

PROVIDING CREDIT FOR THE PURCHASE
OF FINANCIAL ASSETS

Introduction

1. In view of the problems which may arise as a result of marketing financial assets by extending credit for their purchase, as regards both the benefit of the customer and the conflict of interest for the banking corporation, I have issued the following regulation.

Definitions

2. "Financial assets" - As defined in the Banking (Service to Customers) (Investment Counselling) Regulations, 5746-1986, except for a deposit in a provident fund and pension fund.

Credit for purchase of financial assets

3. A banking corporation shall not initiate contact with a customer by means of a marketing/advertising campaign to encourage the purchase of financial assets using credit for this purpose. For this purpose, a marketing or advertising campaign also includes a marketing or advertising campaign at the level of branch or regional management, sending a circular to branches, or issuing verbal guidelines to branches.

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