



DOHA BANK

## **CONSUMER PROTECTION GUIDE**

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## **KUWAIT CENTRAL BANK INSTRUCTIONS – CUSTOMER PROTECTION GUIDE**

### **Introduction:**

The reinforcement of customers' trust in competent financial service market with distinguished performance and transparency of banking services offered by banks to different consumers in all sectors is considered one of the fundamental basis to achieve financial stability, develop, and encourage the innovation of these markets in a way that reinforces the integration of these markets into real economy.

In line with the methodology followed by CBK to boost its supervisory role in the field of safeguarding the rights of the consumers, a number of instructions and directives have been issued during the past years to the banking sector to reinforce the principle of transparency and disclosure in financial and banking transactions offered by banks to different customers in different sectors, and work on creating appropriate environment to maintain the rights of the customers within balanced- relationship that protects and safeguards the banking sector from exposure to the risks of reputation that might arise in case of banks' non-compliance with the regulations of code of banking practices in a way that would have a negative impact on customers' dealings with these banks. The instructions issued by the CBK in this regard include, for example but not limited to, the regulations related to the legitimacy and clear drafting of the contracts concluded with the customers . This is in addition to the transparency in determining the interests, charges and commissions, and providing the customers with copies of the contracts, as well as their banking statements, and observing criteria of absolute transparency in the services offered by banks to different customers.

The CBK has also issued a set of instructions to protect the rights of the retail customers. The said instructions are concerned with the rules and basis governing the grant of consumer and other installed loans by banks. It also issued in November 2013 instructions concerning the regulations of the finance granted to retail customers to purchase and/or develop the real estates located in the private or model housing. These regulations have taken into consideration the finance -associated risks apart from their economic and social impacts to which both the retail customers and banking sector units might be exposed to. The said

regulations have been laid out in the form of an overall preventive policy to reduce the systematic risks. There are other instructions issued in regard to the regulations of issuing credit cards and other regulations directly issued to protect the rights of those consumers of which the recent instructions issued by the CBK in March 2013 in regards to the establishment of a unit at CBK to protect the consumers and spread the banking and financial awareness of consumers and receipt of their complaints. The functions of this unit include call services to reply to the consumers' enquires and explain the mechanism of the implementation of the instructions issued by the CBK inclusive of the terms and conditions relating to the rights and obligations of these customers.

Over the recent years, the global interest on the protection of consumers in the field of financial services has increased following the consequences of the global financial crisis, and the developments witnessed by the markets in regards to the services and financial tools, including the expansion in the electronic services and the increase of the opportunities of transferring these risks to the consumers in different segments specially in case of the weakness of the customers' knowledge and financial awareness. In this regard, the financial crisis has revealed that within these reasons are the delivering of a number of innovated or structured products associated with high risks, where the customers were not able to recognize them to the extent that enable them to take their decisions in accordance with correct and studied bases. Hence, the attention is drawn to the importance of designing these financial and banking products to meet the requirements of the consumers in a clear framework highlighting the associated risks. These developments emphasize the importance of the financial consumer protection and the integration of the financial inclusion and financial education and awareness-raising policies within the legal frameworks that safeguard the rights of those consumers in terms of fair treatment, appropriate disclosure, and enhancement of their financial culture, and providing them with objective advice. The financial services should be offered within competitive frameworks and code of conduct. The assets and data of those customers should be protected from any violation of its confidentiality or forgery or fraud.

In line with CBK's continuous efforts to reinforce the protection of the banking sector through the establishment of balanced relationship between the banks and their consumers, and in light of the ever best practices in this regard, and within

the framework of the financial consumer protection approved by the ministers of finance and governors of the central banks of the Group of Twenty Countries in October 2011, CBK issued this guide to protect the consumers of the bank in different sectors. This guide includes a set of principles considered complimentary and would not substitute the different instructions issued by CBK in respect of the protection of the consumers when dealing with banks.

### **First Principle: Consumer Protection- Importance and Concept:**

Bank consumer protection means the procedures implemented to reduce the risks that those consumers might expose to when dealing with these banks through putting in place the regulation frameworks of policies and procedures that ensure the obtainment of different financial services in a complimentary framework of transparency and disclosure in financial dealing in a way that ensure the obtainment of those consumers of their full rights without damaging their interests, and holding who violates these regulatory frameworks accountable.

### **The Protection of the Consumers Depend on the Following Three Dimensions:**

- Regulatory and Control Dimension: It includes a set of methods and applications and practices exercised by the concerned regulatory authorities to reinforce the protection of the consumers.
- Legislative Dimension: It includes a set of legislations and regulations governing the rights of the consumers and their duties, which constitute a mandatory framework through which the banks are required to operate in a way that the subjects the bank which violates these legislations to the imposition of appropriate penalties.
- Literacy and Awareness Dimension: It includes a set of activities and practices to raise the level of knowledge and financial and banking literacy of those consumers in a way that raises their abilities to take the appropriate decision, which enhances the methods of their protection and obtainment of their rights.

## **Second Principle: Regulatory and Control Framework**

CBK's interest in the protection of the consumers of the banks is in line with the provisions of the law no.32 of the year 1968 concerning the fund, the Central of Kuwait, and the regulation of the banking profession and its amendments of different regulations in this regard. In consistence with what the basis practices of the effective banking control are seeking to expand the regulatory control to ensure that the banks have appropriate policies and procedures inclusive of strict rules concerning the due diligence to protect the consumers in a way that reinforces the implementation of due diligence to protect the consumers in a way that reinforces the implementation of high level professional standards in the banking sector.

Hence, this guide includes the principles and rules that banks should comply with and observe upon delivering banking products and services to their consumers, and at the time of providing them with their advice and financial information, and at the time of the advertisement and conducting campaign for those products and services, in addition to handling any complaints and grievances and settlement of any differences and disputes.

## **Third Principle: Objectives of the Consumer Protection Guide:**

**This guide aims to achieve a set of objectives the most important of which are the following:**

- 1) Reaffirms the CBK interest in safeguarding the rights of the consumers in a way that ensure their obtainment of financial and banking services in an integrated framework of transparency and disclosure and in a way that enables the consumers to take their decisions on sound bases. It also emphasizes the importance of banks keeping pace with the banking developments concerning the current and future requirements of consumers and enhancing their awareness of their appropriateness and achievement of their ambitions.
- 2) Develop a set of standards and practices related to the protection of the banks' consumers in a way that these standards and practices constitute a

base to assess the performance of the banks with regard to the protection of the customers and implementation of governance in this regard.

- 3) Develop a general framework for the concept of consumers protection with concentration on the banking sector in a way that reinforces the regulatory objectives supporting the financial stability through reinforcement of the professional practices in offering financial services to the consumers in a way that addresses any problems at the national level as a result of any improper practices when banks deal with consumers.
- 4) The existence of written guide, which includes important principles in protecting the consumers, and stresses integrity and honesty, is expected to have a good impact on those who are in charge of banking and financial business as it represents a documentation in supporting the implementation of these principles.
- 5) The guide represents a literacy and awareness tool for the banks customers inclusive of presentation of rights and duties, which enhance the level of awareness of the nature of the relationship with banks, and in a way, that contributes to the enhancement of the literacy process financially and legally for the customers in their banking transactions. The existence of the customers who enjoy banking and financial literacy and understanding will lead to rationalize their actions and financial decisions in a way that reduce the chances of their participation in the creation of crises as a result of the decline of the level of their awareness.
- 6) Putting in place solid fair practices required to be adopted when delivering the financial and banking products and services through banks. These practices represent minimum limits of policies and procedures followed by banks when dealing with their consumers especially in the field of the concentration on transparency and disclosure to assist the consumers in taking the decisions in light of their actual status.

- 7) Strengthening the pillars and foundations of confidence in the units of the bank as the confidence is the important factor of the success and development of the relationship with customers especially in light of the existence of effective mechanism and clear frameworks to handle the consumers' complaints and grievances and any unfair and unclear practices.

**Fourth Principle: The Scope of Implementation:**

- 1) This guide applies to the banks operating in the State of Kuwait, which includes the Kuwaiti banks and the branches of the foreign banks.
- 2) For the purpose of the implementation of the instructions mentioned in this guide, the consumers means the natural individuals who are dealing with the above-mentioned banks, and other legal consumers specially the Small and Medium- Sized Companies to the extent that applies to them with regard to these instructions and in light of the nature of their transactions and dealings with banks.
- 3) The principles mentioned in this guide are considered complimentary and would not substitute the different instructions previously issued by CBK in the field of the protection of the consumers.

**Fifth: The General Principles of the Protection of Banks Consumers:**

The following are the General Principles of the protection of Banks Consumers:

**First Principle: Fair and Equal Treatment**

Banks through all the phases of dealing with the consumers should observe that their dealings should be characterized with fairness, equity, righteousness and honesty. Banks should be keen to make this approach as part of the rules of its governance. Banks should also dedicate more interests and care to the customers with limited income and education, elderly people, and special needs without gender discrimination.



## **Second Principle: Disclosure and Transparency**

Banks should provide their customers with all information related to the services and products offered by them. The information should be clear, simple, understandable and accurate to ensure the awareness of the customers of the advantages, risks in a clear and transparent manner. The consumers should not suffer when obtaining the information. Banks should observe that the information disclosed to the customers should mention the rights and responsibility of those customers as well as the details of the prices, commissions, and charges collected by each bank against any service or product, in addition to the clarification of the advantages and associated risks and the mechanism of the termination of the relationship and the consequences in a way that assist the consumers in taking their decision. The advice to the consumer should be in consistent with his abilities, potentials and financial targets based on his experiences about those products and services. The bank should also encourage the consumers to provide comprehensive and accurate information about their status and needs in a way that enable the banks to deliver advice and appropriate services.

## **Third Principle: Awareness and Financial Literacy**

Banks should set the plans and programs and appropriate mechanism to develop and spread financial and banking information to their current and potential consumers and seek to raise the level of their literacy and awareness in a way that enable them to be aware of all areas related to the banking services and products and consequently taking the studied decisions and directing them to approach the right department through which they can obtain the additional information if they needed them. Banks should introduce to their customers their rights and responsibilities specially the retail consumers with limited income and education.

## **Fourth Principle: Code of Conduct**

Banks should be keen on practicing and performing their work in a professional way taking into consideration the achievement of the best interest of the consumers in all the stages of their dealings with the bank in its capacity as the responsible entity of the protection of the customer in terms of banking services

and products offered. On the top of the code of conduct are the integrity, credibility and verification that the services and products delivered to the customer are compatible with his abilities, potentials, and needs and ensuring of the availability of the training to the bank's staff who are in regular contact with the consumers and delivering the banking services to them.

**Fifth Principle: Protection of Customers against Financial Fraud**

Banks should protect the deposits and savings of customers and other financial assets falling within the circle of their dealings with the bank through putting in place effective internal control systems characterized with efficiency and high level of accurate strict control to reduce the fraud and embezzlement transactions or misuse of the financial services, and regularly ensure of the efficiency of the systems used to keep pace with the changes in the fraudulent methods.

**Sixth Principle: Protection of Privacy and Confidentiality of Information:**

Banks should put in place the regulatory controls, mechanism and policies to ensure the protection of the financial and personal information of their consumers. All transactions with banks are confidential and could not be accessed or disclosed except in compliance with the regulations and legislations in force. Banks should provide the secure systems for the electronic transactions.

**Seventh Principle: Addressing the Customers' Complains and Grievances:**

Banks should apply enhanced due diligence to address the customers' complaints and grievances in a swift fair and independent manner. They should make sure that the efficiency of the Customer Complaint Unit in carrying out its responsibilities in an effective manner in light of the existence of clear specific mechanisms to follow up and address those complaints without any delay. The banks' BODs should supervise and apply due diligence in regards to the Consumer Complaint Unit. The banks should have an internal mechanism to resolve the dispute with the consumers.

### **Eighth Principle: Competition:**

Required information should be made available to compare between the best banking and financial services and products delivered by banks to consumers. This includes the smooth transfer among banks .

### **The Ninth Principle: The Protection of the Customers from the Risks of Outsourcing**

In case banks outsource their operating services to external companies (Outsourcing), they should make sure that such companies are complied with the principles contained in this guide and that they work to the interest of the banks' customers and they bear the responsibility of their protection including the maintenance of the secrecy of their banking information. Banking services and products providers (the banks) should continue to be responsible for the actions taken by the external companies. The banks should also obtain confirmation to ensure the compliance of the external companies with the applications of the consumer protection, and the customer compliant unit at each bank should be responsible for the same.

### **The Tenth Principle: Conflict of Interests**

Every bank should have a written and clear policy approved by its BOD on the conflict of interests. BOD should constantly ensure that the current procedures and applicable policy are adequate to detect the potential cases of conflict of interests, and they are being applied in an effective manner, and any case of conflict of interests is disclosed according to the policy as well as governance's rules and systems issued by Central Bank of Kuwait in this regard.

### **Sixth: Disclosure Practices & the Provision of the Banking Services and Products**

The banks should comply with the following:

- 1) Collecting adequate information about the customer before recommending the granting of a certain product or service to him in order to ensure that the product or the service meets his needs and commensurate with his capacity.
- 2) Providing their customers with a hardcopy of the general terms and conditions of each product or service before they obtain it.
- 3) Using transparent and fair methods in marketing their banking products and services.
- 4) Skilled employees should be in place for the direct dealing with the customers and it should be ensured that they enjoy the adequate knowledge to handle the complexity of the products or services provided. These employees should be trained adequately so that they respond to all of the customers' inquiries with correct information.
- 5) Observing the application of the entire disclosure requirements for the products and services that should be disclosed.
- 6) All rules and terms of the whole banking services provided by banks should be made available and accessible through the electronic website of the banks.

**Seventh: Handling the Customers' Accounts with the Banks:**

The banks should comply with the following:

- 1) Providing their customers with periodic statements about the main particulars of their transactions, financial remittances and the accounts' balances.
- 2) Informing their customers within sufficient time, in writing or through the electronic channels, before applying any changes on the interest rate/ return or charges or commissions, or levying new charges, or on the other terms of the products and services that they obtain or they have contract for it.

- 3) Maintaining historic records of the customers' transactions. The access to these records should be easy and free or against reasonable charges.
- 4) The current procedures of clearing and settling the customers' payments should be clear and known, including the duration within which checks deposited to their accounts are settled as well as the entire terms and conditions of collecting checks and other payment instruments. The sources that these procedures are based on should be defined as well.
- 5) Acquainting the customers with the legal actions that might be taken against them in case they issue checks with insufficient funds, before they think about issuing such checks, and the consequences of this act.
- 6) Familiarizing the customers with the procedures need to be taken in case they have to stop the encashment of checks issued by them in light of circumstances that require informing the bank of the same.
- 7) Stating any expenses or charges relating to the products and services provided to the customers including check services which involve the granting of the check books or approving checks or checks settlement or other related procedures.
- 8) Unless otherwise instructed by the customer, banks should provide their customers with free monthly account statement encompasses the transactions carried out by them during a month and the interests/ returns or charges recorded in their accounts. In case customers opt to receive their accounts' statements through the electronic channels or via telephone service instead of the paper monthly statements, the format in which the information are provided should be convenient and readable and inclusive.

- 9) The banks should inform in writing their customers whose accounts are inactive for long time. These accounts should be placed under custody and the controls to access and safeguard them should be in place.
- 10) Confirmations and statements which are sent to the customers for signature should be readable and understandable, and they should suit all types and categories of customers.

**Eighth Principle: The Protection of the Banking Secrecy and the Confidentiality of Information:**

The banks should comply with the following:

- 1) Protecting customers through deploying high level control systems include proper mechanisms that define the purposes for which data and information are collected and processed.
- 2) The banks' responsibility for maintaining the secrecy of and safeguarding customers' data and information including data kept at the banks' end or with a third party which banks are outsourcing some of their customer-related activities to it.
- 3) Creating the internal environment that ensures the security and secrecy of all available information and data about their customers and transactions. Banks should always test such environment and make sure of its validity.
- 4) The banks should properly point out to their customers the cases in which the principle of maintaining the secrecy of their information and data is inapplicable:
  - a- Cases in which the disclosure of information is done with a written consent of the customer.
  - b- Cases in which the disclosure of information is mandatory under the current laws and regulations.

- 5) The banks should obtain forms confirming the compliance of their staff (upon recruiting) and other parties (upon outsourcing) with the maintaining of the secrecy of the customers' data and information.

**Ninth Principle: Financial and Banking Awareness:**

- 1) The banks should design and set up proper mechanisms for developing the knowledge and know-how of the existing and potential customers and enhancing the level of the awareness and guidance so as to enable them to understand the basic risks of transacting with banks, and take the proper decisions, and direct them to the right staff/ department to get the information that they need.
- 2) As a kind of financial and banking orientation, electronic website should contain a page for the financial and banking awareness, rights and responsibilities of the customers, the procedures of complaint lodging, and frequent asked questions that are expected to be raised by a lot of customers along with their answers.

**In this context, the following should be observed:**

- A. Each bank should make an annual plan including specific programs for strengthening the publication of the financial and banking information for the purpose of raising the banking and financial awareness.
- B. The banks should participate with the institutions and bodies of the civil society and the scientific and professional institutions which endeavor to enhance the financial and banking awareness and raise the level of the knowledge. The banks should also cooperate with them in setting and implementing programs of the financial and banking awareness.
- C. The banks should also take part, from time to time, in conducting surveys of assessing the financial awareness and the impact of the measures taken in this regard on raising the financial awareness as part of the evaluation of the

outcomes of the policy being applied by banks and the development of the same accordingly.

**Tenth Principle: Financial and Banking Inclusion Programs:**

Financial and banking inclusion means the set of procedures and policies aiming to the provision of the financial and banking services to all segments of the society including people with special needs, people with low or weak income, workers in the fields of simple services and crafts and workers of micro and small and medium businesses. These financial and banking services should be fair and transparent and should suit their needs and situations. In this context, banks should undertake the following:

- Setting annual programs for achieving the objectives of the financial and banking inclusion. The appropriate mechanisms should be in place for following up the implementation of these programs and counting the beneficiaries and ensuring programs' diversity so that various segments of the potential customers are included and the dealers volume with the units of the banking industry is increased.
- Exerting more efforts in studying the needs of the segments that don't deal with banks. Serious steps should be taken towards helping them to meet their needs through secure and affordable methods.
- Upon planning their financial and banking inclusion's activities and programs, the banks should follow appropriate methods to attract segments not used to deal with (e.g. people with special needs and weak-income persons). Effective actions should be taken to move towards such segments in order to encourage them to increase the volume of their transactions and to benefit from the advancement of many areas especially technology.

**Eleventh Principle: Advertising and Promotional Materials**

The banks should comply with the following:



- 1) The banks should ensure that their advertisements and all promotional materials being used in the provision of their products and services don't include incorrect or inaccurate information that could be misunderstood by the customers and cause them to take wrong decisions.
- 2) The banks should make sure that all advertising and promotional materials of their products and services are readable and understandable by the public.
- 3) The banks should take into consideration, upon issuing any advertisements or promotional materials, the legal responsibility that might arise as a result of incorrect data or information contained in their advertisements or promotional materials which are used to sell their products and services to the customers.
- 4) The banks should not advertise products or services that involve risks known only by specialists. Banks should not also encourage the customers to avail such products and services without providing them with a proper clarification about their inherent risks.
- 5) The banks should create advertising policy to be approved by their BOD. Advertising policy should define the principles and rules and practices that are acceptable professionally and legally, of their advertisements and promotional materials.
- 6) Customer complaint units at banks should make sure that the policy of advertising and promotional materials are at least in line with the rules and practices outlined in the Consumer Protection Guide, and it is free from any messages that could be mistakenly understood. In case these units receive inquiries about the promotional materials, immediate and proper actions should be initiated to clear any confusion or vagueness over them.
- 7) Upon receiving awards or certificates of excellence or preference, the banks should provide adequate information about the giver in addition to the

mechanism and methodology upon which the certificate is granted along with the standards adopted by the giver.

**Twelfth Principle: Customer Service Representatives & Banks' Products and Services Sales Staff**

- 1) The customer service representatives and the banks' products and services sales staff should be well-aware of the legislative and regulatory rules pertaining to the consumer protection in addition to the terms and controls outlined in this guide that are related to the undertaking of their work in the field of customer service. Further, they should be aware of all technical aspects of the service or product being provided to the customers.
- 2) Upon selecting the customer service representatives and the products and services sales staff, the banks should observe a set of requirements that should be established and available in these employees in terms of the length of service in similar work, the extent of knowledge in banking products and services (that should be in line with complexity of the products and services), communication skills, other adequate personal characteristics for the nature of the vested duties, and certificates and training.

**Thirteen Principle: Loans/ Consumer and Installment Financing:**

The bank should comply with the following:

- 1) Obtaining an authorization from the customer, to be attached to the loan agreement, for inquiring about the data of the credit cards and loans/ consumer and installment financing that he was granted by banks and investment companies and finance firms, etc. The banks should also obtain a statement signed by the customer of the loans/ finances obtained from the above-mentioned entities and which are outstanding at the time of applying for new loan/ finance.
- 2) Giving the customers of loans/ consumer and installment financing a reflection period not less than two business days (loans/ consumer and installment

financing for the purpose of treatment are exempted from this period) and providing them with a copy of the loan/ financing agreement, not signed and final, upon applying for loan/ finance noting that the customer should acknowledge in wiring that he received the copy of the loan/ financing agreement for purpose of visiting the bank again. During the reflection period, no liability will be borne by the customer and the agreement will be concluded after the expiration of this period and in case both parties have agreed to do so.

The bank should brief customers on all the financial implications of the loan/ finance, that will be granted to him, and on the contract terms & conditions, and the financial commitments resulting from the same according to the loan/ finance contract that will be signed. The bank should also maintain the documents, which prove that the customer has been briefed on the same. Besides, it should deliver a clear and simple statistical table to the customer in his first visit, including the following:

- Value and number of the loan/ finance installments
  - Details of each installment in terms of the interest rate and the repayments of the loan principal on the assumption that the repayment is made at regular times
  - Total value of interest, and the amounts that should be repaid up to the end of the term of the loan/ finance
  - A statement of the potential changes in the finance burdens for the installment loans on the assumption that the interest rate will increase a maximum of 2% every five years.
3. Banks shouldn't oblige their customers to buy another service or product in order to be provided with a certain service or product e.g. banks shouldn't

oblige customers to buy the insurance coverage in order to be granted a loan/ finance as the borrowers should have the freedom of choice to choose and accept the service or product.

4. For the loan accounts/ finance operations of the customer, the monthly statement should include the installments or the repayments that have been made during the period covered by the statement, and the outstanding balance of the loan/ finance account distributed between the loan/ finance principal and the interest/ profit, and the repayments of the loans/ finance operations distributed between the principal and the interest/ profit.
5. The contracts of the loans/ consumer and installment finance operations should include at least the following items:
  - A. Customer's main data: (mailing address– Profession/ occupation and work address, phone numbers ....etc.)
  - B. Type of loan/ finance [(Consumer – Installment (Housing))]
  - C. Value of Loan/ Finance
  - D. Purpose of the loan/ finance and the mechanism through which the bank makes sure that it is used in that purpose, and the documents required from the customer, that prove the use of the loan/ finance in the purpose for which it has been granted, and the date of submission of these documents.

- E. Loan/ finance term, and the number and maturity dates of the monthly installments, and the value of the monthly installment and its value as a percentage of the net monthly salary (after deductions) or the customer's continuous monthly income.
  - F. The account from which the monthly installments are debited.
  - G. The interest rate calculated on the loan, and the method of its collection should be in line with the CBK's instructions issued in this regard so as the customer should be aware of the total cost of the finance (Interest/profit) before granting him the loan, and the bank should maintain the documents, which prove that the customer has been briefed on the same.
  - H. The customer should obtain a copy of the contract, and the bank should obtain his signature as proof of the same.
6. Banks should provide customers who have e-accounts in the online banking service with all the necessary data about loans/ consumer and installment finance operations. The account statements of the loans/ finance operations should include detailed data about the number and value of the repaid and remaining installments in terms of the interest rate and the principal up to the end of the loan term.

**Fourteenth Principle: Credit Cards:**

1. The banks should disclose all the requirements related to the issuance of the credit cards as the issuance fees and expenses including in relation to the finance, credit limits, and exchange rates, and current interest rate, and the method of calculation, and the minimum limit of the monthly installment and other issues before contracting with customers.

2. The bank should notify their customers through letters or e-mails or SMS of any new fees or any changes in the fees or commissions of the credit cards that have been previously issued to the customers. Besides, all banks should comply with the CBK's instructions on the deadline set between the announcement and the actual application.
3. Bank should notify the credit card's customers of the minimum amount required to be paid monthly, and clarify any cost related to the interest rate resulted from the customer's repayment of the minimum limit only. The statement of the credit card transactions should clarify the minimum limit required to be settled and the total interest rate (percentage and amount), if any, that will be calculated on the outstanding balance in case the cardholder settles the minimum limit/ monthly installment.

**Fifteenth Principle: Online & phone Banking Services:**

1. Banks, which provide their services to their customers through online or phone banking services, should use protection program to ensure the following:
  - A. Maintenance of the privacy and confidentiality of the customers' data, and their protection from hacking.
  - B. Documentation of the transactions, and the possible identification of the counter parties and the control over the access to the used systems.
  - C. Acceptance and execution of the transactions carried by the customer on their accounts through the bank's system.

D. The application of the Business Continuity Plan

E. Notification of customers, well in advance, in case the banks have to/ plan stopping some of their services for the purpose of maintenance or for any other reasons.

2. Banks should monitor and follow-up the performance of the other parties whom they have contracted with to provide online and phone banking services.
3. Banks should notify customers of the fees and commissions, if any, who wants to use online or phone banking services to execute their transactions,.
4. Banks should set clear and specific procedures to rectify any mistake or fraud in case of its occurrence.
5. Banks should take the necessary actions to raise the level of understanding and dealing with the internet and phone banking services for their customers, and should develop continuous awareness program, and notify customers of any changes or development on their current systems to ensure their protection. The banks should also brief customers on the risks associated with the electronic transactions, and provide them with the guidelines that enhance the secure use of the same and their protection.

**Sixteenth Principle: Transfer & E-Remittance:**

1. Banks should provide sufficient information in an understandable manner, as much as possible, about the prices and advantages of the transfer and e-remittance services for their customers, who use such services, and how to get

it easily. The data should include the fees borne by the customer or the beneficiary of the service (remittance or transfer) requested by the customer, and the currency exchange rates and commissions, and the turnaround time for the transfer of the funds to the beneficiary, in addition to the other terms and conditions related to the e-remittance including the responsibilities, rights and obligations.

2. In case the bank is not sure of the cost of the e-remittance due to the different circumstances of each case, the bank should notify its customer of this issue, in advance, without obliging him with specific conditions, and the bank should obtain the customer's prior approval to the same.
3. Banks, that receive or send transfers or e-remittance, should document all the main data of these transactions, and notify their customers of the details of the same once they are made without any fees.
4. Banks should provide customers with all the information, in an understandable and clear manner, about the procedures that are taken in case there is a mistake or if the customer falls a victim to fraud during the implementation of the transfer or e-remittance .
5. Banks should notify their customers, who use credit cards/ pre-paid cards/ATM cards abroad, of the terms and conditions including the fees of the foreign transactions and the foreign exchange rates applicable in those cases.

**Seventeenth Principle: Requesting Customers to Settle their Debts to Banks:**

1. Banks shouldn't use unprofessional methods or unfair practices including incorrect data and reasons, upon requesting their customers, who have been granted loans, to settle their debts.



2. In case the repayment is made by offsetting the customer's accounts, banks should include this clause in the contracts concluded with customers, and banks should notify their customers of this issue after the repayment process.

**Eighteenth Principle: Enhance the Role of the Consumer Complaint Unit.**

**In this regard, banks should comply with the following:**

1. Compliance with the CBK's instructions regarding the protection of the bank's customers, the Board of Directors of each bank should make sure of the same.
2. A written summary of the procedures and steps, that should be followed by customers, should be placed in an area that is clearly visible to all customers in case there are any complaints about their transactions with the bank. These procedures should include the steps that are taken in case there is a complaint lodged by the customer so as these steps should include the actions to be taken gradually until a final decision is made on the customer's complaint, in addition to the grievance filed to CBK.
3. The Consumer Complaint Unit in the bank should make sure of the bank's compliance with the Consumer Protection Guide and other relevant instructions and regulations.
4. The Board of Directors of each bank should develop the policies and procedures which ensure that the Consumer Complaint Unit carries out its activities effectively. The reports issued in this regard should be submitted to the Board of Directors to take the decision it deems appropriate. The unit should prepare annual reports about the compliance with the Consumer Protection Guide and submit them to the Board of Directors including its

suggestions and recommendations. This report should be submitted to CBK on request.

5. In case the Consumer Complaint Unit in the bank fails to resolve the customer's complaint, the customer should be guided to file a grievance to the Consumer Protection Unit at CBK.
6. The Consumer Complaint Unit at banks should make sure that the customer is briefed on all the documents submitted by the bank upon offering any service or product, and the customer has received a copy of these documents and the customer's signature has been obtained as proof of the same.

**Nineteenth Principle: Customer's Responsibility and Obligations:**

**In light of the specification of the customer's responsibilities and obligations, he should:**

1. Be honest in all the data he provided to the bank.
2. Review carefully all the documents provided by the bank upon obtaining any service or product, and be aware of any fees or commissions or obligations or responsibilities resulting from the same, and keep a copy of these documents before committing himself to any financial or banking commitment.
3. Submit his inquiries to the bank's competent staff in case he doesn't understand any of the conditions or procedures related to the service or product he wishes to obtain, so to be able to take his decisions based on a clear and comprehensive vision.

4. Comply with the complaint and grievance procedures of the Consumer Protection Unit at CBK.
5. Be aware of the risks arising from the use of service or product provided by the bank by inquiring the competent staff about the implications of these risks, and try to avoid the same, whenever possible.
6. Choose the products and services offered to him, that are more suitable for his conditions and his actual capabilities, and meet his actual needs.
7. Inform the bank, with whom he deals, in case he finds out any transaction in his accounts, which he doesn't request nor issue any order to execute.
8. Exercise caution and maintain the confidentiality of the data of his transactions with the bank and not disclose any of them to any party in order to protect his funds.
9. Request the consultation and advice of the bank's concerned staff in case of facing any financial obstacles, that impede him from compliance with the terms and conditions of the contract signed with him, or from the use of the services and products offered to him.
10. Update his personal and banking data at the bank's request or in case there is any change in the same.
11. Use his personal e-mail or P.O Box when addressing the bank in order to maintain the banking secrecy and protect his personal and banking data.

12. Exercise caution when issuing a POA to other party to deal with his accounts or funds at the bank, especially for the authorities and data provided to them, and take the necessary actions immediately in case he wants to cancel it, and notify the bank of the same.
13. Not to sign any blank or incomplete financial documents or contracts as he should review all the documents provided by the bank to him before signing the same.
14. Keep a copy of the documents relating to his dealings with the bank in a safe place for easy reference, when necessary.

## DOHA BANK - KUWAIT BRANCH CONTACT DETAILS

### Customer service numbers

General Customer service:

**+965 22917222 , 22917218 / 219 / 207 / 200 / 240**

### General telephone numbers

Al-Riyada Customer Services:

**+965 22917222 , 22917218 / 219 / 207**

Fax No.:

**+965 22917229**

### Address

For all general postal enquires, please write to:

Ahmed Al Jaber Street,  
Prime Tower,  
Block No. 5, Plot No. 23,  
P.O. Box 506, Safat 13006,  
Sharq, Kuwait



**This document is a translation of Central Bank of Kuwait Consumer Protection Guide issued on 05<sup>th</sup> July 2015. Any deviation of English translations Arabic version will prevail.**