



Rights and Responsibilities of Banks' Customers

It is important for banks' clients to be aware of their rights in order to know if they are being upheld. At the same time, clients need to be responsible with respect to products and services obtained at a bank as this helps to avoid unnecessary complications. This article is aimed at increasing public awareness by providing some examples of clients' rights and responsibilities.

What are your rights as a bank's client?

Be informed

You have a right to know all information about a product/service obtained at a bank, as well as any future change that occurs. In line with this, the Central Bank has recently issued a set of guidelines to banks which is aimed at improving disclosure of information to clients. For instance, information provided to a client applying for a loan should include the interest rates, whether it is fixed or variable, the repayment terms, penalty fees for late payment and any associated charge. Once the client has obtained a loan, he needs to be informed when any of the terms and conditions have changed.

Information may be disclosed by way of contracts/agreements (for example loan agreements), by leaflets and through publications in newspapers. For instance, banks are required to publish their fees and charges in the newspaper on a quarterly basis, as well as when changes occur. Another example is that banks are required to notify customers whose accounts have been abandoned (on which there have been no transactions for ten years or more) by sending a letter to the clients and by making publications in the newspaper.

Customer Service

You have a right to good customer service. As a bank's client, you need to be heard if you have any query or require clarification.

Complain

If you are not satisfied with a product or service, you can complain at the bank. Banks are required by law to clearly disclose complaint procedures at their premises. A complaint needs to be investigated in a fair and thorough manner and the complainant should be provided with a response within a period of 21 days. If the bank cannot provide a response within this timeframe, the client should be informed of the reason(s) why and be provided with a new deadline for a response. A client who is still not satisfied with the response provided by the bank has a right to bring the complaint to the Central Bank, which will investigate the matter further.

What are your responsibilities as a bank's client?



Ensure understanding of terms and conditions

It is your responsibility to ensure that you understand the terms of a contract/policy before signing any agreement. If something is unclear, it is important to ask questions and seek clarification. Whilst banks have a duty to disclose information to a client, it is also the client's responsibility to ensure that these are understood and to use the information before making a decision.

Assess your needs

In order to assess whether a product/service satisfies your needs, it is important to ask questions and also conduct research at different banks. For example, if you wish to have immediate access to your funds, it is not advisable to place it in a fixed deposit account.

Assess your ability to comply with the terms of a contract/policy

Before taking a loan, it is important that you assess your ability to pay it. This includes assessing the payment terms against your income, whether your health will allow you to work to commit to the payment terms, future plans for example having children, etc. It is a client's responsibility to comply with the terms of a contract/policy. If this is not done, consequences range from penalty interest, the bank going after the guarantor and the bank taking over the asset given as security for the loan.

Be careful

A customer has a duty to be careful with respect to the product/service that a bank provides. This responsibility can range from keeping your Personal Identification Number (PIN) for ATM cards safe to ensuring that accurate information is provided on services requiring forms to be completed (such as money transfers or drafts). It is also advisable to maintain records of transactions as this allows for verification in the future.

This document provides general guidance only, and is not intended to be comprehensive nor replace or override any legislative provisions. They should be read in conjunction with the provisions of the relevant legislations governing banks.