**Annexure-A**

**GUIDELINES FOR CONVENTIONAL BANKING CUSTOMERS – AWARENESS ABOUT CHARGES OF PRODUCTS/SERVICES**

**Bank’s Schedule of Charges (SOC)**

1. The Bank updates its Schedule of Charges bi-annually, to be effective from January and July every year in English and Urdu languages.
2. The SOC lists fees and charges for bank’s various products and services.
3. The SOC is uploaded on Bank’s official website [www.bop.com.pk](http://www.bop.com.pk) as well as made available on notice boards of all BOP branches, 30 days prior to its effective date.
4. Updation of bi-annual SOC is informed to the general public and customers through publication of advertisement in newspapers, SMS alerts, Bank’s social media pages and pop-up messages on ATM screens.
5. Any increase in the fees/charges before next 6 months is also notified through above mentioned channels, 30 days prior to the effective date of these fees/charges.

**Right to exit the contract without penalty**

1. In case the revised charges are not acceptable to the customer, he or she has the right to exit the contract without penalty.
2. The above condition is subject to exercising such right within the notice period. Non reply to the served notice is treated as implied consent.

**Key Fact Statement (KFS)**

1. Customer at the time of account opening or earlier, may ask for “Key Fact Statement (KFS)” which, in addition to product/service features, lists general charges associated with the same.
2. Updated KFS are available in BOP branches and on the bank’s website.
3. Similarly, KFS for consumer credit products and Most Important Document (MID) for third party products can also be asked before availing such services.

**Bancassurance** (3rd Party Product)

1. There are no bank charges on Bancassurane i.e. sale of insurance products of insurance companies by the bank.
2. Standing instructions for deduction of premiums for bancassurance products from the customer’s account are also free of charges.

**Loan accounts**

1. In case of demand finance, the bank prepares a schedule indicating outstanding principal after repayment of each installment.
2. Customer cannot be forced to get insurance policy in excess of the exposure of the bank.
3. Unless the customer consents explicitly, say by accepting Terms & Conditions, banks are required to get written or verbal consent (on recorded lines) for every renewal of cash line facility, etc.
4. The bank will provide information upon application for a loan or overdraft or, where relevant, in a subsequent offer:
	1. The rate of mark-up/profit for the loan or overdraft, and whether it may be varied over the period of the loan.
	2. The basis on which Mark-up will be determined and when it will be payable, including where relevant the APRs, and the number of days in the year (in both ordinary and leap years) that will be used for the calculation.
	3. All fees and charges which may apply.
	4. The specified period during which the loan offer may be accepted by the prospective borrower.
	5. Details of terms of repayment, including the loan tenor and, where relevant, the installments payable by the customer.
	6. Any overriding right to demand immediate repayment.
	7. Other significant features such as security requirements, late payment penalties, and the charges or termination fees for early repayment.
	8. The bank’s right, in the event of default of the borrower, to set off any credit balance in other accounts held by the borrower (or in a joint account of the borrower) against the amount due to the bank.

**Credit Cards**

1. While requesting for Credit Card product, the following information is shared with him/her in Terms & Conditions of the product:
2. annualized percentage rate (APR);
3. effective mark-up rates;
4. minimum monthly repayments;
5. credit card limits;
6. fees & charges; and
7. insurance coverage; etc.
8. Customer also gets the information mentioned above in the collateral pack along with the credit card.
9. Penal charges on breach of limit in respect of credit cards or cash line facilities to consumer are prohibited. However, if the customer needs overdraft facility, banks shall acquire his/her consent at the inception. Markup in this case will be charged at the normal rate without any penal charges.

**Miscellaneous**

1. Provision of tax certificate, collection of small denomination currency notes, etc. are legal obligations on the banks and do not carry any charges on provision of such services.
2. Customer is not charged if a service is not rendered to the consumer due to system failure or other reasons on the part of the bank.
3. The bank, at the customer’s request, will provide information of:
4. relevant fees and charges for services or products;
5. details of charges in case there is more than one type of charge or fee applied;
6. the basis of charges for services rendered that are not included in the standard fees and charges at the time of offering of services; and
7. additional charges or expenses, including charges when an account becomes overdrawn without prior agreement, exceed overdraft limit, loan falls into arrears, early withdrawal or cancellation and when a cheque is returned.