

BANK OF AMERICA N.A. (INDIA) - FAIR PRACTICE CODE

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BACKGROUND

- BANK OF AMERICA, N.A. (referred as “BANK OF AMERICA” where the context permits) has been providing world class banking services in India since 1964. It is our endeavour to continue to provide ‘best in class’ products and services to our customers. This document elucidates, in the context of bank accounts and loans, BANK OF AMERICA’s policies on Best Practices that it follows as a bank.
- This code has been developed to promote good and fair banking practices by setting minimum standards in dealing with our customers. The code is expected to increase transparency so that our customers can have a better understanding of what they can reasonably expect of the services. This will also guide our customers for their day-to-day operations.
- The Code shall be approved by the Local Management Team (LMT) of Bank of America, N.A. – India Branch

APPLICATION OF THE CODE

- This code will apply to all loans whether we provide them across the counter, over the phone, on the Internet or by any other method.
- Commitments outlined in this Code are applicable under normal operating environment.

OUR KEY COMMITMENTS

- We will act fairly and reasonably in all our dealings with all our customers by:
 - Meeting the commitments and standards in this Fair Practice Code ("Code"), for the products and services we offer, and in the procedures and practices our staff follow.
 - Making sure our products and services meet relevant laws and regulations.
 - Our dealings with the customer will rest on ethical principles of integrity and transparency.

- Operating secure and reliable banking and payment systems.
- Telling our customers how to take their complaint forward if the customers are still not satisfied with our assistance.
- Reversing any bank charges that we apply due to an error on our part.
- Providing suitable alternative avenues to alleviate problems arising out of technological failures.
- To Publicise the code we will:
 - Make this code available on request either over the counter or by electronic communication, or mail.
 - Make available this code at every branch and on our website.
 - Ensure that our staff is trained to provide relevant information about the code and put the code into practice.
 - We will not discriminate between our customers on the basis of gender, physical ability, race or religion.
 - We will treat all customers Personal Information as Private and Confidential.

INFORMATION BEFORE AN ENTITY BECOMES A LOAN CUSTOMER, WE WILL:

- Give clear information explaining the key features of the services and products that the entity is interested in along with the interest rates, common fees and charges.
- Give clear information about the fees/charges, if any, payable for processing the application, the amount of such fees refundable in the case of non-acceptance of application, pre-payment options, pre-payment penalty/ charges/ interest if any, penalty/ interest / charges for delayed payment of interest or repayment of loan, conversion charges if any for switching of loan from fixed to floating & vice versa, interest reset clause, and any other matter which affects the interest of the borrower, so that a meaningful comparison with other banks can be made and the prospect borrower can make an informed decision.
- Ask clearly for the information we need, to prove the identity and address of the entity and to comply with legal and regulatory requirements and internal policy.
- We will intimate our customer on how to access/avail and use the account/service.

ADVERTISING, MARKETING AND SALES

- We will make sure that all advertising and promotional material is clear, fair, reasonable and not misleading.
- In the event of receipt of any complaint from a customer that our representative/courier or DSA has engaged in any improper conduct or acted in violation of this Code, we shall take appropriate steps to investigate, handle the complaint and to make good the loss.

PRIVACY AND CONFIDENTIALITY

- At BANK OF AMERICA, we are committed to protecting Customer Privacy and Customers Right to Information. While information is the cornerstone of our ability to provide superior service, our most important asset is our customers' trust. Our top priority is keeping customer information secure, and using it only as our customers would want us to.

- We will safeguard, according to strict standards of security and confidentiality, any information our customers share with us.
- We will limit the collection and use of customer information to the minimum that we require to deliver superior service to our customers, which include advising our customers about our products, services and other opportunities and to administer our business.
- We will permit only authorized employees, who are trained in the proper handling of customer information, to have access to that information.
- We will not reveal customer information to any external organization unless we have previously informed the customer in disclosures or agreements or have been authorized by the customer.
- We will treat all your personal information as private and confidential (even when you are no longer a customer).
- We will not reveal transaction details of your account/s to a third party, including entities in our group, other than in the following four exceptional cases when we are allowed to do:
 - If we have to give the information by law or regulation.
 - If there is a duty towards the public to reveal the information.
 - If our interests require us to give information (to prevent fraud).
 - If our customers ask us to reveal the information, or if we have their permission (through consent obtained as part of Terms and Conditions) to provide such information to our group/associate/entities or companies when we have tie-up arrangements for providing other financial service products.

LOANS AND ADVANCES

- Before we lend to a customer any money, we will establish a reasonable belief, at our discretion, on the customer's financial standing.

APPLICATION FOR LOANS AND THEIR PROCESSING

- There is no prescribed loan application form, which needs to be filled in by prospective clients.
- However, the bank will ensure giving an acknowledgment for receipt of all loan applications alongwith the tentative timeline for disposing off the loan application for loans amounting to more than Rs 2 lakhs.
- In case any corporate requests for credit facilities in writing to the Bank, and in the event the application is not approved, the Bank would convey the same in writing along with the main reason/s, which, in our opinion has led to the rejection of the loan application.

LOAN APPRAISAL AND TERMS/CONDITIONS

- We will give the Terms and Conditions and other caveats governing credit facilities to our customer.
- We will convey to our customer the committed credit limit along with the Terms and Conditions.
- A copy of the loan agreement along with a copy each of the enclosures quoted in the loan agreement will be furnished to the borrower at the time of sanction / disbursement of the Loan.

- The loan agreement clearly stipulates that the credit facilities are given solely at the discretion of lenders.
- We do not have an obligation to meet further requirements of the borrowers on account of growth in business etc., without proper review of credit limits.
- Every loan application is scrutinized thoroughly by the credit team for the credit worthiness of the borrower irrespective of the security / guarantee provided by the borrower for such facility.

DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- We will ensure timely disbursement of loans sanctioned in conformity with the Terms and Conditions governing such sanctions.
- We will give notice of any change in the Terms and Conditions including interest rates, service charges etc.
- We will also ensure that changes in interest rates and charges are effected only prospectively.

POST DISBURSEMENT

- Before taking a decision to recall / accelerate payment or performance under the Loan Agreement, the Bank shall give notice to the borrower as specified in the Loan Agreement or reasonable period if no such clause exists in the Agreement.
- We will release all securities on receiving complete re-payment of the loan and on completion of all other obligations under the loan agreement, subject to any legitimate right or lien for any other claim we may have against borrowers.

GENERAL INFORMATION

- We will, if required also advise our customer about the method of calculation of overdrawn amount thereof and also the computation of interest on the overdue loan amount.
- We will restrain from interference in the affairs of the borrowers except for what is provided in the Terms and Conditions of the loan sanction documents (unless new information, not earlier disclosed by the borrower, has come to the notice of the lender).
- We will not discriminate on grounds of sex, caste and religion in the matter of lending. However, this does not preclude us from participating in credit-linked schemes framed for weaker sections of the society.
- In the matter of recovery of loans, we will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.
- In case of receipt of request for transfer of the loan account, either from the borrower or from a bank/financial institution, which proposes to take - over the account, the consent or otherwise i.e., objection, if any, will be conveyed within 21 days from the date of receipt of request.

COMPLAINTS AND GRIEVANCES

- If our customers want to make a complaint, we will tell them how to do this through notices displayed at the branches or our customers can call the Client Servicing Team through the concerned branch board line or send an email to Relationship Manager.

- Within one (1) week of receiving a written customer complaint, we will send a written acknowledgement / response.
- If a complaint is made over the phone, we will register the complaint and provide a complaint reference number and keep our customer informed of the progress within a reasonable timeframe.
- After examining the matter, it will be our endeavour to send the customer our final or any other response within six (6) weeks of receipt of the complaint and we will tell the customer how to take the complaint further.
- We will request our customers to provide feedback on our services. This could be done through direct contact by our staff or through specific customer satisfaction surveys that we may conduct from time to time.

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