

RESERVE BANK OF FIJI

COMPLAINTS MANAGEMENT UPDATE as at 31 May 2010



A. Background

1. The Financial Systems Development and Compliance Group (FSDC) continues to receive complaints from customers of financial institutions in relation to the products and services it provides and other operational matters. As at 31 May 2010, 21 complaints were received, excluding 6 that were copied for information only.
2. An update on the 21 complaints that were handled by FSDC is provided in the following section.

B. Update on Complaints Management

3. Number of Complaints

- a. As at 31 May 2010, 2 out of the 21 complaints handled were closed. The financial institutions and complainants were requested to provide clarification and/or additional information in relation to 13 and 3 complaints respectively, while FSDC was assessing 2 complaints and 1 was with the Court. The breakdown by industry type and its resolution status is summarized in Table 1 below:

Table 1: Complaints Breakdown by Industry & Resolution Status (excluding 6 copied)

Industry Type	Number of Complaints handled as at 31 May 2010						
	Received	Closed	Unresolved, but:			Withdrawn	With Court
			Assessed presently	With institution	With complainant		
Banks	8	1	0	6	1	0	0
Insurers	5	1	0	2	2	0	0
NBFIs	4	0	0	3	0	0	1
Capital Mkt	3	0	2	1	0	0	0
Pension Fund	1	0	0	1	0	0	0
Total	21	2	2	13	3	0	1

- b. There were no customer complaints received against the Credit Institutions, Insurance Brokers and Agents, Foreign Exchange Dealers and Money Changers as at 31 May 2010.

4. Nature of Complaints

- a. As at 31 May 2010, a wide diversity of complaints was received, some were reasonably complicated and legal in nature, while others were comparatively straightforward. Complaints against Banks were largely related to fraud and forgery and customer service, while those against Insurers pertained to disagreements on insurance claims, mainly under the medical insurance class.
- b. For Non-Bank Financial Institutions, customers were mostly dissatisfied with loans and mortgage facilities, particularly the interest rate charged. For participants in the Capital Market, the complaints varied between concerns related to share pricing, brokerage fees and investment advice rendered.

c. The breakdown of complaints by nature is summarized in Table 2 below:

Table 2: Complaints Breakdown by Nature (including those copied)

Industry	No.
1 Banks (Complaints handled was 8, 3 were copied):	
a. Loan and Mortgage contract (including interest rate and related fees and charges)	1
b. Credit Cards	1
c. Remittances	1
d. Customer Service	2
e. Fraud and Forgery	3
f. Others	3
2 Insurers (Complaints handled was 5, 1 was copied):	
a. Life	1
b. Medical	1
c. Excess Amount	1
d. Surrender of Policy	1
e. Fees and Charges	2
3 Non-Bank Financial Institutions (Complaints handled was 3, 2 were copied):	
a. Loan and Mortgage contract (including interest rate and related fees and charges)	4
b. Others	1
4 Pension Fund (Complaints handled was 1, 1 was copied):	
a. Pension Payment	1
b. Superannuation Contribution	1
5 Capital Market participant (Complaints handled was 3)	
a. Share Pricing	1
b. Brokerage Fees	1
c. Investment Advice	1

5. Meetings

a. As at 31 May 2010, 19 meetings were held with complainants. These meetings involved discussions of the concerns and complaints with complainants.

C. Other Developments

6. At the RBF Board meeting in April 2010, the Complaints Management Policies for Licensed Insurers and the Fiji National Provident Fund was approved for implementation, wef 03 May 2010. As part of public awareness, the FSDC Group has finalized the RBF Complaints Brochure for Governors approval. The RBF Customer Complaints Form will be uploaded on the RBF website shortly.

For your information.

Financial Systems Development & Compliance

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