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## **1. Preamble**

Model Fair Practices Code is a set of guidelines designed to ensure that Service Provider working as agents of American Express Banking Corp. act and conduct in conformity with the laid down policies and procedures as set in the Code.

## **2. Definitions**

- 2.1 The term “Service Provider” in this document refers to all Direct Collections Agencies, Vendors and their employees working as agents for American Express Banking Corp.
- 2.2 The term ‘Bank’ refers to American Express Banking Corp.
- 2.3 The term “Customer” refers to existing customers of the Bank.
- 2.4 The term ‘services’ refers to services that the service provider agrees to provide the Bank in pursuant of an agreement.

## **3. Applicability**

- 3.1 Upon adoption and inclusion as part of agreement between the Bank and the Service Provider this code will apply to all persons involved in collections of any loan or other financial product of the Bank.
- 3.2 The Service Provide must agree to abide by this code prior to under taking any direct collections operation on behalf of the Bank.
- 3.3 Any Tele Collections Executive & Field collection personnel found to be violating this code will be permanently removed from working on the Bank processes handled by the Service Provider and such action taken should be reported to the Bank from time to time by the Service Provider.
- 3.4 Failure to comply with this requirement may result in permanent termination of business of the Service Provider with the Bank and may even lead to permanent blacklisting of the service provider and/or its personnel by the industry.

- 3.5 A declaration is required to be obtained from Collection Executives & Field personnel, by the Collection Agencies before assigning them their duties is annexed to this Code.

**4. Field visits / Calls to Customers**

**a) Visiting / Calling hours**

Collectors are not allowed to visit or call debtors before 7.00 am or after 7.00 p.m.

**b) Precautions to be taken on visits / contacts**

1. Field Collections Executive will respect personal space, maintain adequate distance from the customer.
2. Field Collections Executive will not enter the customer's residence / office against his / her wishes.
3. Field Collections Executive will respect the customers' privacy.
4. No alcoholic beverages are to be consumed while on the job.
5. Collectors will not use abusive language, threaten or use strong-arm tactics.
6. If the customer or customers threaten(s) to approach law enforcement authorities over any action of the personnel of the service provider, the service provider shall provide timely information to the Bank about such threat and events leading to such threat.
7. If the service provider or its personnel come into contact with law enforcement authorities during rendering services or if approached for law enforcement authorities over the service rendered to the Bank, the service provider shall notify the Bank about the incident and events leading to such incident.

**c) Appearance & Dress Code**

1. The Field Executive must be in proper attire while meeting up with Customer. The Field Collection Executive should wear a clean and well-ironed shirt and pants.

2. The Field Collection Executive should carry the Identity card provided to him by the Service Provider. The identity card issued by the Service Provider should state the full name, designation of the Field Sales Executive along with his photograph and the details of the service provider such as name, address and contact telephone numbers. The executive must display prominently the said identity card on person.

## **5. Payment from Customers**

- 5.1 Payments - Service Provider shall forward to the Bank all payments within 24 hours of receipt from the customers. No amount shall be retained / deducted by them as collection fee. All payments received by the Service Provider in respect of Accounts assigned to them, collected in the form of cash/account payee cheque/bank draft/pay order payable to the Bank, shall be deemed to have been collected only on realization of the amount by the Bank. Any liability arising out of loss of Cash or any other payment instrument shall be solely of the Service Provider and the Service Provider shall be liable to make good to Bank the amount within 24 hours of such loss.
- 5.2 Issue of Receipts and maintenance of Receipt Books: - Service Providers are required to issue official receipts for all payments received using receipt books approved by the Bank. All receipt books are to be used solely for the Accounts assigned by the Bank to them. A register of such receipt books must be maintained in their office to control the movement of receipt books issued to their staff.

Each receipt book should contain no more than twenty (20) receipts plus carbon copies. Every receipt should have an original, bank, office; permanent copy, i.e. four leaves. Official receipts are to be used in numerical sequence and spoilt receipts are to be retained and stapled to the receipt books in numerical sequence.

All used receipt books must be retained at the Service Provider's office for auditing by the Bank.

## **6. Use and disclosure of Confidential Information**

- 6.1 Confidential Information includes but is not limited to all proprietary and confidential information of the Bank or its subsidiaries, affiliates, or licensees, including without limitation all information, in any form, tangible or softcopy, including without limitation applications, charts, data, documents, forms, instruments, papers or statements, regarding the Bank or any of its subsidiaries, affiliates, or licensees; the customers or debtors of the Bank or the customers of any of its subsidiaries, affiliates, or licensees, the accounts, account numbers, names, addresses or any other personal identifier of such customers; or any information derived therefrom.
- 6.2 The Service Provider must not use or disclose Confidential Information for any purpose other than the purpose for which the Confidential Information was provided to the Service Provider as set forth in the Agreement, and agrees to cause all the Service Provider's employees, agents, representatives, or any other party to whom the Service Provider may provide access to or disclose Confidential Information to limit the use and disclosure of Confidential Information to that purpose.
- 6.3 The Service Provider agrees to implement appropriate measures designed to ensure the security and confidentiality of Confidential Information, to protect such information against any anticipated threats or hazards to the security or integrity of such information, and to protect against unauthorized access to, or use of, Confidential Information that could result in substantial harm or inconvenience to any customer of the Bank or any of its subsidiaries, affiliates, or licensees; the Service Provider further agrees to cause all the Service Provider's agents, representatives, subcontractors, or any other party to whom the Service Provider may provide access to or disclose Confidential Information to implement appropriate measures designed to meet the objectives set forth in this paragraph; and the Service Provider shall provide the Bank with copies of audits and test result information sufficient to assure the Bank that the Service Provider has implemented information security measures consistent with this paragraph.
- 6.4 On the expiry or termination of relationship with the Service Provider, the Service provider shall hand over or cause to be handed over all such Confidential Information and all other related materials in the Service Provider's possession to the authorised officer of the Bank

- 6.5 In the event of a breach or threatened breach by the Service Provider of this clause, monetary damages may not be an adequate remedy; therefore, the Bank shall be entitled to injunctive relief to restrain the Service Provider from any such breach, threatened or actual.

## **7. Leaving messages and contacting persons other than the Customer**

- 7.1 The Service Provider must ensure that calls are first made to the customer/immediate family member or any person specifically authorized to receive messages.
- 7.2 In the event the customer not available, a message may be left for him/her, the aim of the message should be to get the customer to return the call or to check for a convenient time to call again. Ordinarily, such message may be restricted to Customer's accountant/secretary/spouse, authorized by the Customer.

## **8. No misleading statements/misrepresentations permitted**

The Service provider and its personnel will not mislead the customer on any service offered. The Service provider should not mislead the customer about its business or organization's name or falsely represent themselves as Bank's employees and should not make any false / unauthorized commitment on behalf of Bank for any facility / service.

## **9. Professional Representations and Conduct**

The Service Provider and its employees shall use their best efforts to ensure maximum recovery on all Accounts PROVIDED, HOWEVER, THAT, in so doing:

- a. The Service Provider shall, at all times, comply with all laws and regulations governing the conduct of debt collectors, commercial agents and like persons, as such laws and regulations apply to Service Provider, in force in any jurisdiction in which the Service Provider shall perform the Services.
- b. No methods or tactics used by the Service Provider or any personnel engaged by the Service Provider will be inconsistent with or repugnant to the policies of the Bank nor should it bring discredit to the reputation of the Bank and should the Service Provider have any doubt as to whether any method or tactic might contravene this sub-

clause the Service Provider shall consult the Bank before employing such method or tactic and shall abide by any decision of the Bank with respect thereto.

- c. The Service Provider / its collectors shall not seek to secure the arrest or committal of any customer, unless advised by the Bank.
- d. The Service Provider shall not do anything that can give a right to any person for a civil liability for tort or criminal.

## **10. Gifts or Bribes**

- 10.1 The Service Provider or its personnel will not accept gifts or bribes of any kind from Customer / Prospect.
- 10.2 The Service Provider or its personnel will report any offer / bribe made by the customer / Prospect to the Bank
- 10.3 The Service Provider or its personnel will not offer any gifts / gratitude in cash or kind to the customer to solicit business

## **11. Inspection and Right to Audit**

- 11.1 The Service Provider shall keep complete and accurate records of all the operation and expenses in connection with the Services provided to the Bank.
- 11.2 All such records shall be kept on file by the Service Provider for a period of two years from the end of the financial year to which they pertain or for which they are made, whichever is later.
- 11.3 The Service Provider shall, upon reasonable notice, allow Bank its representatives, its auditors and its regulators, the opportunity of inspecting, examining and auditing the Service Provider's operations and business records, which are directly relevant to the Services.
- 11.4 The Service Provider shall permit authorized representatives of the Bank to examine and audit the Service Provider's records/processes in connection with any Account including receipt books, cashbooks, etc. at any time during business hours.
- 11.5 The Service Provider will cooperate with the Bank's internal or external auditors to ensure a prompt and accurate audit.

- 11.6 The Service Provider shall also cooperate in good faith with AEBC to correct any practices, which are found to be deficient as a result of any such audit within a reasonable time after receipt of the Bank's audit report.
- 11.7 All such audits or reviews will be at the expense of the Bank. However, if the audit discovers discrepancies or overcharges, then upon completion of such audit or review, the Service Provider will reimburse the Bank for discrepancies or overcharges and for the cost of the audit.