

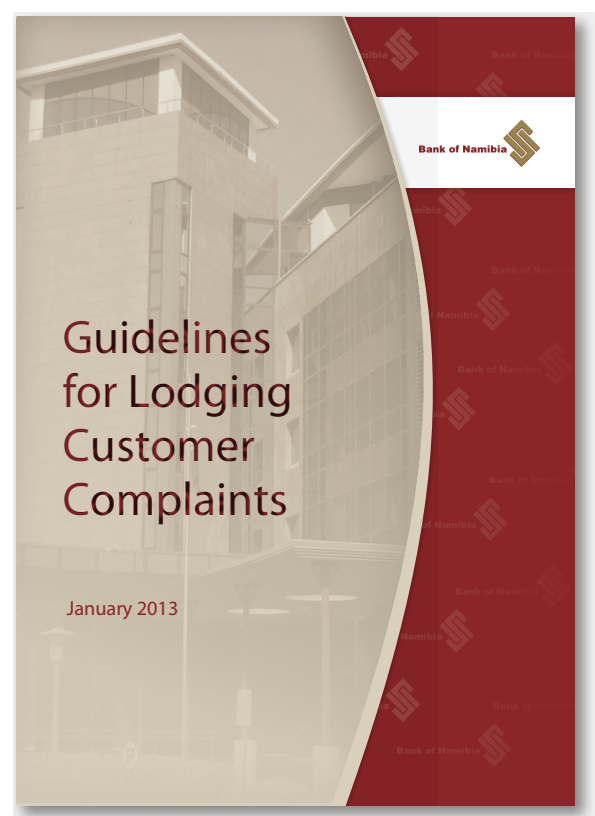
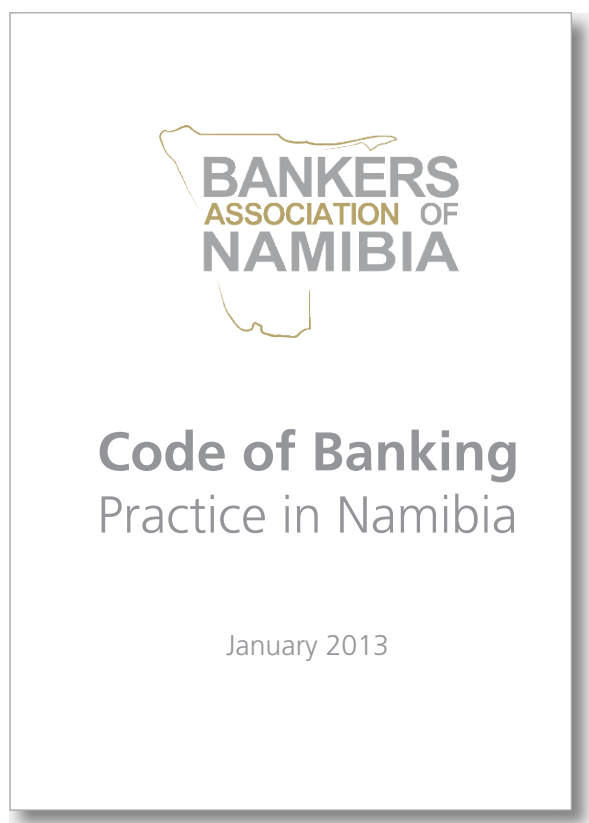
The Code of Banking Practice in Namibia



and

Guidelines for Lodging Customer Complaints

Bank of Namibia





Code of Banking Practice in Namibia

January 2013

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1. Introduction

The Code of Banking Practice ('the Code') is a voluntary code which sets standards of good banking practice for financial institutions to follow when dealing with customers.

It should assist you to understand how we as your bank should relate to you. The Code will be a guide for you when you transact with your bank and it will help you better understand your rights and responsibilities as well as your bank's responsibilities in serving you. We want to establish good relationships with you and we want to promote good banking practice by formalizing standards of disclosure and conduct which we will observe when dealing with you. We commit ourselves to maintain the relevant standards of fairness and accountability set out in this Code. In addition, we are also committed to the highest standards of ethical behavior as contained in our respective Codes of Ethics. Copies of the Code are available from The Bankers Association of Namibia. You can also view the Code on your respective bank's website.

References in the Code to "you" means the client and "we", "our" and "us" refer to the client's bank. Useful definitions are listed on page 18.

2. Objectives

The Code has been developed to:

- promote good banking practices by setting minimum standards for your bank when dealing with you;
- increase transparency so that you can have a better understanding of what you can reasonably expect from the products and services;
- promote a fair and open relationship between you and your bank and;
- foster confidence in the banking system.
- speedy and effective handling and resolution of complaints

3. Fundamental Principles of Our Relationship

We, the members of the Bankers Association undertake to:

- 3.1 Act fairly and reasonably in all our dealings with you, by meeting all the commitments and standards in this Code;
- 3.2 Continuously work towards improving the standards of practice, service and effective access to appropriate financial services in the banking industry;
- 3.3 Promote better informed decisions about our banking products and services by:
 - providing effective and adequate disclosure of information and encouraging customers to familiarise themselves with the terms and conditions relating to financial services and abide with same;
 - explaining to you, when asked, the contents of brochures and other written information about banking services or products;
 - providing information, or where applicable, advice, about banking services or products at your request, through our staff, authorized and trained to give such advice. You can approach your bank to obtain summaries of transactions on your account and pricing of same;
- 3.4 Provide information to you in plain and understandable language, using standardized terminology, offer assistance on any aspect which you do not understand, verbally explain written information and brochure content in a vernacular language of your choice in cases where you are unable to understand.
- 3.5 Ensure that all products and services comply with relevant laws, regulations and the standards set out in this Code; and
- 3.6 Provide reliable banking and payment systems services and take reasonable care to make these services safe and secure; similarly you are required to take due and proper care.
- 3.7 Advise you of your rights including waivers of rights.
- 3.8 Put adequate measures in place to detect aggressive or abusive treatment of consumers by bank's staff and / or their agents, particularly during the loan sales and debt collection processes.

We are committed to providing you with the highest standards of service.

In order to meet our commitment, we will ensure that:

- 3.9 Our staff are trained to provide friendly and efficient service, so that your transactions, enquiries and feedback will be attended to promptly;
- 3.10 Information on our products and services will be updated and current. It will be made easily available at bank branches, through your bank's website and through other appropriate channels;
- 3.11 unless longer periods are specified by applicable legislation and its within our reasonable control, you will be informed at least one month in advance before any changes are implemented to Terms and Conditions, fees and charges, the discontinuation of products and services and the relocation of premises or ATMs; and
- 3.12 Your complaint to your bank will be acknowledged within 5 business days of receipt and will be investigated within 15 (fifteen) business days. Clients are urged to utilize the complaints management system and process of their banks. This information can be obtained from your bank.

4. Conduct

Certain principles regarding our conduct as your bank, and your conduct as our client, are at the core of our relationship. We are committed to exercise care, skill and diligence in our provision of services to you as well as any other duty owed to you to exercise the degree of skill, care and diligence that may reasonably be expected of us in the provision of a financial service.

5. Access to banking services

- We are committed to providing affordable and accessible basic banking services to all Namibians.
- We will provide you with a basic banking account, if you meet our minimum requirements. Your bank will be able to provide you with the conditions and details of such accounts, and you should make every effort to read and understand them.
- We will continuously strive to improve our basic banking services through product innovation.
- We recognize the banking needs of customers with disabilities, the elderly and the infirm as well as taking reasonable measures to enhance their access to those services and facilities. We are also committed to improving access to our services as far as possible through our extensive branch network, ATMs or electronic banking centres and other appropriate channels.
- In order to ensure continued access to our services, we undertake to give you reasonable prior notice of our intention to close any of our bank branches, outlets or ATM/electronic banking centres, so that you can make the necessary arrangements, with our assistance, to move your accounts to another branch (if applicable) or to access them through alternative means and channels.

6. Disclosure

We undertake to disclose relevant issues to you as our client (or potential client).

What we undertake to disclose to you are:

6.1 Terms and Conditions

We will ensure that all our written Terms and Conditions are fair, lawful and will clearly set out your rights and responsibilities in respect of a product or service in plain language.

We will use legal and technical language only where necessary. Where legal and technical language is used, we will explain what we mean whenever contract terms are discussed. Before you enter into an agreement, we will draw to your attention any limitation of liability, exclusion, indemnity or assumption of risk as set out in the Terms and Conditions. Our Terms and Conditions are provided at the time of, or before a contract for an ongoing banking service is concluded, except where it is impracticable to do so, in which case it will be provided as soon as practicable afterwards as well as during the course of the agreement upon request. You will also be provided with a separate copy of the Terms and Conditions for future reference. Our staff is available to give you further clarification and to answer any queries that you may have about the Terms and Conditions. You will not be required to sign more general waivers that eliminate all rights to privacy.

When the Terms and Conditions of your product or service change, we will inform you that you are entitled to terminate the product or service or switch to another product or service if you do not wish to accept the variation in the Terms and Conditions the consequences thereof will be explained to you.

6.2 General banking products and services

When you become a client and on reasonable request, we will make available to you:

- Clear written information explaining the key features of our services and products in which you may express an interest;
- Clear and appropriate information on the different types of products and accounts available from us to assist you to make an informed choice appropriate to your needs;
- Clear information on charges and fees associated with a particular product or service rendered.
- Recommended safety measures and tips on our services and products in which you may express an interest.

Information on how your account works, including:

- When you can withdraw funds after a deposit has been paid into your account and when funds begin to earn interest;
- The various methods of issuing a cheque;
- Stopping a cheque or other types of payment;
- How we will treat a post-dated cheque deposited into your account;
- The difference between and the implications of bank guaranteed cheques and bank cheques, where appropriate;
- The effect of unpaid cheques and other payment instruments on your account including the instances where we may credit your account with the value of a cheque for which we might not have received value ourselves;
- The limit on cheques issued as determined by regulation
- Special clearance and the effect(s) it may have on your account;
- How a cheque can become a stale cheque and the effect of this;
- How debit orders and stop orders work, the difference between the two and how to stop and/or cancel them;
- Information on electronic banking services including the special requirements which we expect of you if you bank electronically;
- The different functions of any card(s) issued to you;
- When your account details may be passed on to credit risk management services as well as the implications thereof;
- Any special procedures or safeguards required of you to ensure safer banking.

6.3 Charges and Fees

- In terms of the Determination on the Disclosure of Bank Charges, Fees and Commissions (BID 13), bank charges shall be displayed in a visible place and manner in each banking chamber and shall be made accessible to walk-in banking customers in a convenient manner that avoids the need to queue up at bank counters to access such information.
- We will provide you with information on relevant fees and charges for the service or product that you have chosen – full details of charges for any service or product are available on request.
- We will speedily, efficiently and fairly correct errors in any charge or price levied on, or quoted to you, in respect of any product or service and compensate you where appropriate.
- Where we consider that there may have been a material pricing error, we will without delay, inform you of our proposals for correcting any such error.
- We will furthermore notify all affected customers, current and former, in a timely manner of any material charging or pricing error that impacted negatively on the cost of the service or value of the product provided.
- We will inform you of changes to charges for basic banking services, after reasonable prior notice, by two or more of the following methods:
 - letter/statement messages/other personal notice;
 - notices/leaflets in branches;
 - ATM/ electronic banking system messages;

- media advertisements;
- Internet Banking;
- e-mail messages;
- telephonic announcements (through short message services [sms]); or
- announcements on your bank's website.

We will also provide information on any additional charges and interest you may have to pay on overdrafts and fixed term products when:

- your account becomes overdrawn without prior agreement;
- you exceed your overdraft limit;
- your loan falls into arrears;
- you decide to settle a loan early; or
- you make an early withdrawal or early cancellation.
- and when a debit order is returned.

We will also provide information on the interest charges which apply to your account(s), including:

- when interest will be deducted from or paid to you;
- the basis on which interest is calculated;
- when changes (increases or decreases) are made to the interest rates which apply to your account(s). We will communicate any increase in the mortgage rate/prime rate directly to you.

7. Information

We will provide you with:

- Information regarding your rights to access your personal information held by us;
- Information regarding what identification and verification documents (which we may verify) we need to prove your identity when you interact and transact with us. To enable us to continuously transact with you, we may also require you to update your identification and verification documentation on a regular basis, including when there is a change in your circumstances (e.g. Change of name upon marriage, change of residential address or change in the Company /Close Corporation details). This includes when you first apply to open an account and during our relationship with you, when you obtain a loan or other credit facility or when you conclude other transactions, which is important for your security and may be required by law; and which, if not provided, could result in your account(s) being blocked from transacting with your Bank.
- Information upon your request on what checks we may carry out with credit risk management services and related services, and other appropriate parties, for example employers, other lenders and landlords.
- If its within our reasonable control, you will be informed at least one month in advance of our intention to close any of our bank branches, outlets or ATM/ electronic banking centres; and
- advertising and promotional material, which is clear, fair, reasonable, not misleading and complies with your bank's advertising guidelines .

8. Confidentiality and Privacy

We will treat all your personal information as private and confidential and in terms of section 64 of the Banking Institutions Act, 1998 (as amended), we will not disclose any personal information about you or your accounts, including to other companies in our Group (even when you are no longer a client) unless under the following specific circumstances:

- Where we are legally compelled or permitted to do so;
- Where disclosure is made at your request or with your consent. If you make use of electronic banking facilities like cellphone banking, and the telephone calls are recorded, consent to disclosure might be recorded verbally; te of t
- If the estate of the customer has been sequestered, whether provisionally or final, or if the customer is a body corporate, the body corporate has been, or is in the process of being wound up;
- If information is required by a party to a bona fide commercial transaction to which transaction the customer is a party, for the purpose of, assessing the creditworthiness of the customer relating to such transaction; (however

the information furnished shall be of a general nature and shall not enable the details of the customer's affairs or account to be ascertained from the information so furnished);

- for the purpose of instituting, or in the course of, any criminal proceedings;
- for the purpose of instituting or in the course of any proceedings-
 - (i) between a banking institution and its customer, or his or her surety relating to the customer's transaction with the banking institution; or
 - (ii) between the banking institution and two or more parties making opposing or adverse claims to money in a customer's account, if the banking institution seeks relief by way of inter-pleader proceedings;
- writ of attachment or of execution attaching monies in an account of a customer of a banking institution is served on the banking institution;
- disclosure may, in terms of any law be made to a police officer investigating an offence specified in such law; (however such disclosure shall be limited to the affairs or account of the customer suspected of such offence);
- if the exchange of individual customers' information takes place within a banking institution between directors, officers or employees of that banking institution and which is necessary to facilitate the day-to-day banking business.
- if the disclosure is authorised by Bank of Namibia;

If your account is in default, with your written consent obtained at the time of the disclosure, or otherwise permitted by law, we may disclose information about your personal debts and/or the manner in which you conduct your accounts to credit risk management services and/or debt collection agencies if:

- You have fallen behind with your payments or you are in default with the terms of a product or service,
- You have not made satisfactory proposals to us for repayment of your debt following formal demand and you have been given at least 20 business days' notice of our intention to disclose; Disclosure without any consent is permitted where we have obtained judgment against you in a court of law for repayment of the debt.

Before transferring your information to any third party service providers, we will take reasonable steps to satisfy ourselves that such information is correct and would be treated as private and confidential and is adequately safeguarded by the service providers. We will inform you when we record your telephone conversations with us and our reasons for doing so. If you make use of electronic banking facilities like telephone banking, and the telephone calls are recorded, your consent to disclosure might be recorded verbally.

9. Marketing and Advertising

We will ensure that all advertising and promotional material is clear, fair, reasonable and not misleading. Unless you have opted out, your bank may with your consent, use your information for marketing and advertising purposes. Examples of information which can be used for this purpose include the following: your name, your postal address, your email address and contact phone number. You may opt out from receiving such communication at any time.

Your bank will give you information on how to exercise your right to opt out. Unless you have opted out we may:

- i) Bring to your attention details of our services and products, which may be of interest to you;
- ii) Give certain information about you to other subsidiaries within our group for marketing purposes;
- iii) Inform you about another company's services or products and that you may be contacted directly by that company, if you respond positively.

10. Equal Treatment

We will act in a manner that does not discriminate unfairly against any customer on grounds such as marital status, gender, age or race in the provision of banking services and in the quality and terms of services provided. We may, however, have certain special product or service offerings, which are specifically designed for members of a target market group, for example products aimed at previously unbanked Namibians and low income earners such as a basic bank account. We may also apply commercially acceptable reasons for declining to offer you certain products or services and we will provide you with reasons for any decision if you request it.

11. Provision of Credit

11.1 We will extend credit to you responsibly (based on the information you supply to us), to match your borrowing requirements and capabilities and supply you with suitable products, in an attempt to ensure that you are not extended beyond your financial means. You are also responsible for ensuring that you do not extend yourself beyond your financial means. Our ability to do so is heavily dependent on your co-operation and the full disclosure of your financial obligations. You must provide complete and accurate information to your bank as part of the credit application process. All lending will be subject to an assessment of your ability to afford and willingness to repay, general desirability and any other conditions set by your bank.

Before extending credit we will conduct an assessment which may include:

- Taking into account your income and expenses, including the dependability of your income;
- How you handled your financial affairs in the past;
- Information obtained from credit risk management services and related services, and other appropriate parties, for example, employers, other lenders and landlords;
- How you have conducted your previous and existing accounts with us;
- Information supplied by you, including verification of your identity and the purpose of the borrowing;
- Credit assessment techniques, for example, credit scoring;
- Your age in relation to the loan facility required;
- Any security or collateral provided; or
- Your statement of assets and liabilities.

We will provide you with the costs and Terms and Conditions of the credit you applied for, prior to signing the credit agreement.

11.2 If we decline your application for credit we will inform you of the reasons for this, which may include (if applicable):

- The overall credit score;
- Information obtained from credit risk management services;
- Over-indebtedness; or
- A specific policy of the bank.

With automated credit scoring systems these reasons may not be explicit, in which case only general reasons shall be provided.

12. Suretyships

Suretyships may have serious implications; therefore we will ensure that the surety receives proper information. This may be when you provide surety for someone or when someone provides surety for you. If you want us to accept a suretyship or other security from someone for your loans, we will inform you and the surety or the surety's legal adviser that the surety is entitled by law to your confidential financial information.

We will:

- Encourage the surety to take independent legal advice to make sure that they understand the commitment and the potential consequences of such a decision.
- Ensure All the documents the surety will be asked to sign will contain this recommendation as a clear and prominent notice;
- Advise and caution the surety that by giving the suretyship or other security they may become liable instead of, or as well as, yourself;
- Advise the surety whether it is a limited (and the maximum value) or unlimited suretyship and explain the implications of an unlimited suretyship; and
- Inform the parties of the implications of suretyships in terms of their periods of validity, the potential amount/s

of indebtedness, the nature of the debt covered and the cancellation/termination process. We shall notify the surety in writing of any change to the terms of the loan agreement; and

- That s/he is entitled by law to request statement information relating to the credit agreement and that the surety is entitled to settle the credit agreement at any time as the principal debtor.

13. Mortgage Loans

13.1 Buying a property with a mortgage loan, may be your most important financial commitment, therefore:

When you apply for a mortgage loan, and on reasonable request, we will explain to you the following:

- Operation and repayment of your loan, including all the charges and costs, the benefits of payment acceleration and the additional interest and costs payable should your account fall into arrears;
- We will assist you to understand the wider responsibilities and rights that you will have as a property owner, and assist you with a detailed affordability assessment should you require it. This could include informing you about the repayments on your loan and additional costs that apply to homeownership, such as rates and taxes;
- We will clearly explain what the potential impact of variable versus fixed interest rates will be so that you can make an informed decision in this regard;
- We will explain to you that you risk the possibility of losing your property should you not keep up your loan repayments; and
- We will also explain the steps required by law should we have to act to repossess your property due to your failure to meet your repayment obligations or your failure to comply with any other terms and conditions of the contract.
- As financiers we have neither the skills nor the resources to monitor or control the quality of the property you are building or buying. We will clearly inform you that our appraisal is solely to enable us to assess the value of the security to us. It is not intended to be an evaluation of the present or future market value of the property, nor does it have to be the same as the purchase price. We do not necessarily inspect the property and do not accept any responsibility or liability for the structural or other condition of the property, even if the loan is a development or building loan. All costs incurred for valuations done as required by Bank of Namibia Determination BIG 1 will be for the client's account, these include:
 - valuation of existing residential property for a new loan;
 - valuation of new residential property;
 - taking over a loan from one bank by another;
 - valuation of property financed by two or more banks;
 - valuation of property at disposal.
- We will explain to you the need to be careful when signing building progress payment documents.
- We will ensure that you are clearly informed of the different types of insurance, whether the bank requires insurance to be taken out, whose responsibility it is to arrange for the insurance and what insurance cover is available.
- Issues of home quality are the responsibility of the seller (or builder or developer) and yourself as buyer. You must satisfy yourself to the best of your ability that you are buying a sound property and if necessary obtain assurance as to the structural quality of the property, compliance with local authority requirements and replacement costs of the buildings and improvements from the proper experts.

Should you require it, we will provide you with:

- The assessed security value of the property; and
- The minimum replacement cost that we place on the buildings and improvements for insurance purposes.

13.2 When your mortgage bond has been repaid in full we will inform you how annual insurance premiums and other charges and administrative matters can be dealt with in future.

14. Vehicle Finance

- 14.1 You are entitled to get quotations from various banks before you enter into a credit agreement with a specific bank.
- 14.2 If you are considering buying a previously owned vehicle, make sure that you buy from a reputable dealer or individual and ensure that all appropriate documentation is available to you when arranging your finance facility. You may want to obtain an independent inspection report from a reputable 3rd party before buying a used vehicle.
- 14.3 When you purchase a vehicle from a dealer your bank does not inspect it in any way. The bank merely relies on the information you provide in your application for finance. In terms of the credit agreement, your bank regards the vehicle as security for the loan, i.e. an asset that it can attach and sell should you default on the loan. In terms of the law your bank owns the vehicle (i.e. is the registered titleholder until you make the final payment required in terms of the credit agreement. Once you have settled your credit agreement you should ensure that the vehicle is licensed in your own name.
- 14.4 When trading a vehicle in with a dealer ensure that the credit agreement with your bank is properly settled and cancelled. Irrespective of what the dealer may say, you remain liable for the debt on the account until it has been properly settled or cancelled. You may not 'sell' the vehicle without your bank authorizing the transaction. It is best to check personally with your bank. You must also ensure that the vehicle is deregistered from your name and transferred to the dealer/new client.
- 14.5 Your bank will require that the vehicle is suitably insured and that proof of insurance is available at all times over the duration of the finance agreement. You may obtain your own insurance or your bank will be able to supply you with a suitable insurance policy should you require one.
- 14.6 Your bank will require that the vehicle is maintained according to Original Equipment Manufacturer specifications at all times, and that all relevant local and national licensing requirements are in place as required.
- 14.7 Your bank may not be responsible for the condition of the vehicle, for vehicle defaults or similar vehicle related matters. These must be taken up with the seller of the vehicle.

15. Overdraft Facilities

You may qualify for an overdraft facility on your cheque account. An overdraft is normally granted for a period of 12 (twelve) months and it is normally reviewed on an annual basis. It is, however, repayable on demand by the bank in certain circumstances. These circumstances may be one or more of the following:

- If the account is not maintained properly (for example exceeding the overdraft limit without prior arrangement)
- If your financial position has deteriorated.
- Any other rational and objective reason which your bank may deem appropriate.

Your application for your overdraft will be determined on the basis of your creditworthiness, specific requirements as well as in accordance with your bank's credit risk management model.

Your bank may adjust the interest rate or fees should you not handle your account properly or should there be changing circumstances that warrant this. You will also be penalized with a fee should you exceed your overdraft facility without prior approval. Your bank also reserves the right to dishonor any cheques written out in excess of your overdraft facility in the absence of prior arrangements.

16. Set-Off

Where a client maintains both debit and credit balances with a banking institution, it may be permissible in certain circumstances, to set such balances off against one another for the purposes of completing the statutory returns; thus reporting net balances only.

Unless otherwise determined, set-off shall be allowed only if all of the following circumstances apply:

- A legal right of set-off must exist and your bank should have obtained a legal opinion to the effect that its right to apply set-off is legally well founded and would be enforceable in each relevant jurisdiction regardless of whether the counterparty is insolvent or bankrupt;

- The debit and credit balances must relate to the same person;
- Both the debit and credit balances must be denominated in the same currency to eliminate the effect of foreign exchange rate fluctuation emanating from currency mismatch;
- The debit and credit balances must have identical maturities;
- Your bank is able at anytime to determine those assets and liabilities with the same counterparty that are subject to the netting agreement;
- The banking institution is able to monitor and control the relevant exposures on a net basis and its roll-off risk.

When you open an account, we will provide you with information that will include clear and prominent notice of any rights of set-off that we may claim over credit and debit balances in your different accounts. When you obtain credit from us, we may require your consent to set-off any outstanding amounts against funds available in other accounts you hold with us. We will inform you promptly after we have effected set-off in respect of any of your accounts. You will receive timely statements (if statements are generally produced on the relevant account), which will reflect the setoff position. Prior to setting off your debit and credit balances, we may elect to place any of your funds on hold pending a discussion with you on any amount owed to us.

17. Foreign Exchange Services

17.1 We will provide at least the following information in relation to foreign exchange services:

- A description of the services and;
- Details of the exchange rate.

If it is not possible to provide specific details of charges, we will inform you of the basis on which these will be calculated.

- 17.2 If you wish to transfer money abroad, we will inform you how this can be done, what documentation may be required from the Receiver of Revenue and/or the Bank of Namibia. We will provide, at least an indication of when the money you have sent abroad should be available to the recipient and any reason for potential delays;
- 17.3 We will give you information on any commission or charges you will have to pay, including information where a foreign bank's charges may also have to be paid by the recipient or by you.

Where money has been transferred from abroad, we will credit your account as soon as the receipt of funds has been confirmed and any necessary checks have been done. If the funds were remitted with "charges for beneficiary account" the amount expected from the remitter may differ from the actual payment due to these charges being deducted by remitting bank.

We will inform you that all foreign exchange transactions, irrespective of its value, must be reported to the Bank of Namibia. You, our customer, is therefore expected to provide your bank with an accurate description of foreign payment made and received.

18. Financial Difficulties

- 18.1 If you are having difficulty meeting your financial commitments, you should approach your bank as soon as possible and, in particular; respond to your bank's communications as soon as possible. The sooner you and your bank discuss your problems, the easier it will be for both parties to find a solution. The more you tell your bank about your full financial circumstances, the more they may be able to assist. You and your bank will jointly review your situation and develop a plan to address your difficulties.
- 18.2 Should your account go into default, our first step will be to try to contact you to discuss the matter. It is therefore imperative that you inform us at all times of any changes to your address and contact details.
- 18.3 In the ordinary course, before taking any legal action, your bank will send you a written notice drawing the default to your attention and allowing you a chance to remedy such default, subject of course to any terms of agreement.

19. Accounts

19.1 Opening an account

Before or at the time you open an account, we will advise you of your rights and obligations relating to that account. This will include informing you about:

- The type of account and how and by whom the account may be operated;
- How funds may be deposited or withdrawn from the account;
- The usual time taken for clearing a cheque or a payment instrument credited to the account;
- Any minimum balance requirements and the charges payable if the balance falls below the prescribed minimum;
- Any rights of set-off claimed by your bank;
- The requirements for closing the account; and
- How we deal with your account if it becomes dormant and has any unclaimed balance in it.

We are required by law to verify your identity when you seek to open an account. This is necessary to protect our customers, the public and ourselves against the misuse of the banking system. You will therefore be requested to provide your bank with the relevant identification and verification documents when you first open an account with your bank, depending on the nature of the account you wish to open. We may also require you to update the identification and verification documentation on a regular basis, including when there is a change in your circumstances (e.g. certified copy of new Passport issued in cases where a Passport was used as a form of identification change of name upon marriage, change of residential address, or change in company/Close Corporation details, failing which we may by law be prohibited from transacting with you and hence obliged to block your account (s).

19.2 Account Operation

- 19.2.1 You should ensure that you manage your banking products properly in order to meet your personal financial needs and circumstances. You should make yourself aware of the opportunities for savings and investments in the financial market place.
- 19.2.2 If you wish to consider the tax implications of your choice of product or account, you should seek independent advice from an appropriate consultant qualified to provide this to you.

19.3 Cards, PINS, passwords, and other unique means of personal identification

- 19.3.1 We may issue you a card, or replace one that has already been issued, and may charge fees for this.

Your PIN (Personal Identification Number), password and other unique means of identification are strictly confidential. Where a bank supplies these, they will be issued only to you, separately from your card where applicable. You should never disclose your PIN, password, or other unique means of personal identification to anyone, and specifically not to any employee of the bank.

We will tell you if you can select your own PIN, password or other unique means of personal identification. We will encourage you to avoid birth dates and simple sequences numbers such as 1111; 12345 and so on.

We will inform you of the procedures to change your PIN, password or other unique means of personal identification when the need arises.

We will publish the contact details you should use to report lost or stolen cards or chequebooks in statements, at ATM's or through other means of communication to you.

- 19.3.2 Debit, Cheque and Credit cards

19.3.2.1 Debit and Cheque cards

Your bank may provide you with a debit and or cheque card on your savings or cheque account. As opposed to an ATM card which can only be used to withdraw cash at the ATM you can also use your debit and or cheque card to make purchases at your local merchants, on the internet, pay for fuel as well as make account payments. When making use of your

debit and or cheque card to make purchases, payments or cash withdrawals, funds are deducted from your designated account as and when you transact.

19.3.2.2 Credit Cards

Various types of credit card products, based on qualifying credit criteria, are offered to customers.

Credit cards offered by your bank provides customers, subject to approval, with convenient, versatile credit and payment facilities worldwide.

Credit card limits allows cardholders the freedom to choose how they wish to spend their limits. A credit card allows the customer a continued balance of debt/revolving credit facility, subject to interest being charged. The credit card can be used locally and internationally to make payments for purchases or to withdraw cash. Repayments on credit card facilities are deducted monthly from your designated banking account. The credit card holder is expected to comply with the Terms and Conditions as stipulated in the credit card agreement.

19.4 Reasonable Care

19.4.1 Taking care of your chequebook, savings account book, cards, electronic purse, PINs, passwords and other unique means of personal identification is essential to help prevent fraud and protect your accounts.

Always ensure that you:

- Do not keep your chequebook or your PIN and cards together;
- Do not allow anyone else to use your card, PIN, password or other unique means of personal identification;
- Always take reasonable steps to keep your card, PIN, password and other unique means of personal identification secret, safe and secure at all times; never disclose your PIN or password to anybody, including family, friends or any bank employee who offers to assist you;
- Never write down or record your PIN, password or other unique means of personal identification. If you must write it down, ensure that it is not accessible to others and that it is disguised. For example, never write down or record your PIN using the numbers in the correct order;
- Are alert to the risk of muggings, card cloning and card swapping when using ATMs or other electronic banking devices;
- Do not use ATMs or associated systems that have obviously been tampered with or that contain warning messages;
- Do not use PINs that are easy to guess, such as 1111 or 12345 or your date of birth, etc; and
- Use your card with care.

19.4.2 It is critical that you tell us as soon as possible if you suspect or discover that:

- Your cheque book, savings account book, cards and/or electronic purse have been lost or stolen;
- Someone else knows your PIN, password, information about your accounts or personal information or your other unique means of personal identification; or
- There are transactions on your accounts, which you have not authorised; any funds or deposits which you are not entitled to;

19.4.3 It is essential that you take care when storing or getting rid of information about your accounts. People who commit fraud use many methods, such as retrieving statements from bins, to get this type of information.

19.4.4 You may be vulnerable to crime when you use certain ATMs. We will take reasonable precautions to minimize crime at those ATMs. You also have a responsibility to do the same. You should therefore adhere to any notices of caution at ATMs in order to protect yourself against crime at ATMs. In

particular, be wary of anybody who comes near you or attempts to distract you while you are using an ATM.

- 19.4.5 In cases of theft or fraud, we may also need you to open a case with the police services and we will provide you with the necessary information to facilitate this with the police.
- 19.4.6 We will publish the contact details in statements, at ATM's or through other means of communication to you, which you should use to report lost or stolen cards or cheque books or to advise us if your PIN, password or unique means of personal identification has been compromised.
- 19.4.5 When you report that a cheque book, savings account book, card or electronic purse has been lost or stolen or that your PIN, password or other unique means of personal identification has been compromised, we will give you a code or reference number. Please keep this number for future reference, as this is your proof of having reported the loss or theft.

19.5 Internet and Cellphone Banking

Internet and Cell phone banking services make some banking services and transactions more easily accessible. However, as with all our products and services, there are certain basic precautions that you should take to protect yourself against fraudulent transactions. Ensure that you familiarize yourself with these on your bank's website or Internet banking portal.

- Review your bank statements and reconcile your accounts regularly.
- Do not under any circumstances reveal your secret access code/ PIN/password or other unique means of personal identification to anyone, and especially not to one of our staff members, as this can be used to access your electronic banking facility.
- Check the site security certificate for the Internet banking site each time before you do your banking.
- Ensure that a temporary password is changed to a password of your choice known only to you.
- Should you be aware that your secret access code/ PIN/password or other unique means of personal identification has been observed by anyone, change it immediately.
- The security of your personal computer is your responsibility.
- Ensure that you read and are familiar with the Terms and Conditions of your bank's website and the product terms and conditions on the website.
- Take care when entering numbers while doing your banking and in particular with cellphone banking, so that when you make payments, you transfer the correct amounts to the correct accounts or beneficiaries. We cannot reverse duplicate or erroneous payments you make to other accounts without the specific consent of those account holders.
- Do not use the browser facility to store your password in order to avoid having to enter it each time you transact using Internet banking.
- Ensure that there is adequate anti-virus and security software installed and enabled on the computer you use for Internet banking.
- Rather type in our Internet address when logging in; do not use a link, ensure that the website is ours and not a fraudulent site and check the site security certificate for the Internet banking site each time before you do your banking;
- Treat e-mails, SMSes or calls you receive with caution and be aware that we will never ask you to reveal any personal account or security details (like your PIN, password, etc) in a letter, e-mail, sms or telephone call;
- Follow our advice - our websites are usually a good place to get help and guidance on how to stay safe online;

19.6 Statements

We recommend that you check your statements regularly. If your statement has an entry which seems to be wrong, you should tell us as soon as possible, so that we can resolve matters.

To assist you to manage your account and verify entries on it, we will provide you with regular account statements. These may be monthly, quarterly, or at a minimum annually, unless this is not appropriate for the

type of account. You may ask for account statements to be provided more frequently than normally available on your type of account. Statement details may also be available on request, through electronic banking terminals or other means of electronic or telephone banking if you have registered for such facilities with us.

You may be charged an additional fee for statements requested over and above those normally provided. You should manage your use of statements to meet your requirements taking into account the charges associated with providing them.

19.7 Cheques

- 19.7.1 We may keep (by arrangement) original cheques paid from your account or copies of these for a period of 5 years as prescribed by section 16 of the Payments Systems Management Act. If we do, we may charge a fee for supplying you with copies.
- 19.7.2 If, within a reasonable period after the entry has been made, you dispute a cheque paid from your account, we will give you the cheque or a copy (where the cheque has already been returned to you) as proof of the instruction to pay. We may charge a fee for doing so.
- 19.7.3 When we need to inform you that we have returned one of your cheques or other items as unpaid, we will do this within a reasonable period and in the most cost-effective way, assuring you of our efforts to maintain confidentiality and privacy. Ensuring that you have sufficient money to fund the cheque will enable you to avoid any penalty fees for returned cheques.
- 19.7.4 When you deposit a cheque you should remember that we usually act as a collection agent on your behalf. We may, at our discretion, credit the value of this deposit to your account and determine if that credit may be accessed before we get value for the cheque ourselves. Should we in turn not receive value for any reason, we will reverse the credit and any associated interest.
- 19.7.5 All banks (locally and internationally) work on the principle that if you hand a cheque to them for collection, they act as your agent to collect the funds from the cheque issuer's bank. As such, and given the complexities of a cheque clearing system, they cannot accept responsibility for the loss or theft of the cheque in the system. Consequently, if a cheque or other payment instrument you deposit for collection is lost or damaged, you will have to approach the issuer of the cheque or instrument to stop payment (if it has not already been paid out) and to issue a replacement cheque or instrument. If you provide us with the relevant details of the drawer of the 'lost' cheque, and you mandate us in writing to act on your behalf, we will take reasonable steps to get a replacement cheque. We may require an indemnity from you in case the original cheque has already been paid to you.
- 19.7.6 We will advise you of the various ways of issuing a cheque and all regulatory requirements and implications involved in the process upon your request.

19.8 Responsibility for Losses

- 19.8.1 After you inform us that a chequebook, savings account book, card or electronic purse has been lost or stolen or that someone else knows your PIN, password or other unique means of personal identification, we will take immediate steps to prevent these from being used to access your account.
- 19.8.2 Subject to paragraphs 19.8.3 and 19.8.4, we will refund you the amount of any transaction together with any interest and charges associated with the disputed transaction following the conclusion of an investigation and after consideration of all the facts:
- Where you have not received your card and it is misused by someone else;
 - For all transactions not authorised or effected by you after you have informed us (and we have given you a reference number) of the information listed in 19.8.1 (except "e-cash" transactions which we cannot audit).
 - If additional money is transferred from your account to your electronic purse after you have informed us of its loss or theft (and we have given you a reference number) and you have informed us that someone else knows your PIN, password or unique means of personal identification; or
 - Where system malfunctions have occurred in ATMs, or associated systems, which were not obvious or subject to a warning message or notice at the time of use.

- 19.8.3 If you act fraudulently you will be liable for all losses. You may also be liable if you acted negligently or without reasonable care and this has caused or contributed to losses, This may also apply if you fail to follow the safeguards set out in section 18.4.
- 19.8.4 Where a credit card transaction is disputed, we accept the burden of proving fraud or negligence or that you have received your card. In such cases we expect you to co-operate with us and with the police in any investigation.

Please note, however, that we will not be liable for any losses caused by circumstances that are beyond our reasonable control, such as the following:

- Your inability to access internet banking, or any other application associated with or reliant on internet banking, at any time, or any failure or delay in providing a service via the internet;
- A malfunction of any equipment (including telecommunications equipment) which supports our ATMs and internet, telephone or cellphone banking service;
- Your inability to access telephone or cell phone banking, or any other application associated or reliant on telephone or cell phone banking, at any time, or any failure or delay in providing a service via telephone or cell phone or a disruption of services caused by political actions or natural disasters.
- Your inability to transact on your account(s) due to non-compliance with the Financial Intelligence Act 3 of 2007 in that you have not enabled the Bank to satisfactorily establish and verify your identity.

19.9 Closure of Accounts

- 19.9.1 We will assist you to close an account that you no longer require. We will not close your account without giving you reasonable prior notice at the last address that you gave us.
- 19.9.2 We reserve the right, however, to protect our interests in our discretion, which might include summarily closing your account:
- if we are compelled to by law (or by international best practice);
 - if you have not used your account for a significant period of time;
 - if we have reasons to believe that your account is being used for any illegal purposes.

Your bank will inform you about the implications of abandoning an account (not using it) as opposed to closing it. For instance, there may be unclaimed balances with associated fees, balances may have to be written off and you need to know what the reclaim process is, if it applies to your account. Your bank may have internal rules that require that an account that is not used for a set number of consecutive days be made inactive until after the client comes into the bank to reactivate it.

19.10 Switching a transaction account to a new bank

We are committed to making it as seamless and easy as possible and reasonable for all personal transaction account customers to switch banks. Deposits and loans are individual contracts and you may terminate these according to the contractual terms.

Banks compete with each other to attract new transaction account customers. You should therefore compare their individual products and services, fees and charges.

A key aspect of switching banks involves transferring debit orders and regular credit payment (e.g. salary, grant and pension payments) from your old account to your new account. While we are committed to assist in ensuring that this process is smooth, the co-operation of all parties involved (especially debit order originators and salary, income and benefit payers) is required.

- 19.10.1 Your role in respect of your new bank
- As part of switching banks, you should first open a new account with the new bank. Your new bank has to provide you with all the appropriate information required to open account(s), transfer debit orders, arrange new stop orders, and if relevant, load your payments beneficiaries.
- If applicable, you must inform your employer of your new bank account details for your salary to be paid into.

19.10.2 Your role in respect of your old bank

You must give your old bank a clear instruction to close your account, and when this must be done. You should also ensure there are sufficient funds in the old account to cover any payments that are not switched timely.

19.10.3 The role of your new bank

Your new bank will inform you of the terms of the new account which you have opened, details of the standard fees and charges and interest rates that apply, together with a point of contact to assist with any queries.

The new bank may advise you on how to transfer debit orders and salary payments, arrange new stop orders, and, if relevant, load your payment beneficiaries.

When the new bank receives a signed debit order or salary redirect form/instruction, the new bank may inform all relevant existing debit order originators of your new account details for future deductions, if accordingly agreed.

The new bank will inform you of anybody such as debit order originators or your employer that would not accept these instructions from the new bank. In these instances you are responsible to have the account details changed with each party yourself.

19.10.4 The role of your old bank

You may be required to provide your new bank with information of the transactions you wish to switch to the new account. Your old bank will assist you, if requested, by providing the following basic transaction account information within 10 business days of receiving your proper instruction to close your account:

- up to 3 month's statements;
- a list of stop orders loaded;
- a list of beneficiaries loaded and
- any supplementary or linked cards or accounts which may be affected by the switching

In order to prevent fraud, your old bank may require positive and verifiable identification from you when you instruct it to close your account.

Your old bank will ensure that all its internal divisions act on your instruction to switch your debit orders which that bank collects to your new account, and that no artificial or unreasonable hurdles or demands are raised to prevent you switching bank accounts.

20. Debit Orders

We are committed to improving our systems to ensure the reliable operation of the debit order system, the prevention of unauthorized debit orders and the reliable stopping of debit orders where instructed.

20.1 Use of Debit Orders

You may use debit orders as a means of payment for a range of services. A debit order is an instruction by you to a third party (including a bank) to allow that third party to collect a payment from your account on a regular basis (e.g. monthly or annually). You can choose whether it will be a fixed amount (e.g. a loan repayment) or a variable amount (e.g. monthly cell phone charges).

When completing your instruction, you should select a date for the debit order deduction on which you will always have sufficient funds to cover the amount to be withdrawn (for example pay day). Ensuring that you have sufficient money to fund the debit order will enable you to avoid any penalty fees for rejected debit orders from the bank.

20.2 Stopping a Debit Order

You must cancel a debit order by providing written or other appropriate notification to the third party whom you authorized to make the deductions.

You may also stop a future debit order payment for a given period by requesting that your bank places a stop payment instruction on your account for the exact amount of the debit order.

Your bank will advise you regarding the period for which the stop payment instruction will be effective, and how it operates. You may also be charged a fee for implementing this stop payment instruction. You must be aware of any impact cancelling or suspending a debit order payment may have on your contractual commitments with the third party.

20.3 Disputes about Debit Orders

You should report any disputes relating to your debit order to your bank.

In particular, you should raise a dispute when the third party:

- has withdrawn an amount before the date specified in your instruction;
- continues to collect a debit order that you have cancelled or is subject to a stop payment instruction;
- debits your account for an incorrect amount;
- has collected a debit order you did not authorize or in a manner you did not authorize (e.g. split the collection amount or consolidate several debit orders); or
- has collected a debit order that is not consistent with your instruction.

Your bank may request you to provide proof of identity and to confirm the dispute. If your bank determines that the debit order is not authorized by yourself, your bank may reverse the transaction and any related fees. You will not be able to dispute a debit order if the authorization was done by you using your debit/cheque card and PIN.

21. What we expect from you

There are certain principles that you as our client should adhere to in our relationship.

Information

- It is essential that you keep us informed of any changes to your personal details or financial situation.
- You are obliged to inform us and keep us informed of all your loans, other financial commitments, income and changes to these whenever we review or discuss our relationship with you and to act responsibly in all your financial affairs at all times.
- To be fair, honest and reasonable in the way you interact with your bank,
- To comply with the rules applicable to the product or service as set out in the information provided to you by the your bank.

22. Dispute resolution

22.1 Internal Dispute Resolution

It is important that your disputes with us are addressed most effectively.

- 22.1.1 We have internal procedures that comply with the standards determined by the Bankers Association of Namibia for handling complaints fairly and speedily. Your complaint to your bank will be acknowledged to the address provided by you, within 5 (five) business days of receipt and will be investigated within 15 (fifteen) business days. We will provide you with information on these procedures on request.
- 22.1.2 If you wish to lodge a complaint, we will inform you how to do so and what to do if you are not satisfied with the outcome. Our branch, client-care or call centre staff will assist you with any queries. You might also be able to use our website for this purpose.
- 22.1.3 It is important that you contact us first and give us the opportunity to resolve your dispute before lodging a formal complaint.
- 22.1.4 We will submit quarterly reports to BoN of all complaints lodged indicating the manner in which they were resolved or handled.
- 22.1.5 Should you not be satisfied with the outcome of the investigation by your bank you can lodge a complaint with the Bank of Namibia in accordance with their Guidelines for Lodging Customer Complaints.

23. Review of the Code

The Bankers Association of Namibia will monitor and review this Code periodically. You can submit complaints and suggestions concerning the terms and general operation of the Code in writing to the Bankers Association of Namibia.

24. Useful Definitions

These definitions explain the meaning of some of the words and terms used in the Code. They are not precise, legal or technical definitions.

24.1 ATM (Automated Teller Machine)

A cash machine or freestanding electronic banking device dispensing cash which may also provide other information or services to clients who have a card and a PIN, password or other means of unique identification.

24.2 Bank

Includes wholly owned subsidiaries of the bank where they are engaged in providing banking services.

24.3 Basic banking service

The opening, maintenance and operation of accounts for transmission of money by means of cheque, other payment instruments, savings accounts, current accounts, call, notice and fixed deposits.

24.4 Cards

A general term for any plastic card used to pay for goods and services and to withdraw cash. For purposes of this Code, it excludes electronic purses.

24.5 Credit risk management services

Organisations such as credit bureaux which hold information which is of relevance to lenders, for example relating to credit risk, fraud, customer's identity and address or credit repayment profile. Banks may refer to them to assist with various decisions, e.g. whether or not to open an account or provide loans or grant credit. Banks may give information to or seek information from these service providers.

24.6 Credit scoring

A system which banks use to assist in making decisions about granting consumer credit. Credit scoring uses statistical techniques to measure the likelihood that an application for credit (a loan) will be a good credit risk.

24.7 Debit Order

An agreement between you and a company or a third party in which you authorise the company or third party to take money out of your banking account for services that entity provides to you. Debit orders may be for fixed or variable amounts.

24.8 Electronic purses

Any card or function of a card which contains real value in the form of electronic money which someone has paid for in advance, some of which can be reloaded with further funds and which can be used for a range of purposes. Some purses may also have an "e-cash" facility for small value transactions, which are not recorded in an audit trail.

24.9 Financial difficulties

Any circumstances which might have an adverse effect on a client's financial ability to fulfil contractual obligations.

24.10 Group

A group means a holding company and its subsidiaries as defined in the Companies Act 28 of 2004.

24.11 Password

A word or an access code a client selects to permit them access to a telephone or home banking service and which is also used for identification. A client may occasionally be supplied with a temporary password which must be changed by the client to a password unique to them. Temporary passwords may be less secure than other passwords and failure to immediately change this temporary password may be construed by the bank as negligence on the part of the client.

24.12 Personal client

A natural person, whether carrying on business or not, who maintains an account or who receives other services from a bank.

24.13 PIN (Personal Identification Number)

A number provided by the bank to a card holder or chosen by a cardholder/client, on a strictly confidential basis. Use of this number by the client will enable the client to withdraw cash and access other services from an ATM or point of sale device and can be used as an authentication mechanism on many other delivery channels.

24.14 Security/collateral

Words used to describe items of value such as a mortgage bond registered over a property, share certificates, life policies, etc, which represent assets used as support for a loan or other credit facilities. For example under a secured loan the lender has the right to sell the security if the loan is not repaid.

24.15 Set-off

When available funds in one account of an account holder are used by the bank to settle a debt or part of a debt in another account of the same account holder.

24.16 Stale cheque

A cheque which has not been paid because its date is too old. An example of this would be where a cheque is presented for payment six months after the date appearing on the cheque. There may be different time limits applicable and clients should verify these with their banks.

24.17 Stop order

An instruction given to your bank to pay funds to a nominated third party, at a fixed amount on a regular basis. The bank acts on your instructions and the third party is not given authority to debit your account as is the case with a debit order.

24.18 Suretyship

An undertaking given by a person called the surety, to pay the debts of another person (known as the principal debtor), if that person fails to pay.

24.19 Unique means of personal identification

A selection of memorable facts and information of a private and personal nature chosen by the client (the sequence of which is known only to the client) which can be used for identification and to verify identification when accessing accounts.

24.20 Unpaid cheque

This is a cheque, which, after being deposited into the account of the person to whom it is payable, is unpaid for whatever reason and subsequently returned to the account holder by the bank. This leaves the person to whom the cheque is payable without the money in their account. A replacement cheque needs to be obtained by the owner of the account (the 'payee').

24.21 "Opted out"

This refers to the customer's decision not to receive marketing information or related communication from the bank.

25. Contact details:

The Bankers Association of Namibia does not have a permanent office and secretariat as the Chairmanship of the Bankers Association rotates every year between the four commercial banks. If you require any information on the Code of Banking Practice, please contact your bank.



Members of the Bankers Association of Namibia:



Guidelines for Lodging Customer Complaints

January 2013

Bank of Namibia





Guidelines No. 1

Guidelines for Lodging Customer Complaints

Arrangement of paragraphs

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1. Short title

Guidelines for Lodging Customer Complaints.

2. Application

These guidelines apply to complaints relating to claims of less than N\$1,000,000.00 in respect of services and products offered by banking institutions.

3. Definitions

Terms used in these guidelines are as defined below, or as reasonably implied by contextual usage.

3.1 **Bank** – means Bank of Namibia;

3.2 **Complaint** - means an expression of grievance or dissatisfaction by a complainant, either verbally¹ or in writing, in connection with the:

- a) provision of a product or service to a complainant by a banking institution; or
- b) failure by a banking institution to provide a product or service to a complainant,

3.3 **Complainant** - means an individual or small business that expresses grievance or dissatisfaction to the Bank regarding the usage of any of the product or service provided by a banking institution, and includes a representative of such individual or small business.

3.4 **Small business** – means a business entity whose annual turnover is less than N\$1,000,000.00.

4. Purpose

The purpose of these guidelines is to:

- (a) provide for the establishment of complaint handling procedures in the Bank;
- (b) guide complainants on how to lodge complaints; and
- (c) ensure a consistent approach in resolving complaints.

¹A complainant can personally relate his/her complaint to the officer responsible for customer complaints at the Bank and the officer would convert the complaint into a written form in the presence of the complainant. In order to confirm the correctness of the complaint, the officer would read the complaint to the complainant who would be required to confirm the correctness of the said complaint by signing or making a mark with the right thumb on the letter of complaint. In instances where the complainant resides outside Windhoek, he/ she can lodge the complaint telephonically and the complaint would be converted in a written form and read back to the complainant to confirm its correctness. Copies of all statements and documents relating to the complaint would be forwarded to the Bank. The Bank is to ensure that there is evidence of the read back to the complainant upon confirmation of correctness. The readback to the customer is to be recorded by the Bank for future reference.



5. Scope

These guidelines apply to all complainants who submit complaints to the Bank and to banking institutions against whom such complaints are lodged.

6. Responsibility

Complainants are responsible for familiarising themselves with the principles contained in these guidelines and for considering these principles when submitting complaints to the Bank.

7. Submissions of documents to the Bank

- 7.1 The resolution of complaints by the Bank is a free service offered to customers of banking institutions and the Bank does not charge any fee for this service.
- 7.2 In these guidelines, “submit in writing or lodge a complaint to the Bank” means either in person or electronically-
- (a) by hand to the Head Office of the Bank, namely 71 Robert Mugabe Avenue, Windhoek;
 - (b) by post to the Head Office of the Bank, namely P.O. Box 2882, Windhoek;
 - (c) by electronic mail to the following address: info@bon.com.na;
 - (d) by facsimile to the following fax number: 061 283 5834;
 - (e) by telephone to the following telephone number: 061 283 5012 – the conversations between the complainant and the Bank will be recorded by the Bank for future references.
 - (f) by any other manner or at alternative addresses set out by the Bank from time to time.

8. Confidentiality of information

- 8.1 All complaints and documents submitted to the Bank by complainants are deemed confidential and the same applies to documents sent to complainants by the Bank.

9. Submission of complaints by complainants

9.1 A complainant may submit a complaint in writing to the Bank-

- (a) after the complainant has reported the complaint to the banking institution concerned and after fifteen (15) working days the banking institution has not responded to or acknowledged the complaint;
- (b) after the banking institution has rejected the complaint or if the complainant is not satisfied with the response given by the banking institution; or
- (c) upon showing a good cause why the complaint was not first reported to the banking institution.



9.2 Complaints should contain-

- (a) the name and contact details of the complainant and the name and contact details of the person submitting the complaint, if the two are different;
- (b) the name of the staff member who dealt with the original complaint, and the name and branch of the banking institution;
- (c) an accurate and short statement of facts giving rise to the complaint supported by documents, if any, and showing that the banking institutions acted wrongly; the nature and proof of the extent of the loss caused to the complainant;
- (d) a clear and short statement of the specific assistance sought; and
- (e) any other relevant information.

9.3 The Bank may not deal with -

- (a) a complaint that was not first reported to the banking institution concerned for resolution except for cases where good cause can be shown why the complaint was not dealt by the banking institution in the first case.
- (b) a complaint that was not reported to the Bank within three months from the date the complainant has received the response from the banking institution.
- (c) a complaint which is awaiting resolution or has already been resolved by any other institution, such as a Court of law.
- (d) a complaint that can best be resolved by a Court of law or through any other available dispute resolution process.
- (e) a similar complaint from the same customer that has been resolved previously through the Bank.
- (f) a complaint where legal action has been started.
- (g) a complaint that involves the exercise by a banking institution of its commercial judgments on lending policy, e.g. refusal to give a loan, unless there was failure on the part of the banking institution to follow the correct procedures and this unfairly affected the complainant.

10. Resolutions of complaints

10.1 Upon receiving a complaint, the Bank should, within seven (7) working days-

- (a) issue the complainant with an acknowledgment letter informing the complainant that the complaint will be forwarded to the concerned banking institution for its response.
- (b) inform the banking institution of the complaint and provide a copy of the complaint as well as a copy of the acknowledgement of receipt to the complainant.

10.2 The banking institution should submit in writing to the Bank its response to the complaint within fifteen (15) working days of receipt of the complaint. The banking institution may at the same time provide a copy of its response to the complainant.



- 10.3 The complainant may submit in writing to the Bank his/her reply to the banking institution's response within five (5) working days of receipt of the banking institution's response. The complainant may at the same time provide a copy of the reply to the banking institution.
- 10.4 All written submissions must be short and clear, and conform to any further requirements determined by the Bank from time to time.
- 10.5 The Bank may request additional information or documentation from the complainant or the banking institution relating to the complaint, and may specify the timeframe and the manner in which such information or documentation should be submitted.
- 10.6 Thereafter, the Bank may either, and in no particular order-**
- (a) dismiss the complaint, either wholly or partly;
 - (b) give assistance sought in the complaint, either wholly or partly; or
 - (c) take any other action or decision, as may be appropriate in the circumstances, or refuse to take any action or decision, as may be appropriate.

11. Decisions of the Bank

- 11.1 The Bank will make its decision regarding the complaint within fifteen (15) working days of receipt of responses from the complainant and the banking institution.
- 11.2 The Bank will inform the complainant in writing of its decision which should contain short findings of facts and conclusion.
- 11.3 If the Bank is unable to make a decision within fifteen (15) working days, it will inform the complainant and the banking institution of its inability and the reasons for such inability, and what measures are being taken to address the matter urgently.

12. Reconsideration of decisions

- 12.1 Any complainant or banking institution may request the Bank in writing to reconsider any decision made in terms of these guidelines, within fifteen (15) working days of the Bank making such decision, and the Bank may reconsider such decision within thirty (30) working days from receipt of such request.
- 12.2 The Bank may make its decision on reconsideration without further submissions being received, or it may provide an opportunity for the complainant or the banking institution to provide further written submissions in a manner determined by the Bank.
- 12.3 Any complainant or banking institution not satisfied with a decision made in terms of these guidelines has the right to seek redress before a competent Court.

Questions relating to these Guidelines should be addressed to the
Director, Strategic Communications and Financial Sector Development Department,
Bank of Namibia, Tel: 283 5114, fax: 283 5546 or e-mail: info@bon.com.na