INFO Network E-Bulletin   
July 2016

Thank you for taking part in  
our 2016 current 'hot issues' survey! There seems to be much common ground to add to the discussions at INFO 2016.

[](http://infonetwork.createsend1.com/t/t-l-hldjjld-ilditultj-r/)

The **survey results**are summarised below, with some common themes highlighted. They provide some excellent insights into the common (and different) issues of complaint being dealt with by our members across the world.

If you would still like to contribute, please send your survey to the Secretariat. We will add your contribution to the full compilations (one for each sector – insurance, banking/credit, pensions/superannuation, investments) in the intranet.

Many of you were very generous with your insights, so we hope you don't mind that we have summarised a little for this e-bulletin. The compilations will be available in the members intranet next week.

**More INFO Network news next month!**



**Current hot issues – insurance**

**Common themes:**  
scope of coverage | mis-selling | pre-existing conditions | miscommunication | claim amount | denial of claim | quality of materials used in repairs

**Insurance … by country, A to Z**

Australia: Financial Ombudsman Service

1. **Claim amount**: The customer’s claim has been accepted, but for a different amount than the customer believes they are entitled to.
2. **Denial of claim**: Because of an exclusion or condition stated in the policy.
3. **Denial of claim**: Non-provision of a particular financial product or service to a consumer.

Belgium: Insurance Ombudsman

1. **Car insurance** **- the termination of the insurance contract**: We see these complaints also in other insurance contracts. This is specific for Belgium where strict rules have to be applied to annul the insurance contract (registered letter, 3 months before the anniversary date of the contract …)
2. **Mobile phone insurance**: These insurances are offered by companies in other countries, which are not always aware of and therefore might not comply with the Belgian insurance law. The coverage is also most of the time limited and not very well known by the policy holder.
3. **Life insurance**: Investment in funds with risk, offered by companies in other countries, which use other ways of approach (such as the cost accounting) than in Belgium. Because of this, the policy holders are often misled and do not understand the product that they bought.

Botswana: Office of the Banking Adjudicator

1. **Miscommunication of claims lodgement between the insurance company and the banks**: Most banks act as agents of insurance companies as they provide credit to their customers. There are cases where claims are lodged through them in cases of death or disability of the account holder. Due to miscommunication, some claims are deferred due to lack of information, and this is not communicated on time to the customer, resulting in repudiation.

Canada: Client Services and Compensation Division, AMF, Quebec

1. **Underwriting (life, disability & damage)**: Declined for insurance coverage or additional premium, type of insurance not suitable for the consumer, cancellation of an insurance contract from its beginning by the insurer on the basis of the misrepresentation and/or non-disclosure of material facts.
2. **Claim (life, disability & damage)**: Claim denied (pre-existing conditions, considered not disabled according to the definition of disability under the coverage); termination of benefits. In damage, claim denied due to exclusion of coverage, not covered, fraud or misrepresentation, deceitful representation.
3. **Disagreement during the settlement process (damage)**: Disagreement on the decision made by the insurer to repair instead of replacing the damaged item; on the quantum of damages/replacement cost insurance coverage; on the assessment of an accident and the liability apportioned in the Driver’s Fault Chart.

Channel Islands: Financial Ombudsman

1. **Non-payment of claim**: Claims being denied by insurers.
2. **Mis-selling**: Mainly the sale of various protection insurances (credit, payment, etc) and whole of life insurance (an insurance product with an investment wrapper).
3. **Poor administration or delay**: Generally poor administration by the insurance broker or a delay in settling the claim by the insurer themselves.

Chile: Chilean Insurance Ombudsman

1. **Vehicle insurances**: Failure to report the accident to the police—the insured must immediately report the accident to the police if there is no physical impediment to do so.
2. **Health insurances**: Claims for pre-existing conditions/diseases before buying insurance—in not a few cases, the insured knows his disease and buys insurance to avoid medical expenses.
3. **Fire insurances**: Claims for damages not covered by the insurance policy (e.g. earthquake is an additional coverage that the insured has to buy, but not everyone knows).

Denmark: The Danish Insurance Complaints Board

1. **Ownership transfer insurance**: Hidden flaws and defects when going into possession of property – insurance companies reject coverage for expenses for repairing various defects with the property.
2. **Accident policies**: Disputes about whether an accident has occurred or it is an already existing illness.
3. **Motor car insurance**: Disputes about liability in connection with car accidents.

Finland: Finnish Financial Ombudsman Bureau

1. **Home insurance**: The definition of scope of coverage and the amount of the procedure of compensation (e.g. water damages)
2. **Personal accident insurance**: Casual relationship issues, as well as the degenerative changes or disease found on the occasion of the accident, not entitling the consumer to the expected benefit.
3. **Medical expenses insurance**: Termination of insurance contract

France: French Insurance Mediation

1. **Non-life insurance**: Issues relating to intrusion and robbery, and to civil liability
2. **Health insurance, borrower insurance**: Issues relating to false disclosure of the risk
3. **Life insurance**: Contestation of beneficiary clause

Hungary: Financial Arbitration Board

1. **Accident**insurance: coverage under credit card insurance
2. **Motor** insurance: accident/damage not identifiable
3. **Home** insurance: defined weather conditions  
   For all of these, typically questions of what kind of coverage the contract terms provide for the applicants.

Malaysia: Ombudsman for Financial Services  
(formerly Financial Mediation Bureau)

1. **Motor** insurance claims
2. **Life** insurance claims
3. **General** insurance (non-motor)  
   For all of the above, mainly complaints arising from repudiation of claims or dissatisfaction with the quantum of claim offered by the insurers.

New Zealand: Banking Ombudsman Scheme

1. **Home and contents**insurance
2. **Life** insurance
3. **Loan protection** insurance  
   In relation to all of the above, mainly denied insurance claims or bank staff failing to act as instructed or promised.

New Zealand: Financial Services Complaints Limited

1. **Travel insurance**: Claim declined due to non-disclosure of pre-existing medical condition; failure to 'activate' the policy, leading to no travel insurance cover at all.
2. **Sale of replacement life, health and income protection insurance by insurance adviser**: Failure to tell the client of the importance of disclosing pre-existing medical conditions and the consequences if PEMCs not disclosed. Client later has claim declined by new insurer (but claim would have been accepted under the client’s previous policy).

Poland: Financial Ombudsman

1. **Unit-linked insurance (insurance capital funds)**: The problems are improper practices at the stage of product sales, consisting mostly of providing consumers with unreliable, incomplete and even false information (mis-selling). Customer requests in this regard relate to the activities of banks offering complex investment products as safe bank deposits with a guaranteed return of capital.
2. **Motor insurance**: The most popular problems are connected with reducing the compensation by using depreciation of the materials and car parts. Insurance companies also using, in the calculated repair costs, prices of the aftermarket parts which aren’t the original parts mounted in the car.

Switzerland: Swiss Ombudsman of Private Insurance and of Suva

1. **Daily sickness allowance**: Complaints against daily benefits insurers, following a refusal or suspension of benefits on the basis of a medical evaluation that was contentious even among doctors.
2. **Accident insurance**: Complaints against accident insurers, following a refusal or suspension of benefits based on the argument, that state of health is not (or no longer) due to an accident, but due to a (uncovered) disease.
3. **Travel insurance**: In this realm, we have an increase in cases concerning insurance companies that refuse to cover travel cancellation costs due to pre-existing chronic illnesses, especially psychiatric diseases.

Taiwan: Financial Ombudsman Institution

1. **Claims**: Disagreements in claim amount
2. **Sales and advice**: Problems in extending insurance coverage period
3. **Services**: Didn’t explain the policy terms and condition thoroughly and clearly

United Kingdom: Financial Ombudsman Service

1. **Motor** insurance
2. **Buildings** insurance
3. **Term** insurance  
   Looking across insurance generally, the primary issue resulting in complaints to us remains the quality of communication between insurers and their customers. This applies whether a complaint is about how an insurer sold a policy, how they administered it, or how they dealt with a claim.



**Current hot issues – investments**

**Common themes:**  
unsuitable investments | risk profiles | quality of advice given | fees and charges | information provision | online transactions

**Investments … by country, Z to A**

United Kingdom: Financial Ombudsman Service

1. **Mortgage endowments**
2. **Whole-of-life policies and savings endowments**
3. **Investment ISAs**  
   The majority of complaints we received about investments centred on the conversations that happened when they were sold. Problems may only come to light—and be escalated to us—years later, when arrangements don’t work out as planned. For example, we continued to hear from people who were disappointed with how their investments had performed—and felt the risks to their money hadn’t been properly explained in the first place. Another large proportion of complaints about investments stemmed from the appropriateness of the advice people had been given.

Taiwan: Financial Ombudsman Institution

1. **Sales** (securities/futures): Disputes in securities deals
2. **Transaction** (securities/futures): Problems occurred in future trading
3. **Charges** (securities/futures): Disagreements in handling fee

New Zealand: Financial Services Complaints Limited

1. **Savings schemes** (saving for deposit for a first home targeted at vulnerable, low income consumers):  The savings made to the financial firm earn no interest while on deposit. If the consumer wishes to withdraw from the savings scheme (because they need access to their savings or because they realise they will never be able to save sufficient for a first home deposit), the consumer is charged a withdrawal fee of up to $5,000, often wiping out most of their savings.

New Zealand: Banking Ombudsman Scheme

1. **Term deposits**: Customers unhappy with having to give 31/32 days’ notice to break their term deposits early; bank staff failure to follow term deposit maturity instructions from customers.
2. **Bonus bonds**: Various concerns.

Italy: Ombudsman Giuri Bancario

1. **Illiquid shares**: Shareholders of financial institutions, not quoted on the regular stock exchange but on internal over-the-counter markets operated by the financial institutions themselves, complain about the scarce liquidity of their investment and ask for a redress.
2. **Online trading**: Frequent complaints related to the trading software of financial institutions for buying and selling transactions, which also offer the possibility of associating a stop loss function, which does not work correctly.
3. **Advisory services promoted by financial institutions in relation to investments**: The inadequacy of an investment in relation to the risk profile of the customer

Hungary: Financial Arbitration Board

1. **Long-term investment contract**: Incorrect administration of certain transactions
2. **Inadequate investment services**: Delay of redemption of units
3. **Inadequate information and notification system**: Applicants claim they do not receive adequate information from the financial service provider that would be crucial for future investment decisions

Greece: Hellenic Ombudsman for Banking - Investment Services

1. **Life insurance products linked to investment funds:**Bad performance of policies
2. **Investment products:**Mis-selling of policies, delays, failure to follow instructions

Finland: Finnish Financial Ombudsman Bureau

1. **Investment advice:**Especially funds
2. **Book-entry account:**Informing and holding and transferring of book-entry securities, reporting
3. **Securities brokerage:**Financial transactions conducted in e-banking

Channel Islands: Channel Islands Financial Ombudsman

1. **Mis-selling of investments:**Generally where the complainant believes the investment was unsuitable for their risk profile
2. **Closure of account:**The same issues as in banking but relating to the closure of investment portfolios/accounts
3. **Poor administration or delay:**Delays in switching investments, in transferring investments between accounts, or when buying and selling investments—all leading to direct financial loss and/or opportunity costs

Canada: Ombudsman for Banking Services and Investments

1. **Suitability of investment or advice**: Advisors recommending investments that are not aligned with investors’ risk tolerance and investment objectives
2. **Fee disclosure**: Advisors not properly disclosing to investors fees and charges associated with investments
3. **Poor product disclosur**e: Advisors not properly disclosing the features of a particular investment such as early redemption fees and tax consequences

Canada: Client Services and Compensation Division, AMF, Quebec

1. **Deviation in financial portfolio**: Complaints regarding service quality, suitability of investments
2. **Fees**: Misunderstanding or lack of information regarding  fees associated with the investment or the service

Belgium: Ombudsfin – Ombudsman in Financial Conflicts

1. **Trading accounts**: The main issue here is about duration of the transfer of securities. Rates and transparency are also the subject of complaints.
2. **Buying and selling securities**: People are unaware that the market prices on the website of the bank are for general guidance purposes only and don’t always match the actual market prices. Some other people try to buy and sell securities via e-mail or fax. If it’s not set in the contract or if the information provided is incomplete, the bank refuses to execute the order.
3. **Corporate action**: Corporate actions cause taxation issues. Sometimes banks also share the information about a corporate action too late or don’t share it at all.

Australia: Credit and Investments Ombudsman

1. **Inappropriate advice**: Advisers not taking into account the investor’s risk profile and financial objectives when advising on investments to invest in

Australia: Financial Ombudsman Service

1. **Inappropriate advice**: Unsuitable for investors’ goals, objectives or risk tolerance, inappropriate client advice, general financial advice provided when personal financial advice needed
2. **Failure to follow instructions/agreement**: Breach of contract (written or oral), failure to follow written instructions



**Current hot issues – pensions/superannuation**

**Common themes:**  
calculation of benefits | early withdrawal | entitlements from death benefits | suitability of advice | accessing benefits

**Pensions/superannuation … by country, A to Z**

Australia: Superannuation Complaints Tribunal

1. **Death benefit distribution**
2. **Insurance premiums**: Deduction of insurance premiums (amount or period)
3. **Insurance – disability benefit**: Includes denial, amount and delays for temporary and permanent disability benefits

Australia: Financial Ombudsman Service

1. **Inappropriate or insufficient financial advice**: Product or investment strategy advice, client advice, general financial advice provided when personal financial advice was needed
2. **Incorrect fees/costs**: Failure to follow agreement in relation to fees or costs an FSP charges

Channel Islands: Channel Islands Financial Ombudsman

1. **Poor administration or delay**: Complaints relating to delays in making distributions, lack of information provided to beneficiary
2. **Fees and charges**: Trustee fees and exit fees for transferring the pension
3. **Disputed payment out**: Disputed or unauthorised distribution/payment out of the pension trust

New Zealand: Banking Ombudsman Scheme

* **KiwiSaver**: Declined applications for withdrawals from KiwiSaver; bank staff failed to act as instructed or promised
* **Superannuation**: Various concerns

South Africa: Pension Funds Adjudicator

1. **Withdrawal benefits**: Delay in payment of benefits when a member of a fund resigns/is dismissed or retrenched from employment
2. **Retirement benefits**: Query on the calculation of the amount of a retirement, resignation or dismissal benefit
3. **Death benefits**: About the allocation and distribution of a death benefit amongst the beneficiaries of a deceased member as per the discretion of the board of management of a fund

Swaziland: The Ombudsman of Financial Services

1. **Computation of pension benefits at employment exit and fund membership withdrawal or transfer to another fund:** Complaints of non-inclusion of employer contributions in computation of withdrawal benefits when employees exit employment through resignation, or exit earlier than at compulsory retirement age, and therefore fund membership withdrawal computation accordingly.
2. **Computation of pension benefits**: Complaints where the employer, for some reason, did not deduct and accordingly did not remit the correct amount of member and employer contributions in terms of the employee’s pensionable salary to a fund at a particular period of member’s employment, albeit such employer had been on payroll.

Switzerland: Swiss Ombudsman of Private Insurance and of Suva

1. **Withdrawal of balances of pension funds**: Questions and problems concerning the early withdrawal of retirement benefits, e.g. due to self-employment or due to a change of residence abroad
2. **Change of pension funds**: Problems concerning the search for or the interest rates of credit balances (vested benefits) after leaving the pension fund

United Kingdom: Financial Ombudsman Service

1. **Personal pension plans**
2. **Small self-administered schemes**(SSASs) and self-invested personal pensions (SIPPs)
3. **Annuities**  
   As in previous years, around half of the complaints we received about pensions were about problems with administration and delays, while many came down to the suitability of the advice people received when making pension arrangements. Following changes that were introduced in the UK in April 2015, which gave people more freedom in the way they access their pensions, we’ve heard from a number of people who’d said they’d had problems trying to take their pension as a lump sum. Many complaints centred on delays in accessing their money.



**Current hot issues – banking and credit**

**Common themes:**  
scams of all kinds | interest rates | unauthorised use of credit or debit card | ATM-related | financial stress | loan default | fees and charges

**Banking and Credit … by country, Z to A**

United Kingdom: Financial Ombudsman Service

1. **Packaged bank accounts**
2. **Current accounts**
3. **Consumer-credit products and services** (e.g. payday loans, hire purchase, debt collecting and catalogue shopping)  
   Packaged bank accounts are current accounts that come with a 'package' of extra features—from mobile phone and travel insurance to better rates on overdrafts and loans. Customers often complain that they have been sold accounts and extras that they didn’t want or need. In most cases however, we decide that, overall, the package of extras that came with someone’s account had been useful to them, or had saved them money. More generally, we see a wide range of problems involving banking and credit. A significant proportion involves people experiencing financial difficulties. We also hear from people who’ve been the victims of scams.

Taiwan: Financial Ombudsman Institution

1. **Sales and advice**: Didn’t expose the investment risks promptly
2. **Service**: Didn’t explain the contract thoroughly and clearly
3. **Administration**: Troubles in opening saving accounts; debt accounts

Spain: Complaints Scheme of the Bank of Spain

1. **Floor-rate clauses in mortgage loans**: Supreme Court rulings and minor court rulings have declared certain floor-rate clauses to be null and void in certain mortgage loan contracts granted to consumers, because they did not reach the levels of transparency demanded by regulations … A high number of borrowers are filing complaints against banks and looking for advice on their rights. Generally, the complaints that we handle are based on the lack of pre contractual information about the clause.
2. **Abolition of some mortgage loans official interest rates benchmarks**: Some mortgage loans official interest rates benchmarks have been repealed on support of the entrepreneurs and their internationalization … Banco de España suggests that credit institutions should make their best efforts to reach an agreement with clients on the substitution of the abolished official interest rates benchmarks, informing clients of available alternatives, including creditor subrogation.
3. **Debit and credit cards**: So called ‘revolving’ credit cards are those in which the owner may have a limit or maximum credit granted that is available to be used, allowing deferred payment of the amount used. In exchange, the owner has to pay instalments, although it can choose the amount of the instalments to be paid. In addition, these cards accrued interest, fees and other expenses to be charged to the customer, who has to reimburse the whole debt through the instalments, in order to amortize it. Notwithstanding the above, if the instalments are low compared to the total amount of debt, amortization of the capital is done in a very long term. Taking into account the interest rates usually agreed in this market segment, this implies the accrual of a high amount of interest.

South Africa: Ombudsman for Banking Services

1. **ATMs**: In addition to various scams such as card swapping, card cloning, phantom withdrawals, numerous complaints against banks of absence/lack of suitable advice and clear information and failure to deliver on expectations of fair service.
2. **Internet banking**: Various permutations on classic 'phishing' scams, dramatic increase in complaints about cell phone SMiShing (SMS phishing) (72% increase in 2014/2015). A continuing trend.
3. **Mortgage finance**: Reckless lending iro mortgage bonds, banks accused of not doing affordability assessments, resulting in over indebtedness, home repossessions up by 80%, legislative intervention, reserve price.

Poland: Financial Ombudsman

1. **Consumer credit agreements**: The most frequent problems are insurance costs (insurance as a type of collateral in consumer credit agreements). Another large group of applications are about debt restructuring and repayment problems. Also problems related to the incompatibility of the balance of debt and the settlement of the loan in connection with the early repayment.
2. **Loans in foreign currency**: We note many applications related to abusive terms of contracts. Applicants also report concerns about the method of determining the margin and interest on the loan. They also raised problems with indexation mechanism and the lack of opportunities to repay the loan directly in foreign currency.

New Zealand: Financial Services Complaints Limited

1. **Debt recovery action by finance companies**: Consumer alleges recovery action is unfair or illegal and questions charges.
2. **Mobile traders (truck stops)**: High cancellation fees charged by mobile trader/lender when consumer wishes to cancel the contract.

New Zealand: Banking Ombudsman Scheme

1. **Property lending**: Inappropriate collection activities; non-disclosure or inadequate explanation of early repayment charges for breaking fixed term loans; declined lending applications.
2. **Transactional accounts**: Customers being denied access to funds in their accounts because the bank froze the account or couldn’t accept the customer’s ID; bank staff failed to act as instructed or promised; closing customer accounts.
3. **Credit cards**: Unauthorised transactions on cards; bank staff declining to compensate for fraud or theft.

Montenegro: Banking Ombudsman

1. **Loans**: Overdebtedness and high interest rates
2. **Accounts**: High fees
3. **Payment cards**: High interest rates

Malaysia: Ombudsman for Financial Services  
(formerly Financial Mediation Bureau)

1. **Unauthorised transactions involving credit card/debit card/ATM Card**: Complainants (may or may not have lost their cards) are disputing transactions which they alleged were not authorised by them. It involves cards and/or personal identification numbers which have been compromised.
2. **Unauthorised internet banking transactions (phishing scam/SMS scam/phone scam)**: Complainants (unintentionally/inadvertently) disclosed their username, password and TAC to scammers when they responded to fictitious emails (purportedly sent by their banks requesting update of their personal information to ensure no disruption of banking services). In actual fact, there is no such request from the bank.
3. **Automated Teller Machine (ATM) short/non dispensation of cash**: Complainants alleged there is shortage or non-dispensation of cash in accordance with the amount withdrawn.

Hungary: Financial Arbitration Board

1. **Motor loan agreement**: Most cases arose in connection with the fact that foreign currency-denominated consumer loan contracts (based on the Act on the Conversion to Forint) were modified to forint-denominated consumer mortgage loan contracts.
2. **Case of fairness**: Applicants apply for a reduction or relief in connection with their specific personal circumstances or regarding their financial situation. Financial service providers are usually open to consider the applicants' health, social and income situation on an equitable basis. In the form of individual assessment, they are open to forgive the default interest in full or in part, simultaneously reducing the debt, to reduce the default interest rate and to agree on payment by instalments.
3. **Loan agreement**: Many times financial service providers revised their position during the complaint management procedure, and issued a declaration to the effect that in view of the significant passage of time they would not enforce additional claims against the petitioner in respect of the given debt and they cancelled the debt.

Greece: Hellenic Ombudsman for Banking - Investment Services

1. **Loans**: Financial services providers’ conduct and procedures when processing claims for settlement or restructuring of defaulted loans and loans in arrears.
2. **Bank accounts**: Complaints related to seizure of bank accounts by tax authorities, including exempt funds (i.e. salary, pension, unemployment benefits) and to capital controls which are in force in Greece since July 2015 due to the economic crisis.
3. **Fees and charges**: Excessive/unfair fees or imposition of new fees after credit institutions’ mergers.

Finland: Finnish Financial Ombudsman Bureau

1. **Debit and credit cards**: Unauthorised use of debit and credit cards
2. **Credit**: The management of the principal credit and loan pricing; questions about interest
3. **Identification of a customer**: Questions about identification; money laundering and prevention of terrorism

Channel Islands: Channel Islands Financial Ombudsman

1. **Closure of account**: Complaints relating to the closure of accounts and lack of notice, lack of reasonable explanation, and/or consequential losses
2. **Poor administration or delay**: A wide variety of issues relating to delays in executing banking instructions or poor administration of banking products leading to inconvenience, direct financial loss (often forex losses) or consequential losses
3. **Fees and charges**: Disputes relating to the fees and charges levied by banks, with the two most common areas being overdraft and transaction fees

Canada: Ombudsman for Banking Services and Investments

1. **Fraud**: Mostly complaints involving credit and debit transactions. Chip-and-pin and other security features have reduced certain types of fraud, but it remains an ongoing issue. Fraud involving online scams and family/friends remains common.
2. **Error – Bank**: Human error or computer/technology issues from the bank
3. **Relationship Ended**: Bank decides to end its relationship with a customer by closing their account. This is usually a business decision and out of OBSI’s mandate. However, OBSI would investigate whether the customer received adequate notice to make alternative arrangements and that the bank followed proper procedure.

Botswana: Office of the Banking Adjudicator

1. **Automated Teller Machines (ATM) and Point of Sale (POS) fraud**: ATM and POS fraud affecting personal account holders and companies, which seem to come from abroad with influx of people to neighbouring countries. All commercial and statutory banks (state owned) have moved to new IT platforms necessitating the change from normal paper banking and introducing bank cards to each and every customer, including pensioners. It would seem the introduction of these new facilities was not accompanied by the requisite education to the public on how these should be used, including the security.
2. **Personal loan contracts**: Errors occur when loan contracts are captured into the systems of the various banks. These are, in most cases, realised at the end of a contract by the customer who wish to take up another facility with the concerned bank.
3. **Blacklisting of loan defaulters**: Customers default on their loan commitments for reasons such as being retrenched, undertaking study leave (where the salaries paid would be reduced), going to work abroad, etc. The defaulters are then blacklisted with the credit agencies, where they only have their status updated and deleted after some 7 years. They consider this system as unfair.

Belgium: Ombudsfin – Ombudsman in Financial Conflicts

1. **Current accounts**: Mostly termination of banking relations, but also rates and general conditions. We’ve also had to deal with bill scams and clients who ask for a refund, or banks that make accounts go below zero because of management fees and therefore recording the default of payment in the Central Individual Credit Register (CICR), which is an instrument used to curb excessive indebtedness preventing access to any other credit.
2. **Payment cards (debit and credit)**:The owner of the card asks for a reimbursement after his card was stolen or lost and thieves managed to withdraw money from an ATM or make payments in shops.
3. **Remote operations**: Phishing and Microsoft phone scams are a major issue when it comes to remote operations. Thieves acquire sensitive information or make people complete a series of operations through their computer. Victims want their money back.

Australia: Credit and Investments Ombudsman

1. **Responsible lending**: Loans provided in circumstances where the borrower is not able to meet the repayments
2. **Financial hardship**: Borrowers in financial difficulty and not able to meet loan repayments because of life events (unemployment, illness, relationship breakdown)
3. **Credit default listings**: Borrowers seeking to have these removed to improve their credit standing to they can access credit, utilities and phone plans

Australia: Financial Ombudsman Service

1. **Decline of financial difficulty request**: A customer’s request for financial hardship assistance is declined and no offer is put forward by the financial service provider. Although financial difficulty remains in our top issues, we have seen a decline in the number of these disputes over the past couple of years.
2. **Consumer credit mistakenly reported**: Breach of Credit Reporting Code of Conduct and errors in consumer credit reports.
3. **Unauthorised transactions**: Consumers complain about transactions made without their knowledge/permission



**Current hot issues – other!**

**Other financial services issues … by country, A to Z**

Australia: Financial Ombudsman Service

1. **‘Robo’ advice must focus on client needs**: The emergence of digital financial product advice (also known as ‘robo’ or automated advice) poses several opportunities and risks for the financial services industry and consumers. This advice uses algorithms and technology without the direct involvement of a human advisor. The key risks of digital advice, which could lead to multiple complaints and insurance claims, include a systems or algorithm error.
2. **Landmark mental health case raises issues for insurers**: Following a case in which an insurer was found to have breached the Victorian Equal Opportunity Act for denying an applicant’s claim due to her depression, FOS worked with the industry to highlight the need for actuarial data relating to risks associated with mental health conditions.
3. **Remediation programs**: There have been recent developments in Australia involving remediation programs by some major FSPs. FOS believes that a framework needs to be established to ensure a consistent, transparent and efficient approach to similar matters across customers and FSPs.
4. **Unpaid determinations**: Despite our best efforts, some consumers do not receive compensation from FSPs following awards being made in FOS determinations. Consumers were owed about $16.7 million (including interest) in unpaid determinations as at 30 June 2016. FOS’s key recommendation was that a limited compensation scheme of last resort be established to address the issue of unpaid FOS awards of compensation to consumers.

Belgium: Ombudsfin – Ombudsman in Financial Conflicts

1. **Funding loss – credits for businesses**: This is the biggest issue we have to deal with at Ombudsfin. Banks ask a very high funding loss to businesses who want to pay their credit before due date.
2. **Consumer credit – execution of contract**: For consumer credits, the main issue is the recording of the default of payment in the Central Individual Credit Register (CICR) which is an instrument used to curb excessive indebtedness. Also, a number of clients ask for a repayment schedule or other payment facilities. We also have to deal with uncoupling issues for joint debtors.
3. **Mortgage credit – execution of credit**: The main issues with mortgage credits are early repayments and obtaining the overview of what’s still due. Some people also complain about processing times being too long, not receiving a credit at all or not receiving what they agreed on. Mortgage credits also lead uncoupling issues for joint debtors.

Channel Islands: Channel Islands Financial Ombudsman

1. Mis-sellingof products (mortgages, personal loans) by **non-bank money services/credit businesses**.
2. Complaint numbers for**account closures** are disproportionately high, likely linked to global restructuring by the top banks and changes in business strategy.
3. The alleged **mis-sale of whole of life insurance products** as an investment, usually by IFA’s outside of our jurisdiction, is an ongoing interest.

Finland: Finnish Financial Ombudsman Bureau

1. In banking: **Identification** of a customer
2. In insurances: **Termination** of insurance contract (especially medical expenses insurance).

Lithuania: The State Consumer Rights Protection Authority

1. **Consumer credits**: Often the terms of consumer credit contract are recognising as unfair.
2. **Loan broker services**: Loan broker services are not regulated by the legal acts in Lithuania.
3. **Financial debt collection services**: Financial debt collector services are not sufficiently regulated by the legal acts in Lithuania

Montenegro: Banking Ombudsman

1. **Deposits**: low interest rates
2. **Loan endorsers**: obligation for payment instead of loan beneficiaries

New Zealand: Banking Ombudsman Scheme

1. Concerns about **banks declining to compensate customers for losses** suffered through scams, including investment scams; buying or selling transactions with scammers; and scamming of customers’ personal information (phishing scams).

South Africa: Pension Funds Adjudicator

1. Queries in relation to unclaimed benefits that are being held by funds that are now in excess of R20 billion.

Spain: Complaints Scheme of the Bank of Spain

1. **Electronic commerce in a secure environment**: Client Authentication models (3D SECURE, FINANET, VISA) that imply to enter the PIN.  In case of dispute, financial institutions have to provide evidence about the consent of the client to the disputed charges … At this moment, Banco de España does not consider the use of “secure electronic commerce” to be, per se, evidence of client´s consent to those transactions which have been claimed to be unauthorized transactions.
2. **Use of contactless debit and credit cards**: There has been a great increase in the issue and use of contactless debit and credit cards in Spain. For low-value payments (below €20 for VISA cards) the authentication process of the cardholder established by merchants and/or acquiring PSPs is very weak (no signature/PIN and even often no ID required) … Banco de España has not make any pronouncement on this issue as it is deemed to be part of credit institutions commercial and risk policy.

Swaziland: The Ombudsman of Financial Services

1. **Money lending and other credit transactions**: Charging prohibitive rates of interests; collecting commission even where there is a stop order instruction to deduct the money from source (salary by employer); exorbitant admin charges at rates per month; insurance charges, etc—all in respect of one money lending or credit (hire-purchase) transaction.

Switzerland: Swiss Ombudsman of Private Insurance and of Suva

1. During the last year there has been a major trend concerning complaints against **mobile phone insurances**’ refusal of benefits.

United Kingdom: Financial Ombudsman Service

1. In March 2016 we received our one-and-a-half millionth complaint about payment protection insurance (PPI)—accounting for half of all the complaints we’ve received since we were set up. These volumes of complaints—and the fact that we’re still receiving around 4,000 *new* PPI complaints every week—reflects the scale of the challenge that remains.



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