



AU Small Finance Bank Limited

Code of Conduct for Direct Selling Agents

Version Control

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1. Introduction

Code of Conduct for Direct Selling Agents (DSAs) lays down a clear and transparent policy stating the model code of conduct for DSAs while operating as agents of the Bank. This code will be applicable to all persons who are involved in marketing and distribution of any loan or other financial product of the Bank. DSA and its Tele-Marketing Executives (TMEs) and field sales personnel, known as Business Development Executives (BDEs) will have to agree to abide by this Policy before they undertake any direct marketing operations on behalf of the Bank.

In case of violation of any clause given in this Policy by any TME/BDE, the concerned person may be blacklisted from participating in any marketing operation undertaken by the Bank. Failure to comply with the requirements may result in permanent termination of business between the Bank and the concerned DSA. It may also attract permanent blacklisting by the industry.

2. Guiding Principles

This Policy document governs the code of conduct that DSAs shall have to adhere to while undertaking any marketing/distribution activity on behalf of the Bank. This Policy also outlines the model behavior to be practiced by TMEs and field sale personnel while interacting with prospective (or exist in g) customers. To ensure that TMEs/BDEs act in accordance with the provisions listed in the Policy, the DSA will obtain a declaration of adherence from the TMEs/BDEs before assigning their respective duties.

3. Tele-calling a Prospect (a prospective customer)

- 3.1. A DSA shall contact a prospective customer for marketing/sourcing of a Bank product or Bank-related product only under the following circumstances:
 - 3.1.1. In case the prospective customer has shown interest for acquiring a product through the Bank's internet site/call center/branch or through a designated official of the Bank.
 - 3.1.2. In case the prospective customer has been referred to by another Prospect/ customer or is an existing customer of the Bank who has given consent for accepting calls on other products of the Bank.
 - 3.1.3. In case the Prospect' s name/telephone number/ address is available and is taken f om one of the lists/ directories/ databases which has been approved by the DSA manager or team leader, after taking due permission from the DSA manager or team leader.
 - 3.1.4. In case the prospect's det ails is available and have been taken from the calling list provided by the Bank.

- 3.2. The DSA shall ensure that their TMEs will not call a person whose details (name/number) is flagged in any "do not disturb" list provided to them.
- 3.3. Telephonic contact shall be limited between 0930 hrs. and 1900 hrs. (Except in circumstances as described in paragraph 4.2.) The DSA shall ensure that the prospective customer is contacted only during those hours when the call will not cause any inconvenience to the Prospect.
- 3.4. The DSA shall ensure that calls outside of prescribed hours are placed only when the Prospect has explicitly authorized the TME/BDE for the same either in writing or orally.

4. Privacy of Prospective customers

- 4.1. The DSA shall ensure that the Prospect's privacy is maintained and respected. Under normal conditions, the Prospect's interest may be discussed only with the Prospect and any other individual/relative or family member such as Prospect's accountant/ secretary/ spouse who has been duly authorized by the Prospect.

Leaving messages and contacting persons other than the Prospect

- 4.2. The Bank shall ensure that DSA call only the Prospect. In case the Prospect is not available, TME will leave a message for the Prospect. Such messages will be simple and succinct with an aim to get the Prospect to return the call or to check for a convenient time to call again.
- 4.3. Generally, the message will indicate that the purpose of the call is regarding selling or distributing a Bank product. Under normal circumstances, the message will contain information regarding the name of the TME, Bank and contact details requesting to callback.
- 4.4. It shall be ensured that any communication sent to the Prospect is in the mode and format approved by the Bank.

5. No misleading statements/ misrepresentations permitted

- 5.1. TMEs and BDEs shall not use misleading statements or use any misrepresentations while dealing with the Prospect. The TME/BDE shall not:
 - Mislead the Prospect on any service/product offered.
 - Mislead the Prospect about the nature of business or the organization's name.
 - Misrepresent or inadequately represent themselves.



- Mislead the Prospect by making a false or unauthorized commitment on behalf of the Bank regarding any products or services.

6. Telemarketing Etiquettes

6.1. TMEs shall ensure that any communication with the Prospect follows proper etiquettes and meet all the provisions as given in this Policy document. The model behavior that the TMEs needs to follow are given as follows:

6.1.1. Before a call is made, TMEs shall make sure that they do not indulge in serial dialing or call on lists which have not been approved by the team leader. They will also make sure that no calls are made before 0930 hrs. Or after 1900 hrs. Unless it has been requested by the Prospect itself.

6.1.2. During the call, TMEs shall initially identify themselves, the DSA entity and the Bank and shall request permission to proceed.

In case the Prospect is busy, the TMEs shall disconnect the call politely.

The TME shall state clearly the reason for the call and will talk in the language that is most comfortable with the Prospect.

TMEs shall always offer to call back on landline, if call is made to a cell number.

The conversation shall be limited to the business matters only and the TME shall seek to clarify the terms and conditions or any other doubts that the Prospect may have regarding the product or service.

The TME shall gauge the interest of the Prospect in a particular product or service and will reconfirm the details of the next call or next visit. They shall also provide their telephone number, their supervisor's name or the bank officer contact details if asked by the customer.

TMEs shall follow basic etiquettes such as not interrupting or argue throughout the call and thanking the Prospect for their time.

In case any Prospect turns abusive while being on the call, the TME is expected to politely disconnect the call immediately and report the same to the Bank for proper documentation.

6.1.3. Once the call has been made, TMEs shall ensure that in case of lack of interest of the Prospect in a particular product or a service, they will not be called for a period of at least three months.

Also, the DSA establishment shall provide feedback to the Bank about Prospects who have expressed their desire to be flagged as "Do not disturb".

This shall ensure that they do not entertain calls from customers regarding products that have already been sold. In such an event, TMEs shall advise them to contact the customer service staff of the Bank.

7. Gifts or Bribes

It shall be ensured that no TMEs/BDEs accept gifts or bribes of any kind from the Prospect. In case any TME/BDE is offered a bribe or a payment in form of gifts by any Prospect, the concerned TME/BDE shall ensure that they report any such offer to the management of the Bank for necessary action. Similarly, in case any prospect turns abusive while being on the call, the TME shall politely disconnect the call immediately and report the same to the Bank for proper documentation.

8. General Precautions to be taken by BDE

8.1. The BDE shall take the following precautions while dealing with a Prospect:

- Maintain proper personal space by maintaining an adequate distance with the Prospect while communicating with him.
- The BDE shall not enter Prospect's residence or office without prior permission from the Prospect. It shall be ensured that the BDE will respect the Prospect's privacy.
- It shall be ensured that only one BDE and one supervisor visit the Prospect.
- In case only the family member and office persons of the Prospect are present, the BDE will end the visit with a request for the Prospect to call back. In this regard, The BDE shall leave details such as telephone number, supervisor's name and the bank officer's contact details, if asked for by the customer.
- The BDEs shall ensure that they are professionally dressed in a proper formal attire with a well-groomed appearance appropriate to the setting they are in.

For men: -

- Well ironed trousers
- Well ironed shirt, shirt sleeves preferably buttoned down.

For women: -

- Well ironed formal attire (Saree, Suit etc.)
 - Well-groomed appearance.
- Jeans and/or T Shirt, open sandals are not considered appropriate.

9. Policy Review

9.1 The Policy shall be reviewed annually by the Policy owners in accordance with the relevant regulatory guidelines issued from time to time for the approval of the board.

10. Policy Amendment Authority

Key owners responsible for Policy amendments:

Policy Owners	Role
Chief of Distribution	Responsible for implementation of this Policy
	Responsible for ensuring the Policy is reviewed annually

11. Policy Authorisation

This Policy has been approved by the Board of Directors of AU Small Finance Bank Limited.

12. References

- RBI Circular: RBI Circular: Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks (Dated: March 11, 2015} <https://rbi.org.in/scripts/NotificationUser.aspx?Id=9597&Mode=0>
- RBI Circular: Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks (Dated: November 3, 2006} <https://rbi.org.in/scripts/NotificationUser.aspx?Id=3148&Mode=0> (Paragraph 5.7}
- IBA Code: Model Code of Conduct for Direct Selling Agents (DSAs} <http://www.iba.org.in/model.asp>