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CONSUMER PROTECTION RIGHTS FOR FINANCIAL PRODUCTS AND SERVICES

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CONSUMER PROTECTION RIGHTS FOR FINANCIAL PRODUCTS AND SERVICES

As a natural person and a consumer of financial products and services, ***you gain certain rights and obligations*** by entering into a business relationship with financial system operators.

It is important to understand and know that these rights and obligations are ***defined by laws***, by-laws (*General Terms and Conditions and decisions*), good business practices and contracts that establish how products and services are used.



WHAT IS CONSIDERED A RESPONSIBLE APPROACH TO FINANCIAL PRODUCTS AND SERVICES?

Being responsible means *being informed and financially educated*, and also assessing own needs and opportunities.

When using a money transfer service, it is advisable to practice the following:



WHAT IS CONSIDERED A RESPONSIBLE APPROACH TO FINANCIAL PRODUCTS AND SERVICES?

- » **Explore opportunities** through the websites of banks and money transfer operators;
- » Make a **list of questions** you want answered;
- » **Visit branch offices and inquire** about fees, correspondent banks, transfer speed, security policies, etc.;
- » **Notify the recipient/sender** of the information collected, especially in the context of fees and correspondent banks;
- » Analyze the documentation required for the use of the service. It is important to remember that **it is your right to receive a transparent service** and to ask for further explanation of terms or fees.



WHAT IS THE PURPOSE OF A CONTRACT FOR SERVICES OR PRODUCTS?

Contracts for the use of financial services or products define the rights and obligations of the contracting parties, both the service provider and the service user.

These *rights and obligations refer to service provision, payments, deadlines, price, security, speed, confidentiality, transparency, contract termination, securing instruments, etc.*

During the negotiation phase you may **request a copy of the draft contract** to analyze its provisions in detail. It is particularly important to pay close attention to the contract provisions concerning costs, repercussions of contract termination, and enforced collection of claims.



It is very important to carefully read the contract while keeping in mind that in the negotiation phase the financial service provider is obliged to transparently clarify any unclear terms or contract provisions.

FACTSHEET AND GENERAL TERMS AND CONDITIONS OPERATION

A factsheet is an important document in the negotiation phase as it contains information about a specific service or a product.

In the case of opening an account for a natural person, the ***factsheet should include*** the following:

- » basic information on the specific service;
- » explanation of terms;
- » types of fees;
- » currency designation;
- » other related services.



FACTSHEET AND GENERAL TERMS AND CONDITIONS OPERATION

General Terms and Conditions explain the rights and obligations of the contracting parties concerning a specific product/service.

Again, in the case of opening an account for a natural person, the General terms stipulate the following:

- » definition of terms;
- » descriptions of the types of transaction accounts (current, foreign currency, etc.);
- » associated charges;
- » security obligations;
- » other related terms.



Tip: In relation to incoming/outgoing money transfer services through a bank account, you can find information about transaction security, speed, complaints procedure, etc. in the General Terms and Conditions, which are available on the websites of banks.

HOW DO I PROTECT MY RIGHTS?

If you feel that a banking system operator has infringed on your rights as a financial service user or a guarantor, ***you have judicial and extrajudicial protection mechanisms at your disposal.***

By submitting a complaint to the financial institution or the competent banking agency i.e. the Banking system Ombudsman, ***you can protect your rights*** outside the court.

If, however, you are not satisfied with the extrajudicial procedure, you can always initiate judicial proceedings before the competent court.



OVERVIEW OF THE RIGHTS PROTECTION PROCEDURE:

FINANCIAL INSTITUTION

- You can submit your complaint orally to an employee;
- You can also submit your complaint in writing, ensuring that the complaint contains all the necessary elements;
- Submitting a complaint and the subsequent procedure are free of charge.

OMBUDSMAN FOR THE BANKING SYSTEM

- If the financial institution has not responded to your complaint within 30 days of the date of complaint submission or you are not satisfied with the response, you can submit a complaint to the competent banking agency i.e. the Banking system Ombudsman;
- The Ombudsman carries out the procedure and, in accordance with the complaint, gives recommendations which are non-binding for the financial institutions;
- It is also possible to initiate a mediation procedure with the Ombudsman;
- All procedures before the Ombudsman are free of charge.

COURT PROTECTION

- If you are not satisfied with the extrajudicial procedures for consumer rights protection (complaint to a financial institution or the Ombudsman), you can initiate judicial proceedings before the competent court;
- Initiating a judicial procedure is not conditional upon using extrajudicial protection mechanisms;
- Judicial procedure implies good knowledge of procedural and material law, as well as financial costs;
- Court decisions are binding.

IT IS IMPORTANT TO KNOW WHAT A COMPLAINT SHOULD INCLUDE

For the addressee of the complaint to be able to respond clearly and promptly ***it is important that the complaint contains precise information and is presented in a specific form.***

In this way, you can avoid the situation where it becomes unclear what specifically you are complaining about, which legal act you are invoking and which circumstances or facts you are presenting.

Tip: Try to be precise and unambiguous in your complaint. **Read carefully the documents** on which the relation is based and precisely state the circumstances, prior communication with the financial institution, legal acts you are referencing and any other information which you feel may substantiate your claim.



IT IS IMPORTANT TO KNOW WHAT A COMPLAINT SHOULD INCLUDE

Keep in mind that ***a complaint should include*** the following:

- » main information on the complainant (first and last name, exact and full address and telephone number);
- » name and address of the institution which the complaint refers to;
- » description of the disputed relation, contract number and when it was concluded, and the origin of obligation/dispute;
- » evidence which substantiates your claim;
- » a solution proposal;
- » date of complaint submission;
- » signature.



USEFUL CONTACTS



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