



مَصْرَفُ الْبَحْرَيْنِ الْمُرْكَبِيَّ

Central Bank of Bahrain

Customer Complaints Report

September 2016

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Production: Compliance Directorate

Central Bank of Bahrain

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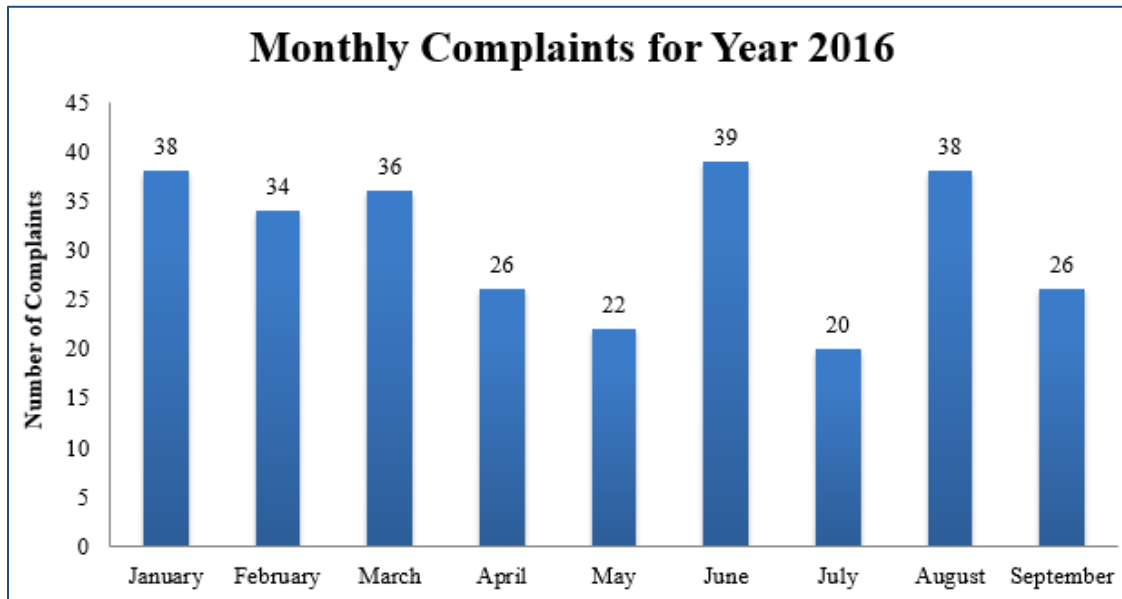
The Customers Complaints Report is a monthly report prepared by the Compliance Directorate. It is available in PDF format in the Publications and Data section at <http://www.cbb.gov.bh>.

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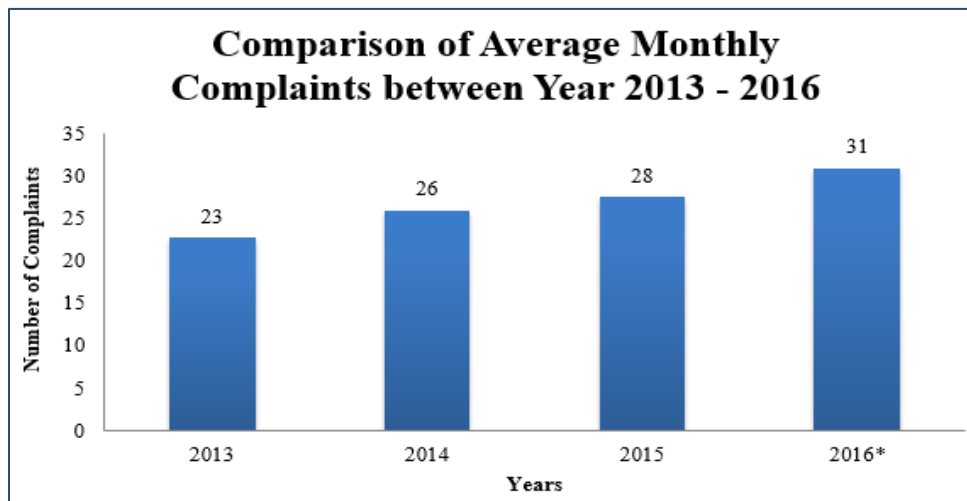
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1. Introduction

The Compliance Directorate “CD” received 26 complaints in September 2016. The following graph illustrates the monthly complaints received from 1st January - 30th September 2016.



The monthly complaints received since the beginning of 2016 have averaged 31 complaints. The average monthly complaints in 2016 exceeded previous years, which were recorded at 28 complaints in 2015, 26 complaints in 2014 and 23 complaints in 2013 as illustrated in the graph below.



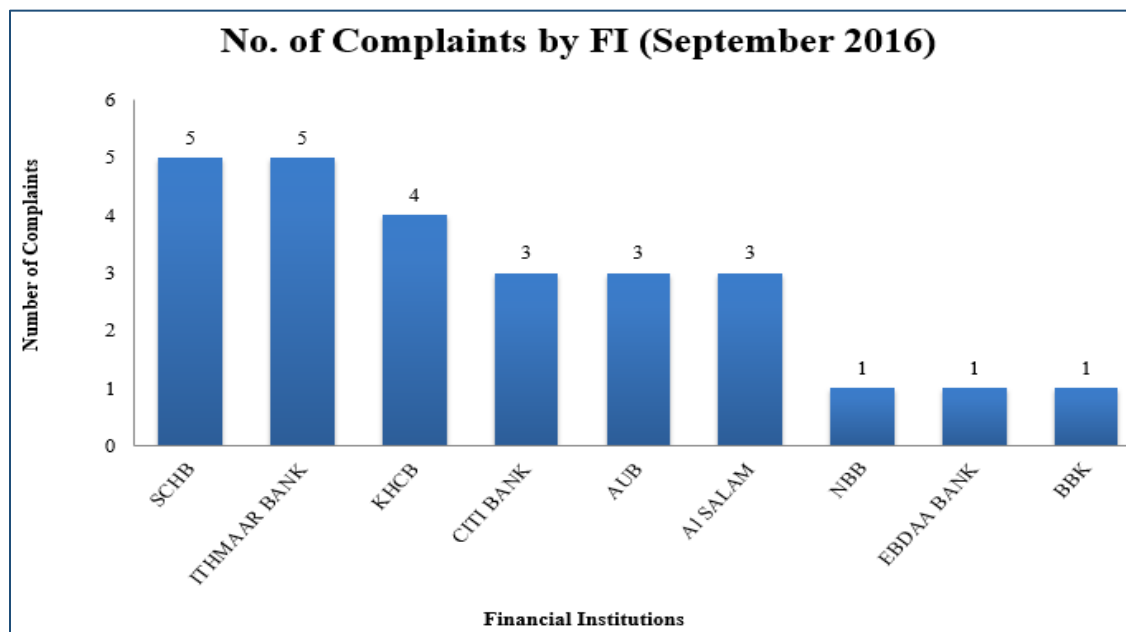
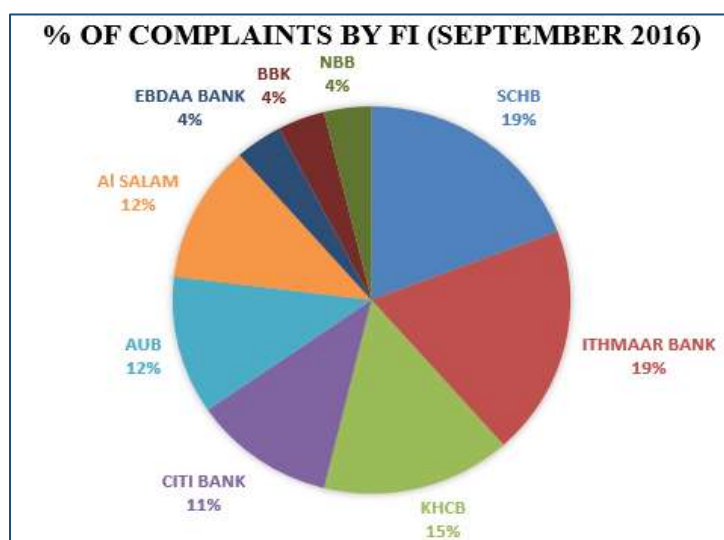
*Average of January - September complaints received in 2016.

2. Concentration of Complaints by Financial Institution (FI)

The majority of complaints received during **September 2016** were reported with respect to the following banks:

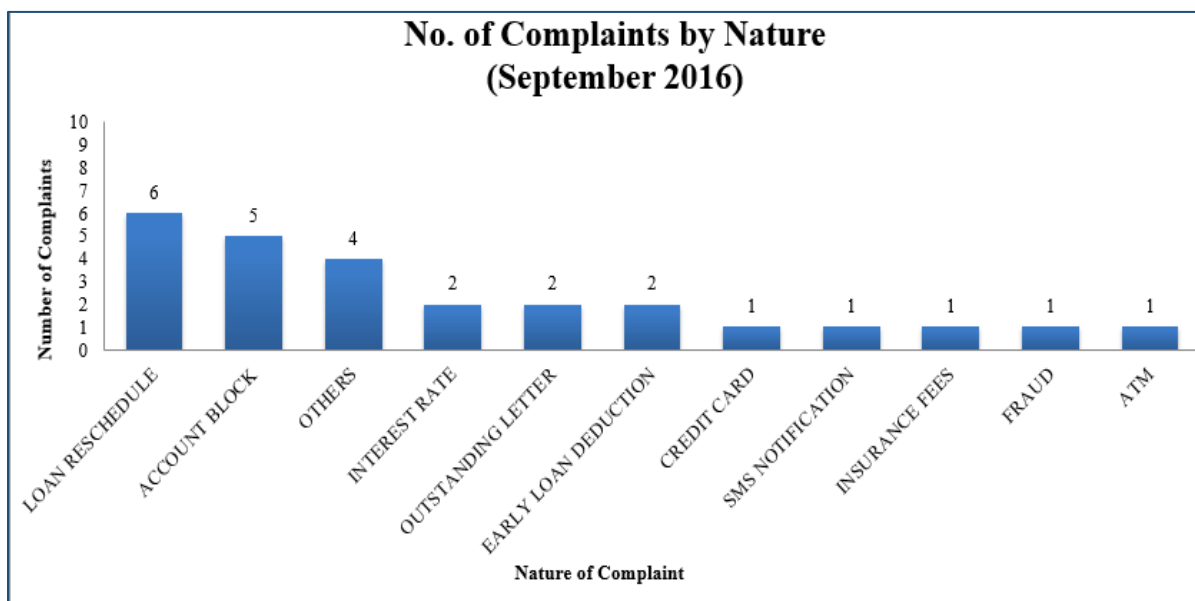
- SCHB - 5 complaints, representing 19% of total complaints.
- Ithmaar Bank - 5 complaints, representing 19% of total complaints.
- KHCB - 4 complaints, representing 15% of total complaints.

The abovementioned three financial institutions represent 53% of total complaints.



3. Nature of Complaints

The following chart demonstrates the nature of complaints received by the CD during the month of September 2016.



Following are detailed classifications on the nature of complaints:

3.1 Loan Reschedule:

The CD received 6 complaints (23% of total complaints) regarding the reschedule of existing loans for a longer period due to high monthly installments and difficulties in payment. Complaints regarding loan rescheduling were specific to AUB, Ithmaar Bank and NBB.

3.2 Account Block:

The CD received 5 complaints (19% of total complaints) regarding blocking due to various reasons. Complaints regarding account block were specific AUB, BBK, KHCB and SCHB.

3.3 Interest Rate:

The CD received 2 complaints (8% of total complaints) regarding higher interest rates charged on loans. Complaints regarding interest rate were specific to AUB and KHCB.

3.4 Outstanding Letter:

The CD received 2 complaints (8% of total complaints) regarding delayed outstanding balance letters for the customers. Complaints regarding outstanding letters were specific to Al Salam Bank.

3.5 Early Loan Deduction:

The CD received 2 complaints (8% of total complaints) regarding deducting a loan installment from customers account earlier than the date agreed on with the bank. Complaints regarding early loan deduction were specific KHCB and SCHB.

3.6 Credit Card:

The CD received 1 complaint (4% of total complaints) regarding credit card services which consist of fees charged on the customer. Complaint regarding credit card services was specific to Citibank.

3.7 SMS Notification:

The CD received 1 complaint (4% of total complaints) regarding the bank's failure to provide the customer with alerts and notification via SMS service on his credit card activity. Complaint regarding SMS notification was specific to Citibank.

3.8 Insurance Fees:

The CD received 1 complaint (4% of total complaints) regarding insurance fees charged to the customer without his consent. Complaint regarding insurance fees was specific to Ithmaar Bank.

3.9 Fraud:

The CD received 1 complaint (4% of total complaints) regarding several fraudulent deductions which were incurred from a customer's account. Complaint regarding fraud was specific to KHCB.

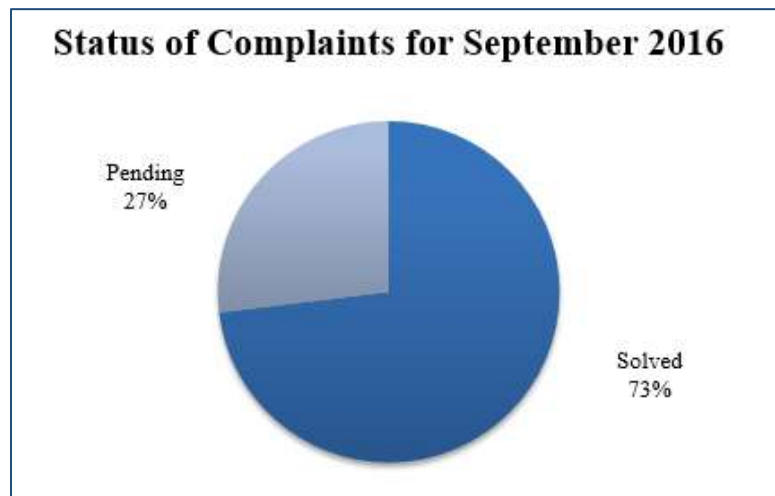
3.10 ATM Card:

The CD received 1 complaint (4% of total complaints) regarding unsuccessful withdrawal of cash at ATM whereas the amount was debited from the customer's account although the transaction was void. Complaint regarding ATM card was specific to SCHB.

3.11 Others:

The CD received 4 other complaints (15% of total complaints). This included issues related to swift transaction delay resulting in customer's loss, debiting customer account without his knowledge, delay in providing information regarding an old account owned by the customer, and extra fees charged to the customer upon using his visa card to pay for his monthly loan installments. These complaints were specific to Al Salam Bank, Citi Bank, SCHB and Ebdaa Bank.

4. Status of Complaints



The above graph illustrates the status of complaints received during September 2016. 73% of complaints received have been resolved, 27% of complaints are still under process.