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#### EXTRAORDINARY

The Government of the Republic of Liberia announces that the Central Bank of Liberia (CBL), pursuant to its mandate under the Central Bank of Liberia Act of 1999 and its authority under the Financial Institution Act of 1999, and specifically consistent with Section 55 of the said Central Bank of Liberia Act of 1999 and Section 39 of the Financial Institution Act of 1999, has issued it Regulations No. CBL/RSD/004/2020 on January 8, 2020, revising Regulation No. CBL/RSD/004/2017 herein under:

REGULATIONS CONCERNING CONSUMER PROTECTION AND MARKET CONDUCT

BY ORDER OF THE PRESIDENT

GBEHZONGAR M. FINDLEY
MINISTER OF FOREIGN AFFAIRS

MINISTRY OF FOREIGN AFFAIRS MONROVIA, LIBERIA

#### Part 1: Preliminary

#### 1.1 Citation

These regulations shall be cited as **Regulation No. CBL/RSD/001/2019 Concerning Consumer Protection and Market Conduct Regulations**.

#### 1.2 Objectives

The objectives of these regulations are to:

- I. promote fair and equitable financial services by setting minimum standards for financial institutions in dealing with their customers and the public;
- promote financial education and awareness, and transparency and disclosure in the activities of financial institutions as a means of empowering consumers to make informed decisions;
- III. foster confidence in the financial services sector by ensuring that financial institutions provide quality services to their customers and other stakeholders based on efficiency and timely delivery of services suitable to the customers' needs; and
- IV. require financial institutions to establish and implement efficient and effective mechanisms for handling consumer complaints relating to the provision of financial products and services.

#### 1.3 Application

These regulations shall apply to all bank-financial institutions, non-bank financial service providers, specialized deposit-taking institutions (which include Tier 2a and Tier 2b deposit taking non-bank credit institutions and Tier 2c non-bank credit financial institutions), hereinafter referred to as relevant financial institutions.

#### 1.4 Definitions

In these regulations, unless the context otherwise requires:

- "advertisement" means any form of public notice in an attempt to invite or induce, directly or indirectly, a person to purchase or acquire an interest in a product or service;
- II. "ATM card" means a card used to obtain cash and other services from an Automated Teller Machine;
- III. "bank-financial institution" means any person engaging in financial transactions consisting in the business of banking, the acceptance of deposits payable on demand and subject to transfer by check, credit, loan making, lending or rendering nonbank financial services as defined in the CBL Act of 1999 and the new FIA of 1999;
- IV. non-bank credit financial institution" means any person or institution whose activities and transactions are in the form of non-bank credit financial services;

#### V. non-bank credit financial services" means:

 the business of thrift operation and loan association (credit unions) in accordance with the applicable regulations;

financial services for the rural population and supporting the rural economy (rural community financial institutions) in accordance with the applicable regulations;

iii) microfinance deposit taking in accordance with the applicable regulations;

iv) extension of credit;

extension of microcredit in accordance with the applicable regulations;

vi) mortgage and housing finance in accordance with the applicable regulations;

vii) marketplace finance in accordance with the applicable regulations;

VI. "other Specialized **deposit-taking institution**" means a financial institution that is licensed to carry out non-bank financial services and to also accept deposits.

- VII. "complaint" means an oral or written expression of dissatisfaction or concern by a consumer about the provision of, or failure of a financial institution to provide, a financial product or service:
  - i. which is made to financial institution by, or on behalf of, a consumer; and
  - ii. which alleges that, as a result of an act or omission by or on behalf of the financial institution, the consumer has suffered or may suffer financial loss, material inconvenience, or material distress.
- VIII. "consumer" means a natural or legal person which engages in financial transaction and/or contract with a financial institution or benefit from the services or products of financial service providers;
- IX. "cooling-off period" refers to a period of time after a transaction, when the consumer may choose to cancel the transaction and return to the financial institution whatever product or service that the consumer may have received from the financial institution.
- "digital credit" for the purposes of these Regulations refers to credit granted through the use of online technology to lowincome households, subject to the threshold specified in these regulations.
- XI. "fairness" means the quality of a financial institution in rendering judgment and acting reasonably in its dealing with a consumer means the quality of a financial institution in rendering judgment and acting reasonably in its dealing with a consumer.
- XII. "guarantee" means any document, notice or other written statement containing an undertaking, given by a person called the guarantor promising to fulfill the obligations or discharge of the liability of a third party if that third party fails to do so;
- XIII. "guarantor" means a person who undertakes to fulfill the obligations, or discharge the liability of, a third party;

- XIV. "key facts statements" means a document that highlights the key characteristics of a financial product or service, including price, benefits, and risks to the consumer;
- XV. "Personal Identification Number (PIN)" means a password or other code used by a cardholder on a strictly confidential basis to access financial services; and
- XVI. "reliability" means ability of consumers to rely on, depend on and be trustworthy of the services provided by financial institutions.
- XVII. "transparency" means any information given to a consumer whether in writing, electronic or oral transactions is fair and clear.

#### Part 2: Obligations of Relevant Financial Institutions

The relationship between a relevant financial institution and a consumer shall be guided by the principles of **fairness**, **reliability**, and **transparency**.

#### 2.1 General Requirements

- I. A relevant financial institution shall act fairly and reasonably in all of its dealings with its customers and the public.
- II. A relevant financial institution shall not:
  - engage in unfair, deceptive or aggressive practices such as threatening, intimidating, being violent, or exhibiting abusive behavior towards a consumer;
  - offer bribes or other 'gifts' or inducements to a consumer;
  - iii. accept, or ask for bribes or other 'gifts' or inducements from a consumer. The exception to (ii) and (iii) shall be promotional gifts or materials offered to all categories of consumers or a particular

- class or classes of consumers, such as the vulnerable and/or low-income consumers;
- iv. discriminate against any consumer on grounds of sex, race, color, ethnic origin, tribe, birth, creed or religion, social standing, political affiliation or persuasion, or disability;
- v. enter into a financial transaction where the consumer does not fully understand the nature of the proposed transaction;
- vi. include unfair or unconscionable terms in a contract with a consumer;
- vii. exert undue influence or duress on a consumer to enter into any financial transaction;
- viii. disguise, or conceal a material fact from a consumer or writing of the wordings of a contract or advertising materials in a font size that cannot be clearly read by the consumer; or
- ix. deal unprofessionally with a consumer without taking steps to assess any of the following:
  - (a) the consumer's general understanding and appreciation of the risks and costs of the financial transaction, including the rights and obligations under the contract;
  - (b) the consumer's financial history (e.g. debt repayment history), existing financial means, prospective financial capacity, and obligations; (c) whether there is a reasonable basis to conclude that the financial transaction would enable the consumer to achieve the purpose in entering into the financial transaction; or (d) engage any act that is inconsistent with ethical practices.

#### 2.2 Marketing and Promotions

- I. A relevant financial institution shall ensure that all advertising and promotional materials are fair, clear, not misleading and shall meet the following minimum requirements:
  - written in plain language, clear terms and in a legible font size of not less than 10 points;

- ii. shall use the declining-balance method of interest computation (also referred to as the uniform principal repayment method), as prescribed in the Regulations No. CBL/RSD/005/2017 Concerning Interest Rate Determination and Display of Interest Rates & Charges, and computation of Lending Rates;
- iii. include the total cost of credit; and
- iv. be comprehensive and clearly explain the main features and conditions of a financial product or service.

#### 2.3 Provision of Information and Advice to Consumers

- I. During the pre-contractual stage, a relevant financial institution shall:
  - explain clearly in plain language the key features of each financial product or service that the consumer is interested in so as to enable the consumer to make an informed decision about the product or service, including charges and fees which would be incurred;
  - ii. disclose any conflicts of interest, in particular the amount of commissions or sales incentives that the financial institution or individual employee will receive for selling a product; and
  - iii. request the consumer to provide all the relevant information needed to verify whether the consumer is eligible for a product or service in which the consumer is interested.
- II. Before a consumer enters into a financial transaction, a financial institution shall:
  - provide the consumer with a key fact document outlining all the relevant information about a product or a service;
  - ii. give a copy of the draft terms and conditions of a financial contract for the consumer's review and/or comments; and a copy of the approved terms and conditions for the consumer's record; and

iii. inform the consumer of the applicable charges, fees or additional interest the consumer shall bear should the consumer decide on an early termination of a financial contract.

#### 2.4 Suitability of Advice

- I. Where a relevant financial institution gives advice to a consumer, the financial institution shall ensure that:
  - the advice is suitable, considering the circumstances and needs of the consumer;
  - ii. any product or service which a financial institution recommends to a consumer to buy is suitable for the consumer;
  - iii. there is no other product or service available to the institution that would be more suitable for the consumer; and
  - iv. it clearly informs the consumer of any actual or potential conflict of interest, including where a staff or agent of the institution dealing with the consumer would earn a fee or commission (such amount should be disclosed) if the consumer buys a product which has been recommended by that staff.
- II. For the purposes of these regulations, a relevant financial institution is said that have given an advice to a consumer when its staff or agent or itself makes a personal recommendation to a consumer about its product or service. If the consumer is confused or unsure about a product or service provided by a relevant financial institution, the consumer shall exercise the right to obtain an independent advice from the relevant financial institution.
- III. In the instance where the consumer seeks an independent advisory service from a relevant financial institution, the said relevant financial institution shall inform the consumer of any actual or potential conflict of interest in such cases.

#### 2.5 Conditional Transactions

- A relevant financial institution shall not require a consumer who enters into a financial transaction with it to enter into another financial transaction with it or another financial institution.
- II. Paragraph 2.5 (I) shall not preclude a relevant financial institution from offering linked products (e.g. making it a condition for a salary loan that the consumer has a current account with that same financial service provider) where the financial service provider is itself providing each of such linked products.

#### 2.6 Guarantor

Prior to a person acting as a guarantor, a relevant financial institution shall advise the person in writing of the following:

- the magnitude and nature of his or her potential liabilities;
   and
- ii. the option to seek independent legal advice before acting as a personal guarantor.

#### 2.7 Cooling Off Period

- A consumer within ten (10) days after entering into a financial transaction with a relevant financial institution may revoke or terminate the financial transaction by written notice to the institution;
- II. The revocation or termination of the transaction shall be effective if the consumer repays in full any amount that is due to the financial institution at the time of cancellation of the financial transaction, including any administrative fee or charge, and costs which have been reasonably incurred by the financial institution prior to the exercise of the cooling off right by the consumer;

- III. The ten (10) day period provided under paragraph 2.7(I) shall be calculated from the day the consumer signed the contract and shall exclude Saturdays, Sundays and public holidays.
- IV. The written notice provided for under paragraph 2.7(I) shall have no effect unless it:
  - is signed by the consumer or his or her agent acting on his or her written authority or consent;
  - ii. refers specifically to the financial transaction that is being revoked or terminated; and
  - iii. is unconditional.
- V. For purposes of this section, a relevant financial institution shall at the time the consumer enters into the financial transaction:
  - explain to the consumer that he or she has the right to revoke or terminate the transaction within ten days after she or he signs the contract;
  - ii. explain to the consumer how and when the consumer must exercise the cooling off right should she or he wish to do so;
  - iii. explain to the consumer that the contract will no longer have any legal effect upon expiration of 2.7 (II);
  - iv. advise the consumer of his or her liability to pay any administration fee or charge and costs which have been reasonably incurred by the financial institution prior to the exercise by the consumer of the cooling off right; and
  - v. state in the contract entered with the consumer the date on which the consumer's cooling off right commences and expires.
  - VI. For purposes of this section, a relevant financial institution shall include in the contract with a consumer a clause on the right to cooling off.

#### 2.8 Statements of Deposit and Loan Accounts

- I. A relevant financial institution shall provide a consumer who is an account holder with statements of the account showing activities on the account since the last statement of account, including balance changes, payments, disbursements and costs by the best feasible means (i.e. email, SMS, direct mail, etc.).
- II. For purpose of paragraph 2.8(I), the consumer and the relevant financial institution shall agree on the frequency and the mode of communicating the account statement to the consumer.
- III. The relevant financial institution shall determine the charge/fee for this service and accordingly, inform the consumer of such charge/fee prior to providing the service to the consumer, subject to the following requirements:
  - (a) a financial institution issuing at least one hard copy statement a month free of charge to the consumer;
  - (b) a financial institution may charge a fee for more frequent requests/issuance of a statement;
  - (c) a financial institution may charge a fee for the duplicate copy of statements; and
  - (d) a consumer shall have the privilege to opt for electronic statements for free.

#### 2.9 Notice of Changes to Terms and Conditions

A relevant financial institution shall notify a consumer:

- at least thirty (30) days in advance to consumers before implementing any changes to the terms and conditions, fees or charges, and discontinuation of services; or
- ii. immediately of any changes in case of unplanned service disruptions and/or cost of a product or service.

#### 2.10 Debt Recovery Expenses

- I. Where a consumer is unable to honor any financial transaction, a relevant financial institution shall have the right to take steps to recover the amount owed to it by the consumer.
- II. In recovering the amount owed by a borrower, a relevant financial institution:
  - i. shall not claim from the consumer unreasonable costs and expenses which it has incurred;
  - ii. shall provide the consumer with a detailed breakdown of the costs and expenses incurred by it;
  - shall allow consumers to reschedule the payment of their obligations;
  - iv. may offset the outstanding amount owed with any credit balances in the consumer's other account or accounts with it, subject to the relevant national law. For the purposes of paragraph 2.20, debt recovery shall be transparent, and assets shall be sold off at their fair market value; and
  - v. in the case of delinquent borrowers, the financial institution shall be required to comply with the requirements of CBL Directive barring the provision of financial services to delinquent borrowers.
  - vi. In the case where a borrower is declared insolvent by a court of competent jurisdiction, the relevant financial institution shall be required to comply with the requirements of Section 8.55 of the Insolvency and Restructuring Law and CBL Directive No 002/2017 Barring Commercial Banks and Other Regulated Financial Institutions from Providing Financial Services To Delinquent Borrowers That Failed To Resolve Their Delinquent Status.

#### 2.11 Closing of Accounts

A relevant financial institution shall not close an account of a consumer without giving the consumer 14-day notice from the date of receipt of such notice by the consumer, except:

- i. where there is evidence that the account is being used for criminal activity;
- ii. where the consumer has been threatening, intimidating or violent towards staff of the financial institution; or
- iii. In the case where an account remains zero balance and/or unfunded for a period of six (6) months and the customer cannot be reached by the financial institution, the financial institution shall have the option to close such accounts, in keeping with the Regulations on Dormant Accounts and Abandoned Properties (Regulations NoCBL/RSD/008/2014) and other applicable law (s) of Law.

#### Part 3.0 Reliability

#### 3.1 Updating Consumer's Address

- In order to serve a consumer better and keep a consumer informed, a relevant financial institution shall request a consumer to keep the institution informed of any change in his/her postal address, physical address, e-mail address or telephone number.
- II. A relevant financial institution shall communicate with a consumer using the address that a consumer has most recently provided to the institution. For the purposes of this paragraph, "an address that the consumer has most recently provided" includes any recent amendments to the address which the consumer has notified to, and acknowledges receipt by, the institution.

#### 3.2 Reliability and self-service banking channels

- I. A relevant financial institution shall ensure that its ATMs and self-service channels are available at all times to serve the public except when it is temporarily inaccessible:
  - i. due to any emergency which is beyond the control of the institution; or
  - ii. during regular service and maintenance.
- II. For the purposes of paragraph 3.2(I)(ii), a relevant financial institution shall duly inform its customers and the public through at least one widely-read local newspaper and at least one radio station in Monrovia and its environ and the available public media in other parts of the country for a period of one to three days, depending on the magnitude of the problem, and at the locations of its ATMs and self-service banking channels, when it will resume services and/or the alternative channels that could be used by the customers or the public during such times.

#### 3.3 Safeguarding Consumer Information

- I. A relevant financial institution shall exercise the maximum protection of customer's protection and shall not disclose any information about a consumer to a third party except where:
  - (a). the institution is required by law to disclose such information; or
  - (b) the disclosure is made with the expressed consent of the consumer.
- II. Each relevant financial institution shall have in place information security guidelines or policies, a secure database, and procedures for handling of customer's information. The guidelines or polices shall cover the information technology (IT) risk management system with respect to customer's information protection.

#### 3.4 Protecting a Customer's Account

- I. A relevant financial institution shall at the time of providing electronic banking services, including ATM services, phone-banking, internet banking, mobile banking services and wireless banking, to a consumer, advise the consumer to protect and secure his or her PIN as follows:
  - i. not to allow anyone else to use his or her card, know his or her PIN or any other security information; or
  - ii. to memorize his or her PIN and other security information and destroy the notification immediately.
- II. A relevant financial institution shall post security advice at its branches, websites and any other communication channels alerting consumers about scams and other fraudulent practices associated with services which it offers;
- III. A relevant financial institution shall also assist consumers to avoid scams, by taking steps to block the flow of funds to dubious accounts and help consumer to trace and recover money paid into account of scammers;
- IV. A relevant financial institution shall provide helpline (telephone and/or email address) to enable consumers to report a lost or stolen card, checkbook or passbook or a suspected scam or fraud.

#### Part 4 Transparency/Disclosure

#### 4.1 General Requirements

A relevant financial institution shall:

 ensure that at the pre-contract stage, a consumer is informed verbally and advised in writing about whom to contact to submit complaints and inquiries and to settle disputes, and that such information is included in documents such as notices displayed in branch offices, price quotes for products and services, customer contracts and monthly account statements;

- II. provide the consumer with the location, phone number and email/website to send complaints;
- III. provide a plain language explanation of consumer rights and recourse options in all marketing and contractual materials, posted prominently in every branch and other media of public information, including its website;
- IV. ensure that any information about a consumer's rights and obligations, given to a consumer in writing is fair, clear, transparent and relevant to the stage of engagement with the consumer;
- V. ensure that the information provided to the consumer or public is written in plain English and legible font size;
- VI. where a consumer is unable to understand English and/or a written information, the consumer shall have the option to bring along a close relative or trusted person for the purpose of obtaining a clear understanding of the information being provided by the financial institution;
- VII. ensure that where a verbal explanation in paragraph 4.1(VI) has been provided to the consumer, the consumer shall have the option to have a third party to countersign as evidence that a verbal explanation has been given to him/her;
- VIII. ensure that consumers have read and understood the Terms and Contract (T & C) and all the relevant information important for the consumers to make informed decisions;
- IX. pursuant to 4.1 (VIII), the bank-financial institution shall provide adequate time, not less than three (3) days, for the consumers to review all the information related to a product, ask questions and receive additional information regarding a product;
- X. ensure that staff assigned to deal directly with consumers or responsible for a particular product or service are fully knowledgeable of the product/service legal and regulatory requirements associated with such product/service; and

XI. ensure that information on its products and services is updated and current and easily available at its branches, websites and any other communication channels which it uses.

#### 4.2 Key Terms and conditions

In addition to disclosing information on the cost of a financial product or service, a relevant financial institution shall provide a consumer with key terms and conditions prior to entering into any financial transaction with the consumer. The terms and conditions of the contract shall be clearly set out in the disclosure requirements in order to give the consumer complete information of the total cost of a product or service, the method of computation of the cost, important features of the financial product or service being considered as well as the rights, obligations of, and risks to the consumer.

#### 4.3 Stages of disclosure

- I. Pre-contract disclosure: Any advertisements, brochures and pre-contract information shall include but not limited to the following requirements: (i) the total costs of service or product, including fees and charges, (ii) the benefits and risks associated with a product or service, (iii) the key distinguishing features of the product or service from similar product or service, (iv) contact person or address for more information and/or clarification regarding the product or service.
- II. **Contractual disclosure:** The contract must disclose all important features of a financial transaction, including the consumer's rights, obligations and risks under the contract, and other requirements as provided in this regulation.
- III. Disclosure during the term of the contract: The outstanding balance on any financial transaction shall be disclosed in keeping with Section 2.8 (II), including any interest, fees or charges debited to the consumer's account.

#### 4.4 Disclosure of Interest Rates

For interest-bearing financial transactions, a relevant financial institution shall prior to the consumer entering into the contract:

- I. inform the consumer of the terms of the contract;
- II. inform the consumer of the fees and charges, if any, for, and as a consequence of, prematurely terminating a financial transaction;
- III. inform the consumer of whether the interest charged for the financial transaction is fixed or variable;
- IV. give a consumer information on the applicable interest rates for the contracted period and the basis and frequency on which interest payments or deductions are to be made;
- V. explain the method used to calculate interest rates;
- VI. disclose to the consumer the total amount of income the consumer shall receive on the fixed rate deposits of the consumer; and
- VII. disclose the total costs of any financial transaction to the consumers.

#### 4.5 Fees and Charges

- I. In relation to any fees and charges that may be incurred by a consumer in any financial transaction with an institution, the relevant financial institution shall:
  - provide the consumer with a schedule of fees and charges (including commissions payable) for the financial transaction that the consumer is considering;
  - ii. display prominently its standard fees and charges at all its branches, promotional materials and any other communication channels which it uses:
  - iii. inform the consumer, at the time the financial transaction is offered, the basis of charges for services

- rendered which are not subject to standard fees and charges; and
- iv. inform the consumer of any additional charges or expenses that a consumer has to pay as may be required by the relevant financial institution to retrieve available past records of the consumer.
- II. A relevant financial institution shall inform a consumer in advance of any fees and charges, which are not levied directly by the institution but by another institution, agent or party that provides a portion of the financial transaction initiated by the first party financial institution.

#### Part 5 Truth-in Lending & Truth-in Saving Disclosure Forms

- 5.1 Relevant financial institutions engaged in lending and savings are to provide written disclosures to borrowers about important terms of their contracts with customers in order to enable their customers make informed decisions in keeping the Truth-in-Lending Framework attached to these Regulations.
- 5.2 All relevant financial institutions are required to adopt a Truth-in-lending Disclosure forms (*Appendixes I and IV*) with the details of each credit transaction and attached same to the borrower's credit file. These disclosures shall be provided as part of the loan documentation and submitted to borrowers on paper or electronically for their review and sign-off.
- 5.3 All relevant financial institutions accepting deposits are required to adopt a truth-in-savings disclosure form (Appendix II) with details of fees and terms associated with each saving product/service used by customers. This form must be reviewed and sign-off by customers prior to his/her approval of a product/service, and subsequently placed in his/her file.
- 5.4 Both the relevant financial institution and consumer(s) shall sign in a hard copy or electronically each completed form as validation of consent before the disbursement of any loan or deposit.
- 5.5 Relevant financial institution shall issue a signed copy of the form to the consumer in a hard copy or electronically.

#### 5.6 Amortization Schedule

5.6.1 The loan amortization schedule (**Appendix III**) provides a general framework that each relevant financial institution shall adopt and provide copy to the borrower.

#### 5.7 Digital credit

- 5.7.1 A relevant financial institution shall not be required to provide the Truth-in-lending Disclosure form as prescribed by these Regulations in relation to the digital credit product for an amount of credit not exceeding US\$33.00 or its equivalent in Liberian dollars, where the method of electronic communication used does not allow the institution to provide the Truth-in-lending Disclosure form as prescribed by these Regulations.
- 5.7.2 Pursuant to section 7.1, the relevant financial institution shall provide the information from the Truth in lending Disclosure form to consumers in writing, transparent and sequentially broken down in the appropriate number of windows / screens in a manner that requires a consumer to clearly acknowledge acceptance and understanding of the provided information.
- 5.7.3 The disclosure form shall be made available to the consumer before it commits itself to the product using a simple language explaining the meaning of the disclosed information.
- 5.7.4 Minimum information to be provided to a consumer shall include:
  - Loan amount with indication of Prepaid finance charges and Amount received;
  - Total repayment amount with indication of Interest charges and Total Fees and Charges;
  - Term of a loan with indication of regular payment amounts and payment frequency;
  - Annual Percentage Rate with indication of Annual Interest Rate and Total cost of credit;
  - 5) All potential additional charges (e.g. overdue loan charges, prepayment, etc.).
- 5.7.5 The Central Bank may issue further guidelines on disclosure requirements applicable to digital credit products.

#### 6.0 Help and Redress

#### 6.1 Consumer Redress Mechanism

- A relevant financial institution shall establish a consumer help desk, unit or department, whichever is suitable to its size and operations.
- II. In addition to the standard reporting requirements, the Central Bank of Liberia may direct any relevant financial institution to report to it any information on consumer complaints as it may determine from time to time.
- III. The Consumer Help Desk shall be responsible for handling all consumer complaints.
- IV. The Consumer Help Desk shall be headed by a senior officer with the appropriate experience, knowledge and expertise in dealing with consumer complaints. He/she shall have a direct reporting line to the Managing Director or Chief Executive Officer as the case may be.

#### **6.2 Consumer Redress Policy**

- A relevant financial institution shall have a formal policy and procedures for complaint filing, handling, monitoring and resolution, which must be approved by its board of directors.
- II. No relevant financial institution shall require fees or charges for complaint filing, handling or resolution.

#### 6.3 Investigating and determining complaints

Upon receipt of a complaint, a relevant financial institution shall:

- investigate the complaint competently, promptly and impartially;
- II. assess fairly and promptly the subject matter of the complaint, the basis for the complaint, if any, and the appropriate redress or remedial action, or both;

- III. explain to the complainant, in a way that is fair, clear and not misleading, its assessment of the complaint, its decision on it, and any offer of redress, or remedial action, or both taken on the complaint; and
- IV. promptly respond to any offer of redress, or remedial action, or both to the complainant.

In assessing the effectiveness and adequacy of the help and redress system of a financial institution, the Central Bank of Liberia will have regard to the quality and fairness of the financial institution's investigation and determination and to the clarity of its feedback to complainants.

#### 6.4 Keeping the complainant informed

- Upon receipt of any complaint, a relevant financial institution shall provide the complainant with a prompt written acknowledgement within three days of receipt of the complaint.
- II. A complaint is considered resolved where the complainant has indicated acceptance of the financial institution's offer of redress, or remedial action, or both.

#### 6.5 Timeframe for resolving complaints

- A relevant financial institution shall be required to resolve complaints within a period not to exceed one -month from the date of receipt of such complaints.
- II. A relevant financial institution shall advise the complainant on the outcome of its investigation of a complaint, the decision or action taken by it to resolve the complaint within the one-month timeframe. However, if the complainant takes more than a week to reply to a written request by the institution for further information, the one-month timeframe shall commence from the date of the financial institution's receipt of the additional information.

- III. If a consumer is not satisfied with the manner in which a relevant financial institution has handled and/or address his/her complaint, the consumer may seek further redress from the Consumer Protection Unit (CPU) of the Regulation and Supervision Department of the Central Bank of Liberia.
- IV. The relevant financial institution shall also be required to inform the consumer that is not satisfied with the manner in which a relevant financial institution has handled and/or address his/her complaint to forward a formal complaint to the Consumer Protection Unit (CPU) of the Regulation and Supervision of the Central Bank of Liberia. The CPU shall respond to the complainant within a reasonable timeframe, not exceeding one month of receipt of the consumer's complaint.

#### Part 7 Reporting Requirements

- 7.1 Each relevant financial institution shall submit to the CBL monthly and quarterly returns on all customer complaints received (whether resolved or not) in the format set out in the attached Appendixes V by the 10<sup>th</sup> day of each month immediately after the reporting period.
- 7.2 The returns shall be signed by the Managing Director or Chief Executive Officer, as the case may be, and addressed to the Director of Regulation and Supervision Department of the Central Bank of Liberia.
- 7.3 A relevant financial institution shall record all complaints received in a register that should be made available to the Central Bank of Liberia upon inspection.

#### Part 8 Financial Education and Awareness

Each relevant financial institution shall be required to implement sensitization programs aimed at providing basic information and awareness about its products or services, including but not limited to jingles, radio drama, special features in local dailies and social media.

#### Part 9 Adoption of a Code of Conduct

Notwithstanding the requirements of these regulations, relevant financial institutions, shall be required to develop and adopt a code of

ethical standards and conduct to promote acceptable practices at their various institutions.

#### Part 10 PENALTIES

The Central Bank of Liberia shall impose any or all of the following administrative sanctions on any relevant financial institution that fails to comply with any provision of these regulations:

- (a) payment of a fine of not less than one hundred thousand Liberian dollars for each violation or each day of violation, whichever applies; and
- (b) any other supervisory sanctions as may be deemed necessary by the Bank.

These regulations shall take effect upon publication in the Official Gazette, and shall remain in force until otherwise advised by the Central Bank of Liberia.

Issued this	day of	in	the	City	of	Monrovia
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ORDER OF THE PRESIDENT

MINISTER OF FOREIGN AFFAIRS

MINISTRY OF FOREIGN AFFAIRS

MONROVIA, LIBERIA

#### APPENDIX I.

	PRE-AGREEI	MENT TRUTH IN LEN	IDING F	OISCLOSUE	SE C					
Lender: Metropolitan Ban	k		Borrower: Blama Doe, Sr.							
Loan Officer: Jomah Clay		Borrower's Address: Randall Street								
	L	LOAN SUMMARY								
Amount Received		Prepaid finance charges		Loan	Inte					
#######	+	######	=	Amount	-					
			_	########	Tota					
		TOTAL REPAYN	AENT AMOU	NT	APR					
		Total cost		INT						
		####	***							
			71111		-					
Amount received		Interest Charges		Total Fees						
#######	+	######	+	& Charges						
		LOAN REPAYME	NT SCHEDU	I E						
Number of Payr	ments	Payment Amounts		nt Frequency						
######		######	Nonthly							
				nontiny						
		FEES, CHARGES, PENAL	TIES & OTHE	D TEDRAC						
Insurance Fee	#######	, south a second second	TIES & OTHE	K TEKIVIS	_					
Processing Fee	#######				Annu					
Late Charge	-				Date					
Prepayment	-									
Other Charges	#######									
Total Fees and Charges	######									
should there be question(s)	or concern(s) about	this form, please contact:		200						
Name:		DL								
have fully read the terms ar chedule.	nd conditions includ	Phone:  ded on this Truth in Lending Disc	closure State	Email: ement, including	the at					
	OAN CUSTOMER									
lame:	TOTOTILI									
ignature:				Name:						
ate:				Signature:						
				Date:						

## APPENDIX I.B

OF TERMS
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		STATE OF THE STATE	
No.	. NAME	DEFINITION	TERM/CONDITION
н	Annual Percentage Rate (APR)	The APR is a percentage that represents the actual yearly cost of funds over the term of a loan. This includes any fees or additional costs associated with the transaction.	
2	Total Cost of credit	Is the total cost which a borrower is required to pay for a loan. The total cost of credit is calculated by adding together all costs (interest payments and total fees and charges) which the borrower is required to have over the term of a loan.	
m	Amount Received	Is the loan amount applied for less the prenaid finance charges	
	Prepaid Finance Charges	Are fees and charges taken directly from the loan amount.	
	Loan Amount	Is the loan amount applied for. This is the amount on which the calculation of interest is based.	
4	Total Repayment Amount	The amount that the borrower is required to pay back for the loan. It is calculated by adding together the loan amount, the interest charges and the total fees and charges	
5	Number of Payments	The total number of payments due to pay off the loan.	
9	Payment Amounts	The amount due for each payment.	
7	Payment Frequency	The frequency at which payments are due (e.g. weekly, monthly anarterly)	
00	Due Date/Maturity Date	The date on which any outstanding principal balance on the loan is due and should be repaid in full. It is also the termination/end date of the loan.	
6	Cooling Off Period	The borrower could cancel or terminate the loan within 10 working days, counting from the day the borrower signed the Loan Agreement & Disclosure Form (excluding Saturdays, Sundays & Public holidays). This must be done through a written notice to the lender. Full payment of amounts, including administrative fee and other charges due to the lender shall be made at the time of the cancellation.	
10	Processing Fee	A fee charged to process an application for a loan from the lender. Loan application fees are charged to cover some of the costs involved in processing the application, including credit checks, property appraisals, and basic administrative costs.	[ ] The borrower will have to pay a processing fee that has been explained to the customer [ ] The borrower does not have to pay a processing fee

REGULATION NO. CBL/RSD/006/2014 CONCERNING CONSUMER PROTECTION AND MARKET CONDUCT REGULATIONS

such lf the repayment is more than [ ] days late, the borrower pays a late charge of [ ] / [ ]% of the overdue payment.	on the	If the borrower pays off this loan earlier than the due date,  [ ] The borrower will have a penalty to pay  [ ] The borrower will be entitled to a refund of part of the interest fees and other charges.	ed to	[ ] This loan does not require an insurance [ ] This loan requires an insurance and the lender's policy regarding assumption has been explained to the customer.
A penalty charge in addition to the regularly scheduled payment, as of a loan, if such payment has not been made when due.	All payments that the borrower will have to pay over the term of a loan based on the application of the Annual Interest rate on the loan amount.	This happens when the borrower pays off the loan earlier than the due date.	Include all certain fees, charges, commissions, etc. which the borrower is required to pay over the term of a loan and includes prepaid finance charges.	A contract or policy in which the borrower/business entity receives protection or reimbursement against losses from an insurance company.
Late Charge	Interest Charges	Prepayment	Total Fees and Charges	Insurance Fee
11	12	13	14	15

## APPENDIX II.

# Truth in Savings Disclosure Statement Name of Institution

SAVINGS ACCOUNT Rate/Charge Information:	
	CHECKING ACCOUNT
	Rate/Charge Information:
Minimum Balance Requirements:	Minimum Balance Requirements:
Transaction Limits:	Transaction Limits:
Any other information:	Any other information:
TERM DEPOSIT ACCOUNT	IN TRUST FUND ACCOUNT
Rate/Charge Information:	Rate/Charge Information:
Minimum Balance Requirements:	Minimum Balance Requirements:
Transaction Limits:	Transaction Limits:
Any other information:	Any other information:

ISLAIMIC ACCOUNT	ANY OTHER ACCOUNT
Rate/Charge Information:	Rate/Charge Information:
Minimum Balance Requirements:	Minimum Balance Requirements:
Transaction Limits:	Transaction Limits:
Any other information:	Any other information:

I have fully read the terms and conditions included on this Truth in Savings Disclosure Statement, including the attached Definitions.

CUSTOMER			
	ame:	Signature:	Date:

## Appendix III

Loan Amount	unt	20,000	20,000		Schodulod naumons	- tomanon			
Number of	Number of payments per year	24			Schooled	dyment	5		
Rate		0.01			Scheduled	Scheduled number of payments	ents		
Payment Amount	mount	941.47			Actual num	Actual number of payments			
Loan period in year	d in year	0			Total interest	payment	w w		
Payment #	Payment Date	Beginning Balance	Scheduled	Extra	Total	0	1-1		
-1	7/31/2018	20,000.00	941.47	0	941 47	741 47	nterest	Cumulative	Ending Balance
2	8/31/2018	19,258.53	941.47	0	941 47	742.47	103	007	19,258.53
3	9/31/2018	18,509.65	941.47	0	941 47	755.37	193	2000	18,509.65
4	10/31/2018	17,753.27	941.47	0	041.47	753.04	100	2/8	17,753.27
5	11/31/2018	16,989,34	941 47		741.47	703.34	1/8	755	16,989.34
9	12/31/2018	6.217.76	941 47		941.47	//1.58	170	925	16,217.76
7	1/31/2019	15.438.47	041.47		941.47	179.29	162	1,087	15,438.47
00	2/31/2019	A CE 1 20	24T'4/	0	941.47	787.08	154	1,242	14,651.38
6	3/31/2019	4,031.38	941.47	0	941.47	794.96	147	1,388	13,856.43
10	4/24/2013	13,630.43	941.47	0	941.47	802.91	139	1,527	13,053,52
11	4/31/2019	13,053.52	941.47	0	941.47	810.93	131	1,657	12 242 59
11	5/31/2019	12,242.59	941.47	0	941.47	819.04	122	1.780	11 473 55
77	6/31/2019	11,423.55	941.47	0	941.47	827.23	114	1 804	40.000
13	7/31/2019	10,596.31	941.47	0	941.47	835.51	106	2,000	10,536.31
14	8/31/2019	9,760.81	941.47	0	941.47	843 86	000	2,000	9,700.61
15	9/31/2019	8,916.94	941.47	0	941 47	852.30	000	2,030	8,916.94
16	10/31/2019	8,064.64	941.47	0	941.47	860.82	000	2,267	8,064.64
17	11/31/2019	7,203.82	941.47	0	941 47	869.02	73	/97'7	7,203.82
18	12/31/2019	6,334.39	941.47	C	0.01 47	C+ 010	7/	2,339	6,334.39
19	1/31/2020	5.456.26	CA 1 A 7	0 0	74.140	0/0.13	63	2,403	5,456.26
20	2/31/2020	A 560 36	74.440	0	941.47	886.91	55	2,457	4,569.36
21	3/31/2020	00.000,4	941.47	0	941.47	895.78	46	2,503	3,673.58
23	0/21/2020	3,073.38	941.47	0	941.47	904.73	37	2,540	2,768.85
22	4/31/2020	2,768.85	941.47	0	941.47	913.78	28	2,567	1.855.07
24	2/31/2020	1,855.07	941.47	0	941.47	922.92	19	2,586	932.15
4.7	0/31/2020	932.15	941.47	0	941 47	932 15	0	r c	1 1 1

APPENDIX IV

Loan Officer: Jomah Clay  Amount Received  Amount Received  Amount Research Charges  ########  Amount received  Amount received  ###################################	VIDER's PLATFORM for RE Borrower: Blama Doe, Sr. Borrower's Address: Randall Street I SUMMARY  Total finance charges  + & ##################################	Total Loan Amount = #######	3, 200.	18
Loan Officer: Jomah Clay  Loan Officer: Jomah Clay  Loan Duration  ###################################	Blama Doe, Sr.  Address: Randall Street  Total finance charges  &######  TOTAL REPAYMENT AM  Total cost of cre ####################################</td><td>Total Loan Amount = #######</td><td>Date Prepared: July 13, 207 Loan Number: 003 ANNUAL PERCENTAG Interest Charges Total Fees and Charges Penalties</td><td>18</td></tr><tr><td>LOAN SUMMARY Amount Received T ####### +  Interest C  + #######</td><td></td><td>Total</td><td>Loan Number: 003 ANNUAL PERCENTAGINterest Charges  Total Fees and Charges Penalties</td><td></td></tr><tr><td>####### +                              </td><td></td><td>Am ####</td><td>ANNUAL PERCENTAG Interest Charges Total Fees and Charges Penalties</td><td>Currency :</td></tr><tr><td>####### + +                            </td><td>Sattiffinance charges  8.######  TOTAL REPAYMENT AM  Total cost of cre ####################################</td><td>Am####</td><td>Interest Charges  Total Fees and Charges Penalties</td><td>E RATE (APR)</td></tr><tr><td>####### +                              </td><td>S######  TOTAL REPAYMENT AM  Total cost of cre #######</td><td>##</td><td>Total Fees and Charges Penalties</td><td>#####</td></tr><tr><td>Interest C                                    </td><td>TOTAL REPAYMENT AM Total cost of cre ######</td><td></td><td>Penalties</td><td>#####</td></tr><tr><td>Interest C                                    </td><td>TOTAL REPAYMENT AM Total cost of cre ########</td><td></td><td></td><td></td></tr><tr><td>Interest C + #####</td><td>TOTAL REPAYMENT AM  Total cost of cre #######</td><td></td><td>APR*</td><td>########</td></tr><tr><td>Interest C + #####</td><td>Total cost of cre</td><td></td><td></td><td></td></tr><tr><td>Interest (####################################</td><td>Charges</td><td></td><td></td><td></td></tr><tr><td>+ ####</td><td></td><td>Total Fees &</td><td>68 89</td><td>Total Repayment Amount</td></tr><tr><td>Payment</td><td>+ ###</td><td>#######################################</td><td>11</td><td>#######################################</td></tr><tr><td></td><td>LOAN REPAYMENT SCHEDULE</td><td>DULE</td><td></td><td></td></tr><tr><td></td><td></td><td>Payment Frequency</td><td>Due Date/Maturity Date</td><td>aturity Date</td></tr><tr><td>#######</td><td></td><td>Monthly</td><td>6/31/2020</td><td>2020</td></tr><tr><td>FEES, CH</td><td>FEES, CHARGES, PENALTIES & OTHER TERMS</td><td>THER TERMS</td><td></td><td></td></tr><tr><td>Late Charge</td><td></td><td></td><td></td><td></td></tr><tr><td>Prepayment</td><td></td><td></td><td></td><td></td></tr><tr><td>Total Fees and ############Charges</td><td></td><td></td><td></td><td></td></tr></tbody></table>			

Appendix V

CONFIDENTIAL
Central Bank of Liberia
Monthly Complaints Management Return

B. REPORTING FORMAT FORRELEVANT FINANCIAL INSTITUTIONS

	_	_	_	-	-	 			
Name of Authorized Personnel that handled complaint									
Remedial Action taken by MM Provider									
Time of Transaction									
Type of Complaint / Channel type or Product or Service									
Physical Location of Branch/Agent									
Name of Branch/Agent									
Currency									
Contact									
Address									
Age									
Gender of Complainant									
Consumer Name: Company or Business; if individual, include Title (Mr./Mrs./ Ms.)									