

# E-Payment User Protection Guidelines

You have an important role to play to ensure that you and your account(s) are protected while banking with us electronically. Here are some useful tips:

## Your Role and Responsibility

In September 2018, the Monetary Authority of Singapore (“MAS”) issued the e-Payment User Protection Guidelines (“Guidelines”), which essentially set out the expectations of MAS of any responsible financial institution that issues or operates a protected account. The Guidelines are effective 30 June 2019.

The Guidelines define:

- (1) a payment account as:
  - (a) any account held in the name of, or any account with a unique identifier of, one or more persons; or
  - (b) any personalized device or personalized facility, which is used by any person for the initiation, execution, or both of payment transactions and includes a bank account, debit card, credit card and charge card.
- (2) a “payment transaction” to mean an act, initiated by the payer or payee, of placing, transferring or withdrawing money, irrespective of any underlying obligations between the payer or payee, where the act is initiated through electronic means and where money is received through electronic means, and includes:
  - (a) the placing, transferring or withdrawing of money for the purposes of making payment for goods or services; and
  - (b) the placing, transferring or withdrawing of money for any other purpose.
- (3) a protected account as “any payment account that:
  - (a) is held in the name of one or more persons, all of whom are either individuals or sole proprietors;
  - (b) is capable of having a balance of more than S\$500 (or its equivalent amount expressed in any other currency) at any one time, or is a credit facility; and
  - (c) is capable of being used for electronic payment transactions.
- (4) an unauthorised transaction (in relation to any protected account) as any payment transaction initiated by any person without the actual or imputed knowledge and implied or express consent of an account user of the protected account.

In accordance with the Guidelines, Citibank would like to inform customers and account users of protected accounts about (a) their duties set out in section 3 of the Guidelines, and (b) Citibank’s duties set out in section 4 (excluding paragraph 4.3) of the Guidelines. You should note that except for paragraph 4.4 (which relates to the sending of transaction notifications i.e. Citi Alerts), section 4 of the Guidelines do not apply to Citibank in respect of any credit card, charge card or and debit card issued by Citibank. For more information about the Guidelines, please refer to this [link](#).

We would like to draw your attention to para 3.3 of the Guidelines which provides that it is the customer/account user’s responsibility to enable transaction notifications (i.e. Citi Alerts) on any device (used to receive transaction notifications from Citibank). Customers/Account users are required to opt to receive transaction notifications for all outgoing transactions of (any amount) made from your protected account, and to monitor the transaction notifications sent to you or the designated account contact. (For this reason, Citibank will assume that you will monitor such transaction notifications without further reminders or repeat notifications.)

If you wish to select your transaction alert preferences as well as your mode of notifications, simply login to <https://www.privatebank.citibank.com/> with your User ID & Password and select ‘Notifications’ under ‘Settings’ found by clicking your profile icon on the top menu. **Please ensure that your contact information maintained with Citibank is accurate.**

Some of your other duties are to protect the access codes you use to authenticate any payment transaction or your identity (e.g. your password or OTP) and to protect access to your protected account such as by ensuring you have strong passwords and keeping your software updated.

An account user would be responsible for actual loss arising from an unauthorised transaction if such account user’s recklessness was the primary cause of loss. Recklessness would include the situation where the account user

deliberately did not comply with the duties set out in section 3 of the Guidelines, which includes the duty to enable transaction alerts. It is therefore important to understand that the preferences you set for transaction alerts (including the types of transactions for which you elect to receive notifications) would affect how the liability framework in section 5 of the Guidelines would be applied and how any claim by you in relation to an unauthorised transaction would be resolved.

You are also required to report any unauthorized transactions as soon as possible after receiving a transaction alert and to provide information on such unauthorized transactions to Citibank within a reasonable time.

## **Liability Framework for Unauthorised Transactions under the Guidelines**

The Guidelines set out in section 5, a liability framework relating to unauthorized transactions effected on a protected account. For the avoidance of doubt, the section 5 liability framework does not apply in respect of any Citibank credit card, charge card or debit card (this issue is addressed in the relevant cardholder agreements). Further, Customers should note that the Guidelines provide that "where any account user knew of and consent to a transaction ("authorised transaction"), such a transaction is not an unauthorised transaction, notwithstanding that the account holder may not have consent to the transaction."

The information set out below has been distilled from section 5. However, Customers are advised to read the Guidelines.

### Scenario (1): Customer is liable for actual loss

The customer will be liable for the actual loss arising from an unauthorized transaction on a protected account if the customer/account user's recklessness was the primary cause of the loss. Recklessness would include the situation where any account user deliberately did not comply with section 3 of the Guidelines.

### Scenario (2): Account holder is not liable for any loss

The customer is not liable for any loss arising from an unauthorized transaction if the loss arises from any action or omission by Citibank and does not arise from any failure by any account user to comply with any duty in section 3 of the Guidelines.

Any action or omission by Citibank includes the following:

- (a) fraud or negligence by Citibank, its employee, its agent or any outsourcing service provider contracted by Citibank to provide Citibank's services through the protected account;
- (b) non-compliance by Citibank or its employee with any requirement imposed by MAS on Citibank in respect of its provision of any financial service; and
- (c) non-compliance by Citibank with any duty set out in section 4 of the Guidelines.

### Scenario (3): Loss resulting from any action or omission of any independent third party

The customer is not liable for any loss arising from an unauthorized transaction that does not exceed S\$1,000, if the loss arises from any action or omission by any third party not referred to in scenario (2) above, and does not arise from any failure by any account user to comply with any duty in section 3 of the Guidelines.

## **Other Advisory**

Always make sure that you have entered your User ID and Password and other confidential information in the legitimate Citi Private Bank Website by entering Website address <https://www.privatebank.citibank.com/> directly onto your Web browser.