (both wallets and cards)
- B. Communication with the customers
- C. Forfeiture of outstanding balances in PPIs post expiry
- D. Review of the Policy

A. Validity & Expiry of PPI:

Expiry of PPIs:

A Dhani Pay PPI will have a minimum validity of three years and shall continue to be valid until it turns inactive. After the minimum validity period, those PPIs which remain Inactive will get expired.

Inactive PPIs:

PPIs with no financial transaction for a consecutive period of one year will be made inactive. Customers may reactivate the expired PPIs post compliance with the required due diligence process. As part of the due diligence process, the customers will be required to submit KYC documents and support any other validation which TranServ may require. Details pertaining to inactive PPIs will be reported as prescribed by RBI.

The Dhani Pay Card (Card) will be linked to the Dhani Pay Wallet (Wallet) of the Customer. The Card comes with a validity printed on the card. The Card will expire in the following scenarios:

1. On expiry of the validity mentioned on the Card: The customer's Card will expire on the date and month mentioned on the Card.
2. On expiry of the Wallet, the Card will expire automatically.

B. Notice & Communication

The customers will be sent notice 45 days prior to the date of expiry. This notice will be sent either via email or SMS or as in-app notification. Customers will also be notified upon their PPI becoming inactive.

C. Effects of Expiry of Dhani Pay PPI:

- (i) PPI will be blocked which means the customer will not be able to perform any transaction. Such PPIs will be marked as “Expired” and balance in the PPIs will be parked in the escrow account.
- (ii) Customer may choose to come back anytime from expiry of the PPI to claim refund of the balance in the PPI.
- (iii) The balance of customers who do not raise a claim for 3 (three) years will be transferred to P&L of the Company.
- (iv) The holders of PPIs shall be permitted to redeem the outstanding balance in the PPI, if for any reason the scheme is being wound-up or is directed by RBI to be discontinued.

D. Review of the policy

The Policy will be reviewed annually by the Board, or as and when required, including in cases of changes in the business or regulatory environment.