



CUSTOMER COMPLAINTS HANDLING

AMENDMENT HISTORY

<i>Date</i>	<i>Revision No.</i>	<i>Description</i>	<i>Author</i>
<i>August 2023</i>	<i>1</i>	Documentation of the policies and procedures of handling customer complaints	<i>Janice C. Lim</i>

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1. PURPOSE

The guidelines in this manual have been established to ensure that all Stakeholders are informed of the procedures in handling customer complaints and for the responsible units to have a clear understanding of their specific deliverables in resolving these concerns.

This covers the processes in capturing customer complaints on the Bank's products, services, employees and facilities obtained from various touchpoints and service delivery channels. Included in this document are the process for handling customer concerns and the communication in providing updates to the customer.

2. DEFINITION OF TERMS

- 2.1. Complaint - is a statement that a situation is unsatisfactory or unacceptable. Gaps or lapses have been identified between what the business promises in terms of the product or services and what the customers get.
- 2.2. Customer Experience Officer (CXO) - responsible in organizing, planning and monitoring the bank's customer service-related functions to ensure improvement of customer relationship and satisfaction. CXO receives inquiries, requests and complaints and is responsible in documenting all of these. CXO coordinates with different Support teams for the resolution of concerns.
- 2.3. Customer Complaints Ticketing System (CCTS) – is an automated platform which is used to create a case for each reported complaint received. This generates a reference number that will be given to client.
- 2.4. Complaints Masterfile - a manual report where all customer complaints from all channels are logged and/or documented by CXO.
- 2.5. Turnaround Time (TAT) – amount of time needed to resolve a concern.
- 2.6. Service Level Agreement (SLA) - establishes the accountabilities of the concerned parties in relation to the resolution of a concern within the agreed TAT. This may be periodically reviewed based on operational requirements.
- 2.7. Simple complaint – involves investigation by accessing systems or records readily available to the receiving channels.

Examples:

- a. A complaint against an employee of the bank will require internal validation on the details of the incident.

- b. ATM Debit No Cash Dispense (NCD) complaint of on-us cardholders will require accessing of the bank's system. Bancnet will not be involved.

- 2.8. Complex complaint - involves investigation requiring coordination with units outside the receiving channels. This may require retrieval of documents/bank records. This may also involve coordination with third-party entities, e.g., Bancnet, merchants, etc.

Examples:

- a. Bancnet Online bills payment dispute will require coordination with a third party to verify the transaction.
- b. NCD complaint of issuer cardholders will require validation through Bancnet's report and endorsement to another department for credit processing.

- 2.9. BSP-endorsed complaint – concern was coursed through Bangko Sentral ng Pilipinas (BSP) Consumer Affairs by the client.

Examples:

- a. Disputes on fees and charges forwarded by client via email to consumeraffairs@bsp.gov.ph.
- b. Delay on the release of loan proceeds raised by client via BSP's chatbot platform.

3. GENERAL GUIDELINES/POLICIES

- 3.1. All customer complaints shall be centralized with Customer Experience. This shall provide an effective means for customers to report their concerns. The Bank shall act on each complaint with prudence and efficiency.

- 3.2. For any customer complaints, clients may reach Citystate Savings Bank (CSBank) via the following channels:

- 3.2.1. Branch
- 3.2.2. Trunkline
- 3.2.3. Non-voice channels
- 3.2.4. Other internal units
- 3.2.5. ITCD-Data Center: for concerns received beyond office hours and during holidays

- 3.3. Customer Identification Process

- 3.3.1. Receiving channel should ask for pertinent details from the customer.
- 3.3.2. Proper verification should be done to establish the identity of the customer.
- 3.3.3. Only the accountholder can file and/or follow up the complaint. For security reasons, a representative will not be allowed to report the incident. A notarized Special Power of Attorney (SPA) to authorize another person to act on behalf of

the accountholder will be required. Clearly laid-out transactions will be documented.

- 3.3.4. CXO shall not ask for personal information in the Facebook chat conversation. Client will be directed to the corporate website so he/she can leave the required details including a consent to the Data Privacy Act.
- 3.3.5. CXO shall endorse to the Support teams all transactions related to account inquiries and requests which need validation in the Core Banking System. They shall facilitate verification of account holder.

3.4. Documenting Complaints Received

3.4.1. Customer Complaints Ticketing System (CCTS)

All reported customer complaints are encoded by the receiving channel via CCTS. Case shall be centralized with Customer Experience which will be monitored on a daily basis. CXO shall endorse the case to the concerned unit which shall be in-charge of the fulfillment. Resolution will be monitored.

Customer Complaint records in CCTS must only be retained for 10 years. Deletion process shall be managed by IT & Communications Department.

3.4.2. Complaints Masterfile

Details of the complaints received shall be documented by CXO:

a. Status of complaint if closed or open	n. Domicile bank/branch of account
b. Aging	o. Disputed amount
c. Month	p. Customer contact information
d. Quarter	q. ATM-related information
e. Reference No.	r. Fulfillment unit (department in-charge of the resolution)
f. Date reported	s. Other details of the complaint
g. Reported by (department/personnel who attended to the complaint)	t. With document submitted
h. Source/channel (branch, social media, internal unit etc.)	u. Date of resolution
i. Complaint type (Product, Service, Facilities, Officer/Staff)	v. CXO's name
j. Complaint category (simple, complex)	w. No. of days elapsed to resolve the complaint
k. Account-related information	x. Status of complaint if within agreed TAT
l. Transaction date/time	y. Status of complaint if valid
m. Customer name	z. Actions taken/resolution provided

Customer Complaint records in the Complaints Masterfile must only be retained for 5 years. Deletion process shall be managed by CXO.

3.5. Responding to Complaints Received

- 3.5.1. Providing an update to the disposition of the complaint shall be in compliance with BSP's standard TAT based on the category.

Category	Turnaround Time
Simple	*7 working days; acknowledged within 2 working days
Complex	*45 working days; acknowledged within 2 working days
BSP-endorsed	*7 working days; acknowledged within 2 working days

** All periods are reckoned from receipt of complaint.*

Concerned units shall adhere to the resolution TAT as mentioned above.

- 3.5.2. Updates will be provided to client through their given contact information c/o CXO, branch or internal unit.
- 3.5.3. All reported complaints will be assessed and investigated by the assigned unit. Actions taken will be documented in CCTS. Complaints will be tagged as valid or invalid.

Customer complaints will be tagged invalid if it does not meet certain criteria:

- There is no breach in the process and/or procedure and there are no actual grounds of error based on the existing handling of the bank for its products and services.
- It is feedback from a non-account holder.

Note: complaints are accommodated from non-account holders if it is related to ATM captured cards, NCD complaint of acquirer cardholder, falsified or surgically altered check, counterfeit notes, unposted remittance, etc.

- Details are not completely provided to clearly describe the incident.
- Client refuses to give details.

Feedback will be provided to client by relaying the invalid result of the investigation. If supporting documents are deemed necessary to be issued, this will also be sent out to client.

- 3.5.4. For complaints endorsed by BSP, CXO shall follow the standard which BSP provided in acknowledging receipt of concern. Communication of resolution to BSP and to the client shall be handled by CXO after details have been gathered and reviewed by the Stakeholders.

- 3.5.5. Correspondences such as Letter of Certification, Apology Letter and Letter of Reply that may have financial or reputational impact shall be endorsed by CXO to Legal Services and Regulatory Affairs Department (LSRAD) copy furnished the concerned Unit/Group Head, Compliance Department and Risk Management Department (RMD) for clearance. Final review and approval shall be obtained from the Chief Operating Officer (COO) and Bank President before sending out the reply to the client.
 - 3.5.6. For suspected fraud cases, these shall be referred immediately to the assigned unit for assessment and investigation, copy furnished LSRAD, Internal Audit Department (IAD), Compliance and RMD. After the investigation has been completed, IAD makes a recommendation whether the transaction is valid or void and who shall be liable for the fraud. Investigation of fraudulent transaction shall take a timeline of 45-60 working days from the date of receipt of complaint. This can be shortened to a minimum of 10-15 working days if all documents needed are present or already available (Refer to the Anti-fraud Policy Guidelines Manual).
 - 3.5.7. Customer complaint which is valid or invalid, with or without reputational impact, for escalation to the Senior Management or those otherwise unresolved through discussions, shall be deliberated in the Service Council.
 - 3.5.8. Incidence of customer complaint which occurred beyond the regulatory 5-year retention period or prior to the Core Banking System's migration will be considered as a limitation and may not be addressed. These are important sources of information which aid in the fair assessment and resolution of complaints.
- 3.6. Reporting Mechanism
- 3.6.1. CXO consolidates all customer complaints received from all channels on a monthly basis. The results are analyzed to identify areas for improvement and shared with the affected units for proper disposition. These are also discussed in the Service Council which is held every month.
 - 3.6.2. Data gathered from the Complaints Masterfile shall be analyzed and provided monthly to the Senior Management to measure the performance and quality of service delivery of the Bank. Service level agreement (SLA) on Problem Resolution is established to ensure that adherence to the standard is met.
 - 3.6.3. Customer insights obtained from these reports shall be communicated to Stakeholders and Senior Management as deemed necessary.
 - 3.6.4. Complaints report shall be provided to the following:

- a. RMD - for risk assessment, risk monitoring and enhanced risk mitigation, this shall be sent monthly.
- b. IT & Communications Department (ITCD) – for analysis of ATM-related complaints, this shall be sent monthly.
- c. Compliance Department
 - c.1. BSFI Consolidated Complaints Report (BCCR) is prepared quarterly as part of BSP's requirement.
 - c.2. Treasury-related complaints shall be sent monthly.
- d. IAD - for risk assessment in determining the scope of the audit for Head Office units and branches, this shall be sent monthly.

3.7. Compliance to BSP's Financial Consumer Protection (FCP) Program

- 3.7.1. Review of the Financial Consumer Protection (FCP) policies and standards of conduct shall be conducted as needed.
- 3.7.2. Training program shall be conducted yearly to equip bank employees with the skills and knowledge to assist them in adhering to the standards.

3.8. In compliance with the Data Privacy Law, any information related to customer complaints will be treated with confidentiality. The identity of the customer who provided the concern as well as his/her other personal details shall be kept confidential as a basic requirement in protecting customer information.

3.9. Controls and Monitoring

- 3.9.1. CXO shall monitor the customer complaints received and forwarded to the concerned unit. Follow-up to stakeholders shall be made to ensure that the set standards are met. Case shall be created in CCTS for every complaint and reference number shall be given to client.
- 3.9.2. SLA performance on problem resolution shall be presented in the Service Council.
- 3.9.3. CXO shall check Customer Satisfaction Survey (CSAT) on a monthly basis for the negative feedback obtained from the results.
- 3.9.4. IAD shall conduct assessment of business units for compliance.

4. FUNCTIONAL RESPONSIBILITIES

Business Unit/Receiving Channel

- 4.1. Receive, acknowledge and document the customer complaint.

- 4.2. Probe and obtain pertinent information related to the complaint.
- 4.3. Resolve concern if within scope, otherwise, endorse it to CXO.
- 4.4. Create case via CCTS and forward it to CXO.
- 4.5. Provide to client the reference number generated.
- 4.6. Provide update to the customer on the status and/or resolution of concern.

Customer Experience Officer

- 4.7. Receive and document the customer complaint endorsed by the business units/channels.
- 4.8. Send acknowledgement within the agreed TAT and provide feedback to client on the status and/or resolution of concern on or before the indicated TAT.
- 4.9. Log details in the Complaints Masterfile.
- 4.10. Coordinate with the involved unit in resolving the complaint.
- 4.11. Determine the adequacy and completeness of information provided by the Stakeholder before sending an update to the customer and closing the case in CCTS.
- 4.12. Provide update to the customer on the status and/or resolution of concern. Communication of disposition may also be coursed through the branch or internal unit.
- 4.13. Manage reports and customer insights based on the consolidated complaints from all channels.
- 4.14. Coordinate regulatory requirements with Compliance Department.

Stakeholders/Concerned Units

- 4.15. Identify the person-in-charge (PIC) who acts as the point person in the investigation of customer complaints.
- 4.16. Obtain facts and investigate the complaint for appropriate action.
- 4.17. Communicate actions taken to CXO within the agreed TAT.

5. AML FUNCTIONAL RESPONSIBILITIES

- 5.1. Customer Identification Process – refer to section 3.3.
- 5.2. Enhanced Due Diligence (EDD) Process
Covered and Suspicious Transaction Reporting (CTR and STR)
Report on Crimes and Losses (RCL)

Conduct of EDD shall be warranted in fraud related complaints. EDD shall be conducted by the Branch of account to determine if STR shall be filed and/or banking relationship with the clients shall be severed.

- 5.3. Record Keeping and Retention - refer to section 3.4.1. and 3.4.2.
- 5.4. Addressing Compliance Matters – refer to section 4.14

- Complaint Handling: High Level Process (Annex A)
- Complaint Handling: Reported through the branches (Annex B)
- Complaint Handling: Reported through Non-voice Channels (Annex C)
- complaint Handling: Reported through Other Internal Units (Annex D)
- Complaint Handling: Endorsed by BSP (Annex E)
- Complaint Handling: SisCo-related Complaints (Annex F)
- Complaint Handling: Complaint with Reputational Impact (Annex G)
- Complaint Handling: Data Center (Annex H)

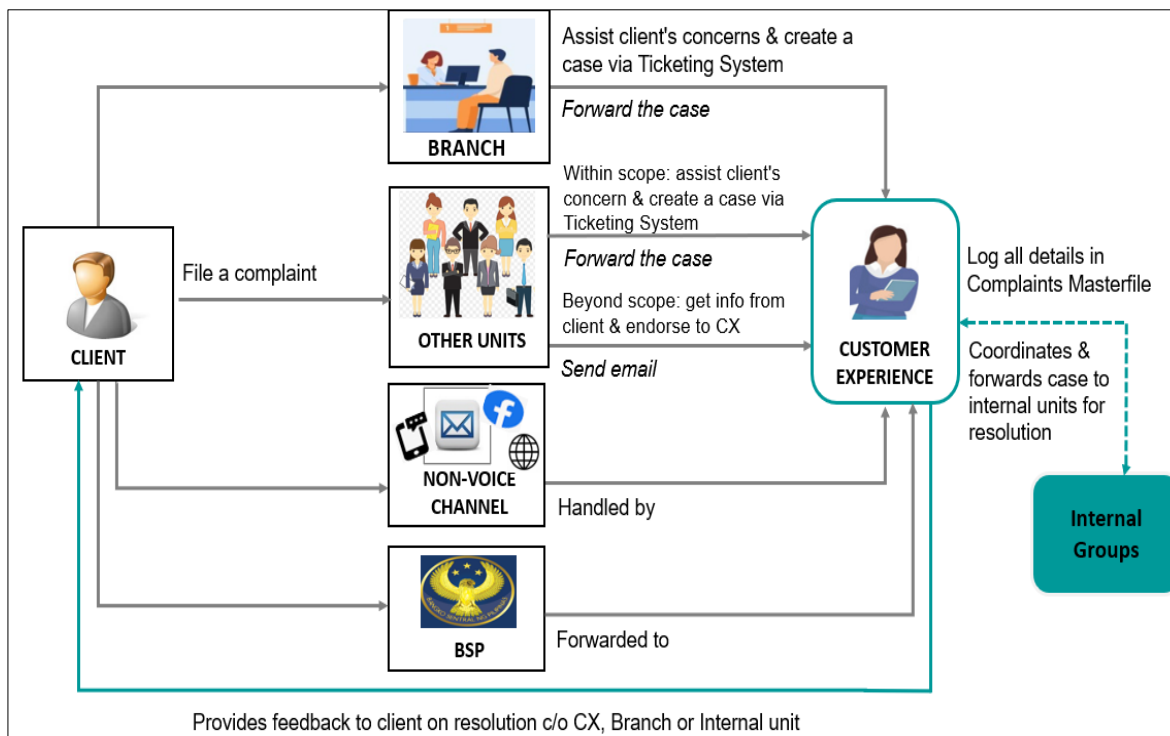
Refer to the CCTS User's Manual that was documented by ITCD.

8. COMPLAINTS MASTERFILE

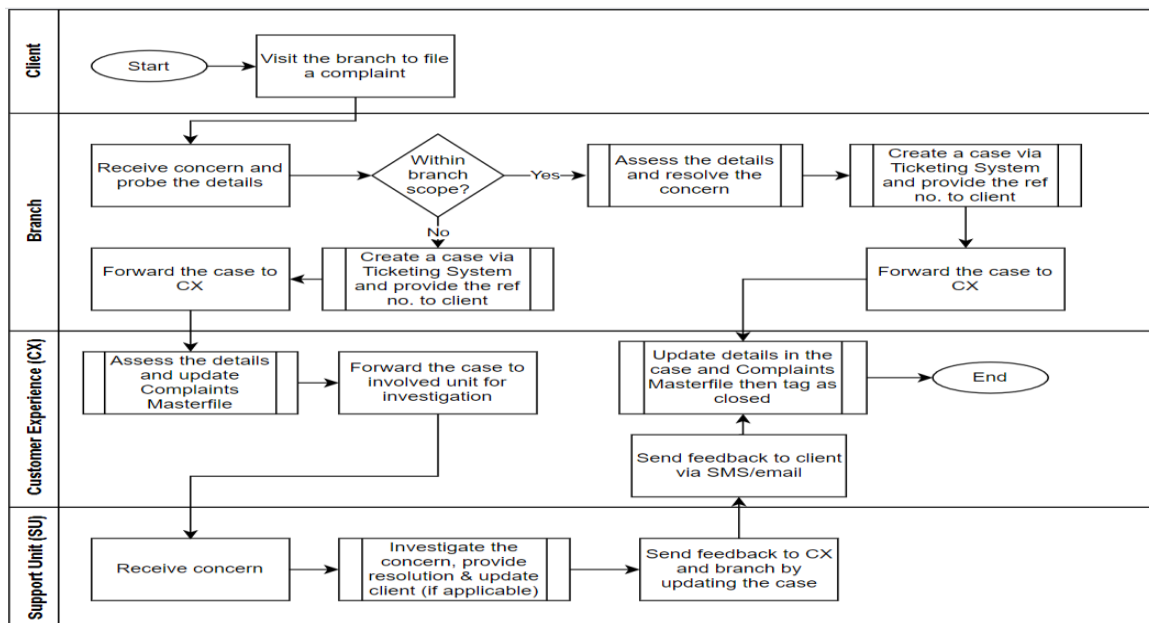
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9. ANNEX

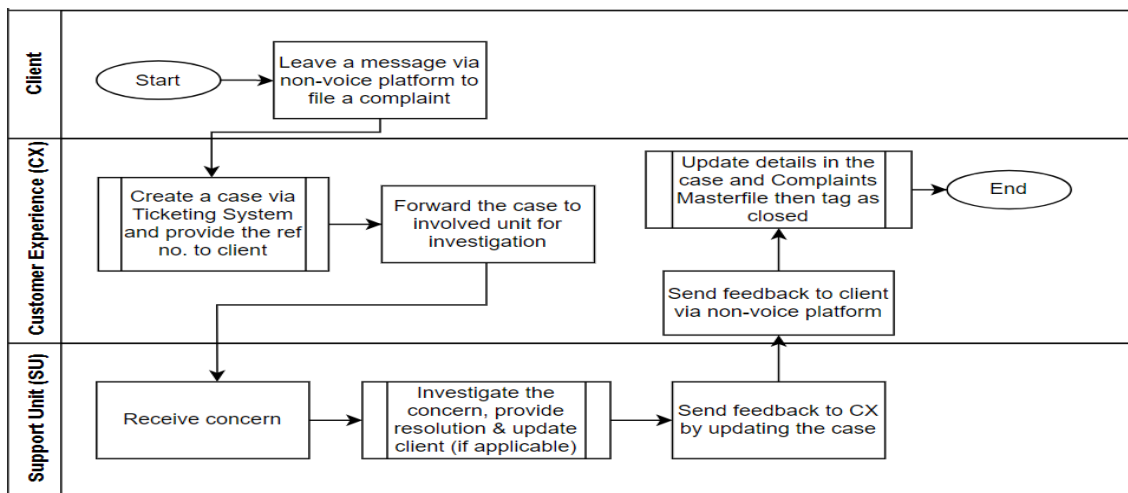
Annex A High Level Process



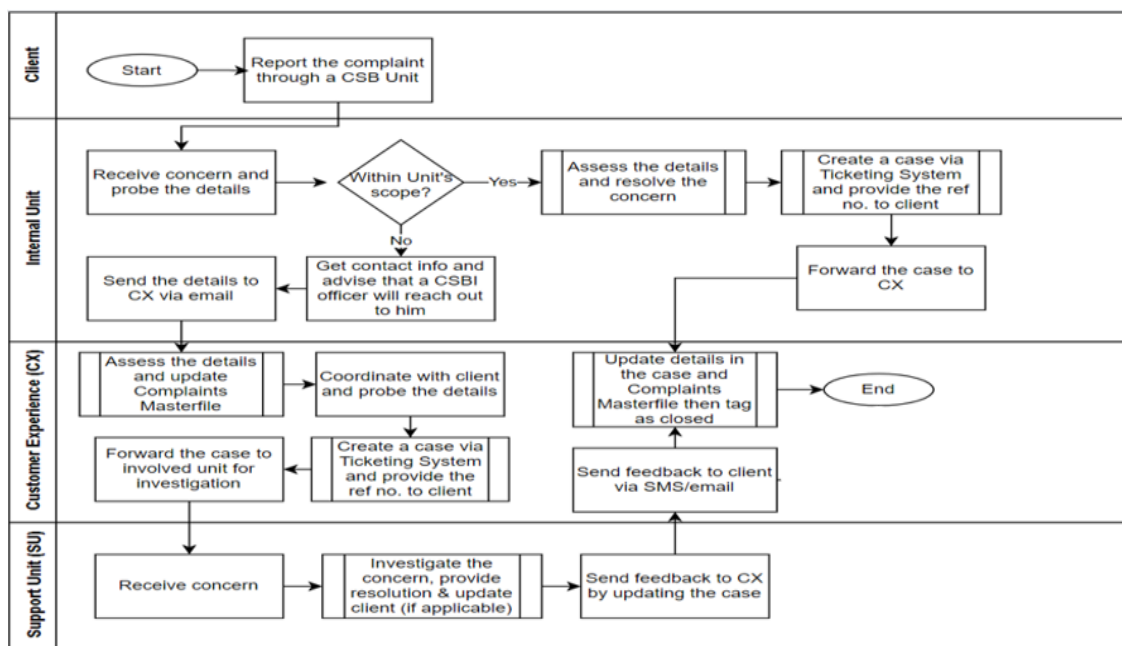
Annex B Reported through the branches



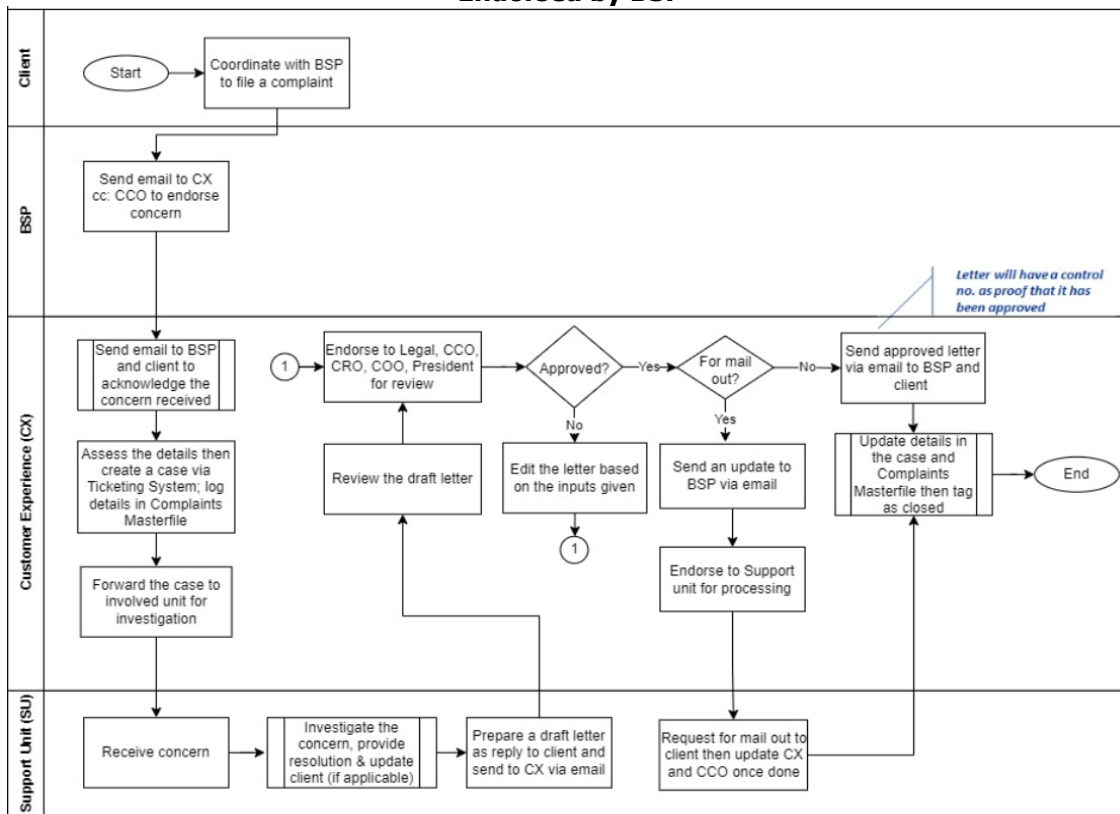
Annex C
Reported through Non-voice Channels



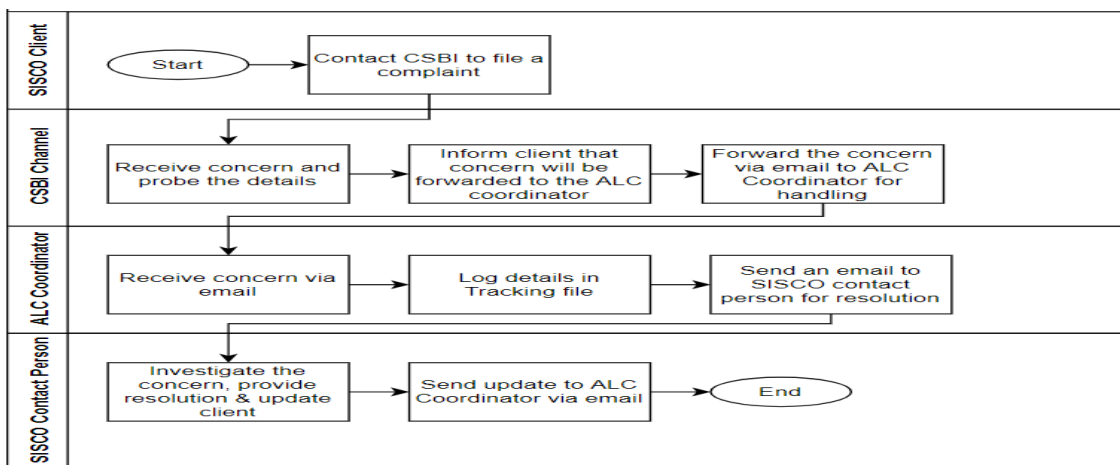
Annex D
Reported through Other Internal Units



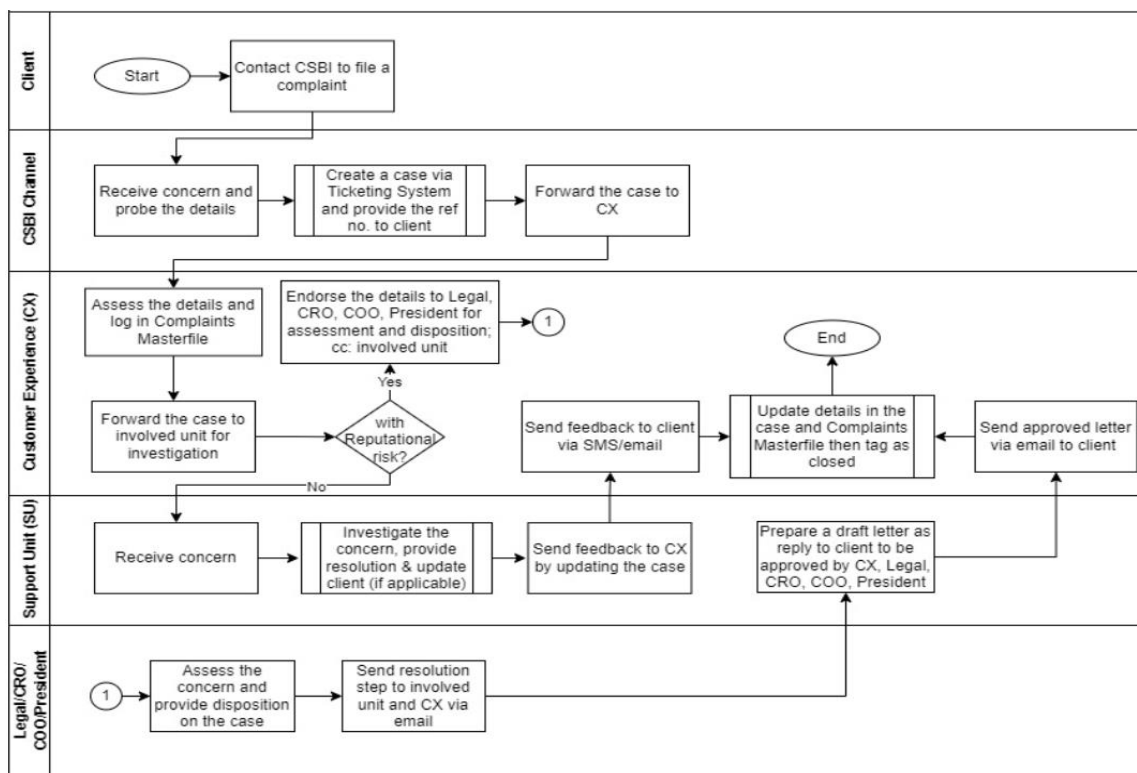
Annex E
Endorsed by BSP



Annex F
SisCo-related Complaints



Annex G Complaint with Reputational Impact



Annex H Data Center

