

Consumer Protection Policy

A Lulu Exchange Policy document

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12/03/2025

Controller

Compliance Officer

Owner

General Manager

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Classification

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Revision History

Date	Version	Author	Comments (including Review History)
01/11/2022	V 1.0	Binu Gopinathan	The Policy has been completely written from its original version to meet the BPMS standards, and to cover the new/additional requirements
13/12/2022	V 1.0	Binu Gopinathan	Amended as per latest Circular ME 36 issued on FCPRF by CBO
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1. INTRODUCTION

We shall set the approach to be an objective oriented one, where Lulu Exchange shall take all necessary and possible measures to discharge its fiduciary obligation towards protecting the rights of our customers. The said objectives shall form the part of company's Policy Statement stated further in this document that are set out for the consumer protection policy are identified below:

1. Fair and Transparent information for consumers
2. Impartial Treatment
3. Protection of Customer's Data
4. Satisfactory Redressal of Grievances and Concerns of customer.
5. Customer & Employee Awareness and Financial Education

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2. SCOPE OF THE POLICY

This policy applies to all functionaries of LULU EXCHANGE and the procedures listed forth in this document shall be treated as the basic minimal requirement of the employees, while discharging their duties. The document shall be reviewed annually by the Board of LULU EXCHANGE and shall come into effect from the day it's approved until officially revoked or revised to a newer version, which would then take over.

This document must be read in conjunction with the available Customer Grievance Redressal policy and Information Security policy approved by the board of LULU EXCHANGE. Overall, the primary stakeholders tasked with implementation of this document are the functional heads of business and Information Technology department.

The Business being the face of LULU EXCHANGE in the eyes of customer must take a prominent role of implementing the policy in front line and back-office operations. As for the Information Technology department, it is critical that they understand their pivotal role of being the ultimate data custodians of LULU EXCHANGE. Hence, they too are classified as the primary stakeholders along with business.

Further as the second line of defense, the compliance function would assess the level of implementation and would serve as a guiding source for the primary stakeholders.

And finally, to complete the structure, the Board expects Internal Auditors to perform the role of 3rd line of defense by reviewing the achievement of the ultimate objectives of this policy as set out in its opening statement and keep the Board of LULU EXCHANGE well informed.

3. POLICY STATEMENT

It shall be the policy of LULU EXCHANGE "to treat each of its customers fairly by ensuring that it remains free of bias in its dealings, communicates in transparent and un-ambiguous manner to provide relevant information enabling its customer to make an informed decision, protecting the confidentiality of customer's data that LULU EXCHANGE finds to possess and finally to ensure satisfactory redressal of customer's grievances and concerns". It must also be understood that the company in its endeavor to achieve its policy objectives shall always function within the boundaries of the laws of the kingdom and the statutes of the regulators it answers to. Besides, disclosure and transparency will always be exhibited in all the communications related to the product of LULU EXCHANGE so as not to be challenged or disputed at any state.

4. DISCLOSURE AND TRANSPARENCY

Disclosure and transparency increase market competition by allowing comparison shopping by consumers, which may help to lower the prices and improve the quality of products offered.

4.1 Format and manner of disclosure

a) Any advertisement, sales material or other form of communication or disclosure to a consumer shall be in plain and easily understandable terms and shall be in both Arabic and English. The use of technical terms shall be explained for the average consumer to understand.

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- b) Any written communication shall use a font size, spacing and placement of content that makes the communication easy to read for an average person.
- c) Key documents such as consumer forms, receipts and statements shall be provided in a written form (which includes electronic formats) that can be kept or saved by the consumer.
- d) Written, oral and visual communications shall contain and highlight key features of a given product or service.
- e) Key disclosures to the consumers shall be provided at the shopping, pre-contractual and contractual stages.
- f) Price disclosures shall reflect the total cost of a product or service to the consumer.
- g) The company shall ensure that advertisement and sales materials do not contain misleading or false information and do not omit information that is important to a consumer's decision to avail the services.

4.2 Disclosure of Terms and Conditions

The terms and conditions in consumer applications and transaction receipts to customers shall contain the following items:

- a) The regulatory status of the company
- b) The rights and responsibilities of the consumer, including the conditions that may lead to termination of the relationship
- c) The rights and responsibilities of the company
- d) How and when the terms and conditions may be altered unilaterally by the company
- e) Fee/ costs and charges in the event of cancellation and refund of transaction at the request of customer
- f) The timelines for a customer to lodge a complaint from the date of transaction
- g) The timelines followed by the company to contact a customer in case of rejection/ refund of transaction
- h) Currency conversion rates applicable during amendment or reissue of remittance transactions or buy-back of foreign currency previously sold
- i) The contact information of the company's customer service and complaints redressal cell
- j) Mode of resolution of the dispute and escalation matrix
- k) A printed or electronic copy of the terms and conditions including disclaimers shall be provided to the consumer at signing, before execution of the transaction

4.3 Disclosure on Product/ Service Risk

Suitable disclosure shall be made to consumers regarding the risk factors that could cause delay in effecting the remittances

4.4 Key Fact Statements

- a) For common services, Key Fact Statements (KFS) that summarize the main characteristics of the product shall be published on the website

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b) KFSs shall be brief and limited to critical information like key product features and risks, all-inclusive price disclosures and potential consequences if the consumer fails to comply with the terms of the contract

4.5 Contract Notes

a) A contract Note containing and confirming the details of each transaction executed with the customers shall be provided to them immediately after the transaction.

- b) ii) The contract shall contain
- c) Legal name of the company
- d) Contact details of the branch that has carried out the transaction
- e) Contact details for lodging customer complaints
- f) Date and local time of the transaction
- g) Type of service
- h) Unique transaction reference number
- i) Currency conversion rates
- j) Transfer fee and charges
- k) Total value of transaction in local and foreign currency
- l) Details as required under extant guidelines on AML/ CFT

4.6 Statements

- a) As per the request of the customer, transaction statements will be provided free of charge, subject to extant regulatory requirements
- b) The statement shall list all types of transactions with the details

4.7 Notification of transactions

SMS notifications shall be sent to customer's local mobile numbers for all outward remittances at the time of processing remittances and shall maintain a log that shows the status of SMS notifications for remittance transactions

4.8 Unfair Terms & Conditions and Practices

- a) The company shall abstain from using any term or condition that is unfair
- b) Except where expressly permitted by law, in any agreement with a consumer, a term is deemed to be unfair if it excludes or restricts any requirement on the part of the company to act with skill, care, diligence or professionalism towards the consumer in connection with providing any product or service and/ or any liability for failing to do so.
- c) Ambiguities in contractual terms and conditions shall be construed in favor of the consumer
- d) The company shall not discriminate consumers on any grounds

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4.9 Sales practices

- a) The company shall have adequate, formal sales policies and procedures
- b) The company shall ensure that mis-selling, misrepresentations, aggressive high-pressure sales and discrimination are not used during the sales process

4.10 Product Suitability and Appropriateness

The company shall take reasonable steps to ensure that any channel of remittance it recommends is suitable for that customer, considering the facts disclosed by the consumer and other relevant facts such as charges, services and reach of correspondent in the destination country.

4.11 Professional Competence

- a) It shall be ensured that all relevant staff members are familiar with the services offered to consumers and financial consumer protection principles and rules.
- b) Staff shall be held accountable for their actions that deviate from internal policies, laws and CBO requirements with respect to financial consumer protection and fair treatment of consumers.
- c) The Board of Directors and Senior Management shall bear ultimate responsibility for ensuring effective implementation of training and competency requirements and Board of Directors shall be adequately informed of the deficiencies and able to take corrective action.

4.12 Compensation of staff

It shall be ensured that compensation policies are fair and is not solely based on the sales volume and shall be based, at least in part, on elements such as consumer well-being and satisfaction, compliance with regulatory requirements/ internal policies, fair treatment of consumers,

4.13 Fraud and Misuse of Customer Money

satisfactory audit and compliance view results, and the results of complaint investigations. Compensation shall have elements reflective of long-term performance, and not merely short-term sales targets. The company is liable to customers for losses due to fraud or misuse involving customer assets held, administered, or controlled by the company, except in cases of frauds by consumers or those caused by consumers own gross negligence.

5.1 Lawful Collection and Usage of Customer Data

5.1.1 Subject to extant laws and regulatory requirements, and, where applicable, with customers' consent, the company shall comply with the following principles relating to the processing of personal data:

5.1.2 Data protection safeguards shall be embedded in the design specification of services, products, systems or processes from the earliest stage of development.

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5.1.3 The company shall comply with extant law and regulatory requirements pertaining to the minimum period for retaining all customer records, and throughout this period, the customer shall be provided access to such records free of cost or at costs not exceeding permissible limits.

5. DATA PROTECTION AND PRIVACY

Consumers' financial and personal information shall be protected through appropriate control and protection mechanisms. These mechanisms shall define the purposes for which data may be collected, processed, held, used and disclosed.

a) Data shall be processed lawfully, fairly and in a transparent manner in relation to the customer.

b) Data shall be collected for specific, explicit, and legitimate purposes, and shall not be further processed in a manner that is incompatible with those purposes.

c) Data shall be adequate, relevant, and limited to whatever is necessary in relation to the purposes for which it is processed.

d) Inaccurate data shall be erased or rectified without delay.

e) Data shall not be kept in a form which permits the identification of customers for longer than is necessary for the purposes for which the personal data is being processed.

f) Data shall be processed in a manner that ensures appropriate data security.

5.2 Confidentiality and Security of Customer Information

5.2.1 Information collected shall be kept safe, unaltered, and confidential. The company shall have policies, procedures, and Lulu mechanisms to ensure confidentiality, security, and integrity of all data stored in their databases that relate to their customers' personal information, transactions etc. This will cover both electronic and paper-based data.

5.2.2 The Board of Directors and Senior Management will be held responsible for the effective implementation of such policies, procedures, and mechanisms.

5.2.3 Staff shall be continually and adequately trained in such policies, procedures, and mechanisms

5.3 Sharing Customer Information

5.3.1 The company shall follow relevant laws and regulatory requirements for the release to and use of customer information by certain third parties such as government authorities.

5.3.2 Subject to the exception noted in clause 5.3.1, without a consumer's prior written consent as to the form and purpose for which their data will be shared, the company shall not engage in selling or sharing any of a consumer's information with any third party for any purpose, including telemarketing or direct mailing, unless such third party is acting on its behalf and the information is being used for a purpose that is consistent with the purpose for which that information was originally obtained.

5.3.3 Active consent by the consumer shall be obtained for consumer waivers on privacy rights.

5.3.4 Waivers shall be for specific and limited purposes.

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5.3.5 Before any such sharing for the first time, the company shall inform the consumer in writing of his data privacy rights in this respect.

5.3.6 Subject to extant laws and regulatory requirements, the company shall allow consumers to stop opt out of any sharing by it of information regarding the consumers that they previously authorized.

5.3.7 In the case of tied products, the consumer shall be informed if a third party will have access to the consumer's information.

5.4 Organizational Arrangements

The company shall designate an officer to be responsible for data protection and privacy.

5.5 Reporting Requirements

5.5.1 The company shall notify CBO of all significant breaches of consumer data without undue delay.

5.5.2 Subject to extant laws and regulatory requirements, the company shall inform consumers of significant breaches of their personal data, and what risk it may pose to them, without undue delay.

6 DISPUTE RESOLUTION MECHANISM

LULU EXCHANGE shall have a system wherein there will be a complaint handling unit, with a designated member of Senior management responsible for resolving complaints registered by Customers against the company effectively, promptly, and justly.

The company will keep the written records of all complaints while not requiring that the complaint itself be mandatorily submitted in writing- that is, to allow the customer if desires for oral submission. The Board expects business team to implement the following redressal procedure with an objective to achieve immediate acknowledgement of a customer feedback / query / complaint and timely resolution of the same, to the best of the abilities and resources that LULU EXCHANGE has at its disposal.

6.1 LULU EXCHANGE will widely publicize clear information on how a consumer may submit a complaint and the channels available for the purpose.

6.2 Customers shall be provided with provisions to submit their concerns through either of the below listed channels: a) Online – Through Company Website, Mobile Application or Online Remittance Portal.

b) Branch Channel – Either written or verbally. Each such complaint must be documented in the complaint management system.

c) Call Centre – Verbally, Toll-free number as far as possible.

d) E-mail

e) Mobile number of designated Unit head of Complaint Resolution team.

6.3 Business Team in conjunction with IT team shall develop and implement a complaint handling system that is able to: a) Provide Acknowledgement with a unique tracking number to all complaints lodged through any channel.

b) It must inform the user and customer of the timelines for solving the issue.

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c) Further, it must enable the business team to respond to customers via the same mode through which the complaint is received.

6.4 Each Complaint received must be lodged in the complaint handling system and customer be informed that LULU EXCHANGE shall resolve the issue in 5 working days.

6.5 Upon the 5th working day, if the complaint remains un-resolved then a revised Turn Around Time must be communicated to the customer.

6.6 Above all, no complaint must stand open/un-resolved over 20 working days, unless the same is pending due to cross border procedural restrictions involved.

6.7 The timelines mentioned here can be reviewed and revised by the Board of LULU EXCHANGE or superseded by any relevant regulation issued from the government of the country or its delegated agencies.

7. CONSUMER AWARENESS AND FINANCIAL EDUCATION

LULU EXCHANGE shall undertake a robust Consumer awareness and financial learning program that keeps customers and employees of LULU EXCHANGE, respectively aware of the possible red flags and enables them to proactively save themselves. Compliance function ensure that such training programs are conducted for employees at least twice a year.

7.1 The Board ensure that the Compliance function to design and implement such training programs which must have the following sections at the minimum: a) Detailing of the concept of Fraud

b) Possible Red – Flags.

c) Elaborate Typologies to cross reference them with service offered by the company

d) Prescribe Mitigant measures to spot attempted fraud.

e) Counter Measures post suspicion of fraud.

f) Suspicion Reporting – Internal and External. The Business Team would create a dedicated E-mail to receive all fraud alerts raised from customers. All communication in this email shall also be marked to functional heads of business and compliance.

7.2 A variety of channels and delivery Lulu Exchange mechanism will be used for consumer awareness and financial education program which includes both face to face training programs and other channels leveraging technology or mass media.

7.3 The delivery channels and content of the financial education program shall be client focused incorporating the learning needs and preferences of the target group so as to sustain their interest.

7.4 Financial educated messages shall provide objective advice and shall not be used as a marketing initiative for our products.

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8. RECORDS

Document	Location	Duration of Record	Responsibility
KYC /Transaction documents	Branch/Warehouse	10 years minimum	Branch Manager/Warehouse in Charge
Employee documents	HR Manager	10 years	HR Manager