CONTENT **PAGE NUMBER**

1. PREAMBLE 3
2. OBJECTIVES 4
3. CUSTOMER ENTITLEMENTS AND RESPONSIBILITIES 4
4. OUR KEY COMMITMENTS 7
5. ACCESS TO BANKING SERVICES 8
6. PRINCIPLES OF CONDUCT 9
   - 6.1 CONFIDENTIALITY AND PRIVACY 9
   - 6.2 EQUAL TREATMENT 10
   - 6.3 MARKETING, ADVERTISING PROMOTION, LOYALTY AND REWARDS PROGRAMMES 10
   - 6.4 CREDIT INSURANCE 12
   - 6.5 DISCLOSURE 13
   - 6.6 CHARGES AND FEES 14
   - 6.7 INTEREST RATES 15
   - 6.8 COPIES OF DOCUMENTS 15
7. ACCOUNTS 16
   - 7.1 OPENING AN ACCOUNT 16
   - 7.2 SWITCHING A TRANSACTION ACCOUNT 16
   - 7.3 CLOSING AN ACCOUNT 18
   - 7.4 STATEMENTS OF ACCOUNT 19
   - 7.5 SET-OFF 20
   - 7.6 CARDS AND PINS 20
   - 7.7 PROTECTING YOUR ACCOUNT 21
   - 7.8 RESPONSIBILITY FOR LOSSES 23

CONTENT		PAGE NUMBER

8.	CREDIT	24
	8.1 PROVISION OF CREDIT	25
	8.2 MORTGAGE LOANS	26
	8.3 VEHICLE FINANCE	26
	8.4 SURETYSHIP	28
	8.5 FINANCIAL DIFFICULTIES	27
	8.6 DEBT ENFORCEMENT AND RECOVERY	29
9.	PAYMENT SERVICES	30
	9.1 CHEQUES	30
	9.2 FOREIGN EXCHANGE SERVICES AND REMITTANCES	31
	9.3 INTERNET, TELEPHONE AND CELL PHONE BANKING	32
	9.4 DEBIT ORDERS	33
10.	DISPUTE RESOLUTION	35
11.	REVIEW OF THE CODE	37
12.	USEFUL DEFINITIONS USED IN THE CODE	38
13.	STANDARD TERMINOLOGY	45

1. Preamble

The Code of Banking Practice ("the Code") is a voluntary code that sets out the minimum standards for service and conduct you can expect from your bank with regard to the services and products it offers, and how we would like to relate to you. The Code only applies to personal and small business customers.

In the text of the Code, "you" means the customer and "we", "our" and "us" refer to your bank. There is a section at the end of the Code which contains definitions of useful banking terms. These appear in *italics* in the text of the Code.

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 are committed to meeting the standards set out in this Code. Our relationship with you will be guided by four key principles, namely **fairness, transparency, accountability and reliability**.

In the Code we refer to issues that may be subject to specific legislation and regulation which may change from time to time and will take preference over the Code.

We accept the jurisdiction of the Ombudsman for Banking Services to mediate, to make binding determinations based on this Code and on the law where appropriate, and to make recommendations in other circumstances including those based on equity. A determination made by the Ombudsman for Banking Services may be made an order of the court. If we refuse to abide by a recommendation of the Ombudsman for Banking Services, the Ombudsman may publish the recommendation and the relevant bank's refusal to comply.

Copies of the Code are available from us and from The Banking Association South Africa. You can also view the Code on The Banking Association's website at www.banking.org.za or on your bank's website. The contact details of the relevant Ombudsman services appear on The Banking Association's website and in section 10 of the Code.

THIS CODE APPLIES FROM: 1 January 2012

2. Objectives

This Code has been developed to:

2.1 promote good banking practices by setting minimum standards for your bank when dealing with you;

2.2 increase transparency so that you can have a better understanding of what you can reasonably expect of the products and services;

2.3 promote a fair and open relationship between you and your bank; and

2.4 foster confidence in the banking system.

3. Customer entitlements and responsibilities in terms of the Code

Below is a summary of your entitlements and responsibilities in your relationship with your bank. The summary is discussed in greater detail in the body of the Code and the text in the body will always prevail.

3.1 Your entitlements

As a customer or potential customer you can expect the following reasonable conduct from your bank as more fully outlined and detailed in the body of the Code. Your bank will:

- Act fairly, reasonably and ethically towards you.
- Provide you with effective and adequate disclosure of information, including the Terms and Conditions of products and services.
- Provide you with information in a plain and understandable language format.
- Ensure that its staff members attend to your transactions and enquiries promptly.
- Provide you with at least 20 *business days* (or 5 *business days* in the case of credit agreements) notice before the implementation of changes in the Terms and Conditions, fees and charges, the discontinuation of products and / or services and the relocation of premises.
- Acknowledge a formal complaint within 3 business days and attend to the investigation thereof within a reasonable time.
- Provide affordable and accessible basic banking services to all South Africans.
- Take reasonable measures to attend to the physical needs of persons with disabilities.
- Treat your information as private and confidential.

- Not unfairly discriminate against you on the grounds of marital status, gender, age or race in providing you with banking services.
- Make sure that all marketing and promotional material sent to you for advertising purposes are clear, fair, reasonable and not misleading.
- Not to use your information for marketing and promotional purposes when you have opted out of receiving marketing communication.
- Provide you with information on relevant fees and charges for the services and products that you have chosen or are enquiring about.
- When you become a customer, or upon enquiry, give you information about the interest rates which apply to your account/s in compliance with applicable legislation.
- Before, or at the time that you open an account, advise you on the rights and obligations relating to that account.
- Not close your account without reasonable prior notice given to you at your last contact details.
- Provide you or make available on request, regular statements of account to enable you to manage your account and verify entries on such account.
- After you have informed the bank about the loss or theft of a chequebook, savings account book, card or electronic purse take immediate steps to prevent these from being used to access or misuse your account.
- Enable you to reliably stop debit orders.
- Provide you with the details of the Ombudsman for Banking Services if you are not satisfied with the resolution of a dispute, or with the outcome of a dispute handling process.

3.2 Your responsibilities

The body of the Code that follows includes a number of responsibilities that your bank expects you to fulfill in your relationship with your bank. For ease of reference these responsibilities include the following:

- It is your responsibility to disclose all relevant information as part of any credit application to us so that we may make an informed decision to grant credit to you.
- You are responsible to ensure that you do not extend yourself beyond your financial means.
- Where credit is granted to you it is your responsibility to ensure that sufficient credit insurance cover is in place to protect you and /or your

family in the case of losing your regular income (e.g. loss of employment, disability, or death).

- All products and services offered by us are governed by a set of general and specific Terms and Conditions. Although we will take all reasonable steps to advise and inform you of these Terms and Conditions, it is your responsibility to read and understand the Terms and Conditions.
- Before we are allowed by law to establish a relationship with you, or from time to time during the existence of such a relationship, we are required to perform certain identification and verification steps about you. It is your responsibility to assist us in performing these legal obligations to ensure that our relationship can lawfully be established or continue.
- In the event that you wish to switch your account to a new bank we will assist you in this process. However, you are responsible to provide the new bank with all the relevant information to assist you in switching your account transactions. You are, however, ultimately responsible for ensuring that your account details are changed with each third party service provider or the party that makes a payment to your account.
- It is your responsibility to inform us of any change in your *contact details* or in your financial affairs as and when this occurs.
- You are responsible to check and verify all the entries included in statements for correctness, and to inform us immediately in the event that you do not agree with any entry or item that reflects on such statements.
- Protecting your *card* and *PIN* is a crucial security measure for which you are responsible. You should never disclose your *PIN*, or other unique means of personal identification to anyone, including an employee of the bank.
- To enable us to take the necessary measures to prevent or limit fraud or theft on your account it is your responsibility to inform us as soon as possible when you discover any unauthorized activities on your account.
- When making use of our *ATM* services, you should take note of any cautionary notices that may be placed at *ATM*s for your protection, and exercise due caution accordingly.
- It is important to familiarize yourself with the circumstances under which you may be responsible for any losses suffered by you as a result of fraud, theft, or where you acted without reasonable care.

- The purchase of immovable property carries a great deal of responsibility. You should take independent qualified advice on the structural or other condition of the property before concluding such a purchase.
- When considering buying a motor vehicle you should ensure that you deal with a reputable dealer or individual.
- Binding yourself as a *surety* for another person's debt is a risky decision. You must keep in mind that you are effectively undertaking to take on the responsibilities of that other person in the event that he/she/it does not honour his/her/its responsibilities in accordance with the terms and condition agreed to between that person and the bank. You should take independent legal advice before agreeing to be a surety or guarantor.
- In the event that you run into difficulty in meeting your financial obligations toward the bank it is your responsibility to advise the bank of this as soon as possible.
- When making use of internet, *telephone* or *cell phone* bank*ing* channels you should take reasonable steps to prevent fraud, theft or the unauthorized use of your account or *personal information.*

4. Our key commitments

We, the members of The Banking Association South Africa, undertake that we will act fairly and reasonably in a consistent and ethical manner toward you.

We undertake to:

4.1 continuously work towards improving the standards of practice, service and effective access to appropriate financial services in the banking industry;

4.2 promote better informed decisions about our banking products and services by:

- providing effective and adequate disclosure of information;
- 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 authorised to give such advice. You can approach your bank to obtain summaries of transactions on your account, and if you ask, we will assist you to calculate the costs to you of your transaction behaviour. We will give you information to assist you for purposes of comparing different banks' transaction products. Alternatively we will refer you to

appropriate external sources or we may recommend that you seek advice from someone such as your legal or financial adviser.

4.3 provide information to you in plain and understandable language, using standardised terminology and offer assistance on any aspect which you do not understand;

4.4 ensure that all products and services comply with relevant laws and regulations and the standards set out in this Code; and

4.5 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.

We are committed to providing you with the highest standards of service. In order to meet our commitment, we will ensure that:

4.6 our staff is trained to provide friendly and efficient service, so that your transactions, enquiries and feedback will be attended to promptly;

4.7 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;

4.8 unless longer periods are specified by applicable legislation, you will be informed 20 *business days* (or 5 *business days* with regard to credit agreements) 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 *ATM*s; and

4.9 your complaint to your bank will be acknowledged within 3 *business days* of receipt and will be investigated within a reasonable period of time.

5. Access to banking services

We are committed to providing affordable and accessible *basic* bank*ing services* to all South Africans. 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 recognise the banking needs of customers with disabilities and we will take 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, *ATM*s 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 necessary arrangements to move your accounts to another branch (if applicable) or to access them through alternative means.

6. Principles of conduct

6.1 Confidentiality and Privacy

We will treat all your *personal information* as private and confidential, and, as a general rule, we will not disclose any *personal information* about you or your accounts, including to other companies in our G*roup* (even when you are no longer a customer) unless under the following specific circumstances:

i. when we are compelled by law to disclose the information;

ii. when we have a legal duty to the public to disclose the information;

iii. when we have to protect our interests by disclosing the information (for example, to prevent fraud). However, we will not use this as a reason for disclosing information about you or your accounts (including your name and address) to anyone else;

iv. when you have asked us or if we have your consent to disclose the information;

v. when your account is in default and you have not made satisfactory arrangements with us for the repayment of the debt, or

vi. Your *cheque* has been "referred to drawer", in which case the information may be placed on a *cheque* verification service.

If your account is in default, 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; or
- we are required by law to disclose the information to *credit risk management services.*

Before transferring your information to any third party *servi*ce *provi*ders, we will take reasonable steps to satisfy ourselves that such information will 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.

6.2 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. 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.

6.3 Marketing, Advertising, Promotion, Loyalty and Reward Programmes

6.3.1 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 use your information for marketing and advertising purposes. 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.

6.3.1.1 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.

6.3.1.2 When you apply for credit, and the product allows for regular pre-approved credit limit increases, we will give you the option to decline any such pre-approved credit limit increases.

6.3.1.3 We will not:

i. make any offer of credit to you, including an offer to increase your overdraft or credit facility, on the basis that the offer will automatically come into existence unless you decline the offer; and

ii. enter into a credit agreement at your home or office, unless you have specifically arranged with us to meet you at these places.

6.3.1.4 When we contact you with an offer to take up credit, we will:

i. only contact you if we believe on the basis of public information available to us that you may be able to afford the credit;

ii. confirm your identity, advise you that this is an offer of credit and ask whether you would like to continue the conversation;

iii. explain the product to you, so that you can make an informed decision, if you have indicated your interest; and

iv. advise you that you will be taken through the appropriate credit vetting and customer verification processes, should you accept the offer.

6.3.1.5 We will not contact you for direct marketing purposes if you have informed us or registered your details in a recognised registry to exclude you from any direct marketing communication; however it may take up to 30 days for such pre-emptive block to become effective.

6.3.1.6 We will not contact you at home for purposes of direct marketing on:

(a) Sundays or public holidays;

(b) Saturdays before 09h00 and after 13h00; and

(c) all other days between the hours of 20h00 and 08h00 the following day

unless we do so with your express or implied consent.

6.3.2 Promotions

6.3.2.1 When we run promotional competitions, we will not tell you that you have won the competition if there was no competition and we will not require that you pay something in exchange for the prize, after the competition results have been announced.

6.3.2.2 We will not tell you that you have a right to a prize, if this is untrue and we will also not expect you to pay anything or to buy anything in order to get the prize.

6.3.2.3 Once the promotional competition has started we will make a copy of the rules available.

6.3.3 Loyalty and Reward Programmes

When we offer *loyalty* and *reward programmes*, we will make the following information available to you if you ask for it:

i. the nature of the *loyalty* or *reward programme*, credit or award being offered;

ii. the goods or services to which the offer relates;

iii. the steps required by you to participate or to receive any benefit in terms of the *loyalty* or *reward programme*; and

iv. how, when and where you may have access to the *loyalty or reward programme*, or to any loyalty credit or awards in terms of the *loyalty* or *reward programme*.

There may be a partial or complete restriction on the availability of any goods or services in exchange for *loyalty credits or awards* during any specific period of the programme, and if so this will be communicated to you in writing.

When we offer *loyalty credits*, they are regarded as a legal medium of exchange and can be offered or tendered as consideration (payment) for the specified goods or services which are offered by the *loyalty programme*.

6.4 Credit Insurance

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, including the possibility that you may use an existing insurance policy as security.

We will also advise you of the risk of not taking out sufficient insurance to cover your obligations in case of your death.

6.5 Disclosure

We undertake to make full and detailed disclosures to you about our Terms and Conditions and products and services.

6.5.1 Terms and Conditions

We will ensure that:

6.5.1.1 our Terms and Conditions are fair, lawful and written in plain and understandable language. Legal and technical language will only be used where necessary and the Terms and Conditions will be clearly distinguishable from marketing or promotional material;

6.5.1.2 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 they will be provided as soon as practicable afterwards;

6.5.1.3 our staff is available to give you further clarification and to answer any queries that you may have about the Terms and Conditions;

6.5.1.4. before you enter into the agreement, we will draw to your attention any limitation of liability, exclusion, indemnity or assumption of risk in the Terms and Conditions.

When the Terms and Conditions of your product or service change, we will tell 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.

6.5.2 General banking products and services

We will provide you or a potential customer, when requested, with information concerning our banking products and services, including:

6.5.2.1 clear and appropriate information on the different types of products and accounts available from us and their key features, to assist you to make an informed choice appropriate to your needs;

6.5.2.2 information on how to open an account and how an account works as well as recommended safety measures;

6.5.2.3 how *debit order*s and *stop orders* work, the difference between the two and how to stop and/or cancel them;

6.5.2.4 information on electronic banking services including the special requirements and precautions which we expect of you if you bank electronically;

6.5.2.5 the different functions of any *card(s)* issued to you; and

6.5.2.6 when you can withdraw funds after a *deposit* has been paid into your account and when funds begin to earn interest.

Upon request, we will provide you with the necessary advice or refer you to the appropriate sources.

6.6 Charges and fees

We will:

6.6.1 provide you with information on relevant *fees* and *charges* (including all commissions payable) for the service or product that you have chosen or are enquiring about;

6.6.2 make our standard *fees* and *charges* available at all bank branches and other appropriate channels;

6.6.3 inform you of the basis of *charges* for services rendered that are not included in the standard *fees* and *charges* at the time the services are offered or on request and whether these *fees* and *charges* are negotiable;

6.6.4 provide calculation tools on our website, in our branches or through our call centers to assist you to determine the cost of our transaction products for your specific transactions pattern, to enable you to compare our products with those of other institutions, and to choose the appropriate one for you;

6.6.5 inform you of additional *charges* or expenses that you may have to pay, including any *charges* when your account becomes overdrawn without prior agreement, you exceed your overdraft limit, your loan falls into arrears, when you make an early withdrawal or early cancellation and when a *debit order* is returned;

6.6.6 notify you at least *20 business days* before any changes in *fees* or *charges* take effect as well as any change in the basis on which the *fees* and *charges* are determined by using the most appropriate two or more of the following methods (in the event of credit agreements we will notify you within 5 *business days*):

i. letter, statement messages or other personal notices;
ii. notices or leaflets in branches or outlets;
iii. *ATM* or electronic banking system messages;

iv. telephonic announcements, e-mail or short message service (sms);
v. announcements on our website or any other electronic media;
vi. media advertisements; or
vii. any other communication channel available to us.

6.7 Interest rates

When you become a customer, or upon reasonable enquiry, we will give you information about the interest rates which apply to your account(s), in compliance with applicable legislation, including:

i. when *interest* will be deducted from or paid to you;
ii. the basis on which interest is calculated;
iii. when changes (increases or decreases) are made to the *interest* rates which apply to your account(s).

6.8 Copies of Documents

6.8.1 At your request, and within legal and practical document retention frameworks, we will provide you with a copy of any of the following documents we have relating to a banking service you have or have had with including:

- a credit agreement (including Terms and Conditions, standard fees and charges and interest rates) or other contract;
- any mortgage or other security document;
- a statement of account; or
- a notice or letter of demand that has been issued to you.

6.8.2 We will give you a copy of the document:

- within 10 *business days,* if the original came into existence within 1 year of your request;
- within 20 *business days*, if the original came into existence between 1 and 3 years before your request;
- otherwise within a reasonable time or as required by legislation applicable to certain documents.

6.8.3 We may charge you a reasonable fee for providing you with a copy of a document, unless it is a copy of a credit agreement or document required by the National credit Act (*NCA)* in which case the original or first replacement copy of such a document will be free of charge, while fees for any further copies may be charged as provided for by regulation.

7. Accounts

7.1 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:

7.1.1 the type of account and how and by whom the account may be operated;

7.1.2 how funds may be deposited or withdrawn from the account;

7.1.3 the usual time taken for clearing a *cheque* or a payment instrument credited to the account;

7.1.4 any minimum balance requirements and the *charges* payable if the balance falls below the prescribed minimum;

7.1.5 any rights of *set-off* claimed by your bank*;*

7.1.6 the requirements for closing the account; and

7.1.7 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. change of name upon marriage, change of residential address, or change in company/Close Corporation details).

7.2 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 number of independent comparison calculators are available (e.g. on the internet or in the media) to assist you in this. We will also assist you to calculate our costs for your specific transaction pattern via our web site, call centre or branch services.

A key aspect of switching banks involves transferring *debit orders* and regular credit payments (e.g. salary, grant and pension payments) from your old account to your new account. While we are committed to 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.

7.2.1 Your role in respect of your new bank

As part of switching banks, you should first open a new account with the new bank. You may request a "switching guide" from this bank which will provide you with all the necessary information needed to switch banks. You will need to provide the new bank with the appropriate information to transfer *debit orders*, arrange new *stop orders*, and, if relevant, load your payment beneficiaries.

When the new bank informs you of anybody such as *debit order* originators that would not accept these instructions from the new bank, you must have the account details changed with each party yourself.

You must inform your employer of your new bank account details for your salary to be paid into.

7.2.2 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 request the old bank to keep the old account open for at least 6 weeks, so that you can ensure that all your transactions have been switched to the new account.

You should also ensure there are sufficient funds in the old account to cover any payments that are not switched in a timely fashion due to the actions of third parties. You should contact those transaction originators who, for whatever reason, fail to switch account numbers within a reasonable period (e.g. within 4 weeks of notification).

7.2.3 The role of your new bank

Your new bank will provide you with a copy of the Terms and Conditions 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. Your new bank should remind you to include any annual debit orders or stop orders in your switching instructions.

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.

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.

7.2.4 The role of your old bank

You may be required to provide your new bank with information of the transactions you wish it 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 months' 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 or subsidiaries 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.

7.3 Closing an account

7.3.1 We will assist you to close an account that you no longer require.

7.3.2 We will not close your account without giving you reasonable prior notice at the last contact details that you gave us.

7.3.3 We reserve the right, however, to protect our interests in our discretion, which might include closing your account without giving you notice:

- if we are compelled to do so by law (or by international best practice);
- if you have not used your account for a significant period of time or
- 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.

7.4 Statements of account

To assist you to manage your account and verify entries on it, we will provide you with regular account statements, including through electronic banking terminals or other means of electronic or *telephone* bank*ing* if you have registered for such facilities with us. The frequency of the statements will vary by the type of account, e.g. you will receive a statement for your mortgage at least every 6 months; every month for your overdraft and credit *card* facility and every two months for any other credit agreement, unless otherwise agreed or unless there have not been any transactions. You will need to check with your bank as to whether it is possible to have account statements provided more frequently than normally available on your type of account.

For accounts where statements are provided, those statements will show:

7.4.1 for each transaction since the previous statement

- i. the amount of the transaction;
- ii. the date the transaction was made;
- iii. the *cheque* number of any *cheques* paid out of your account; and
- iv. for *card* transactions, automatic payments, direct credits, direct debits and other payments, reference to the party who is making or receiving the payment, if such information is available to us;

7.4.2 any fees and charges relating to the operation of the account;

7.4.3 the same opening balance for each successive statement as the closing balance on the previous statement;

7.4.4 the contact details for making enquiries or reporting errors in the statement as soon as you find them;

7.4.5 a summary and breakdown of *charges* and *interest* (both debit and credit) on every account, which may assist you to understand the costs of your transactional behavior; and

7.4.6 a periodic reminder of your rights as a bank customer.

Statement details may also be available on request.

At your request, we will provide you (in certain instances) with a statement of the following:

7.4.7 the current balance of your account;

7.4.8 the amount required to settle the account in full;

7.4.9 any amounts credited or debited to your account during any specified period;

7.4.10 any amounts currently overdue and when each such amount became due; and

7.4.11 any amount currently payable and the date it becomes due.

We recommend that you check your statements or *savings account* book regularly. If it has an entry which seems to be wrong, you should tell us as soon as possible, so that we can investigate the problem and correct any errors where required.

7.5 *Set-off*

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. Any such arrangement will be concluded in terms of the requirements of the *NCA*, if the credit agreement is subject to the *NCA*.

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 *set-off* 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.

7.6 Cards and PINS

In order for you to access and transact on your accounts, we may issue you a *card*, *PIN*, *password* or other *unique means of identification*, or replace one that has already been issued, and may charge fees for this.

When we issue you with a *card*, we will ensure that the *card* and the *PIN* are issued separately and will take reasonable steps to satisfy ourselves that these have been received by you.

Where we issue you with a *PIN* we will take reasonable care to ensure that the *PIN* is issued in confidence. If you collect or receive your *card* and *PIN* personally, we will require proof of your identity.

Your *PIN, password* and other *unique means of identification* are strictly confidential. You should never disclose your *PIN*, *password*, or other *unique means of personal identification* to anyone, and specifically not any employee of the bank.

We will tell you if you can select your own *PIN*, *password* or other *unique means of personal identification* and inform you of the procedures to change your *PIN*, *password* or other *unique means of personal identification* when the need arises.

You may request your bank to issue additional cards, also called secondary cards. These cards will be issued to the secondary cardholders and they will be provided with their own *PIN*, *password* or other *unique means of personal identification.* You will however be responsible for all transactions relating to the secondary cards. You may request your bank at any time to cancel a secondary card, in which case you must ensure that the secondary card is destroyed or returned to the ban*k* – if you do not do it, you may be liable for the use of the *card*.

7.7 Protecting your account

Please ensure that you keep us informed of any changes to your *personal information*, including any changes to your name, address, phone number or e-mail address.

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:

7.7.1 do not keep your cheque book or your *PIN* and *cards* together;

7.7.2 do not allow anyone else to use your *card*, *PIN*, *password* or other *unique means of personal identification*;

7.7.3 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;

7.7.4 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;

7.7.5 are alert to the risk of muggings, card swapping and other criminal activities when using *ATM*s or other electronic banking devices;

7.7.6 do not use *PIN*s that are easy to guess, such as 1111 or 12345 or your date of birth, and use your *card* with care.

7.7.7 You may be able to subscribe to receive transaction notifications via sms that may be used to alert you of unauthorized activity on your account.

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

7.7.8 your cheque book, savings account book, *cards* and/or *electronic purse* have been lost or stolen;

7.7.9 someone else knows your *PIN*, *password, information about your accounts or personal information* or your other *unique means of personal identification*; or

7.7.10 there are transactions on your accounts, which you have not authorised;

7.7.11 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.

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.

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.

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.

You should treat your *electronic purse* as cash in a wallet. You may lose any money left in the "e-cash" part of the *electronic purse* at the time it is lost or stolen, in just the same way as if you lost your wallet.

Please be aware that you may be vulnerable to crime when you use certain *ATMs*. You should adhere to any notices of caution at *ATMs* in order to protect yourself against crime. In particular, be wary of anybody who comes near you or attempts to distract you while you are using an *ATM*.

7.8 Responsibility for losses

After you have informed us that a cheque book, *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.

You will be liable for all losses, if you acted fraudulently. You may also be liable for losses, if you acted negligently or without reasonable care and this has caused or contributed to losses. This may apply if you fail to follow the safeguards set out in paragraph 7.7 above.

Furthermore, you may be liable for losses if you have not informed us as soon as reasonably practicable after you discover or believe that your secret codes or devices, if any, for accessing the e-banking services have been compromised, lost or stolen, or that unauthorized transactions have been conducted on your accounts.

Unless we can show that you have acted fraudulently, negligently or without reasonable care, we will refund you the amount of any transaction together with any interest and charges associated with the disputed transaction in the following circumstances and after consideration of all the facts:

7.8.1 where you have not received your *card* and it is misused by someone else;

7.8.2 for all transactions not authorised or effected by you after you have reported loss or theft of your *card* or chequebook or that your *PIN* may be compromised;

7.8.3 if additional money is transferred from your account to your *electronic purse* after you have informed us of its loss or theft and you have informed us that someone else knows your *PIN*, *password* or *unique means of personal identification*;

7.8.4 where system malfunctions have occurred in *ATM*s, or associated systems, which were not obvious or subject to a warning message or notice at the time of use (we will have to investigate each matter separately); or

7.8.5 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:

7.8.6 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;

7.8.7 a malfunction of any equipment (including telecommunications equipment) which supports our *ATM*s and internet, telephone or cell phone banking service;

7.8.8 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

7.8.9 a disruption of services caused by political actions or natural disasters.

8. Credit

The NCA applies to all natural persons (individuals) and only juristic persons (such as companies) with an annual turnover of less than one million Rand. When we extend credit, we apply all the NCA principles and requirements to you as a natural person as discussed in this section. Section 8 of the Code should be read in this context.

8.1 Provision of Credit

8.1.1 We will extend credit to you in a manner that is responsible and that matches your borrowing requirements and financial capability, so as to ensure as far as possible 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.

8.1.2 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.

Before extending credit, we will

8.1.3 assess your general understanding and appreciation of the risks and costs of the proposed credit and your rights and obligations under the credit agreement. We will make available to you educational information on how to manage debt and how to manage specific products, such as your mortgage, where appropriate, as outlined in more detail below;

8.1.4 assess your ability to afford and willingness to repay the credit you applied for. This credit assessment may take into account a range of factors, such as:

i. your income and expenses and statement of assets and liabilities;
ii. how you handled your financial affairs in the past;
iii. how you have conducted your previous and existing accounts with us;
iv. information obtained from *credit risk management services* and related services, and other appropriate parties, for example, employers, other lenders and landlords; and
v. any *security* or collateral provided.

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

8.1.6 If we decline your application for credit and you request the reason/s, we will provide you with the main reason/s, in writing, which could include:

i. the overall *credit score*;
ii. information obtained from *credit risk management services*;
iii. the outcome of the credit assessment;
iv. over-indebtedness; or
v. a specific policy of the bank.

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

8.2 Mortgage loans

When you apply for a mortgage loan, and on request, we will make available to you written information about:

8.2.1 the 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;

8.2.2 the potential impact of variable versus fixed interest rates;

8.2.3 the possibility of losing your property should you not keep up your loan repayments;

8.2.4 the need to be careful when signing building progress payment documents;

8.2.5 the role of your bank in appraising the property and the difference between a market valuation, the assessed *security* value of the property, and the minimum replacement cost placed on the buildings and improvements for insurance purposes;

8.2.6 how to get advice on the structural quality of the property, compliance with local authority requirements and replacement costs of the buildings and improvements from the proper experts. (Your bank is not responsible for determining the structural quality or any defects in the property); and

8.2.7 how annual insurance premiums and other *charges* and administrative matters can be dealt with after your mortgage loan has been repaid in full.

8.3 Vehicle finance

8.3.1 You are entitled to get quotations from various banks before you enter into a *credit agreement* with a specific bank.

8.3.2 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 for 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.

8.3.3 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 you get all the required documents from your bank which will show that you are registered as the official owner and title holder of the vehicle.

8.3.4 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.

8.3.5 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.

8.3.6 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.

8.3.7 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.

8.3.8 You may not take your vehicle outside of South Africa without the written consent of your bank and your insurer while it is still subject to the credit agreement.

8.4 *Suretyships*

Suretyships may have serious implications, therefore we will ensure that the surety receives proper information - this may be you when you provide surety for someone or when someone provides surety for you.

When you offer a *suretyship* for someone else and when someone else offers a *suretyship* for you (in both instances, called "the surety"), we will advise the surety

8.4.1 to take independent legal advice to make sure that s/he understands the commitment and the potential consequences of such a decision;

8.4.2 that by giving the *suretyship* or other *security* s/he may become liable instead of, or as well as, the person whose debt is being secured;

8.4.3 whether the *suretyship* is a limited (and the maximum value) or unlimited *suretyship* and explain the implications of an unlimited *suretyship*.

We will also inform the surety

8.4.4 of the implications of the *suretyship* in terms of the periods of validity, the potential amount/s of indebtedness, the nature of the debt covered and the cancellation/termination process;

8.4.5 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.

8.5 Financial Difficulties

8.5.1 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.

8.5.2 You and your bank will jointly review your situation and develop a plan to address your financial difficulties. If you are a *personal customer* and the discussion reveals that you are over-indebted, or you believe you are over-indebted, you may want to approach a *debt counsellor* for assistance and where available, your bank will provide you with contact details of *debt counsellors* at your request. Where you have credit with a number of banks, you will need to have this discussion with each of your banks.

8.5.3 Alternatively, you may wish to engage in the voluntary debt mediation process in terms of the rules of the National Debt Mediation Association. The Banking Association South Africa subscribes to the Code of Conduct of the National Debt Mediation Association, and we will comply with the requirements of that Code of Conduct in providing relief to over-indebted consumers.

8.6 Debt Enforcement and Recovery

Should your account go into default, your bank's 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.

Before taking any legal action, your bank will send you a written notice drawing the default to your attention and making you aware of your options to resolve the default, including contacting your bank, approaching an accredited debt mediator or a debt counsellor, or an alternative dispute resolution agent, consumer court or ombud, if you believe that the account or the default is in dispute.

If your bank refers your account for legal action, your bank will advise you in writing of the process and the additional cost implications. Your bank will take reasonable steps to ensure that any agents, including attorneys, acting on their behalf, perform their duties ethically, responsibly and within the cost parameters allowed by law.

Your bank will set standards of conduct for debt collection agencies acting on its behalf, which will be contained in an agreement that we will conclude with the agencies.

Your bank will require that they:

i. act within the law;
ii. refrain from action prejudicial to its business, integrity, reputation and goodwill;
iii. observe a strict duty of confidentiality in respect of customer information and
iv. do not resort to intimidation or violence, whether verbal or physical, harassment or any other improper collection methods in their debt recovery actions.

Your bank shall remain accountable to you for the conduct of its agents, including debt collection agencies. Your bank will not incur unreasonable costs and expenses in the process of recovering the debt owing and will provide you with a detailed breakdown of the costs and expenses that your bank has incurred upon request.

If your bank cedes or sells your account to a third party we will ensure that these agreed practices form part of the Terms and Conditions of such sale or cession.

9. Payment services

9.1 Cheque accounts

When you open a *cheque* account, and on request, we will provide you with information on:

9.1.1 the time taken generally to clear a *cheque* and how a *cheque* may be specially cleared, including the various methods of issuing a *cheque* and how a *cheque* can be made out to reduce the risk of unauthorized alterations;

9.1.2 stopping a *cheque* or other types of payment;

9.1.3 the difference between and the implications of bank guaranteed *cheques* and bank *cheques*, where appropriate;

9.1.4 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;

9.1.5 how a *cheque* can become a *stale cheque* and the effect of this; and

9.1.6 the implications of a dishonoured *cheque*.

The following arrangements are applicable to *cheques* and related matters:

9.1.7 We may keep (by arrangement) original *cheques* paid from your account or copies of these, for the period prescribed by law. If we do, we may charge a fee for supplying you with copies.

9.1.8 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.

9.1.9 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.

9.1.10 When we become aware that a *cheque* deposited by you is returned unpaid, we will inform you thereof within a reasonable period and in the most cost-effective way.

9.1.11 When you deposit a *cheque* you should remember that we usually act as a collection agent on your behalf.

9.1.12 If a *cheque* is deposited into your account, the proceeds of the *cheque* will only be available as cash when the drawer's bank has honoured the *cheque,* irrespective of the *cheque* clearance period. We may, at our discretion, determine if you may access this value before we receive such proceeds ourselves (i.e. before the *cheque* is honoured). However, if the *cheque* is not honoured for any reason, we will reverse the credit and any associated interest. This will also apply to cheques processed with special clearance.

9.1.13 If a *cheque* payment is sent to us by post, for depositing into your account, we will only be obliged to credit your account when we receive the payment. The risk of the postal *cheque* payment being intercepted, lost or stolen while in transit to us remains your risk until the payment is received by us.

9.1.14 If a *cheque* is lost or damaged after being deposited, you will have to approach the issuer of the *cheque* 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*.

9.2 Foreign exchange services and remittances

If you receive money from abroad or wish to transfer money abroad, we will notify you of any requirements from the South African Revenue Service and/or the South African Reserve Bank relating to cross-border payments and remittances.

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*.

When you have transferred money abroad we will give you an indication of when the money you have sent abroad should be available to the recipient and any reason for potential delays.

When money is transferred to your account or received from abroad, we will tell you the original amount received and any commission or charges you will have to pay.

We will also give you information when you or the recipient must pay the foreign bank's charges. If it is not possible to provide specific details of charges, we will inform you of the basis on which these will be worked out.

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.

9.3 Internet, telephone and cell phone banking

Internet, telephone and cell phone banking services make some banking services and transactions more easily accessible. However, as with all our products, there are certain precautions that you need to take to protect yourself against fraudulent transactions. Ensure that you familiarize yourself with these on our website or Internet banking portal, or with our telephone or cell phone banking departments.

We will take reasonable measures to ensure that our internet banking systems and technology are secure and are regularly reviewed and updated for this purpose. We will further:

9.3.1 provide you with regularly updated information on how to access internet banking services, including details about your customer ID, selection of appropriate passwords and the availability of additional authentication or security options, how to maintain your security and what your liability for unauthorized transactions will be;

9.3.2 inform you of the applicable Terms and Conditions relating to the use of internet banking services, including any fees and charges;

9.3.3 advise you of the current transaction limits that apply to our internet banking services. These limits may change from time to time and are available upon request;

9.3.4 inform you of what procedures you must follow to report unauthorised access to your information, accounts or disputed transactions using your internet banking service and provide you with effective and convenient means to notify us of security incidents and easily accessible contact points to report such activity as soon as you are aware of it; and

9.3.5 ensure that transactions of our e-banking services can be traced and checked as long as they are received by our systems.

In order to protect yourself from unauthorized electronic access to your accounts, please ensure that you:

9.3.6 review your statements and reconcile your accounts regularly;

9.3.7 change your temporary *password* to a *password* of your choice known only to you. Failure to change this temporary password immediately may be construed by the bank as negligence by you.

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. Change any of these if you believe that someone may know your secret access code/ *PIN*/*password* or other *unique means of personal identification*;

9.3.8 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;

9.3.9 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;

9.3.10 do not use computer terminals to which members of the public generally have access;

9.3.11 install and enable adequate anti-virus and s*ecurity* software on the computer you use for Internet banking. Do not leave your computer unattended when you are logged into your internet banking site;

9.3.12 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;

9.3.13 take care when entering numbers while doing your banking and in particular with telephone and cell phone 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;

9.3.14 follow our advice - our websites are usually a good place to get help and guidance on how to stay safe online;

9.4 *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.

9.4.1 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 fees for rejected *debit order*s from your bank.

Authority for the *debit order* can be given in paper form or by using your debit card and *PIN*, if your bank allows for it. In exceptional cases voice mandates may be given to the third party provided that it is followed up by written confirmation from you within the stipulated period.

9.4.2 Types of *debit orders*

There are two main categories of debit orders namely *EFT Debit Orders* and Early Debit Orders (EDO). The difference is that Early Debit Orders are collected from your account shortly after midnight immediately after the processing of *EFT* credit payments such as salary payments. If unsuccessful, the third party can re-attempt to collect the debit order from your account for a number of days or automatically present the debit order when a deposit is made into your account (so-called "tracking").

On the other hand, *EFT debit orders* are processed later in the day (on the date which you chose), mainly after normal business hours. If an *EFT debit order* is returned "Not provided for" on two consecutive mandated action dates the beneficiary or third party must remove the *debit order* from the system, unless they get a new instruction (mandate) from you for future payments.

9.4.3 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. 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.

9.4.4 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 authorise 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 authorised by yourself, your bank may reverse the transaction and any related fees. You will not be able to dispute a *debit order* if the authorisation was done by you using your debit card and PIN.

10. Dispute resolution

Internal dispute resolution

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, customer care or call centre staff will assist you with any queries. You might also be able to use our website for this purpose.

We will send you an acknowledgement within 3 *business* days of receipt of your complaint to the contact details you have provided. We will let you know what the status of the investigation of your complaint is within 14 *business* days and we will give you an estimated time limit for the complaint to be finalised by us.

When we send you our final response we will also tell you how to take your complaint further, if you are not satisfied with the outcome.

Ombudsman for Banking Services

If we do not resolve your dispute, or you are not satisfied with the outcome of our dispute handling process, you are welcome to make use of the services of the Ombudsman for Banking Services. We will also, where relevant, give you information on other Ombudsman offices, which might have jurisdiction over your complaint.

An independent Ombudsman for Banking Services Office has been established. The Ombudsman for Banking Services is available at no cost to you to consider any complaint that we have not been able to resolve with you.

The Ombudsman for Banking Services is entitled to mediate, make a determination based on this Code or on the law where the law is reasonably certain or make a recommendation in other circumstances including those based on equity. If we decline to accept any recommendation made by the Ombudsman for Banking Services, then the Ombudsman may, at his or her discretion, publish the fact that a recommendation was made and we have refused to accept it. A determination made by the Ombudsman for Banking Services may be made an order of the court

All banks that are members of the Banking Association South Africa are automatically subject to the jurisdiction of the Ombudsman for Banking Services. We will supply you with the Ombudsman for Banking Service's brochure, address, telephone and fax numbers on request and we will ensure that the Ombudsman for Banking Service's contact details are prominently displayed in our branches. If we fail to resolve your dispute with us, or at your request, we will provide you with the documentation required to lodge a complaint with the Ombudsman for Banking Service's Office.

The current contact details of the Office of the Ombudsman for Banking Services are:	
The Ombudsman for Banking Services **P O Box 5728,** **Johannesburg,** **2000**	**Telephone number: 0860 800 900, (011) 712 1800** **Fax number: (011) 483-3212** **Website: www.obssa.co.za** **Email: info@obssa.co.za** **1st Floor, Houghton Place, 51 West Street, Houghton, Johannesburg South Africa**

11. Review of the Code

The Banking Association South Africa monitors and reviews this Code periodically. You can submit complaints and suggestions concerning the terms and general operation of the Code in writing to the Banking Association South Africa.

The current contact details of the Banking Association South Africa are	
The Banking Association **P.O. Box 61674** **Marshalltown** **2107**	**Telephone number: (011) 645 6700** **Fax: (011) 645 6896** **Website: www.banking.org.za** **Email: webmaster@banking.org.za**

12. Useful definitions

These definitions are not precise, legal or technical definitions and are intended to assist you with your broader understanding of banking terms used in the Code.

ATM: (Automated Teller Machine): A machine that you use to withdraw cash and to access other banking services including for example balance enquiries and prepaid purchases.

Basic banking services: The opening, operation and maintenance of Transaction accounts.

Business days: Any day other than public holidays, Saturdays and Sundays.

Card: A general term for any card used to give you access to banking services, including paying for goods and services and to perform functions at an ATM or point of sale device.

Card holder: This is a bank customer who has been given a card.

Cash withdrawal: A transaction where you withdraw cash from your account. This can be done in a variety of ways including at certain stores, at ATM's and in bank branches.

Cell phone banking: A means by which you can access your account using your cell phone.

Charges: Amounts which you may be charged in respect of a product, an account or a service offered by a bank.

Cheque: A written order on a printed form telling a bank to pay money to the person named on the printed form, or to the person presenting the cheque (when addressed to "cash").

Cheque account: An account that offers you access to your funds by writing cheques which will be honoured by your bank provided sufficient funds are available in your account to cover the amount for which the cheque was written, or if the account operates with an overdraft that has not been fully used.

Cheque encashment: When you present a cheque for cash at a bank branch.

Collection costs: An amount that you may be charged in respect of costs incurred to obtain the services of a third party, such as a debt collector or attorney, to assist the bank in enforcing its rights under a credit agreement where you have defaulted or breached the Terms and Conditions of such an agreement.

Contact details: Details you have provided to your bank at which you would like to receive notices and other communications. This may include postal, email, telephone and cell phone information. Where you are required to provide an address for legal notices, you must provide a physical address.

CPA: This is an abbreviation that stands for the Consumer Protection Act 68 of 2008. This Act aims to promote a fair and accessible marketplace for consumer products and services and for that purpose to establish national norms and standards relating to consumer protection, to provide for improved standards of consumer information, to prohibit certain unfair marketing and business practices, to promote responsible consumer behaviour, to promote a consistent legislative and enforcement framework relating to consumer transactions and agreements.

Credit Agreement: A legal contract in terms of which a bank loans to you a certain amount of money for a specified amount of time. The credit agreement outlines all the rules and regulations associated with the contract, including the periodic repayment by you of the loan plus interest.

Credit scoring: A system which banks use to assist in making decisions about granting you credit, for example a home loan, overdraft, vehicle finance, personal loan or credit card. Credit scoring measures the likelihood that you will be able to repay your debt to the bank.

Credit risk management service providers: Organisations such as credit bureaux that hold information which is of relevance to lenders**,** for example information 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. The National Register of Credit Agreements instituted by the NCA is included in the ambit of this definition.

Debit order: An agreement between you and a third party in which you authorise or mandate the third party to collect money from your account for goods or services that the third party provides to you. For example a debit order can be used to pay the premium for your car insurance.

Default administration charges: A charge that may be imposed by a credit provider in terms of the NCA, to cover administration costs incurred as a result of a consumer defaulting on an obligation in terms of a credit agreement.

Deposit: When money is put into an account, thereby increasing the credit balance or reducing any debit balance.

Dormant account: Accounts on which no customer initiated activity has occurred for a period pre-determined by the bank in accordance with the rules relating to the specific type of account and which contain monies that have not been claimed.

Electronic purse: Any card or function of a card into which money is prepaid 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.

EFT: Electronic Funds Transfer – A direct payment to a third party from your account by any electronic means, including ATM, cell phone, telephone and internet.

Exchange rate: This is the current market price at which one currency can be exchanged for another.

FAIS: Is an abbreviation that stands for the Financial Advisory and Intermediary Services Act No. 37 of 2002. This Act aims to regulate the business of all Financial Service Providers who give advice or provide intermediary services to customers regarding a wide range of financial products. In terms of FAIS Financial Services Providers need to be licensed and the conduct of persons is controlled by various codes of conduct and enforcement measures.

Fees: Amounts which may be charged by the bank for services rendered to a customer or in connection with a customer's account. Banks also refer to them as "charges".

FICA: Is and abbreviation that stands for the Financial Intelligence Centre Act No. 38 of 2001. This Act aims to combat money laundering activities and places certain duties on banks to report suspicious activities on bank accounts and to obtain and verify certain information from you prior to opening a bank account or concluding a single transaction with a bank at which you do not have a relationship.

Financial difficulties: Any circumstances which might have an adverse effect on a customer's financial ability to fulfil contractual obligations in terms of agreements entered into.

Initiation fee: This is a prescribed maximum amount which may be charged at inception of a new credit agreement in terms of the NCA.

Interest: Where the term is used in the context of interest to be charged or paid, this is the amount charged to you in respect of the amount you owe or where interest is paid to you in respect of your savings or investments. This is usually expressed as a percentage with reference to a period (example: per

annum). Credit interest is the interest that the bank pays to customers who deposit money at the bank and debit interest is the interest that the bank charges customers that borrow money from it.

Internet banking: An internet based system that allows you to transfer money between your accounts, pay bills, see statements and perform other transactions over the internet.

Loyalty credit or award: This is any benefit which may accrue to a consumer, or a right to goods, services or other benefits. It also includes points, credits, tokens, devices or other in/tangible things which you can accumulate and entitles you to certain goods, services or benefits which are part of a loyalty programme.

Loyalty programme: This is any arrangement or scheme where a supplier of goods or services or a similar entity offers or grants any loyalty credit or award in connection with a transaction or agreement, to consumers.

Mini-ATM (Self Service Device): A device in a store that dispenses a voucher that you may redeem for cash at that store's till.

Mortgage bond: A mortgage bond is the preferred right to an asset given as security for a home loan by a prospective homeowner to a lender, whereby the home buyer is lent enough money to buy a specific property. This agreement is structured over a specific period – usually 20 or 30 years – and usually requires monthly repayments of the debt, at an interest rate that is either flexible or fixed.

Fixed mortgage interest rate: A fixed interest rate means that the interest rate will remain unchanged for a specified period of the loan. During this period the interest rate will therefore not be affected by market rate fluctuations.

Variable mortgage interest rate: A variable interest rate means that the interest rate applicable to the loan is linked to the prime rate, i.e. when the prime interest rate is increased, the interest rate charged on the outstanding loan amount will also be increased and if the prime rate drops, the interest rate charged on the loan will also decrease.

NCA: This is an abbreviation that stands for the National Credit Act 34 of 2005. This Act aims to regulate the business of credit providers and places a variety of obligations on credit providers that are mainly aimed at protecting credit consumers. These include the prevention of reckless lending practices and measures to enhance disclosure of information to credit consumers.

Password: A word or an access code a customer selects to permit him or her access to a telephone, the internet, or cell phone banking service and which is also used for identification. A customer may occasionally be supplied with a temporary password which must be changed by the customer to a password unique to them.

Penalties: Fees or charges which may be charged in the event of misconduct on an account or in respect of a service.

Personal customer: Any individual, who maintains an account or who receives other services from a bank.

Personal information: This is information relating to an identifiable, living, natural person, and where it is applicable, an identifiable, existing juristic person, including,

(a) information relating to the race, gender, marital status, national, ethnic or social origin, colour, age, language and birth of the person;

(b) any identifying number, symbol, e-mail address, physical address, telephone number or other particular assignment to the person;

(c) correspondence sent by the person that is implicitly or explicitly of a private or confidential nature or further correspondence that would reveal the contents of the original correspondence.

PIN (Personal Identification Number): A number provided by the bank to a card holder or chosen by a cardholder/customer, on a strictly confidential basis. Use of this number by the customer will enable the customer 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.

Point Of Sale (POS): A point of sale/service machine is used to perform electronic transactions. It can provide many types of services, including credit/debit card processing, cheque reading and cash or prepaid services transactions.

Prepaid purchase: This is a transaction in terms of which you pay upfront for a service that is to be provided at a later stage when you require the use of such service, for example the prepaid purchase of call time on your cell phone.

Principal debt: This is the total amount payable, including fees allowed by the NCA (such as initiation fees, extended warranties) for which you are liable in terms of credit agreements entered into by you.

Savings account: A savings account is an account that you mainly use for the purpose of saving money and earning interest on such savings, which can be withdrawn at any time. It normally offers less transacting functionality than a transaction account as the main objective of this type of account is not transacting but saving.

Self Service Terminal: A bank branded device that you may use for various banking services including third party payments, statements and pre-paid purchases, but excluding cash withdrawals.

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 dispose of the security if the loan is not repaid.

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.

Site security certificate: Secure web sites which use encryption must obtain a site or host certificate. A closed padlock in the status bar of your browser window will show the certificate.

Small business: An association of natural or legal persons incorporated in or outside the Republic of South Africa, which has legal personality or enjoys a similar status in terms of which it may enter into contractual relations and legal proceedings in its own name and whose turnover for the last financial year was less than R5 million.

Special clearance of a cheque: Typically, a deposited cheque will take 7 working days before it is cleared and a customer is able to access the funds. However, if the customer requests a 'special clearance' at the time of making the cheque deposit, the bank will speed up the processing of the cheque, and clearance can be obtained in 2 working days. The bank may charge a fee for this special service. Note that the special clearance only facilitates the process, it does not guarantee payment.

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 customers should verify these with their banks.

Stop order: An instruction given by you 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.

Stop payment: An instruction to your bank not to honor the payment of a cheque, stop order or debit order.

Subscription: The process by which you sign on for the receipt or use of a product or service on a regular basis, for example subscribing to receive sms notifications whenever a transaction is performed on your bank account.

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

Telephone banking: This is a service that may be offered by your bank that allows you to perform transactions on your account by giving instructions over the telephone.

Third party payment: An instruction given to your bank to make a payment to your nominated person that has or will be providing goods or services to you. The payment is made by the bank on your instruction and your bank account is debited with the amount paid.

Transaction Account: Is an account into which you can make or receive deposits and from which you can make third party payments.

Transfer: This is the transaction that occurs when you move money from one banking account to another account that you have with the same bank, thereby debiting the one account and crediting the other account with the amount transferred

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 that account holder by the bank. This leaves the person to whom the cheque is payable without the money in their account. A replacement cheque may need to be obtained by the depositing account owner. Stolen or fraudulent cheques may also be regarded as unpaid.

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

Written: Includes electronic representations of information which are stored sent or received by electronic means.

13. Standardised Terminology

Your bank will use a number of standard terms in order to assist you in comparing the prices of the core features of **Transaction Accounts as defined in Section 12 for Individuals**. They are not precise, legal or technical definitions. Section 12 provides useful definitions that will help you to understand this section.

All product and pricing documentation in relation to Transaction Accounts will use the standard terminology below. Where other terms are used for the same type of transactions your bank will create an effective link back to the standard terminology, to enable customers to compare products and pricing effectively.

Your bank will allow you to make payments in many different ways, such as over-the-counter in a branch, at an ATM, at a merchant, on the internet and using your cell phone. Your bank may charge you a different fee depending on how you perform the same transaction. For example, the amount charged as a Cash Withdrawal Fee may differ according to whether you withdraw cash through an ATM or in a branch. Your bank is responsible for clarifying which fee is applicable in each situation.

The inclusion of a fee in the standardised terminology does not mean that your bank must or will charge a fee. It simply means that, if your bank does include this fee in relation to a Transaction Account, your bank must use the standardised terminology to describe it.

The following terms are used in respect of fees and charges for Transaction Accounts:

Balance enquiry fee: The balance enquiry fee is charged when a customer wants information regarding the actual and available balance/s on his/her account.

Card fee: This may be charged for having the use of a card.

Card replacement fee: A fee charged for the replacement of a card that is lost, damaged or stolen.

Card transaction fee: You may be charged a fee when you use your card to make a purchase or a payment.

Cash withdrawal fee: You may be charged a fee when you withdraw cash from your account.

Cash deposit fee: You may be charged a fee when you deposit cash into your account.

Cheque deposit fee: You may be charged a fee when you deposit a cheque into your account.

Cheque payment fee: A fee may be charged by the bank when you make a payment by cheque.

Cheque encashment fee: A fee that may be charged when a cheque you have written is presented on your account for cash.

Debit order fee: A fee may be charged by the bank when you make a payment by debit order.

Unpaid debit order fee: A fee may be charged when you make a payment by debit order and there is not enough money available in your account to make the payment.

Unpaid cheque fee: A fee may be charged when you make a payment by cheque and there is not enough money available in your account to make the payment.

Third party payment fee: This is a fee that may be charged when you make a payment to a third party.

Prepaid purchase fee: A fee that may be charged when you buy a prepaid service (e.g. telephone airtime or electricity) through your bank (e.g. at an ATM).

Service fee: A fee that may be charged by your bank in connection with the routine servicing of your account.

Statement fee: You may be charged a fee for the provision of a statement.

Stop order fee: A fee that may be charged by the bank when you make a payment by stop order.

Stop payment fee: A fee that may be charged by the bank when you request your bank not to pay a debit order or cheque.

Subscription fee: You may be charged a fee for subscribing to specific services that your bank offers.

Transfer fee: You may be charged a fee for the transfer of funds between your accounts at the same bank.