



# AMERICAN EXPRESS® BANKING CORP. PROTECTED DISCLOSURES POLICY

## Table of Contents

1.0	Overview and Purpose .....	2
2.0	Scope .....	2
3.0	Key Definition.....	2
4.0	Procedure for Lodging the Complaint Under the Scheme.....	2
5.0	Steps for Verifiable Complaints.....	3
6.0	Roles and Responsibilities.....	3
7.0	Protection Under this Policy .....	4
8.0	Enforcement of Issued Policies and Procedures.....	4

## **1.0 Overview and Purpose**

As a proactive measure for strengthening financial stability and with a view to enhancing public confidence in the robustness of the financial sector, Reserve Bank of India (RBI) has formulated a Scheme called “Protected Disclosures Scheme for Private Sector and Foreign Banks” (the “Scheme”) in India. The details of the Scheme are outlined in the RBI guideline DBS Fr MC NO BC 5 /23.02.011 /2006-07 dated April 18, 2007. The purpose of this Policy is to ensure that American Express Banking Corp., India (“AEBC” or the “Bank”) meets the requirements of that RBI guideline as amended from time to time. This Scheme is available to all the employees, customers and the general public and is separate from the Ombudsman Scheme of the Bank.

## **2.0 Scope**

Under this Policy, all employees of American Express Banking Corp., its customers, stakeholders, non-governmental organizations (NGOs) and members of the public can lodge complaints with the RBI on matters and in a manner as outlined below:

- a) The complaints under this Policy would cover the areas such as corruption, misuse of office, criminal offences, suspected / actual fraud, failure to comply with existing rules and regulations including the Reserve Bank of India Act, 1934 and the Banking Regulation Act 1949, and acts resulting in financial loss, operational risk, loss of reputation, and other effects detrimental to depositors’ interest or the public interest.
- b) Anonymous or pseudonymous complaints will not be covered under the Scheme and such complaints will not be entertained.

2.1 The RBI will be the Nodal Agency to receive complaints under the Scheme. RBI would keep the identity of the complainant secret, except in cases where the complaint turns out to be vexatious or frivolous and action has to be initiated against the complainant as mentioned at Section 7. (d) and (e) below.

2.2 The Bank has the right to take action against complainants in cases where motivated or vexatious complaints are made under the Scheme, after being advised by RBI. An opportunity of hearing will, however, be given by the Bank to the complainant before taking such action.

2.3 Final action taken by the RBI on the complaint will be intimated to the complainant.

## **3.0 Key Definitions**

RBI - Reserve Bank of India, the Central Bank that exercises regulatory power over banks and financial institutions in India under the Banking Regulation Act 1949 as well as the Reserve Bank of India Act, 1934.

## **4.0 Procedure for Lodging the Complaint Under the Scheme**

### **4.1 Complaint Submission**

- a) Any complaint under the Scheme or this Policy should be sent in a closed and secured envelope.

Chief General Manager,  
The Chief General Manager,  
Reserve Bank of India,  
Department of Banking Supervision,  
Fraud Monitoring Cell, Third Floor, World Trade Centre, Centre 1, Cuffe Parade,  
Mumbai 400 005.

- b) The envelope should be superscribed - "Complaint under Protected Disclosures Scheme for Banks".
- c) The complainant should give his / her name and address in the beginning or end of the complaint or in an attached letter. In case of a Bank employee making such complaint, details such as name, designation, department, institution and place of posting should be furnished.
- d) Although the complainant should provide his or her name, the text of the complaint should be carefully drafted so as not to give any details or clue to complainant's identity. The details of the complaint should be specific and verifiable.
- e) Complaints can be made through e-mail also giving full details as specified above.

For this purpose, a specific [e-mail address](#) has been created

- 4.2 The complainant should ensure that the issue raised under the Scheme involves dishonest intention/moral angle. The complainant should study all the relevant facts and understand their significance. An effort, if possible, should be made to resolve the issue through internal channels in order to avoid making the complaint.
- 4.3. In order to protect the identity of the complainant, RBI will not issue any acknowledgement of receipt of the complaint and the complainant is advised not to enter into any further correspondence with the RBI in their own interest. RBI assures that, subject to the facts of the case being verifiable, it would take necessary action, as provided under the Scheme. If any further clarification is required, RBI will get in touch with the complainant.

## **5.0 Steps for Verifiable Complaints**

If the complaint is accompanied by particulars of the person making the complaint, the RBI shall take the following steps

- a) If necessary, it would ascertain from the complainant whether he/she was the person who made the complaint or not.
- b) The identity of the complainant will not be revealed unless the complainant himself / herself has made the details of the complaint either public or disclosed his / her identity to any other authority.

- c) If the identity of the complainant is concealed, RBI shall make discreet inquiries to ascertain if there is any basis for proceeding further with the complaint.
- d) Either as a result of the discreet enquiry, or on the basis of complaint itself without any inquiry, if RBI is of the opinion that the matter requires to be investigated further, RBI may consider calling for the comments / response from the Chief Executive Officer of the Bank.
- e) After obtaining the response of the Bank and / or on the basis of an independent scrutiny conducted / ordered by RBI, if RBI is of the opinion that the allegations are substantiated, the RBI shall recommend appropriate action to the Bank. These shall, inter alia, include the following :
  - i. Appropriate action to be initiated against the concerned official.
  - ii. Appropriate administrative steps for recovery of the loss caused to the Bank as a result of the corrupt act or mis-use of office, or any other offence covered by the Scheme.
  - iii. Recommend to the appropriate authority / agency for initiation of criminal proceedings, if warranted by the facts and circumstances of the cases.
  - iv. Recommend taking corrective measures to prevent recurrence of such events in future.
  - v. Consider initiating any other action that it deems fit keeping in view the facts of the case.

## **1) Roles and Responsibilities**

- a) The Bank's 'Nodal Officer' is responsible for attending to the references received from the RBI and will ensure that comments and responses after due internal investigation and scrutiny are submitted to RBI without delay.
- b) The Nodal Officer will place before the Bank's board, a review on periodic basis about the complaints received by the Bank under the 'Protected Disclosures Scheme'.
- c) In the matter of any complaint against Senior Management of the Bank, the Nodal Officer keeping in view seriousness of allegations, may act as per the direction of the RBI to carryout the investigation and submission of comments to RBI.

## **2) Protection Under this Policy**

- a) The Bank will not initiate any action against any employee, customer or stakeholder who has lodged a complaint with the RBI under this Policy. If any person is aggrieved by any action on the ground that he / she is victimized due to filing of the complaint or disclosure, he / she may file an application before the RBI seeking redressal in the matter. RBI shall take such action, as deemed fit.
- b) In case the complainant is an employee of the Bank, RBI may give suitable directions preventing initiation of any adverse personnel action against the complainant. All the employees of the Bank are also protected under the Whistleblower Policy which addresses retaliation against whistleblowers. The Policy, inter alia states that no adverse employment action, e.g., termination, counseling, lower rating, etc., may be taken against a whistleblower employee in retaliation for reporting allegations of impropriety that fall within scope and which the employee believes in good faith to be true. Conversely, allegations that are not brought

forth in good faith are a misuse of the whistleblower process may result in disciplinary action against the whistleblower. Accordingly, the Policy states that any adverse employment action involving a whistleblower employee should be undertaken only after consultation with Human Resources and the General Counsel's Office. The Bank shall ensure that any adverse employee action subject to the provisions of the Policy is also taken in accord with an applicable directions issued by the RBI.

- c) Either on the basis of application of the complainant or on the basis of information gathered, if the RBI is of the opinion that either the complainant or the witnesses in the case need protection, the RBI shall issue appropriate directions to the Bank.
- d) The system evolved herein shall be in addition to the existing grievances redressal mechanism in place. However, secrecy of identity shall be observed, only if the complaint is received under the Scheme.
- e) In the event of the identity of the informant being disclosed in spite of RBI's directions to the contrary, the RBI shall be authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. RBI may also direct such person or agency to suitably compensate the complainant.
- f) In case RBI finds that the complaint is motivated or vexatious, RBI shall be at liberty to take appropriate steps.
- g) The Bank will be free to take action against complainants as deemed appropriate in cases where motivated / vexatious complaints are made under the Scheme, after being advised by RBI. An opportunity of hearing will, however, be given by the Bank to the complainant before taking such action.

## **8.0 Enforcement of Issued Policies and Procedures**

Senior management of the Bank is ultimately responsible for ensuring adherence to Policy within the Bank.