



OFFICE OF THE FINANCIAL SERVICES OMBUDSMAN

SUZANNE ROACH

FINANCIAL SERVICES OMBUDSMAN





OFFICE OF THE FINANCIAL SERVICES OMBUDSMAN (OFSO)



PRESENTATION TO:

UNCITRAL International Colloquium on Microfinance
Vienna 16 - 18 January 2013



UNCITRAL International Colloquium
Vienna, Austria



Definition

Who is an Ombudsman? (Om budz man)

Someone who:

- ❖ **Receives and investigates complaints,**
- ❖ **Reports findings, and**
- ❖ **mediates fair settlements, especially between an individual consumer and an institution or organization.**
- ❖ ***[Concept is of Swedish origin; means 'citizen advocate'; first appointed in 1809 to handle complaints against the government]***



WHO WE ARE

- ❖ **A national independent dispute resolution service for customers of financial institutions in Trinidad and Tobago.**
- ❖ **We provide our service free to the complainant.**





PARTICIPATING INSTITUTIONS

- ❖ **Banks :** The Scheme started in May 2003 as the Banking Services Ombudsman with the then existing six (6) commercial banks. This number has increased to eight (8) banks in total.
- ❖ **Insurance Companies:** The Scheme was expanded in May 2005 to include the twenty nine (29) insurance companies that are currently active in the market.
- ❖ **NFIs – Non Bank Financial Institutions :** Due to the FIA 2008, eight (8) new members on the Scheme.



HOW WE FUNCTION

- overall fairness and equity
- general business principles and best practices in industry
- industry standards and codes of conduct
- due regard to existing laws and regulations



OUR MAIN FUNCTIONS

- ❖ To receive complaints from
 - individuals and
 - **small businesses (total assets not greater than \$1.5 million excl. land & buildings)**
- ❖ To facilitate the resolution of these complaints





Scope - Banking

WHAT WE CAN DO

Consider **banking** complaints relating to:

- ❖ Deposit Accounts
- ❖ Loan Accounts
- ❖ Card Services
- ❖ Investment Services
- ❖ Trust Accounts
- ❖ Mutual Funds

WHAT WE CANNOT DO

For Banks – **complaints in relation to:**

- ❖ general interest rate policies
- ❖ risk policies
- ❖ credit decisions
- ❖ pricing of products or services



Scope -Insurance

WHAT WE CAN DO

For insurance companies, complaints in relation to:

- ❖ life insurance policies
- ❖ group life and health insurance
- ❖ individual annuity contracts
- ❖ property and casualty insurance
- ❖ first party motor insurance, and
- ❖ third party* property damage claims that are \$50,000 or less under a motor policy

*** As far as we are aware ours is the first Ombudsman Scheme in the world that assists third party claimants.**

WHAT WE CANNOT DO

For Insurance – complaints in relation to:

- ❖ premium rates and or underwriting decisions
- ❖ actuarial tables, surrender and paid up values, bonuses or investment rates (long term insurances)
- ❖ pensions (under group pension plans) and deposit administration schemes
- ❖ Personal injury claims
- ❖ Any act or omission prior to Jan. 1, 2004

WHAT YOU NEED TO DO

File a complaint when a financial institution:

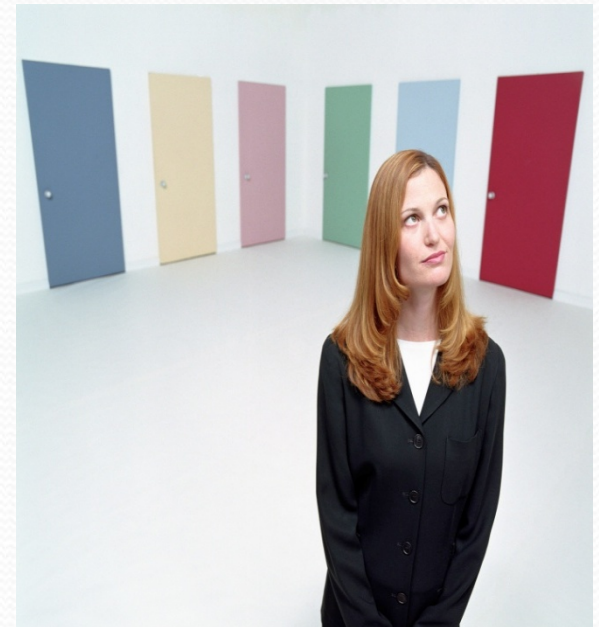
- ❖ gives a decision and you the customer have not accepted
- ❖ fails to provide an appropriate answer to your complaint within a reasonable time





OMBUDSMAN'S DECISIONS

- Based on the principles of fairness and equity
- Credibility and integrity of the Office – approx. 90% of complaints resolved via agreement
- Highest level of resolution – an award up to \$500,000.
- Agreement is binding on the financial institution once customer accepts





SUMMARY



The Office of the Financial Services Ombudsman:

- provides a mediation service to aggrieved customers free of charge
- encourages insurance companies, and banks, to be diligent in their dealings with their customers
- protects consumers' contractual rights
- promotes greater transparency, greater consumer confidence and lends greater credibility to financial services in the banking and insurance industries



CONTACT

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QUESTIONS

