

12 Enhancement measures in the Code of Banking Practice

A. Further enhancing consumer protection in digital banking services

- (1) Ensure customer receive important information when applying for loans and general banking products and services and when conducting transactions on Internet banking platforms
- (2) Provide security advice in respect of new authentication technologies adopted in banking services and update other relevant advice to customers to enhance their understanding of digital security risks and the related protection measures
- (3) Properly retain records of marketing and promotional materials used in digital channels (e.g. eligibility for product application) for reference when needed

B. Empowering customers on financial management

- (4) Enrich disclosure of risk and potential repayment obligations in Key Facts Statements of loan products (e.g. interest rate risks and impact of related changes on repayment)
- (5) Provide loan calculators on Internet banking platforms for customers to assess the cost of borrowing and expected repayment requirement
- (6) Extend advance notice period to customers from existing 30 days to at least 60 days for significant changes to the terms and conditions of loan products (e.g. increase in interest rate)
- (7) Advise customers with potential financial difficulties of possible options (e.g. debt restructuring) to avoid further worsening of their financial conditions, and notify customers of loan set-off in advance where practicable

C. Ensure fair treatment of customers

- (8) Enhance transparency of opening, maintenance and closure of bank accounts, and provide channels for customers to request banks to review the related decisions
- (9) Enhance customer complaint handling process, provide customers with audio or video recording of the sales process of wealth management products, and offer support to customers in dispute with third-party service providers of products and services
- (10) Enhance transparency of the promotional benefits of banking products (e.g. eligibility criteria and replacement benefits)
- (11) Strengthen controls over the debt collection activities of banks and third-party debt collection agencies (e.g. debt collection tactics in electronic channels)

D. Continuous promotion of international good banking practices in Hong Kong

- (12) Introduce the recent updates of the "G20/OECD High-Level Principles on Financial Consumer Protection" to ensure banking consumer protection is consistent with the latest international practices (e.g. new G20/OECD principles on "Quality Financial Products" and "Access and Inclusion")