

# Suryoday Small Finance Bank Limited

## Code of Conduct for Collection Agents

## 1. Introduction

The Code of Conduct for Collection Staff and Collection Agents of the Bank (hereinafter referred to as the “Code”) is built around dignity and respect to borrowers. All borrowers (including borrowers who are late in paying or in default) must be treated with respect, dignity, courtesy, and fairness in debt collection efforts. The Bank believes in following fair practices as laid down in its Policy on Collection of Dues and Repossession of Security and thereby fostering borrower confidence and long-term relationship.

It is imperative that all persons involved in collection related activities follow this Code. All Collection Staff and Collection/ Recovery Agents must agree to abide by this Code of Conduct. Collection Agents mentioned through the Code includes Recovery Agents and all the Recovery Agents and Agencies registered with Suryoday Small Finance Bank Limited (hereinafter referred to as “SSFB” or “the Bank”) will be required to adhere to this Code.

This Code applies to all employees of SSFB and / or other affiliates and employees / agents of companies that may be retained to collect borrower debts on behalf of SSFB. All the practices adopted by the bank for follow up and recovery of dues and repossession of security will be in consonance with the law.

Any Collection Agent found violating this code may be blacklisted and such action taken will be reported to the Bank from time to time by the collection agency retained by the Bank. Failure to comply with this requirement may result in permanent termination of business of the collection agency with the Bank and may even lead to permanent blacklisting by the industry.

## 2. General Guidelines

**All employees of SSFB and / or other affiliates and employees / agents of companies appointed / authorized by SSFB, would follow the guidelines set out below:**

- i. A representative of SSFB must clearly identify himself / herself as such to the Borrower (or their appointed representative or blood relatives) at the beginning of every interaction.
- ii. Representatives must carry a copy of the relevant notice and the authorization letter from the Bank along with the identity card issued to him by the Bank. The notice and the authorization letter should, among other details, also include the telephone numbers of the relevant recovery agency.
- iii. Borrowers deserve to be treated with dignity. Collection staff / Agent should always maintain professionalism during telephone conversations and visits. The collection staff / agency is strictly prohibited from making telephone calls without meaningful disclosure of the caller’s identity. No written or verbal threats, abuse or rudeness is permitted. Collection staff / Agent should always use acceptable business language, even if the other party does not.
- iv. Collection staff / Agents deserve to be treated with dignity. They may refer the Borrower to management, or end calls when a borrower becomes abusive or threatening. Borrowers should be informed prior to termination of such calls. All calls where the borrower becomes abusive or threatening should be appropriately documented.
- v. The Borrower should be contacted at the address registered with the Bank or at his/her business / occupation address or place of residence. Only if the borrower is unavailable at any of the above addresses, he/she should be contacted at such places and at such times as the borrower is actually present / available or can be traced to.

- vi. Collection staff / Agent should, as far as possible, use the language which the borrower is comfortable with.
- vii. Borrowers and their family members, referees and friends are entitled to privacy and the Collection staff / Agent shall respect this right.
- viii. Collection staff / Agent should ensure that that all written and verbal communication with Borrowers are in simple business language.
- ix. Borrowers may be contacted between 09:30 Hrs and 19:00 Hrs unless special circumstance of Borrower's business or occupation or other engagements requires the Bank to contact him/her at a different time. Borrower requests to avoid calls at a particular time or at a particular place should be honored as far as possible. However, it may be ensured that a Borrower is contacted only when the call is not expected to inconvenience him/her. Calls earlier or later than the prescribed hours may be placed only under the following conditions:
  - a. When the borrower has authorized to do so in writing or orally.
  - b. Due notice of recall of the loan has been served by the Bank on the borrower, and appointment of Collection Staff/ Agent has been intimated to him, and the borrower is intentionally avoiding calls of the Collection Staff/ Agent.
  - c. Time and number of calls and contents of conversation will be documented.
- x. Collection Staff / Agents should endeavor to answer borrower's queries and render assistance to resolve issues.
- xi. Collection staff / Agent will document the efforts made for the recovery of dues and the copies of communication, if any, sent to the borrowers will be kept on record.
- xii. Inappropriate occasions such as bereavement in the family or such other calamitous occasions will be avoided for making calls / visits to collect dues.
- xiii. Giving notice to Borrowers / Repossession of Security: While written communications, telephonic reminders or visits by the Bank's representatives to the Borrowers place or residence will be used as loan follow up measures, the Collection staff / agent will not intimate any legal or other recovery measures including repossession of security without giving due notice in writing. The collection staff / agent will deliver written notices or proceed with the repossession of security only after being duly authorised by the SSFB officers at appropriate levels. Repossession of Security will be strictly done in accordance with the laid down process and as per the Bank's Policy on Collection of Dues and Security Repossession.
- xiv. Collection Staff / Agent should always maintain the Borrower's secrecy. However, the matter may be discussed with the Borrower's family members if the Borrower does not respond to recall notices and repeated calls made by Collection staff / Agent. Family for this purpose will only be close and adult family members and will include spouse, son (including legally adopted son), unmarried daughter (including legally adopted daughter), unmarried sister, father, mother, daughter-in-law, grandson and grand-daughter.
- xv. Calls must first be placed to the Borrower. If the Borrower is not available, a message should be left for the Borrower to return the call or check for a convenient time to call again. Message should be left with their business associate or person(s) representing them in the Bank and indicate that "xxxxx (Name of the Collection staff / agent) representing Suryoday Small Finance Bank Limited called and requested to call back at xxxxxxxxxx (phone No). The purpose of the call is recovery of Bank's dues."

- xvi. Collection staff / agent should not resort to intimidation or harassment of any kind, either verbal or physical, against the Borrower or its family members or friends in their debt collection efforts.

### **3. No misleading statements/misrepresentation are permitted**

Collection staff / Agent should not -

- i. Mislead the Borrower on the action proposed and consequences thereof.
- ii. Mislead the Borrower about their true business or organization name, or falsely represent or imply that the Collection staff / Agent is an attorney (lawyer), government official, officer of any court etc.
- iii. Threaten with imprisonment or even mention imprisonment unless legal action planned or currently underway could result in imprisonment.
- iv. Threaten with arrest/detention by the police unless, prima facie, the Borrower's actions indicate criminal intent that could lead the police to arrest/detain – for example, if a Borrower has sold the automobile financed or has falsified documents at the time of application, the Borrower may be prosecuted leading to arrest/detention.

### **4. Gifts or bribes**

Collection staff / Agent should not accept from Borrowers gifts or bribes of any kind. Any Collection staff / Agent offered a bribe or payment of any kind by a Borrower must report the offer to his/her management.

### **5. Precautions to be taken on visits**

Collection staff / Agent should:

- i. Respect personal space – maintain adequate distance
- ii. Not enter the Borrower's residence against his/her wishes or when they are told the Borrower is not at home.
- iii. Not restrict the Borrower's movement or restrain him/her from entering or leaving the house/room.
- iv. Not remain in the Borrower's house if he/she were to leave for any reason including to collect money from a bank/elsewhere.
- v. Respect the Borrower's privacy and not embarrass the Borrower in the presence of his/her neighbors.
- vi. If the Borrower is not present and only minors/elderly/infirm are present at the time of the visit, the Collection Staff / Agent should end the visit with a request that the Borrower call back. He should not enter the house unless invited. He should not wait for the Borrower in the Borrower's residence unless specifically asked to do so by the Borrower or family.

## 6. If the Borrower declines to pay, the Collection staff / Agent should:

- A. If the Borrower declines to pay, the consequences of such a decision are to be explained to him/her:
  - i. Impact on credit history
  - ii. Possible inclusion in negative list of Credit Reference Agencies / Master Card / Indian Banks Association
  - iii. Possible legal action and its impact
  - iv. Cost of defending legal action, if such action is contemplated.
  
- B. Should the Borrower refuse to pay on the account, such accounts must be referred to the Supervisor. The Supervisor shall, after discussing with the Agency Manager allocate the account appropriately. Further calls on the Borrower who communicates in writing his/her refusal to pay may follow an escalation matrix as below:
  - i. Agency Manager
  - ii. Unit Head
  - iii. Regional Collection Head
  - iv. Country Collection Head

## 7. Code adopted during the call

- i. The Collection staff / Agent will identify himself/herself to the Borrower and will apprise him/her of the authority to represent.
- ii. Calls may be recorded with the consent of the Borrower.
- iii. State reason for call. Provide the Borrower with all the information regarding dues and necessary notice be given for enabling discharge of dues.
- iv. Offer to call back, if the Borrower is busy.
- v. Talk in language which is most comfortable to the Borrower.
- vi. Keep conversation limited to business.
- vii. Reconfirm next call or next visit.
- viii. Provide contact numbers (for Collection staff / Agent as well as the Bank).
- ix. Reasonable notice will be given before repossession of security as well as before its realization.
- x. All assistance will be given to resolve disputes or differences in a mutually acceptable and in an ordinary manner, if any as regards dues.
- xi. Demeanor that will suggest criminal intimidation or threat of violence would be scrupulously avoided.
- xii. Telephonic Etiquettes

### PRE-CALL

- No calls prior to 09:30 Hrs or post 19:00 Hrs unless specifically requested.
- No serial dialing

### DURING CALL

- Identify yourself, your company and your principal
- State reason for your call

- Never interrupt or argue
- To the extent possible, talk in the language which is most comfortable to the Borrower
- Keep the conversation limited to business matters
- Reconfirm next call or next visit details
- Provide your telephone number, your supervisor's name or your Bank officer contact details if asked for by the Borrower

## **8. Others**

Collection staff / Agent:

- i. Must not accept cash, and recoveries will be deposited in the Bank directly.
- ii. Must be appropriately dressed, decorum and decency will be maintained.
- iii. Must furnish an undertaking placed at the end of this Code.
- iv. Should resort to only the legally permissible activities during the course of recovery.
- v. Should not send inappropriate messages either on mobile or through social media or make threatening and/ or anonymous calls to the Borrower, its family members, referees and friends.

**Declaration-cum-Undertaking**

(To be obtained from Collection Staff / Collecting Agents attached to the Collecting Agencies)

To,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir/Madam,

Re: SSFB's Code of Conduct for Collection Staff / Agents

I, Mr./Ms. \_\_\_\_\_ working with \_\_\_\_\_ as \_\_\_\_\_. My job profile includes collection of dues and/or repossession of security from the borrowers of SSFB. In discharge of my duties, I am obligated to follow the SSFB's Code of Conduct for Collection Staff/Agents.

I confirm that I have read and understood the SSFB's Code of Conduct for Collection Staff/Agents, and I agree to abide by the same. In case of any violation / non-adherence, you may initiate such action against me as you may deem appropriate.

(Signature)

Full Name: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_