

AN OECS CREDIT BUREAU

OUR GUIDANCE TO SERVICE EXCELLENCE

Consultation Document - Code of Conduct



# Responding to this Consultation

The Caribbean Credit Bureau invites comments on this proposal for the Code of Conduct.

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# Table of Contents

Responding to this Consultation .....	1
OBJECTIVE OF THE CODE .....	3
CODE OF CONDUCT.....	3
SERVICES.....	4
CONSUMER RIGHTS .....	4
CREDIT BUREAUS OBLIGATIONS.....	5
DATA MANAGEMENT AND SECURITY .....	5
SUBSCRIBER OBLIGATIONS .....	6
COMPLAINTS AND DISPUTE RESOLUTION .....	7
CORPORATE GOVERNANCE AND MANAGEMENT.....	8
ENFORCEMENT OF THE CODE .....	8

# OBJECTIVE OF THE CODE

This code is being developed in the phases to specifically serve the needs of an OECS Credit Bureau and stakeholders within the credit reporting system with plans for it being the standard for others to follow. The Caribbean Credit Bureau will work with credit information providers to exceed expectations. We recognise the important roles that those within the financial sector, credit market and an OECS Credit Bureau have to jointly promote service excellence that embrace globally accepted best practices tailored for the ECCU economies. The objective of jointly developing this Code of Conduct is for stakeholders to voluntarily enforce an agreed set of rules and self-regulate the incorporation of the highest standard of ethics, respect for consumer rights and service excellence in our operations in the interim until such time as the legislative framework is adopted. This includes; full and honest disclosure in understandable terms, respect for the consumer rights to ownership of and privacy their personal information and protection of the sensitive financial information that we access.

The Code of Conduct must be regularly reviewed and updated, and should attempt to be compliant with any proposed and new legislation as well as global best practices in our fast changing global digital economy and market place.

# CODE OF CONDUCT

## SERVICES

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- ✓ We agree to provide service excellence while enforcing a Code of Conduct that respects consumer's rights and embraces those global best practices best suited to serve the needs of the ECCU.
- ✓ We will offer training to subscribers
  - to educate members of the benefits of credit reporting
  - to enhance their analytical capabilities
  - to assist with developing appropriate policies, procedures and techniques
  - to deliver service excellence

## CONSUMER RIGHTS

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- ✓ The financial information is that of the consumers and therefore the consumers have the right to request the release of their financial information providing that the consumers have been adequately identified, consent recorded and there are reasonable means of transmitting such information.
- ✓ As the financial information is that of the consumer, they are entitled to receive a free credit report, upon request, each year
- ✓ Consumers have the right to know whether their information is being shared with the credit bureau and therefore it is the duty of the subscriber to inform their consumers of their subscription to the credit bureau services.
- ✓ Consumers have the right to receive pertinent, accurate information delivered to them in advance of being asked to commit themselves in clear understandable words.

## CREDIT BUREAUS OBLIGATIONS

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- ✓ The Credit Bureau will take reasonable measures to make available to the public information about the procedures by which access to their own person credit reports can be obtained.
- ✓ Where the credit bureau holds personal information about an individual that was obtained for the purpose of credit appraisal, it will not use that information for any other purpose unless it believes on reasonable grounds that
  - the source of the information is publicly available; or
  - the individual has consented to its disclosure
- ✓ The Credit Bureau will not use or disclose information received from its subscribers for the generation or compilation of market lists about individuals.
- ✓ The Credit Bureau will investigate any breaches of the subscriber agreement or this Code.

## DATA MANAGEMENT AND SECURITY

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- ✓ The Credit Bureau strives to maintain accurate records.
- ✓ The Credit Bureau will maintain procedures, operational guidelines and security systems to ensure that the data provided is safely stored and periodically backed up to avoid loss of information.
- ✓ As a result of the sensitivity of the information held, the Credit Bureau recognises the need to employ adequate security control measures to prevent the misuse, interception, authorised alteration or disclosure.
- ✓ The Credit Bureau shall maintain systems which will provide access logs and audit trails to record all activity in the database.
- ✓ The Credit Bureau will disseminate information or provide training to assist with data submissions and queries.

- ✓ Credit information will be removed seven years after the Credit Bureau has received adequate confirmation of the termination or settlement of such credit.

## SUBSCRIBER OBLIGATIONS

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- ✓ Use of our credit reporting database services would only be allowed after a written subscription or trial subscription agreement has been signed by the parties and will continue upon periodic payments of subscription fees.
- ✓ Subscribers are required to conduct themselves in a responsible manner when using our services.
- ✓ The Credit Bureau will require subscribers to inform consumers that they subscribe to the Credit Bureau prior to the consumer using any credit facility or service the subscriber may offer.
- ✓ The Credit Bureau expects the subscriber to highlight any key points or explain any terms or conditions as it relates to credit reporting that may affect the consumer rights.
- ✓ The subscriber should assist the consumer in completing an inquiry form to obtain or dispute their credit report.
- ✓ In the event that a consumer has any queries to which the subscriber cannot assist, the subscriber should direct the consumer to the Credit Bureau for further assistance and provide the contact information of the Credit Bureau.
- ✓ Subscribers should seek the consumer's consent to access their credit file or obtain a credit report. This consent must be recorded and kept on file. Credit Bureau is entitled to inspect such files as part of its compliance review, dispute resolution and auditing process.
- ✓ Subscribers shall include a consent clause in their agreement that authorizes the disclosure of the consumer's information and take every effort to explain this and to request that they place their initials near the said clause only after they have taken all reasonable steps to confirm the consumer understands.
- ✓ Subscribers must take all necessary steps to ensure that the data submitted is accurate and up-to-date and must inform us promptly of any discrepancies or errors in the information provided.

- ✓ Subscribers should also ensure that data is submitted in a timely manner.
- ✓ No Subscriber will disclose information obtained from the Credit Bureau to any other person, other than the consumer unless the consumer has consented to use or disclosure.
- ✓ Subscribers should have in place disciplinary procedures and penalties for improper access or use of such information.

## COMPLAINTS AND DISPUTE RESOLUTION

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- ✓ After an inquiry has been conducted a consumer is entitled to dispute information produced in a credit report or discovered present within our database.
- ✓ The Credit Bureau will designate a person or team of persons to deal with disputes and further establish internal mechanisms and procedures for handling consumer complaints.
- ✓ The Credit Bureau will seek to ensure that all complaints or allegations of inaccurate, erroneous, misleading or outdated information from a consumer about his own credit report are fairly and promptly analysed and if found to be true rectified in a timely manner.
- ✓ Once an official dispute has been made by the consumer, a statement of the dispute shall be given to any person who received a copy of the consumer's credit report within six months preceding the dispute. Changes would be made within the database to reflect information is currently being disputed.
- ✓ The Credit Bureau maintains the right to correct any information that was found to be incorrect through investigation.
- ✓ Once an error has been found in the credit report of the consumer, a free credit report reflecting any corrections made shall be given to the consumer and any subscriber who would have received a credit report six months preceding to the dispute.
- ✓ In the event that disputes are not resolved, it shall be investigated by a tribunal.



## CORPORATE GOVERNANCE AND MANAGEMENT

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- ✓ In accordance with high corporate governance standards, the Credit Bureau will
  - assess the fitness of any director or management officer
  - have policies and procedures to identify and avoid possible conflict of interests and require any conflict of interest that may arise in the course of duties be disclose to appropriate officers or directors.
- ✓ Directors, officer or employees cannot seek to use their position for personal gain or for the benefit of any family member or associates.
- ✓ The Credit Bureau shall provide the requisite information and adequate training to employees to ensure that all employees, agents, and contractors adhere to the procedures and standards imposed by the credit bureau
- ✓ The Credit Bureau will require all employees to have an intimate knowledge of the provisions of the Code of Conduct.
- ✓ The Credit Bureau will take steps to ensure that employees are informed of the need to ensure the confidentiality of financial information and have policies to ensure that such confidentiality is maintained.
- ✓ There will be periodic reviews of the policies, procedures and database management to determine their effectiveness, efficiency, continued relevance and compliance with any legislation or regulation applicable to business.

## ENFORCEMENT OF THE CODE

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- ✓ The Credit Bureau together with <IslandName> Regulator would have in place a mechanism to audit subscribers and facilitate whistle blowing or reports of any breach or irregular activity in the provision of its service, usage by subscribers or management of the affairs of the company.
- ✓ Appropriate mechanisms will be implemented to ensure breaches of the Codes are brought to the attention of senior management or the Board of Directors.

## CORE PRINCIPLES

- ✓ INTEGRITY
- ✓ ACCURACY
- ✓ TRANSPARENCY
- ✓ ACCOUNTABILITY
- ✓ EXCELLENCE
- ✓ RELIABILITY
- ✓ CONSISTENCY
- ✓ INNOVATION