

CIFO COMPLAINT STATISTICS – Q1 2016

These statistics cover the work of the Channel Islands Financial Ombudsman (CIFO) for the three months ended 31 March 2016 (Q1 2016).

CIFO is the joint operation of two statutory ombudsman roles, established in law by the Financial Services Ombudsman (Jersey) Law 2014 and the Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014. The primary role of CIFO is to resolve complaints about financial services provided in or from Jersey, Guernsey, Alderney and Sark.

The legislation sets out CIFO's 'mandate' – in particular, the types of financial services that can be complained about, the type of complainant that may use the service and the time limits that apply. Complaints may also be outside of CIFO's mandate for reasons that include if the matter has already or is being considered in another forum such as a court or if the complainant has not suffered compensatable loss.

I: ANALYSIS OF COMPLAINTS

This section gives information about 'complaints' – which are all complaints received, whether they are ultimately deemed to be within CIFO's mandate or not.

| Period Analysis (Q1 2016) | |
|---|-----|
| Complaints on hand at the beginning of the period | 65 |
| Complaints received during the period | 135 |
| Complaints closed during the period | 76 |
| Net change in number of cases on hand | +59 |
| Complaints on hand at the end of the period | 124 |
| Cumulative Analysis (since CIFO opened on 16 November 2015 to 31 March 2016) | |
| Total complaints received | 222 |
| Total complaints closed | 98 |
| Complaints on hand at the end of the period | 124 |

Q1 COMPLAINT HIGHLIGHTS

Of the 76 complaints closed in Q1 2016:

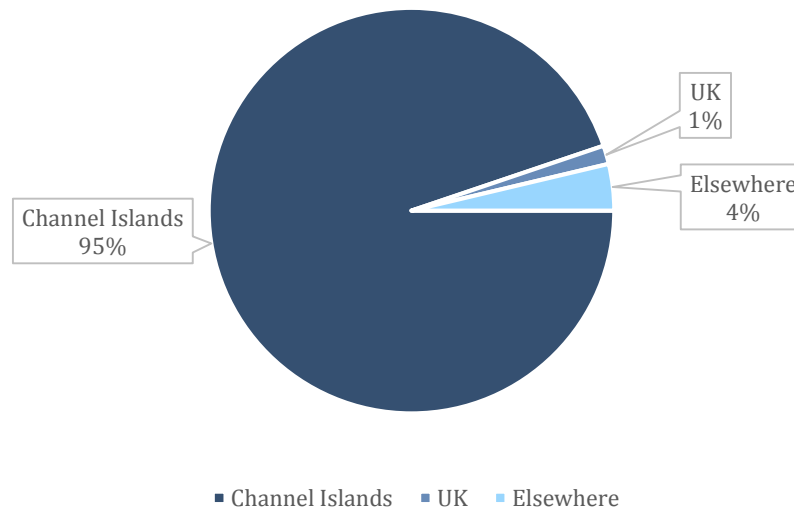
- 62 could not be dealt with as they were outside the scope of CIFO's mandate as set by law;
- 6 were withdrawn by the complainant after coming to CIFO; and
- 8 were successfully mediated.

Of the 62 out-of-mandate complaints:

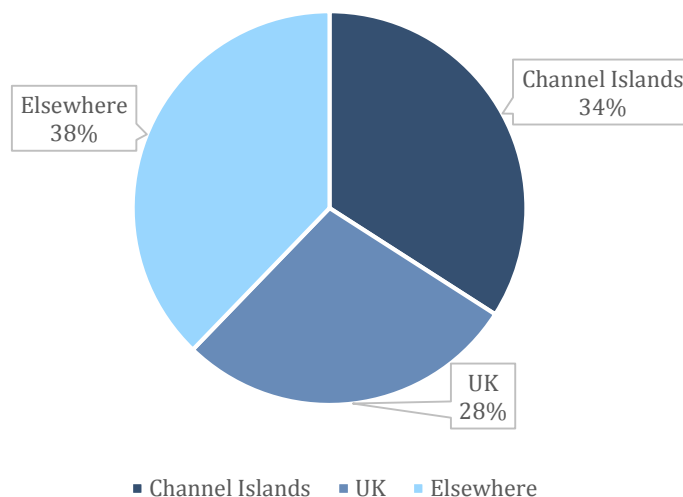
- 52% (32) were about events before the start date set by law (1 January 2010 for Jersey and 2 July 2013 for Guernsey, Alderney and Sark);
- 19% (12) related to financial services that are excluded by law from CIFO's mandate;
- 18% (11) related to financial services that were not provided in or from the Channel Islands;
- 10% (6) were brought to CIFO prematurely – before any complaint had been made to the financial services provider (FSP); and
- 1% (1) could not be dealt with by CIFO because it was subject to a court judgment.

Of the 32 complaints CIFO could not deal with because they were before the start date, 3 would also have been out-of-mandate as they related to exempt financial services.

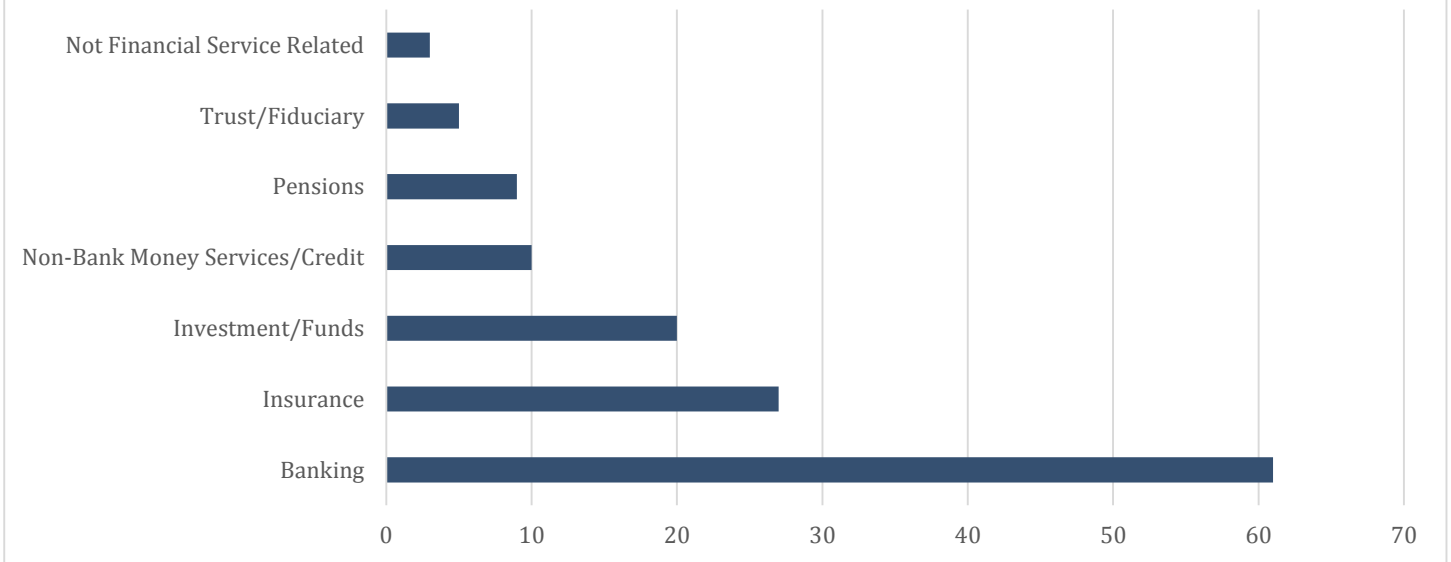
Q1 Complaints - Location from where the financial services were provided



Q1 Complaints - Location of Complainants



Q1 Complaints - Sector of Business Activity



| Type of Complainant | | |
|-----------------------|------------|-------------|
| Type | Number | Percentage |
| Individual (Consumer) | 122 | 90% |
| Individual (Trustee) | 3 | 2% |
| Microenterprise | 10 | 8% |
| Charity | 0 | 0% |
| Total | 135 | 100% |

| Out of Mandate (OOM) Complaints | | |
|--|-----------|-------------|
| OOM Reason | Number | Percentage |
| Complaint about event before start date ¹ | 32 | 52% |
| Complaint too old ² | 0 | 0% |
| Delay in referral to CIFO ³ | 0 | 0% |
| Brought to CIFO prematurely | 6 | 10% |
| Exempt financial services | 12 | 19% |
| Financial services not provided in or from Channel Islands | 11 | 18% |
| Ineligible complainant | 0 | 0% |
| Other | 1 | 1% |
| Total | 62 | 100% |

¹ Events complained of must have occurred on or after January 1st 2010 in Jersey and July 2nd 2013 in Guernsey, Alderney and Sark.

² Generally, complaints must be referred to CIFO within 6 years after the act to which the complaint relates, or 2 years after the complainant could reasonably have been expected to become aware that there was a reason to complain.

³ If the financial services provider (FSP) meets certain conditions in its handling of the complaint, a shortened time limit applies and the complainant must refer the complaint to CIFO within 6 months of the FSP's final response.

| Closed Complaints by Outcome | | |
|--|-----------|-------------|
| Complaint out of CIFO's mandate | 62 | 82% |
| Complaint resolved by FSP after coming to CIFO | 0 | |
| Complaint withdrawn by complainant after coming to CIFO | 6 | 8% |
| Case Files Mediated in Favour of Complainant | 8 | 10% |
| <ul style="list-style-type: none"> • Compensation less than FSP offer 0 • Compensation the same as FSP offer 0 • Compensation more than FSP offer 8 | | |
| Case File Mediated in Favour of FSP | 0 | 0% |
| Case Files Determined in Favour of Complainant | 0 | 0% |
| <ul style="list-style-type: none"> • Compensation less than FSP offer 0 • Compensation the same as FSP offer 0 • Compensation more than FSP offer 0 | | |
| Case File Determined in Favour of FSP | 0 | 0% |
| Total Closed Complaints | 76 | 100% |

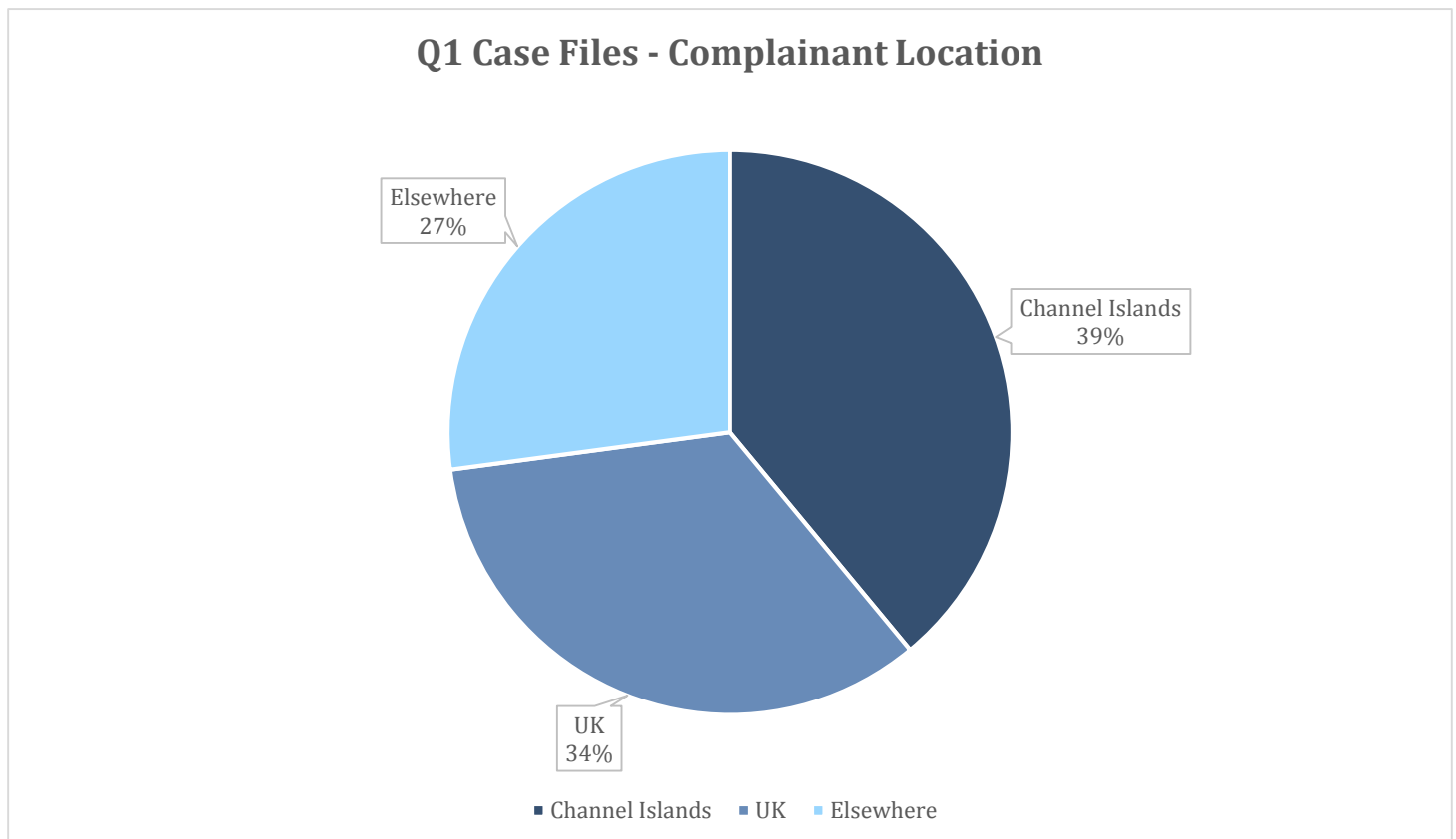
II: ANALYSIS OF CASE FILES

This section gives more information about ‘case files’ opened in Q1 2016. A ‘case file’ is any complaint which has passed the preliminary review against CIFO’s mandate and an investigation has commenced.

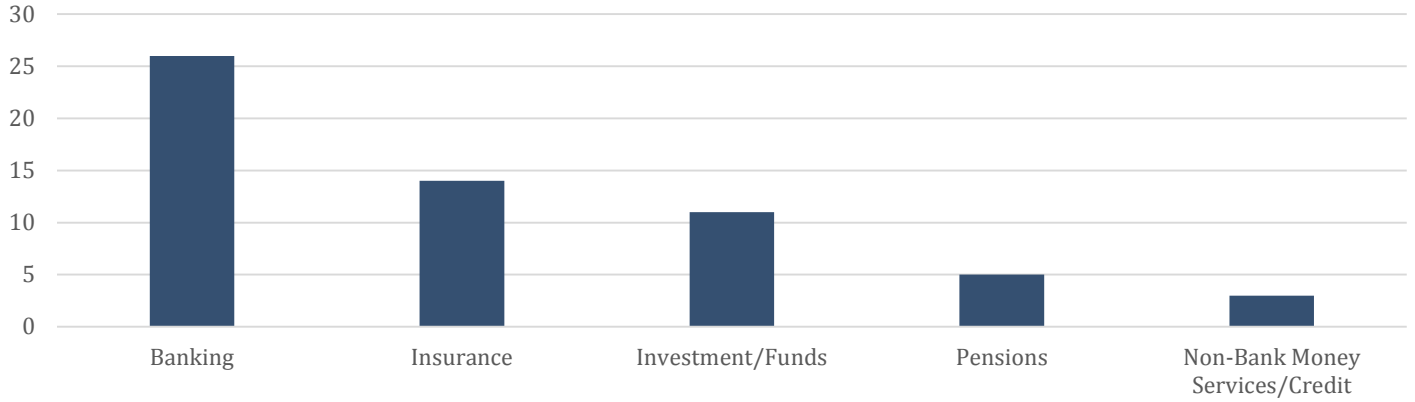
| Period Analysis (Q1 2016) | |
|--|-----|
| Case files on hand at the beginning of period | 0 |
| Case files opened in period | 59 |
| Case files closed in period | 8 |
| Net change in number of case files on hand | +51 |
| Case files on hand at the end of period | 51 |
| Cumulative Analysis (since CIFO opened on 16 November 2015 to 31 March 2016) | |
| Total case files opened | 59 |
| Total case files closed | 8 |
| Case files on hand at the end of period | 51 |

Q1 CASE FILE HIGHLIGHTS

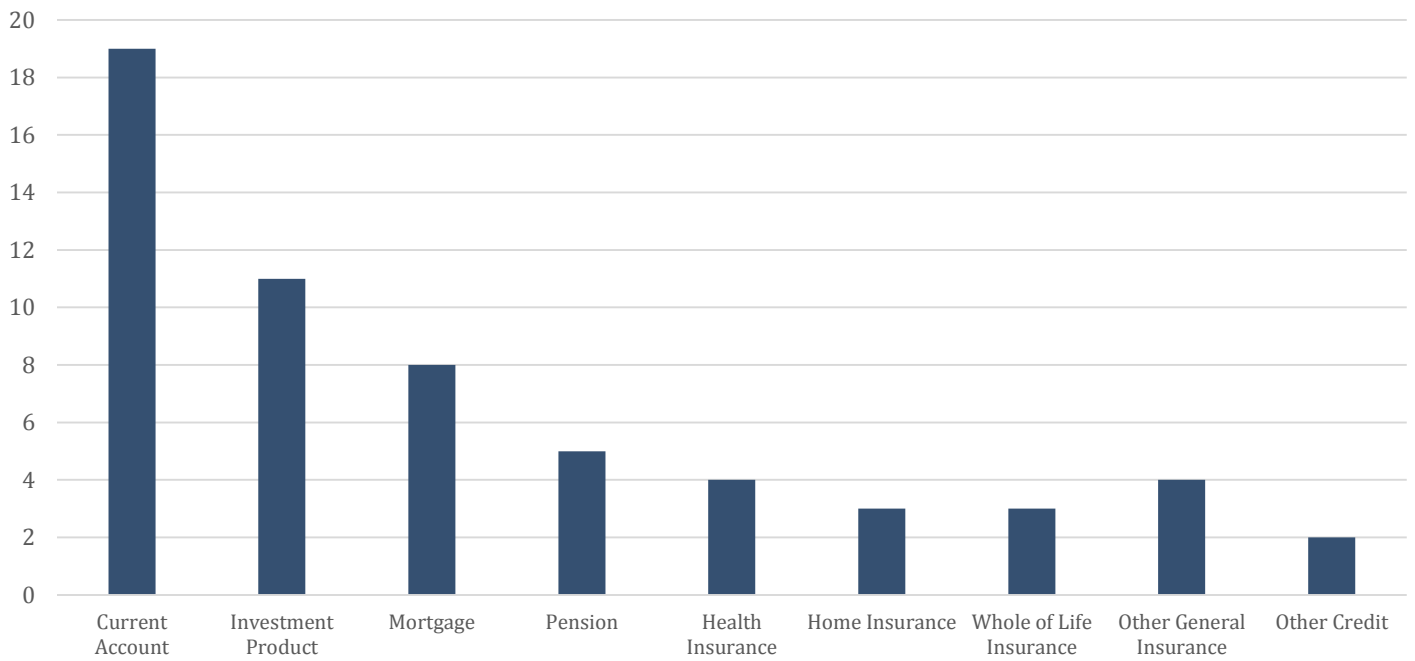
- Of the case files successfully mediated in Q1 2016, all 8 were resolved in favour of the complainant with compensation agreed that was higher than any previous offer from the FSP.
- 39% (23) of case files opened in Q1 2016 relate to a Channel Island-based complainant, 34% (20) relate to a UK-based complainant, and 27% (16) relate to a complainant from elsewhere.



Q1 Case Files - Sector of Business Activity



Q1 Case Files - Product Areas



Q1 Case Files - Issue



Q1 CASE FILE HIGHLIGHTS (CONTINUED)

- Approximately a third of case files (32%) opened by CIFO in Q1 2016 related to current accounts. Almost half of these (47%) related to fees and charges.
- Across all product areas, the most common issue was with advice or information given during the sales process, with 29% (17) of case files relating to this issue.
- Of the 14 insurance case files opened by CIFO in Q1 2016, 29% (4) related to medical insurance. The most common issue was with declined claims, with 79% (11) of insurance case files relating to this.

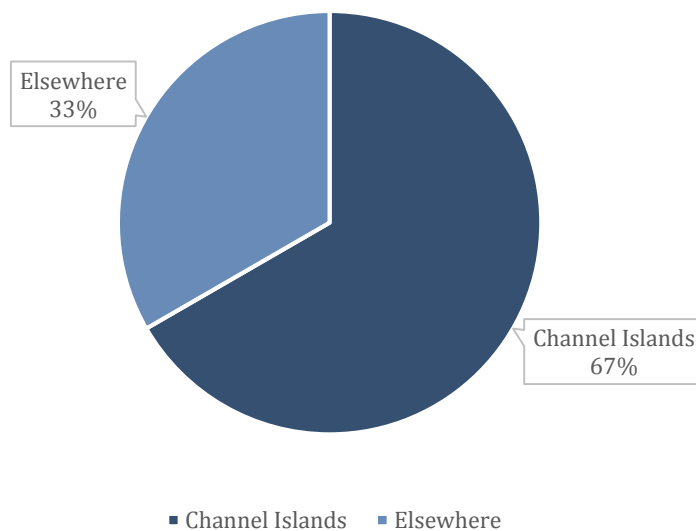
| Q1 Case Files - Product Area | | |
|-------------------------------|--------|------------|
| Top Three Product Areas | Number | Percentage |
| Current Accounts | 19 | 32% |
| Investment Products | 11 | 19% |
| Mortgages | 8 | 13% |
| Q1 Case Files - Type of Issue | | |
| Top Five Issues | Number | Percentage |
| Sales and Advice | 17 | 29% |
| Administration Error | 14 | 24% |
| Insurance Claim | 11 | 18% |
| Fees and Charges | 10 | 17% |
| Transaction Error | 7 | 12% |

III: ANALYSIS OF ENQUIRIES

This section gives information about complaint-related enquiries (initial contacts which are handled by CIFO).

- CIFO received 81 enquiries in Q1 2016.
- 80% (65) of enquiries were from the general public and 20% (16) were from representatives of financial service providers.
- 67% (54) of enquirers were based in the Channel Islands and 33% (27) were based outside the Channel Islands.

Q1 Enquiries - Location of Enquirer



Q1 Enquiries - Type of Enquirer

