



State Bank of Pakistan

بینک دولت پاکستان

PUBLIC AWARENESS MESSAGE

INSTRUCTIONS ON SERVICE CHARGES

The State Bank of Pakistan being the custodian of financial system requires all commercial banks to adopt fair practices in dealing with their customers. It is the responsibility of banks to make complete disclosure of the lending and deposit rates of all consumer products offered by them. They have to clarify the pricing structure of the loan in the respective loan agreements with their customers. All the banks are required to print their respective schedule of charges and make the same available to their customers at all branches at least seven days before the commencement of the half year make it available on their websites. Further, all commercial banks in Pakistan are required to meticulously ensure that:

- ✓ The terms and conditions shall be clearly, explicitly & elaborately documented in the account opening form/application and must be signed by the prospective depositor/account holder to signify having been read and understood.
- ✓ All account opening forms must be filled in by the account holder in duplicate, one copy of which must be returned to the depositor/account holder duly verified by the authorized official(s) of the branch under proper acknowledgement.
- ✓ The banks can levy service charges on all types of Profit & Loss Sharing (PLS) deposits provided these charges are indicated in their half yearly schedule of charges.
- ✓ In case of accounts where no express clause was provided in account opening form for levy of service charges, the banks may recover service charges provided each of the following conditions are met meticulously.
 - A reasonable time i.e at least six months is allowed in advance to account holders intimating the intention of the bank to levy service charges.
 - Account holders have been informed about the levy of these charges through a letter while dispatching the half yearly statement of accounts.
 - The banks display the effective date for levy of service charges in each of branches for information of their customers.
 - Account holders have been advised through newspapers and other means of communication.
- ✓ Accounts maintained by (i) Students (ii) Mustahiqueen of Zakat (iii) employees of Government/Semi-Government institutions for salary and pension purposes are also exempted from levy of service charges in any manner whatsoever.

Consumers can lodge their complaints through surface mail at below mentioned address or electronically at the helpdesk using link <http://www.sbp.org.pk/cpd/complaints.asp>, if they feel that banks are acting detrimental to the above instructions.

 <p>Postal Address: The Director Banking Conduct & Consumer Protection Department State Bank of Pakistan 5th floor, I.I. Chundrigar Road, Karachi.</p>	 <p>Telephone: +92-21-99221147 +92-21-99221149</p>	 <p>Fax: +92-21-99221160 +92-21-99221154</p>
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