



CUSTOMER CHARTER OF LICENSED BANKS

1. Introduction

This Charter sets key standards of fair banking practices envisaged by customers when they undertake transactions with licensed banks and provides guidance to the licensed banks to adopt a 'Code of Conduct' on customer protection. The Charter also includes a set of customer obligations towards licensed banks in the interest of stable relationship.

2. Receiving information and understanding the banking Products/Services

The customers have the right to receive factual information and understand the financial products/services offered by banks. In this regard, certain good practices of banks would be as follows:

- a) The licensed banks should help the customers to understand the financial products/services offered by providing adequate information about them, explaining their financial implications and assisting the customers to choose the appropriate banking products/services.
- b) Each licensed bank should have Key Facts Document in the form of a brochure/leaflet written in simple language for its products or services, separately or in combination and which should be distributed to the customers seeking such products/services. These brochures/leaflets should, at minimum, contain the following basic information and be available in languages preferred by the customers (i.e., Sinhala/Tamil/English):
 - i. Description of the products/services.
 - ii. Financial and other benefits to customers including any incentives and promotions.
 - iii. Fees/charges, commission, interest etc., charged from customers.
 - iv. Procedures to be followed to obtain the product/service.
 - v. Major terms and conditions.
 - vi. A common complaint procedure for customers.
- c) All advertisements by licensed banks should contain factual information on products/services offered by them in any media and promotional material, which can be understood

by the targeted customers and not contain information that may be likely to mislead the public. In addition, all such advertisements should give the contact details and state that the respective bank is a licensed bank supervised by the Central Bank of Sri Lanka.

- d) Further information or clarification on any advertisements on bank's products/services (i.e., fees/charges and interest rates etc.) should be provided by banks on request.
- e) The following information should be conspicuously displayed in the Head Offices and all branches and other banking outlets of the licensed banks.
 - i. Current interest rates on all deposit and loan products
 - ii. Buying and selling rates of foreign currencies
 - iii. Credit rating of the bank with underlying specifications
 - iv. The contact details of the Financial Ombudsman and Credit Counselling Centre
 - v. Banking hours and Holiday notices
 - vi. Any other relevant information
- f) A periodic statement should be sent to customers either in printed form or electronic form opted by them regarding transactions and balances in their deposit or loan accounts or other services other than passbook savings accounts of non-dormant category.

Statements for credit cards should set out the minimum payment required and the total interest amount charged if only the required minimum payment is made and late payment fee if the minimum payment is not made.
- g) The licensed banks should improve the customer awareness on financial products/services and risks by arranging specific financial literacy programmes.
- h) The licensed banks should act fairly and reasonably by ensuring that the banks' staff follows procedures and practices stipulated in the 'Code of Conduct', the products/services offered are in line with relevant laws and regulations and the maintenance of the principles of integrity and transparency.

