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| INFO Network E-Bulletin February 2016 |

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| INFO Network website | **Changes at the top**Message from Dennis Jooste, Ombudsman for Short-term Insurance South AfricaI leave at the end of February and will be replaced by Advocate Deanne Wood of the Johannesburg Bar. I have thoroughly enjoyed being part of the INFO Network family and I am sure that Deanne will derive much benefit from her future interactions.[OSTI announcement](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-y/) of the appointment of the new OmbudsmanAnd from the NetherlandsThe Financial Services Ombudsman for the Netherlands, Nol Monster, has retired. We are awaiting advice of the new Ombudsman.  |

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|   | INFO 2016 in Yerevan**TRAVEL TIP**Qatar Airways has announced that, commencing 15 May,  it will offer four-times weekly non-stop flights between Doha and Yerevan. | **What do INFO 2016 and Pope Francis have in common?**Armenia in September 2016!Last month we suggested you should book early for INFO 2016 in Yerevan, because of Armenia's Independence Day celebrations. This month, we add news that Pope Francis may be visiting Armenia in September too. Reserving your accommodation soon looks to be even more important!Check the INFO 2016 website for accommodation offers at the conference Armenia Marriott Hotel (the conference venue) and two other hotels close by.Don't forget the members' early bird rate runs to 31 May 2016.**INFO 2016 website:** [http://info2016.am/](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-t/) ACTION: Book your bed soon  |   |

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|   | **Making news: reports, developments, issues** |   |

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|   | **[Online dispute resolution website goes live](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-d/)**(Europe)The European Commission (EC)'s Online Dispute Resolution (ODR) platform has been operational since 9 January 2016 ([press release](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-h/)) and has been made accessible in stages. Since 15 February 2016, it has been accessible to consumers and traders ([press release](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-k/)).**Interesting reports****[Future implications of digital media for society](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-u/)**(worldwide study)A January 2016 worldwide study, in collaboration with the World Economic Forum, that gives insights on how digital media is transforming work and the employment relationship, with findings**[Debt management firms](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-o/)** (Australia)A January 2016 regulatory research report on the debt management industry in Australia and the consumer experience in using debt management firms (which promise to help consumers in financial hardship or with listings of payment defaults on their credit reports)**[Financial abuse](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-b/)** (UK)A Local Government Ombudsman report that highlights the wider impact of financial abuse of vulnerable people**Complaint issues****[Personal loan guarantees](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-n/)** (New Zealand)Article discusses the risks of giving guarantees, and reports a recent case where a man found himself responsible for paying business debts due to a personal guarantee he signed 10 years' earlier. He believed that once the original debt was cleared, the guarantee would be discharged, but it wasn't.**[Packaged bank accounts](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-p/)** (UK)Prediction that packaged bank accounts will become the next big mis-selling scandal after a near 500 % increase in complaints over the last two years.**[Ageism](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-x/)** (UK)'Ethical' bank pays compensation and changes its lending policy after a FOS ruling that it had not acted fairly or 'within the terms of the Equality Act' in its dealings with a 59-year-old borrower**[Uber and insurance](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-m/)** (Canada)The blog of the General Insurance OmbudService discusses raises insurance implications for ride-share drivers, saying some auto-insurance providers are beginning to work on policies catered to this service.**[Power of attorney](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-c/)** (UK)Article discusses the types and causes of common power of attorney complaints.  **[Online trading (cross border)](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-q/)** (Europe)National Bank of Hungary announces that if Cyprus-based IronFX Global Ltd, offering cross-border investment services in Hungary, does not reimburse its customers’ claims despite their requests, those affected will have to submit their claims to the Financial Ombudsman of Cyprus**Dispute resolution developments****[Complaints about non-banking finance companies](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-a/)** (India)Article reports that the Reserve Bank of India will examine the possibility of an ombudsman scheme for complaints about non-banking finance companies (levying charges without adequate prior notice, non-observance of RBI directives on interest rates and engagement of recovery agents, and delays in sanction, disbursement or non-observance of prescribed time schedule for disposal of loan applications).**[New financial services ombudsman](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-f/)**(Gibraltar)The Gibraltar government will create the jurisdiction’s first financial services ombudsman, following the publication of the Financial Services Ombudsman Act 2016.**[Charges in the wake of GFC bank failures](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-z/)**(USA)Fraud charges have been laid against 11 former bank executives and board members. The SEC alleges the high-ranking officers and directors schemed to mislead investors and bank regulators by propping up Superior Bank’s financial condition through straw borrowers, bogus appraisals, and insider deals.   |   |

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|   | **News from INFO Network members** |   |

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|   | http://i3.createsend1.com/ei/t/BF/D3A/E38/182628/csfinal/Logo_Conciliatore.jpg | Dr Corrado Conti, Chairman, Mediator for Banking and FinanceItaly |   |

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|   | **Some changes in legislation regarding litigations in the field of investment services**The year 2007 was the beginning of a long process for the creation of an auxiliary body to the Italian Investment Ombudsman (Ombudsman – Giurì Bancario), for the out-of-court settlement of litigations in the field of investment services.Consob (the Italian Securities Exchange Control body) will be In charge of setting up this body, along the lines of the one set up by the Bank of Italy, the Arbitro Bancario Finanziario (Italian Banking and Financial Arbiter).We are now in the phase of consultations between Consob, the Conciliatore BancarioFinanziario and the Italian Banker’s Association. This procedure is in application of prescriptions established by Legislative Decree n.179 of the 8th of October 2007, which decided on the creation of such a body.These consultations represent the groundwork for the correct functioning of the system, defining the area of competence of the parties involved.We confide that this will improve the overall efficiency of ADR services in the banking, financial and investment fields.  |   |

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|   | Banking Ombudsman New Zealand | Nicola SladdenBanking OmbudsmanNew Zealand |   |

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|   | **Toward the end of last year we put steps in place to manage a higher than expected workload.**We managed this via more effective triage and a waiting list. As a result, we resolved an impressive number of disputes and there is no longer a waiting list.The main issues in the first half of our financial year, and which contributed to the spike in our workload were:* early repayment charges as more bank customers broke their fixed-rate home homes to take advantage of decreasing interest rates
* mortgagee sale process with customers unhappy about how banks handle the sale of their mortgagee properties
* term deposit withdrawal notice with customers unhappy new requirements to give 31 days’ notice to break a fixed term deposit
* scams affecting customers who unwittingly give fraudsters their money or personal details.

We currently have an unusually high number of scam-related complaints under investigation and it is likely we will highlight and promote any new insights from these cases through media, social media and other channels once they are completed. Our organisational structure review was completed in December and Deputy Banking Ombudsman Sarah Parker appointed from 1 February.  Sarah was with the Office of the Health and Disability Commissioner for six years, latterly as senior legal advisor before heading to Canada to assist on the Missing Women Commission of Inquiry.  Sarah has an LLM from University of British Columbia.We are close to making an appointment for the new role of Head of Stakeholder Relations which will lead our prevention function.   |   |

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|   | FOS UK | Caroline Wayman, Chief OmbudsmanFinancial Ombudsman ServiceUnited Kingdom |   |

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|   | **We have recently published our latest six-monthly complaints data relating to banks, insurers and other financial businesses.**The data details complaints received and resolved by our service between 1 July and 31 December 2015.The figures show that we took on a total of 164,347 new cases in the second half of 2015 — a slight decrease of 6% on the previous period.Of the total cases referred to the ombudsman in the second half of 2015, payment protection insurance (PPI) made up 56% of new complaints – with 92,667 new PPI complaints, virtually on a par with the previous period (94,091).For complaints about financial products other than PPI, the number decreased by 10% to 71,663. This reflects a downward trend in some areas as the end of the year approached.The average uphold rate (where the ombudsman found in the consumer’s favour) over the six month period was 53%  —  ranging from 5% to 97% across the individual businesses. 220 businesses feature in the data in total.The financial services sector has been through a challenging and volatile period in the eight years since the ombudsman first began to publish data about individual financial businesses. Though it still makes sense to plan for uncertainty and change ahead the signs are that complaints are now broadly levelling off as we move onto a more even keel in the coming year.Complaints about PPI still continue to make up over half of our workload. During 2015 PPI complaints finally began to approach stable levels — but we’re still seeing the volume of cases at a much higher level than many people expected. There are many factors that can influence the complaints we see, from fluctuations in the stock market to extreme weather conditions — and more people knowing their rights when things go wrong. That’s why I believe it’s important that we continue to find new ways to work so we can resolve complaints quickly, while sharing our knowledge so businesses can avoid the ‘big claims issues’ of the past. You can look at [the latest complaints data on our website](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-g/).  |   |

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|   | IFSO New Zealand | Karen StevensInsurance & Financial Services OmbudsmanNew Zealand |   |

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|   | **Over the past 18 months, complaints to the IFSO Scheme have experienced a general decrease in number, but an increase in complexity.**In 2014-2015, we investigated 254 complaints and responded to 3,057 complaint enquiries. Since then, complaint numbers have risen, but this year’s total is likely to be less than the 2013-2014 total of 300 complaints and 3,215 complaint enquiries. The complaints we are now investigating are more complex, as many of the straight-forward issues are being resolved earlier within the insurance or financial service provider’s own complaints processes. This trend is positive for the industry and its customers, and is assisted by our complaint enquiries service, where we can help consumers to resolve issues early. We continue to adapt our approach in response to the complexity. Facilitated negotiation at the early stage of complaints has been working well, especially for the insurance complaints we have investigated following the earthquakes in Canterbury in 2010 and 2011. Last year’s [annual report summary](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-yd/) and full [annual report](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-yh/)A recent media article on [car insurance](http://infonetwork.createsend1.com/t/t-l-dytlkdl-l-yk/)   |   |

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|   | A monthly e-bulletin for INFO Network membersTo keep you informed of INFO Network developmentsTo share Ombudsman news itemsTo point you to updated information on the INFO Network websiteTo contribute, email your links, news items, articles to the Secretariat at any time |   |

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