**SAMPLE Market Conduct Code Policy (BC)**

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# Market Code Policy

# Transparency and Disclosure

## Purpose:

To ensure that the credit union considers the financial needs of its members, provides clear and transparent disclosure and uses plain-language descriptions of products and services in its communications to ensure people make informed decisions, as set out in the ‘Transparency and Disclosure’ section of the Market Conduct Code for British Columbia Credit Unions adopted by the Credit Union on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Code”).

## Policy Statements:

1. The credit union will adhere to the principles regarding transparency and disclosure reflected in the Code.
2. The credit union will facilitate members’, account holders’ and consumers’ ability to make properly informed decisions about products and services, by (i) providing information that is: in user-friendly language (wherever possible); clear about any risks, exclusions or limitations; up-to-date; does not hide, diminish, or obscure important statements or warnings; makes sure important information is prominently displayed; is based on disclosed personal circumstances and financial needs of the member, account holder, or consumer; (ii) answering any questions asked about a product or service; (iii) having employees identify the types of products or services they are licensed or registered to sell or offer (if applicable); and (iv) disclosing any conflicts of interest, per section 4.1 of the Code.
3. The credit union will review product and service information every \_\_\_\_\_\_ *[Note: the wording in the Code is “periodically, and as needed”]* to ensure it is written in user-friendly language and easily accessible to the relevant member, account holder, or consumer, per section 4.2 of the Code. *[Note: this is optional –section 4.2 is a Code ‘recommendation’, not ‘requirement’]*.
4. The credit union will disclose all legally required information, per section 4.3 of the Code.
5. The credit union will facilitate members’, account holders’ and consumers’ ability to make informed decisions about a product or service, by informing of the following online and/or in person: key features; any associated risks, exclusions, or limitations; any financial implications of a transaction; all costs, including fees and charges; the key terms and conditions that apply, including potential renewal requirements; and the person’s rights and obligations, per section 4.4 of the Code, including subsections 4.4.1 through 4.4.2.  *[Note: some of this is optional – elements of section 4.4 are a Code ‘recommendation’, not ‘requirement’]*.
6. The credit union will help members and account holders use their products and services, keep them informed by providing regular statements (where required by law) and notice of changes to interest rate and service charges, and advise members when terms and conditions change, in accordance with the “Notice” section in the Code, per section 4.5 of the Code, including subsections 4.5.1 through 4.5.3 *[Note: some of this is optional – elements of section 4.5 are a Code ‘recommendation’, not ‘requirement’]*.
7. The credit union will provide notices to members and account holders as set out in section 4.6 of the Code, including subsections 4.6.1 through 4.6.4 *[Note: some of this is optional – elements of section 4.6 are a Code ‘recommendation’, not ‘requirement’]*.
8. When the credit union uses the words “bank”, and/or “banking” and/or “banker” in advertisements or marketing materials,the credit union will do so per section 4.7 of the Code, including subsections 4.7.1 through 4.7.3.

## Responsibilities:

Management of the credit union is responsible for managing, monitoring and controlling credit union operations to ensure adherence to principles and practices set out in the Code.

The Board is responsible for overseeing the credit union’s adherence to the principles in the Code, including reviewing the results of the credit union’s annual self-assessment and taking necessary action to remedy deficiencies, at least annually, per section 1.1 of the Code.

## Monitoring and Reporting:

## Senior Management is responsible for reporting to the Board on the credit union’s adherence to the principles in this Code, including the results of the credit union’s annual self-assessment, at least annually, per section 1.3 of the Code.

The Board is responsible for monitoring and reviewing market conduct within the credit union’s business practices on a regular basis, no less than every \_\_\_ years.

The Board is responsible for reviewing, approving and maintaining this policy annually.

**Appended Documents**:

* Market Conduct Code for Ontario Credit Unions

**Related Policies:** *[examples]*

* Business Practices Policy
* Fair Treatment and Fair Sales Policy
* Access to Banking Services Policy
* Complaint Handling Policy

**Related Procedures:** *[examples]*

* Disclosure (Before or When a Product or Service is Acquired) Procedure[[1]](#footnote-1)
* Disclosure (After a Product or Service is Acquired) Procedure [[2]](#footnote-2)
* Notice Procedure[[3]](#footnote-3)
* Banking TerminologyProcedure[[4]](#footnote-4)

1. 1 Disclosure (Before or When a Product or Service is Acquired) Procedure requirements are set out in ss. 4.4.1 through 4.4.2 of the Code *[Note: some of this is optional – elements of section 4.4 are a Code ‘recommendation’, not ‘requirement’]*. [↑](#footnote-ref-1)
2. Disclosure (After a Product or Service is Acquired) Procedure requirements are set out in ss. 4.5.1 through 4.5.3 of the Code *[Note: some of this is optional – elements of section 4.5 are a Code ‘recommendation’, not ‘requirement’]*. [↑](#footnote-ref-2)
3. Notice Procedure requirements are set out in ss. 4.6.1 through 4.6.4 of the Code *[Note: some of this is optional – elements of section 4.6 are a Code ‘recommendation’, not ‘requirement’]*. [↑](#footnote-ref-3)
4. Banking Procedure requirements are set out in ss. 4.7.1 through 4.7.3 of the Code [↑](#footnote-ref-4)