



Mashreq Bank

Kuwait Branch

Customer Protection Manual

General Principles of Customers Protection in the banks:

The general principles of customers protection mentioned below represent the minimum limit of rules which the banks shall be obliged to apply and observe on their dealings with the customers.

First Principle: Dealing Fairly and Equally:

The banks, throughout all stages of their dealing with customers, shall observe that their dealings will be distinguished by fairness, equality, equity and honest, and that they will be keen on making this approach a part of the rules of governance with them. Also, they shall give a more interest, attention and special care to the customers with limited income and education, of old ages, and persons with special needs, without distinction between the two sexes.

Second Principle: Disclosure and Transparency:

The banks shall provide to their customer all information relating to the services and products offered by them, in order that this information shall be characterized by clarity and easy understanding, simplicity and accuracy, ensuring the knowing of customer of the merits and risks, with transparency and clarity, in order that the

customers will not assume suffering for purpose of obtaining this information, and the banks shall observe that this information offered to the customers would include a clarification to the rights and liabilities of those customers, details of prices, commissions and fees received by each bank against every service or product, as well as a clarification of merits and risks connected with them, and the mechanism of finalizing the relation and what is resulting thereof, facilitating the customers to take their decisions. The advices offered to the customers shall be compliant with his abilities, capabilities and financial objectives, in the light of what is possessed by it concerning these products and services, and observing instigating the customers to provide accurate and comprehensive information about their positions and needs, with what can be given by the banks of providing proper services and advices.

Third Principle: Financial Enlightenment and Awareness:

The banks shall place the plans, programs and mechanisms suitable for developing and spreading the financial and banking knowledge for their present and potential customers, and seeking for increasing the level of awareness and enlightenment with them, enabling them to identify all related aspects, with what is offered to them of banking services or products, accordingly, assisting in taking studied decisions, and directing them to the suitable authority through which they can obtain additional information, if they have need thereto; and the banks shall clarify to the customers their rights and liabilities, in particular, the individual customers with limited income and education.

Fourth Principle: Occupational Behavior:

The banks shall be keen on practicing and performing their work with a responsible, occupational method, taking into consideration achieving the best interest to customers in all stages of their dealing with the bank, considering that it is responsible for protecting the customer, in what is offered to him of banking services and products. At the top of these behaviors, come the integration, credibility and verification of suitability of services and products offered to the customer for his capabilities, abilities and needs, with making sure of the provision of sufficient training to the employees of bank who contact with the customers and offer the banking services to them.

Fifth Principle: Protection of customers against financial fraudulence:

The banks shall protect the deposits and savings of customers and other financial assets which are falling in the circle of their dealings with the bank, through placing the effective internal control systems which are characterized by efficiency and high level of accurate control with aim of limiting the processes of fraudulence and embezzlement or misusing the financial services, and continuously making sure of the efficiency of the used systems for keeping up with the changes in the fraudulent ways.

Sixth Principle: Privacy Protection and Information Confidentiality:

The banks shall place the control systems, mechanisms and policies which ensure the protection of financial and personal information of their customers, that all dealings with the banks have secrecy and it is not permitted to review or disclose the same, except as organized by law and current legislations, and the banks shall provide the safe systems of electronic dealings.

Seventh Principle: Treating complaints of customers:

The banks shall give sufficient care to treating the customers' complaints with a fast, fair and independent way, and to make sure that the customers' complaints unit with it perform its responsibilities effectively, in the light of presence of clear and defined mechanisms for following up and treating these complaints without delay, and the customers' complaints units shall be given the suitable care and supervisor by the Boards of Directors of the banks, and that the banks shall have an internal mechanism for solving the disputes with customers.

Eighth Principle: Competitiveness:

The required information shall be provided for performing comparisons among the best banking and financial services and products available to the banks from the banks, and it includes the easy transfer and movement among the banks and among the different services and products, without suffering or complications, and that it would be with a reasonable cost, taking into consideration that it would lead to

raise the level of quality of what is offered by the banks of services to their customers.

Ninth Principle: Protection to customers from risks of outsourcing operations:

In case of taking assistance of the banks of operational services from external authorities, the outsourcing operations, the compliance of outsourcing authorities with principles included in this manual shall be verified, and they shall work for the interest of banks' customers, and that they assume the responsibility of protecting them, including keeping on the banking secrecy of their information, taking into consideration the continuation of responsibility of the banking products and services providers of the banks for the actions taken by these external authorities, and that the banks shall obtain what is reinforcing the obligation of these authorities with applications of customers' protection, and the customers' complaints unit in the banks shall undertake the responsibility of making sure of that.

Tenth Principle: Conflict of Interests:

Every bank shall have a clear, written policy approved by its board of directors with regard to the conflict of interests, which shall make sure, on a continuous basis, of the sufficiency of followed procedures and applicable policy in detecting the probable cases of interest conflict, and that they are applied in an effective way. And making sure that any cases of interest conflict would be disclosed as per what

is determined by this policy, as well as what is imposed by the rules and systems of governance issued by the Central Bank of Kuwait in this regard.

