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## 1. INTRODUCTION

Smartcash Payment Service Bank “**the Bank**” In line with its vision of bringing financial services within reach of the unbanked, underserved populations and those in hard-to-reach areas of the country is committed to providing reliable and efficient payment services. This policy outlines our commitment to compensating customers for financial losses incurred due to service failures attributable to the Bank, ensuring fairness, transparency, and compliance with all applicable laws and regulations.

## 2. PURPOSE

This policy aims to:

- a) Establish a clear and consistent framework for customer compensation.
- b) Ensure compliance with the Central Bank of Nigeria (CBN) regulations, the Federal Competition and Consumer Protection Act (FCCPA) 2018, and the Nigerian Data Protection Act (NDPA) 2023.
- c) Mitigate customer dissatisfaction and maintain loyalty.
- d) Minimize financial and reputational risks associated with service failures.

## 3. SCOPE


This policy applies to all customers of the Bank, including individuals, businesses, and other entities utilizing our payment services.

## 4. LEGAL AND REGULATORY FRAMEWORK

The Banks Customers compensation policy aligns with the Central Bank of Nigeria consumer regulations, the Federal Competition and Consumer Protection Act 2018, and the Nigerian Data Protection Act 2023, with the Nigerian Data Protection Regulation 2019 principles.

## 5. CATEGORIES OF COMPENSABLE SERVICE FAILURES

The Bank will provide compensation for, but not limited to, the following:

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- I. **Unauthorized Account Debits:** If a debit is made to a customer’s account without proper authorization by the customer—such as entering a PIN or answering security questions, the bank will review the claim in accordance with its dispute resolution process. Compensation will only be provided if the transaction is confirmed to be unauthorized and not a result of customer negligence.
- II. **Delayed Payments:** If the bank fails to process a payment within the stipulated timeframe, causing financial loss to the customer, compensation may be provided based on the impact and circumstances of the delay. The bank will not be liable for delays caused by incorrect customer information or events beyond its reasonable control, including but not limited to force majeure events. Any disputes regarding delayed payments will be resolved through Dispute resolution process in Clause 12
- III. **Incorrect Charges:** This refers to verified bank errors resulting in incorrect charges. The bank will correct the error and refund the overcharged amount. Compensation is limited to the overcharge; indirect losses are excluded. This does not apply to authorized charges, customer provided errors, or events beyond the bank's control.
- IV. **Failure to Process Transactions Correctly:** Errors in transaction processing leading to financial loss.
- V. **Service Disruptions:** This refers to bank service disruptions causing direct financial loss, the bank may provide compensation. Compensation is excluded for disruptions due to: customer errors, scheduled maintenance with prior notice, or events beyond the bank's reasonable control i.e. force majeure. Indirect or consequential losses are excluded.
- VI. **Data Breaches:** Unauthorized access, disclosure, or alteration of customer data in accordance with the NDPA 2023.


## 6. COMPENSATION GUIDELINES

### 6.1. Eligibility Criteria:

- I. Compensation will be provided when a service failure is directly attributable to the Bank.
- II. Customers in this instance must provide sufficient evidence of financial loss.

### 6.2. Compensation Amount:

- I. Compensation will be based on the actual financial loss incurred by the customer.
- II. For delayed payments, compensation may include applicable interest rates as per CBN guidelines.
- III. For data breaches, compensation will be determined based on the severity of the breach and the extent of the damage suffered by the customer, in strict adherence to the NDPA 2023.

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- IV. The Bank will adhere to the core principles of the NDPR 2019, ensuring that all data is processed lawfully, and with consent, and that data minimization is adhered to.

### 6.3. Claim Process:

- I. Customers can file claims through The Bank's mobile app, customer service hotline, email, or Head office of the Bank.
- II. Claims must be submitted within a reasonable timeframe not more than seven (7) days after the occurrence of event as stated in **Clause 5**.
- III. Customers must provide supporting documentation, such as transaction records and evidence of financial loss.

## 7. COMPENSATION PROCESS


- I. **Complaint Channels:** Customer can file complaints and claims through any of the channels in **Clause 6.3 (I)**
- II. **Acknowledgement:** The Bank shall acknowledge complaints within 24 hours.
- III. **Investigation:** Thorough and timely investigation of claims upon acknowledgement.
- IV. **Resolution:** The Bank shall clearly communicate a reasonable resolution timeframe.
- V. **Compensation:** The Bank shall ensure prompt disbursement of compensation.
- VI. **Escalation:** For further escalation, the customer should send a mail to [customerservice@smartcashpsb.ng](mailto:customerservice@smartcashpsb.ng).

## 8. COMMUNICATION AND DISCLOSURE

This policy will be prominently displayed on The Bank's website, mobile app, and in all physical branches/agent locations. A summary of the policy will be made available in simplified language. Customers will be informed of their rights and responsibilities. Regular training will be provided to staff on this policy and customer service best practices.

## 9. REVIEW AND AMENDMENT

This policy will be reviewed and updated regularly to ensure it remains compliant with all applicable laws and regulations and reflects best practices. Any amendments will be communicated to customers.

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## 10. RECORD KEEPING

Detailed records of all complaints and compensation provided will be maintained for audit and regulatory purposes. Special records of data breaches and compensation related to those breaches will be kept.

## 11. IMPLEMENTATION AND TRAINING

The Customer Experience, Legal, Risk and Compliance department shall monitor adherence to this policy and Regular audits will be conducted to assess the effectiveness of the policy.

## 12. DISPUTE RESOLUTION

12.1 The bank and Customer shall use their best endeavours to settle any dispute or difference of opinion between them, arising from or in connection with Compensation Claim amicably through mutual discussion.

12.2 Subject always to the provisions of Clause 12.1, if they are unable to resolve the dispute through mutual discussion within 21 days of the formal declaration of a dispute by any aggrieved party, the dispute or difference of opinion mentioned in this Clause shall be resolved through the mediation under the Lagos Multidoor Court, High Court of Lagos State, Lagos.