



Code of Conduct for Credit Card Operations Hatton National Bank PLC

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1. Preamble

- 1.1** This is a mandatory code of conduct (hereinafter referred to as 'Code') prepared in terms of the Credit Card operational guidelines No. 01/2010 issued by the Central Bank of Sri Lanka for adoption by Credit Card issuing member banks/ institutions (hereinafter referred to as 'Issuer') and/or their associates. It is expected that this code will act as a benchmark service standard in dealings with individual customers. The Code details the obligations the issuers undertake when issuing credit cards and other card products. This code will guide issuer's staff in dealing with customers. The Code is expected to help the credit card users understand their rights and measures they should take to protect their interests. **The issuers who adopt this Code will place it on their websites and make copies available to customers on request.**

About this Code

- 1.2** As a mandatory document, the Code promotes competition and encourages market forces to achieve higher operating standards for the benefit of the customers. In the Code, 'we/our' denotes the issuer. The standards of the Code are governed by the key commitments detailed in section 2. Unless stated otherwise, all parts of this Code apply to all the credit card products and services, whether we provide them across the counter, over the phone, on the internet and/or by any other method.

Commitments outlined in this Code are applicable under normal operating business environment. In the event of force majeure, it should be clearly understood that we may not be able to fulfill the commitments under this Code.

2. Key Commitments

We commit to:

- 2.1** act fairly and reasonably in all our dealings by;
- a. meeting the standards in this Code, for the products and services we offer, and in the procedures and practices our staff/agents will follow.
 - b. making sure our products and services comply with relevant laws, regulations, guidelines, directions and circulars.
 - c. ensuring that our dealings with customers rest on ethical principles of integrity and transparency.
 - d. engaging in lawful and ethical consumer practices.

- 2.2** help the customer understand how our credit card products and services operate by offering the following information in a simple language;
 - a. what are the benefits to the customer.
 - b. how the customers can avail of the benefits.
 - c. what are the costs, fees and charges.
 - d. whom/how the customer can contact to address their queries.

- 2.3** deal quickly and effectively with customer queries and complaints by;
 - a. offering channels to route their queries.
 - b. listening to them patiently.
 - c. communicating responses to the customers within 10 working days of receipt of complaint/ query.
 - d. informing the customers how to take their complaint forward, if they are not satisfied with our response.

- 2.4** publicize this Code, by making it available for public access on our website and make copies available to customers on request in English, Sinhala and Tamil.

3. Information (Enabling the customers to choose products and services, which meet their needs)

- 3.1** Prior to issuing a credit card, we will;
 - a. provide information explaining the key features of our credit card products including;
 - relevant terms and conditions;
 - applicable fees and interest rates;
 - method of calculating minimum amount due and interest;
 - how to avoid or minimize the interest charges and penalty charges;
 - billing and payment procedures;
 - renewal and termination procedures; and
 - any other important information that may be required to operate the card;
 - b. make the customer aware of the minimum information/ documentation required from the customer to enable us to issue a credit card including the documentation with respect to their identity, address, employment etc., and any other document that may be stipulated by statutory authorities in order to comply with legal and regulatory requirements.
 - c. verify the details provided by the customer on the credit card application by contacting via telephone and/or visiting through agencies appointed by us for this purpose, if deemed necessary.

- 3.2 We will inform our targeted turnaround times when the customers apply for a product/ service.
- 3.3 **We will provide a service guide/member booklet detailing the terms and conditions, interest and charges applicable, rights and liabilities of the customer if the credit card is lost / misused and other relevant information with respect to usage of the credit card, along with the first credit card.**
- 3.4 **We will provide our contact details such as telephone numbers, postal address, website/ email address to enable the customers to contact us whenever they need to.**
- 3.5 We advise the customer to collect all payment receipts to reconcile their monthly statements. If the customer does not recognize a transaction, which appears on the credit card statement, more details will be provided, if requested. In some cases, we may need the customer to provide us confirmation or evidence to prove that they have not authorized a transaction.

4. Tariffs (Interest/ Fees/ Charges)

- 4.1 We will provide our schedule of fees and charges (including interest rates);
 - a. with the application form,
 - b. in the service guide/member booklet,
 - c. when the customer calls on the customer service numbers,
 - d. on our website, or
 - e. through our designated staff.
- 4.2 We will clearly explain how we apply interest and/or charges to customer's account using examples, on request, in addition to the information in the credit card statement and the publication available on the website.

4.3 Changes in our tariffs

When we change our tariffs (interest rate and/or other fees/charges) on our credit card products, we will update the information on our telephone messages, website, and on the credit card statement, in order to notify the customers at least 10 days prior to implementation of such changes.

5. Sales and Marketing Ethics

5.1 Field Personnel

- a. Our sales representatives will identify themselves when they approach customers and potential customers for selling card products.
- b. In the event of receipt of any complaint from customers, that our representative has engaged in any improper conduct, we shall take appropriate steps for redressal of the complaint.

5.2 Telemarketing

- a. If our telemarketing staff/agents contact the customers over the phone for selling any of our credit card products or with any cross-sell offer, the caller will identify himself/herself and advise the customer that he/she is calling on our behalf.
- b. It is ensured that customers will be contacted only when the call is not expected to inconvenience the customer. Generally, would be between 0900 hrs and 1900 hrs.
- c. Calls earlier or later than the prescribed time period may be placed only when the customer has authorized to do so either in writing or orally.

5.3 Telemarketing Etiquette

Our telemarketing staff will follow acceptable tele-calling etiquette as follows;

5.3.1 Pre Call

Calling only on lists that have been cleared by the bank or the bank appointed Direct Sales Agent.

5.3.2 During a Call

- a. Identify themselves and our bank, and state reason for the call.
- b. Request permission to proceed, if denied permission, apologize and politely disconnect.
- c. Always offer to call back on landline, if call is made to a mobile phone.
- d. To the extent possible, talk in the language which the customer is most comfortable.
- e. Keep the conversation limited to business matters. Never interrupt or argue.
- f. Check for the customer's understanding of the 'Most Important Terms and Conditions' if the customer plans to buy the product.
- g. Provide their telephone number, their supervisor's name or our bank contact details if requested by the customer.
- h. Thank the customer for their time.

5.3.3 Post Call

- a. If the customer has expressed lack of interest for the offering, we will endeavor not to call the customer for the next 6 months with the same offer.
- b. In the event a customer calls regarding products already sold, the sales staff will direct the customer to the relevant department/ unit of the bank to handle such queries.

5.4 Confidentiality of Customer Information

The sales representatives will respect the customer's privacy at all times. The customer's interest may generally be discussed only with the customer and any other individual/family member such as the customer's accountant/secretary/spouse, if authorized by the customer in writing, by e-mail, by recorded telephone line, by fax or SMS.

5.5 Training

The sales representatives are provided with the required training and guidance in order to perform their task effectively.

6. Issuance of Credit Card / PIN

- 6.1** We will generally dispatch the customer's credit card to the mailing address mentioned by the customer through courier/ registered post. Alternatively, we shall deliver the customer's credit card to an address under the customer's specific instructions.
- 6.2** If the credit card received by the customer is not activated, the customer can activate the card as prescribed by the Bank.
- 6.3** PIN (Personal Identification Number) whenever allotted, will be sent to the customer separately.

7. Account Operations and Credit Card Statements

- 7.1** To help the customer manage the credit card account and check details of purchases/cash drawings using the credit card, we will offer the customer the facility to receive credit card transaction details either via email or via internet banking. Credit card statement will be generated on a predetermined date of every month which will be notified to the customer.
- 7.2** In the event of non-receipt of credit card statement, we advise the customer to inform us to obtain a copy of the statement, which will be sent within 10 calendar days to enable the customer to make the payment in a timely manner.
- 7.3** We will inform the customer of any new services and value additions, that we may introduce from time to time with the option to accept/decline and will indicate the fees/ charges applicable for such new services in advance.
- 7.4** In the event of a cheque deposited to the customer's card account being returned, we will inform the customer of such return within 7 calendar days from the receipt of such unpaid cheques.
- 7.5** We will not unduly penalize the customer if cheques are deposited prior to the payment due date within the time frame prescribed by us, but realized after the due date due to errors/ delays on our part.
- 7.6** We will inform the customer of any proposed upgrade and/or limit enhancement on the customer's account. The customer would be given the option to accept or decline the proposed upgrade and/or limit enhancement within a stipulated time period therein. We expect the customers will carefully read such notifications and respond accordingly.
- 7.7** We will advise the customer what can be done to protect the customer's credit card from misuse.
- 7.8** In the event the customer's credit card has been lost or stolen, or the customer's PIN or other security information becomes known to a third party, we will, on the customer notifying us, take immediate steps to deactivate the customer's card and take action in accordance with the terms and conditions of the cardholder agreement.

8. Confidentiality of Account Details

- 8.1 We will treat the customer's personal information as private and confidential (even when the individual is no longer a customer). We will not reveal transaction details of the customer's accounts to a third party, other than in the following exceptional cases;
- a. if required by Law or in order to comply with Law.
 - b. if requested by the customer in writing, **by e-mail, by recorded telephone call, by fax or SMS (These requests will be archived for future reference).**
 - c. When required to do by the Court of Law.
 - d. if in our interests, it requires us to give the information to prevent fraud, for audit etc. if it is required to do so.
 - e. In the performance of the duties of the Director, Manager, Officer or other person of the Bank.

9. Collection of dues

Our bank's dues collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long-term relationship. In some instances calls would be placed earlier or later than the prescribed time period of 0900 hrs and 1900 hrs in order to contact the customer regarding payment dues, to ensure smooth operation of the customer's credit card. Branches also would be engaged in credit Card Recoveries and the customers could forward their offers for settlements through the Branches of their convenience.

Our staff or any person authorized to represent us in collection of dues and/or security repossession will identify himself/herself and interact with the customer in a civil manner.

We will provide the customer with all the information regarding dues and will give sufficient notice for payment of dues.

We will respond to any queries made or clarifications requested by the customer with regard to the customer's dues and recovery letters within a reasonable time period.

Suspicious Transactions Confirmation

In some instances, calls earlier or later than the prescribed time period of 0900 hrs and 1900 hrs may be placed in order to confirm suspicious transactions on the customer's credit card. This is done in the interest of the customer to prevent unauthorized usage.

10. Handling of Complaints

10.1 Handling of customer complaints internally

- We have a Complaints Handling Procedure within the organization.
- Our complaints handling procedure including the targeted response times to customer complaints and escalation process, will be displayed on our website and the Branches as well.

10.2 Making a complaint to the Financial Ombudsman, Sri Lanka

If the customer does not get a satisfactory response to the customer's complaint from us within 30 days and the customer wishes to pursue other avenues for redress, the customer may approach The Financial Ombudsman, Sri Lanka.

Address : No. 143A, Vajira Road, Colombo 05.
Telephone : +94 11 259 5624
Fax : +94 11 259 5626
Email : fosril@slt.net.lk
Website : www.financialombudsman.lk

11. Foreign Exchange Regulations

- 11.1** The Cardholder shall ensure that he/she uses the Card(s) at all times in accordance with the provisions of the Foreign Exchange laws and directions issued by the Central Bank of Sri Lanka (CBSL).
- 11.2** The Cardholder shall surrender the Card(s) to the Bank in the event the Cardholder migrates or leaves the country for permanent residence, employment abroad except the Electronic Fund Transfer Card (EFTC) is issued for making settlements in foreign exchange funds held in Personal Foreign Currency Account (PFCA), Business Foreign Currency Account (BFCA), Diplomatic Foreign Currency Account (DFCA), Diplomatic Rupee Account (DRA) or Inward Investment Account (IIA).
- 11.3** Cardholder shall keep the evidence up to the statutory record keeping requirement in respect of withdrawal of foreign currencies using a debit card or obtaining cash advance through a credit card, that such currencies have been utilized for the transactions permitted under the Foreign Exchange Act.
- 11.4** Cardholder's shall not be used the EFTC's for the following:
- (i). Dealings in foreign exchange (Forex Trading)
 - (ii). Payments related to virtual currency transactions
 - (iii). Payments related to betting, gaming and gambling activities outside Sri Lanka
 - (iv). The Cardholder shall not use the Card(s) to purchase/import goods in commercial purposes.

11.5 The Bank will comply with reporting requirements of the Director of Foreign Exchange or any other regulatory authorities as stipulated from time to time.

11.6 The Bank may on its own accord cancel the Card(s) without notice to the Cardholder(s) in the event the Bank has any reason whatsoever to believe that there has been a violation of the Exchange Control Regulations in force.

11.7 Permission is herein granted for any payment to a person resident outside Sri Lanka for a current transaction of personal nature is permitted under the of Directions No. 03 of 2021 Under Foreign Exchange Act, No.12 of 2017 (other than for the use of payments for purposes specified in Paragraph 12.4 of these regulations), where an EFTC is issued to a;

- i. A cardholder of a PFCA being a person resident in Sri Lanka.
- ii. A person resident in Sri Lanka who has proceeded outside Sri Lanka temporarily for business, education or medical purposes.
- iii. The Cardholder shall use the card for any payment in Sri Lankan rupees, in Sri Lanka is permitted other than for the use of payments for Investments in Sri Lanka.
- iv. Cardholder's shall seek prior written permission of the Director-Department of Foreign Exchange, for any payment to a person resident outside Sri Lanka through an EFTC for any purpose which falls outside the purview of these Directions.

11.8 For the purpose of this Gazette notification, unless the context otherwise requires 'Electronic Fund Transfer Card' (EFTC) shall means a card or device that enables the user to transfer value in credit, debit or any other form and includes credit cards, debit cards and stored value cards.

" Personal Nature" shall mean, only for the use of the holder of the card, spouse, children and parents.
"Virtual currency" is a digital representation of value that can be digitally traded and functions as a medium of exchange; and/or a unit of account; and/or a store of value but does not have legal tender status in any jurisdiction and is not issued nor guaranteed by any jurisdiction.

Please be informed that apart from the above-mentioned regulations, all card transactions are subjected to Directions No. 03 of 2021 under Foreign Exchange Act, No. 12 of 2017 issued by Central Bank of Sri Lanka.

12. Termination of Credit Card

- 12.1** The customer may terminate the credit card by giving written notice to us and by following the procedure laid down by us in our terms and conditions of the cardholder agreement after clearing all outstanding dues, if any.
- 12.2** We may terminate the customer's credit card, if the customer is in breach of the cardholder agreement and take necessary action to settle unresolved issues, if any, according to the dispute resolution procedure.
- 12.3** Once the Credit Card is terminated, issuance of a new Card will be at the discretion of the Bank.

We at HNB always appreciate feedback that you provide. If you have a suggestion to improve our services or a complaint regarding any shortcomings you may have experienced when dealing with us, please feel free to use any of the following channels to reach us:

- (1) Manager or staff at the nearest Branch
- (2) Call or write to Senior Manager Customer Relations – Head Office
Contact details :
The Senior Manager - Customer Relations,
Level 19, HNB Towers,
479, T B Jayah Mawatha,
Colombo 10.
Phone : 011 2661963 or 011 2661995
Fax : 011 2661982
e-mail : feedback@hnb.lk

You should complete the attached form and post/handover to (1) or (2) above.

- (3) Access www.hnb.net and choose the option “**Contact Us**” and provide the necessary information.

All submissions will be taken seriously, treated with confidence, investigated and appropriate steps will be taken to address the concerns raised. We wish to ensure that the highest service standards are maintained by our Bank at all times.

Complaint Form

Date :

Account/Credit Card/Debit Card Number :

Name :

Your contact phone numbers : Home :

Office :

Mobile :

Other :

Please tell us how we can serve you better. We would appreciate all possible details and please attach photocopies of documents where applicable.