

Schedule-F

CODE OF CONDUCT FOR DIRECT SELLING AGENTS (“DSAs”) AND DIRECT SELLING EXECUTIVES (“DSEs”) / DEPOSIT AGENTS

PREAMBLE:

Housing Development Finance Corporation Limited (“HDFC”) is engaged *inter alia* in the business of granting loans for purchase/ construction/ extension/ renovation of dwelling units/non-residential premises and loan against the property to individuals and others and as part of business activity for resource mobilization, it accepts deposits from public under its deposit schemes through its various regional and branch offices all over India.

That HDFC, has been appointing and engaging various service associates – Direct Selling Agents (“DSAs”), Direct Selling Executives (“DSEs”) and Deposit Agents (“DAs”) [both individual and corporate] for availing their services for sourcing prospective customer(s) (“Prospect”) for its financial products in order to enhance its marketing network.

HDFC’S CODE OF CONDUCT FOR DSAs/DSEs/ DA’s

OBJECTIVE

The objective of this Code of Conduct (hereinafter referred to as “**the Code**”) is to provide the DSAs/DSEs with a clear understanding of the standards of conduct expected while marketing and distribution of any financial product(s) of HDFC and that their conduct shall be governed by the Code. The Code is a framework that is based RBI/2020-21/73-DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 (updated from time to time) (“**Master Directions, 2021**”) issued by the Reserve Bank of India (“RBI”) in the context of marketing and distribution of any financial product(s) by DSAs/ DSEs/ DAs. The Code shall be read in addition to the terms and conditions of appointment of the DSA/DSE/DA and not in derogation thereof.

APPLICABILITY

This Code is applicable to all DSAs/DSEs/DAs or/and its employees/ representatives including the telemarketing personnel/executives. This Code is a protocol which lays down the guidelines and manner in which the DSAs/DSEs/DAs or/and its employees/ representatives including the telemarketing personnel/executives shall conduct themselves while marketing and distribution of any financial product(s) of HDFC. This Code shall be made applicable to, and be adopted by all existing as well as newly appointed DSA/DSEs/DAs including the telemarketing personnel/executives.

The DSA/DSE/DA and its employees/representatives shall agree to abide by this Code prior to undertaking any direct marketing operations and distribution on behalf of HDFC. For this purpose, a declaration cum undertaking annexed as **Annexure I** to this Code shall be given by DSA/DSE/DA to HDFC which shall be obtained from employees/ representatives by the DSAs/DSEs/DA before assigning them their duties. HDFC may consider termination and/or permanent blacklisting of DSAs/DSEs/DAs and/or its employee(s)/ representative(s)/

personnel if found in breach of this Code/ the Agreement that shall be executed by the DSAs/DSEs/DAs.

This Code is divided into two parts viz. “Part A” and “Part B.” **Part A** of the Code is applicable to DSA/DSE engaged in marketing and distribution of loan products (asset product). **Part B** of the Code is applicable to DA engaged in marketing and distribution of deposits (liability products).

PART A: CODE OF CONDUCT FOR DIRECT SELLING AGENTS (“DSAs”) AND DIRECT SELLING EXECUTIVES (“DSEs”) ENGAGED IN MARKETING AND DISTRIBUTION OF LOAN PRODUCTS (ASSET PRODUCT)

APPOINTMENT OF DSAs/DSEs

Only such DSAs shall be selected for appointment by HDFC who have been duly incorporated as per the laws of the country with one of its key objectives being soliciting or procuring SSA business, which may reflect in the constitution documents (the Partnership Deed, Memorandum of Association or any other document) of the entity willing to be appointed as a DSA of HDFC.

While appointing any DSA and/or its employees/representatives including the telemarketing personnel/executives for marketing and distribution of any financial product(s) of HDFC (all of whom for the sake of brevity are hereinafter collectively referred to as the “DSA”, unless specifically referred to as the context may deem appropriate), HDFC shall follow the following process:

1. The DSA shall submit an application form with HDFC as per the format that may be prescribed by HDFC along with list of documents as may be mandated by HDFC;
2. On perusal of the application, HDFC shall have the option to undertake a Residence and Office Field credit verification to ascertain the veracity of the information so provided in the application. The credit verification may be conducted by HDFC’s Business Development team who would personally meet the DSA and take a decision on the appointment.
3. All Pan India Corporate DSAs would be routed through Central Marketing Team of HDFC for approval, and upon approval an agreement for appointment of such DSA (which will comprise of the scope of services, schedule of fees, appropriate representations/warranties/undertakings etc.) shall be executed between HDFC and the relevant DSA (the Agreement).
4. HDFC shall not make any payment to the DSAs in Cash. All payments on account of fee / incentive etc. shall be made only by way of direct credit to their respective Bank accounts.
5. Upon execution of the Agreement(s), a unique code shall be assigned to each DSA/DSE.
6. DSAs may be appointed on an exclusive or non-exclusive basis at the discretion of HDFC.
7. The operational area of the DSA shall be predefined for every DSA by HDFC (which could be branch specific/multi-city/ or on Pan-India basis).

8. Upon such appointment, it shall be incumbent upon all DSAs to ensure the preservation and protection of the security and confidentiality of the customer information or data (personal and business information) which are in the custody or possession of the DSA by virtue of undertaking its activities in terms of the Agreement.
9. HDFC shall maintain up-to-date database of all DSAs engaged and shall also keep a record of inspection reports undertaken periodically along with the action taken report (ATR), if any.
10. The details/ information of the prospective customers shall be shared by the DSA in a format as may be prescribed by HDFC from time to time.

DUTIES/OBLIGATIONS OF DSA

1. The generic duties and obligations of the DSAs shall be defined and outlined in the Agreement that shall be executed by each DSA with HDFC.
2. DSAs shall not send any communication to customer(s) in any mode and format unless approved by HDFC in writing.
3. DSAs shall mandatorily be required to depute its personnel for attending training(s) as and when conducted by the personnel or employees of HDFC for the purpose of maintaining high service standards in respect of the services expected to be rendered by the DSA to the customers of HDFC. Ordinarily any DSA who is seeking engagement/empanelment with HDFC and/or its employees/representatives will have to undertake a minimum two (2)-day preliminary training and such further training every year as may be scheduled by HDFC. HDFC shall have the right to maintain record of training provided in this context.
4. DSAs shall be expected to strictly adhere to this Code formulated as per the guidelines of NHB.
5. It shall be incumbent upon every DSA to read and understand the Code and to submit a declaration of having understood and accepted the same.
6. DSA shall recognize the right of the National Housing Bank (“NHB”) / RBI to cause an inspection of all the information acquired by it on behalf of HDFC and its books of accounts or any other documents/data by one or more of its officers or employees or other persons.
7. The respective DSA shall report periodically to HDFC with the list of its errant employees/representatives/agents. Such information shall include name and address of the individual associated with the DSA and the nature and details of fraud. Such employees/representatives shall be barred permanently from entering into business (either directly or indirectly) in any manner whatsoever with such DSAs and shall automatically be barred from entering into any association with HDFC in future.
8. Any employee/representative/agent of DSA found to be in violation of this Code shall be blacklisted and such action taken shall be reported to the HDFC from time to time by the DSA. Failure to comply with this requirement may result in permanent termination by

HDFC of the services of the DSA and may lead to permanent blacklisting of the DSA by HDFC.

9. Tele-calling a prospective customer

9.1. Unsolicited Commercial Communications - National Do Not Call Registry (NCND) - DSA shall:

- a) not engage telemarketers who do not have any valid registration certificate from Department of Telecommunication (DoT), Government of India; HDFC shall engage only those telemarketers who are registered in terms of the guidelines issued by Telecom Regulatory Authority of India (“TRAI”), from time to time, for any kind of engagement with customers,
- b) furnish the list of telemarketers engaged by them along with the registered telephone numbers being used by them for making telemarketing calls, to TRAI; and
- c) ensure that all agents presently engaged by them register themselves with DoT as telemarketers.

9.2. A prospect may be contacted for sourcing an HDFC’s product / service or HDFC related product/service only under the following circumstances:

- a) When a prospect has expressed desire to acquire any loan or other financial product or services through the HDFC’s internet site/digital platforms including mobile applications/ call centre/branch or through the Relationship Manager at the HDFC or has been referred to by another Prospect / customer or is an existing customer of HDFC who has given clear, explicit and unequivocal consent in writing/ digitally for accepting calls on other products / services of HDFC.
- b) When the prospect’s name/telephone number/address is available and obtained after taking his/her clear, explicit and unequivocal consent in writing / digitally on a separate document.

9.3. The employees/representatives of the DSA should not call a person whose name/number is flagged in any “do not call” list.

9.4. When to contact a prospective customer on telephone:

- a) DSAs must introduce themselves and before calling must share their contact details through message or any other written mode including his/ her name, contact number, DSA they are employed with and mention that they are representing HDFC.
- b) Telephonic contact must normally be limited between 09:30 hours and 19:00 hours. However, it may be ensured that a prospective customer is contacted only when the call is not expected to inconvenience him/her.

- c) Calls earlier or later than the prescribed time period may be placed only when the prospective customer has expressly authorized the DSA and its employees/representatives to do so either orally or in writing.
- d) Residence/Business/office visit must normally be limited between 09:30 hours and 19:00 hours. Visit earlier or later than the prescribed time period may be made only when prospect has expressly authorized DSA or/and its employees / representatives to do so either in writing or orally.

9.5. Respect prospective customer's privacy:

DSAs shall respect the prospective customer's privacy and his/her interest may normally be discussed only with the prospective customer and with any other individual/family member such as prospect's accountant/secretary/spouse only when authorised to do so by the prospective customer.

9.6. Leaving messages

Calls must first be placed to the prospective customer. If the prospective customer is not available, a message may be left for him/her. The aim of the message should be to get the prospective customer to return the call or to check for a convenient time to call again. Ordinarily, such messages may be restricted to:

*“Please leave a message that ***** (name of officer) representing HDFC called and requested to call back at ***** (phone number)”*. As a general rule, the message must indicate that the purpose of the call is regarding selling or distributing or providing product(s) of HDFC.

9.7. No misleading statements / misrepresentations permitted

A DSA shall not under any situation whatsoever:

- a) mislead the prospect on any service/product offered by HDFC;
- b) mislead the prospect about their business or organization's name, or falsely represent themselves as HDFC's employee;
- c) Make any false/ unauthorised commitment on behalf of HDFC for any facility/ housing loan/ service.

9.8. Telemarketing Etiquette:

Pre Call - DSAs shall not:

- a) call prior to 09:30 hours or post 19:00 hours unless specifically requested.
- b) indulge in serial dialing
- c) call on lists unless list is cleared by the DSA team leader

During Call - the DSAs are expected to:

- a) Identify themselves, the company and the principal
- b) Request permission to proceed

- c) If denied permission, apologise and politely disconnect
- d) State reason for the call
- e) Always offer to call back on landline, if call is made to a cell number
- f) Never interrupt or argue
- g) To the extent possible, talk in the language which is most comfortable to the prospective customer
- h) Keep the conversation limited to business matters
- i) Check for understanding of “Most Important Terms and Conditions” by the prospective customer if he/she plans to buy the product
- j) Reconfirm next call or next visit details
- k) Provide the requisite telephone number, supervisor’s name or the concerned HDFC’s officer’s contact details if asked for by the prospective customer.
- l) Thank the prospective customer for his/her time

Post Call

- a) Prospects/Customers who have expressed their lack of interest for the offering should not be called for the next 3 months with the same offer
- b) Provide feedback to HDFC on prospects/customers who have expressed their desire to be flagged “Do Not Disturb”
- c) Never call or entertain calls from customers regarding products already sold.
- d) Advise them to contact the Customer Service Staff of HDFC.

9.9. Gifts or bribes

DSA shall not in any manner whatsoever, directly or indirectly:

- a) accept gifts or bribes of any kind from prospects/customers. Further, if he/she is offered a bribe or payment of any kind by the prospect/customer, it must be reported to his/her management.
- b) offer any gifts/gratitude in cash or in kind to the prospect/customer to solicit business.

9.10. Precautions to be taken on visits / contacts

Employees/representatives of DSA should:

- a) respect personal space – maintain adequate distance from the prospective customer;
- b) ensure that prospect/customer is not visited within a period of 3 (three) months of expression of lack of interest for the offering by him/her;
- c) not enter the prospective customer’s residence/office against his/her wishes;

- d) not visit in large numbers, i.e. not more than one employee/representative of the DSA and one supervisor, if required;
- e) respect the prospective customer's privacy;
- f) if the prospective customer is not present and only family members/office persons are present at the time of the visit, he/she should end the visit with a request for the prospective customer to call back;
- g) provide his/her telephone number, name of the supervisor or the concerned officer of HDFC and contact details, if asked for by the prospective customer; and
- h) limit discussions with the prospective customer to the business and maintain a professional distance.

9.11. Other important aspects - Appearance & Dress Code

Employees/representatives of DSA must be appropriately and formally dressed while meeting with prospect/ customer.

9.12. Handling of letters & other communication

Any communication sent to the prospective customer should be only in the mode and format approved by HDFC.

OUTSOURCING AGREEMENTS IN FURTHERANCE OF ANY BUSINESS GENERATION ACTIVITY UNDERTAKEN BY HDFC:

Outsourcing Agreements, if any, executed by HDFC shall incorporate HDFC's right to retain an appropriate level of control over the service providers' (DSEs'/DSAs'/DAs') conduct and functioning and HDFC's ability to intervene with appropriate measures to ensure that the Service Provider is compliant of the legal and regulatory obligations. HDFC shall through the Business Head/Business Development Team/Central Marketing Team monitor all outsourced activities. While outsourcing, HDFC shall have the right to undertake regular audits by either the internal auditors or external auditors of HDFC in order to assess the adequacy of the risk management practices adopted in overseeing and managing the outsourcing arrangement and at a generic level, ascertain HDFC's level of compliance of the mandate of RBI/ NHB issued from time to time in this regard.

Some of the key provisions *inter alia* which may be incorporated are as follows:

- a) scope of the activities that may be outsourced including appropriate service and performance standards;
- b) HDFC's ability to seek and access all books, records and information relevant to the outsourced activity available with the Service Provider;
- c) HDFC's ability to monitor and assess the Service Provider on a continuous basis in order to ensure qualitative aspects of the activity are not compromised upon by the Service Provider;

- d) an appropriate termination clause and minimum period to execute a termination provision;
- e) controls to ensure customer data confidentiality is not compromised and the service providers' liability in case of breach of security and leakage of confidential customer related information;
- f) the right of HDFC to ensure that appropriate contingency plans are in place by the Service Provider to ensure business continuity;
- g) prohibiting further outsourcing by the Service Provider for all or part of an outsourced activity;
- h) HDFC's right to conduct audits of the Service Provider whether by its internal or external auditors, or by agents appointed to act on its behalf and to obtain copies of any audit or review reports and findings made on the service provider in conjunction with the services performed for HDFC;
- i) the duty to provide access to documents, records of transactions, and other necessary information given to, stored or processed by the service provider as may be required by NHB or persons authorised by it;
- j) recognition of the right of the NHB to inspect the books and accounts of the Service Provider by one or more of its officers or employees or other persons;
- k) provisions for the confidentiality of customer's information to be maintained even after the contract expires or gets terminated;
- l) protection and preservation of documents and data by the service provider as may be required under appropriate Law/regulations.

In all cases of outsourcing, HDFC shall at least on an annual basis review the financial and operational conditions of the service provider to assess their ability to continue to meet their outsourcing obligations. Such due diligence reviews, which can be based on all available information about the service provider, should highlight any deterioration or breach in performance standard/confidentiality/security and/or in its business continuity preparedness.

HDFC has in place a management structure to monitor and control the outsourcing activities. It shall ensure that outsourcing agreements with the Service Providers contain provisions to address their monitoring and control of outsource activities.

HDFC shall have the right to conduct regular audits to assess activities and services being provided by the DSA under the outsourcing arrangement, and for the purposes of HDFC's compliance with its risk management framework and as per the requirements of RBI's Master Directions, 2021.

In the event of termination of the agreement for any reason, HDFC will publicize it so as to ensure that the customers do not continue to deal with that Service Provider.

Grievance Redressal Machinery:

- a) HDFC has constituted a Grievance Redressal Machinery within the Corporation. The information about the said Machinery along with the name and contact numbers of the designated Redressal Officer of HDFC have been duly published vide various media such as websites, newspapers, etc.
- b) The designated officer shall ensure that genuine grievance of customers is addressed and redressed promptly without involving delay. This machinery will also deal with the issues relating to services provided to any outsourced agency.
- c) A time limit of one month shall be given to the customers for preferring the complaints/grievances from the date of occurrence of any misconduct on part of the DSA/DSE.
- d) The Grievance Redressal procedure of HDFC and the time frame fixed for responding to the complaints has been duly placed on HDFC's website (www.hdfc.com).

Termination:

All DSAs must be appointed for a pre-determined time to act on behalf of HDFC to source financial products. The appointment shall automatically terminate by efflux of such pre-determined time unless renewed earlier in writing and on such terms as HDFC and DSA may desire. HDFC shall have the ability to notify the public at large of any termination of the services of any DSA in the interest of customers.

Consideration (Commission Payouts):

- a) The commission slabs for DSAs shall be spelt out in the respective Agreement with DSA. Any change in disbursement slabs for the purpose of commission payment has to be approved by the Central Marketing Team.
- b) Any increase in payout (beyond the authorized limits) shall be approved by the Managing Director of HDFC.

PART B: CODE OF CONDUCT FOR DEPOSIT AGENTS ENGAGED IN MARKETING AND DISTRIBUTION OF DEPOSITS (LIABILITY PRODUCTS)

1. Tele-calling a Prospect for mobilizing Deposits:

Deposits Agents shall –

- a) not engage Telemarketers who do not have any valid registration certificate from Department of Telecommunication (DoT), Government of India, as telemarketers; Deposit Agents shall engage only those telemarketers who are registered in terms of the guidelines issued by TRAI, from time to time, for all their promotional/telemarketing activities;
- b) furnish the list of Telemarketers engaged by them along with the registered telephone numbers being used by them for making telemarketing calls to TRAI; and
- c) ensure that all agents presently engaged by them register themselves with DoT as telemarketers.

A prospect is to be contacted for sourcing HDFC Deposits only under the following circumstances:

- a) When a prospect has expressed desire to invest in HDFC Deposits through HDFC's website/tele-call centre/branch or through the relationship manager at HDFC or has been referred by another customer/prospective customer or is an existing customer of HDFC who has given consent for accepting calls for HDFC Deposits;
- b) When the prospect's name/telephone no./address is available and obtained after taking his/her consent;
- c) Deposit Agents and/or its employees/representatives should not call a person whose name/number is flagged in any "Do Not Disturb" list.

2. When to contact a prospect on telephone

- a) Telephonic contact must normally be between 09:30 Hours and 19:00 Hours. However, it may be ensured that the prospect is contacted only when the call is not expected to inconvenience him/her.
- b) Calls earlier or later than the prescribed time period may be placed only when the prospect has expressly authorized the deposit agent and/or its employees/representatives to do so either in writing or orally.
- c) Residence/Business/Office visit must normally be limited between 09:30 Hours and 19:00 Hours. Visit earlier or later than the prescribed time period may be made only when the prospect has expressly authorized the deposit agent and/or its employees/representatives to do so either in writing or orally.

3. Respect prospect's privacy

Deposit Agents and/or its employees/representatives should respect prospect's privacy and his/her interest may normally be discussed only with the prospect and with any other individual/family member such as prospect's accountant/secretary/spouse only when authorized to do so by the prospect.

4. Leaving messages and contacting persons other than the prospect

Calls must first be placed to the prospect/client. If the prospect/client is not available, a message may be left for him/her. The aim of the message should be to get the prospect/client to return the call or to check for a convenient time to call again. Ordinarily, such messages may be restricted to "Please leave a message that ***** (name of officer) representing HDFC called and requested to call back at ***** (phone number)". As a general rule, the message must indicate that the purpose of the call is regarding selling or distributing a deposit product of HDFC.

5. No misleading statements/misrepresentations permitted

Deposit Agents and/or its employees/representative should not:

- a) Mislead the prospect on any product/service offered by HDFC;
- b) Mislead the prospect about HDFC's business or organization's name or falsely represent themselves as HDFC's employee;
- c) Make any false/unauthorized commitment on behalf of HDFC for any facility/service.

6. Telemarketing Etiquettes

PRE CALL

- a) No calls prior to 09:30 Hours or post 19:00 Hours unless specifically requested;
- b) No serial calling.

DURING CALL

- a) Identify yourself, your company and your principal;
- b) Request permission to proceed;
- c) If denied permission, apologize and politely disconnect;
- d) State reason for your call;
- e) Always offer to call back on landline, if call is made to a cell number;
- f) Never interrupt or argue;

- g) To the extent possible, talk in the language which is most comfortable to the prospect/customer;
- h) Keep the conversation limited to business matters;
- i) Check for understanding of “Terms & Conditions” by the prospect/client if he plans to invest;
- j) Reconfirm next call or next visit details;
- k) Provide your telephone number, supervisor’s name or HDFC’s officer contact details if asked for by the prospect/client;
- l) Thank the prospect/client for his/her time.

POST CALL

- a) Prospects/clients who have expressed their lack of interest for the product should not be called for the next 3 months offering the same product;
- b) Provide feedback to HDFC on prospects/clients who have expressed their desire to be flagged “Do Not Disturb”.

7. Gifts or Bribes

Deposit Agents and/or its employees/representatives will not

- a) accept gifts or bribes of any kind from prospects/customers. Further, if he/she is offered a bribe or payment of any kind by the prospect/customer, it must be reported to his/her management.
- b) offer any gifts/gratitude in cash or in kind to the prospect/customer to solicit business.

8. Precautions to be taken on visits/contacts

Deposit Agents and/or its employees/representatives should:

- a) respect personal space, maintain adequate distance from the prospect/client;
- b) ensure that prospect/client is not visited within a period of 3 months of expression of lack of interest for the deposit product;
- c) not enter the prospect’s/client’s residence/office against his/her wishes;
- d) ensure that a prospect’s/client’s residence/business is visited by not more than one employees/representative of Deposit Agent and one supervisor, if required;
- e) respect the prospect’s privacy;

- f) end the visit with a request for the prospect to call back, if the prospect/client is not present and only family members/office persons are present at the time of the visit;
- g) provide his/her telephone number, name of the supervisor or HDFC officer's contact details, if asked for by the prospect/client; and
- h) limit discussions with the prospect to the business.

9. Appearance and Dress Code

Deposit Agent and/or its employees/representatives must be in proper formal attire while meeting up with prospect/customer.

10. Handling of letters and other communication

Any communication sent to the prospect/client shall only be in the mode and format approved by HDFC.

11. Qualification for empanelment of Deposit Agents

Individual applicants (prospective deposit agent) should already be in the business of distribution of financial products such as Mutual Fund, Life and Non-life Insurance, Small Savings Scheme or any other investment products. HDFC, may at its sole discretion, permit exception, if its convinced about the potential of the applicant. Non-Individual Entities depending upon their nature and scope of business shall ensure that Memorandum of Association, Partnership Deed or any other document evidencing the constitution of the entity shall contain soliciting or procuring deposits as one of its main objects.

12. Empanelment of Deposit Agents

Deposit Agents seeking engagement/empanelment with HDFC shall submit the HDFC Deposit Agent Application Form for empanelment.

13. Records/ Books and Terms and Conditions of Empanelment

- a) HDFC must ensure it has the ability to access all books, records and information relevant to the deposits mobilization activity available with the deposit agent;
- b) Controls to ensure customer data confidentiality and deposit agent's liability in case of breach of security and leakage of confidential customer related information should be incorporated in the terms and conditions of empanelment;
- c) HDFC shall also maintain an up-to date database of the empanelled Deposit Agents;
- d) There must be contingency plans to ensure business continuity;
- e) HDFC will have the right to conduct audits on the deposit agent whether by its internal or external auditors, or by agents appointed to act on its behalf and to obtain copies of any audit

or review reports and findings made on the deposit agent in conjunction with the services performed for HDFC;

- f) Allow the National Housing Bank or persons authorised by it to access documents, records of transactions, and other necessary information given to, stored or processed by the deposit agent within a reasonable time;
- g) As a condition of empanelment of the Deposit Agent, HDFC shall recognize the right of the National Housing Bank to cause an inspection to be made of a deposit agent of HDFC and its books and account by one or more of its officers or employees or other persons;
- h) Confidentiality of customer's information should be maintained even after the termination of empanelment;
- i) Provision would be made for the preservation of documents and data by the Deposit Agent in accordance with the legal/regulatory obligation of HDFC in this regard.

14. Training to DA and/or its employees/representatives

The Deposit Agent and/or its employees/representatives should ensure that they attend training sessions as and when conducted by the personnel or employees of HDFC for the purpose of maintaining high service standards in respect of the services expected to be rendered by the Deposit Agent to the customers of HDFC. Deposit Agents must keep themselves and their employees/representatives updated regarding the regulations governing deposits and usage of latest deposit application forms etc. for deposit servicing activity.

15. General

- a) HDFC would, at least on an annual basis review the financial and operational conditions of the Deposit Agents to assess their ability to continue to meet their outsourcing obligations. Such due diligence reviews, which can be based on all available information about Deposit Agents, should highlight any deterioration or breach in performance standard confidentially and security, and in business continuity preparedness.
- b) In the event of termination of the empanelment for disciplinary reasons, this should be publicized so as to ensure that the customers do not continue to deal with that service provider.
- c) HDFC has constituted a Grievance Redressal Machinery within the Corporation. The name and contact numbers of the designated Grievance Redressal officer of HDFC have been made known and publicized. The designated officer shall ensure that genuine grievance of customers is addressed and redressed promptly without involving delay. This machinery will also deal with the issues relating to services provided to any outsourced agency.
- d) A time limit of 30 days shall be given to the customers for preferring the complaints/grievances. The grievance Redressal procedure of HDFC and the time frame fixed for responding to the complaints has been duly placed on HDFC's website (www.hdfc.com).

- e) No payment to Deposit Agents shall be made in cash. The brokerage, incentive etc. shall be made only by way of direct credit to their respective Bank accounts.
- f) HDFC may prescribe the operational area for Deposit Agents within which they can work
- g) By virtue of empanelment, the Deposit Agent and/or its employees/representatives may have access to personal and business information of HDFC and/or HDFC's customer. Deposit Agents shall ensure the preservation and protection of the security and confidentiality of the customer and HDFC's information or data which are in their custody or possession.
- h) Deposit Agents should acknowledge that he/she/it has read the code of conduct and has fully understood all the terms and conditions mentioned therein and declare that the Deposit Agent shall agree to abide by the said code of conduct in letter and spirit.
- i) The Deposit Agent shall report the fraud erring employees/representatives periodically to HDFC and consolidated data/information on the same shall be submitted by HDFC to NHB. The information shall include name of the person, address, name of the Deposit Agent associated with and nature of fraud. Such employees/representatives shall be barred permanently for doing the business of deposit agent in future with HDFC.
- j) The Deposit Agent shall adhere to the Housing Finance Companies (NHB) Directions, 2010 and HDFC Code of Conduct as applicable from time to time along with other regulatory compliances.
- k) The Deposit Agent and/or its employees/representatives should not offer gift/bribe HDFC staff for undue benefits.
- l) Co-operate with and provide support to HDFC, competent regulatory authorities, Due Diligence Agencies (as applicable) in relation to the activities of the Corporation or any regulatory requirement and matters connected thereto.
- m) Deposit Agents should maintain necessary infrastructure to support HDFC in maintaining high service standards to clients and ensure that critical operations related to deposits are done within the time frame prescribed under NHB Directions.
- n) Be diligent in performing In-Person Verification (IPV) of depositors for the KYC process in accordance with the guidelines prescribed by HDFC & NHB from time to time.
- o) Obtain all documents of its depositors as required under Anti-Money Laundering/ Combating Financing of Terrorism requirements, including KYC documents/Power of Attorney etc. as may be required from time to time.
- p) Do not accept cash towards placement of deposits. Deposit placement should happen only through account payee cheque favouring HDFC or through direct remittance to our designated bank account.

- q) Avoid colluding with clients in faulty business practices such as bouncing cheque, etc.
- r) Refrain from making negative statements about HDFC or its products and ensure that comparisons if any, are made with similar and comparable products.
- s) Intimate HDFC any changes in the Deposit Agent's status, constitution, address, contact details or any other information provided at the time of empanelment as Deposit Agent.

16. Sales Ethics & Integrity

Deposit Agents should undertake the following:

- a) Represent HDFC in a diligent and professional manner and uphold HDFC's brand image with highest standard.
- b) Showcase professional conduct while interacting with prospects/clients, HDFC staff and other Deposit Agents.
- c) Should not approach any depositors within the HDFC office premises for soliciting business from them.
- d) Take necessary steps to ensure that the client's interest is protected.
- e) Take sincere efforts to fully understand and be conversant with the operational & regulatory requirements of our Deposit products.
- f) Client's interest and suitability to their financial needs is paramount, and that extra commission/incentive earned should never form the basis for recommending an investment product to the client.
- g) Ensure that deposit application form is complete in all respect and carry diligence to ascertain details filled in the form are pertaining to the depositors only.

Deposit Agents and/or its employees/representatives should uphold highest levels of marketing/sales ethics and should not:

- a) Compete with other agents in an unhealthy/unethical manner.
- b) Reach out to our existing clients already introduced by other agents unless the customer has assented to receive services from new agent.
- c) Deny the client any information regarding office telephone numbers or email address of any concerned employee of HDFC.

**Annexure I
Declaration–Cum-Undertaking**

To be obtained by the DSA from its employees / representatives by such mode as may be prescribed by HDFC

Re: Code of Conduct

Dear Sir, I am working in your company as a _____.

My job profile, inter-alia, includes offering, explaining, sourcing, and assisting documentation of products and linked services to prospects of _____ (name of the HFC).

In the discharge of my duties, I am obligated to follow the Code of Conduct attached to this document.

I confirm that I have read and understood and agree to abide by the Code of Conduct. I further confirm that the trainer mentioned below has explained the contents of the Code of Conduct in full to me.

In case of any violation, non-adherence to the said Code, you shall be entitled to take such action against me as you may deem appropriate.

Signed on this _____ day of _____ 20 _____

Signature _____ Name _____ Agency _____

Signature of Trainer _____ Name _____ Company _____