

BCCC Finding CX4242 - Appendix 1

Good Practice Guidance

The Banking Code Compliance Committee (BCCC) issues this guidance based on the Findings it made in relation to investigation CX4242. It sets out the BCCC's expectations for how Code-subscribing banks (banks) should ensure ongoing compliance with the Code.

Complaints handling

1. Chapter 48 of the Code sets out how banks must handle a customer's complaint. Banks' internal dispute resolution processes must comply with ASIC's regulatory guidelines.
2. The Code's complaints handling obligations and ASIC's regulatory guidelines are designed to give banks the opportunity to hear customer's concerns and expressions of dissatisfaction and address them genuinely, efficiently and effectively.
3. The BCCC expects banks to have in place a complaints handling process and appropriate training for staff members which:
 - a. addresses how the bank will identify whether a customer is satisfied with the outcome of a complaint before it is closed, and
 - b. requires staff to record whether the customer was satisfied.
4. The BCCC acknowledges that ASIC has released a revised version of Regulatory Guide (RG) 165. [RG271](#) will come into effect in October 2021 and outlines the criteria for banks to determine whether a complaint has been resolved to a customer's satisfaction.
5. The BCCC encourages banks to update their complaint handling processes as soon as possible, to ensure customers benefit from these enhanced standards.

Customers experiencing vulnerable circumstances

6. Chapter 14 of the Code requires banks to take extra care with customers who are experiencing vulnerable circumstances.
7. Where a customer has told the bank, they are experiencing vulnerable circumstances, such as a gambling addiction, mental illness or drug abuse, the BCCC expects banks to take extra care with these customers to ensure they are properly assisted.
8. The Australian Banking Association (ABA) is developing an [Industry Guideline](#) for how banks can assist customers experiencing vulnerable circumstances. The ABA has separately [consulted](#) on the use of credit cards to fund gambling. Banks should ensure they have implemented appropriate policies, procedures, staff training and other supporting resources to comply with the Code and these Guidelines, when these Guidelines are released.

9. The BCCC notes that clause 10 and the Guiding Principles of the Code require banks to act fairly and reasonably towards customers.
10. The BCCC has also published [Guidance Note: Clause 10 – fair, reasonable and ethical behaviour](#), which outlines how it will assess banks' compliance with this Code obligation.
11. The BCCC notes that, at the time of issuing this guidance, it is conducting an Inquiry into banks' compliance with Chapter 14 of the Code – taking extra care with customers experiencing vulnerable circumstances.