

Bank of Israel

Supervisor of Banks



March 22, 2020

20LM3233

To: CEOs of the Banking Corporations and the Credit Card Companies

Re: **Easings regarding receipt of banking services via telephone, in response to the coronavirus crisis**

The coronavirus crisis has created a need to enable customers to carry out numerous banking activities without going to the bank branches, in order to protect the health of the public and of bank employees. For customers who have difficulty using digital means such as the bank's application or website, the phone channel has become the main channel through which they can receive most banking services. In this challenging period, banking corporations are encountering difficulties in maintaining a work routine at the call centers. Among other things, the banking corporations are forced to spread out the call centers, in order to protect their employees from contracting the virus, and as such are experiencing difficulties in recording their conversations with customers.

Section 4 of Circular 06 no. 2528 on "Types of accounts and conditions under which a customer's signature on an agreement will not be required" allows an e-banking agreement to be reached, as well as an agreement for phone instructions, via recorded conversation.

Section 1.1.4 of the letter on the issue of "Proactive marketing to retail customers", dated November 17, 2015, requires that "telephone conversations for marketing credit to retail customers, whether the calls are proactive or whether they are to deal with other issues of the customer, shall be recorded".

However, in view of the difficulty, and notwithstanding the provisions of the sections noted above, **so long as it is not possible for the banking corporation to record said conversations, alternative documentation processes are to be established.**

In addition, during this period, it will be possible to reach agreements for extending credit (except for a housing loan as defined in Proper Conduct of Banking Business Directive no. 451) even by receiving the customer's consent by phone. Here, too, to the extent that it is impossible to record conversations, alternative documentation processes are to be established.

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This easing is to go into effect on the date of its publication, until September 30, 2020. If necessary, the Bank of Israel will extend the applicability of the easing in accordance with developments.

Sincerely,

Dr. Hedva Ber
Supervisor of Banks