



FINANCIAL INDUSTRY  
COMPLAINTS SERVICE LIMITED

1 January 2008 – 30 June 2008 Review

FICS is an external dispute resolution scheme.

FICS is a national service that is free to consumers.

FICS is an alternative to the courts and provides resolution of complaints against the criteria of the relevant law, good industry practice, relevant industry codes and what is fair in all circumstances.

FICS can handle the following types of disputes:

- Life insurance
- Financial planning
- Stockbroking
- Managed investments
- Superannuation
- Timeshares

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## Message from the Chairman

It is with much pleasure and in accordance with the Rules of the Financial Industry Complaints Service Limited (FICS) that on behalf of the FICS Board, management and staff I present the final FICS Review.

This review covers the final six months of FICS' operations from **1 January 2008** to **30 June 2008**. On 1 July 2008 FICS' services merged with the Banking and Financial Services Ombudsman (BFSO) and the Insurance Ombudsman Service (IOS) to form the Financial Ombudsman Service.

As you will have seen, this review is presented together with the final annual reviews of the Banking and Financial Services Ombudsman and the Insurance Ombudsman Service. Please refer to the folder cover for reports from the Financial Ombudsman Service Chief Ombudsman and myself as Chair of the Board.

I hope you find the 2008 Review an informative read.



**Peter E. Daly AM**  
Chair of the FICS Board

## FICS members

FICS members provide a wide range of products and services to consumers, so they are classified by different categories of membership.

Category of membership:		at 30 June 2008
CATEGORY A	Life Insurance and Large Friendly Societies	38
CATEGORY B	Reinsurers	4
CATEGORY C	Managed Investments	359
CATEGORY D	Pooled Superannuation	10
CATEGORY E	Brokers, Financial & Security Advisers	173
CATEGORY F	A, C or E Small Members - Non-voting	2,116
<b>TOTAL MEMBERS</b>		<b>2,700</b>

1 January 2008 – 30 June 2008

# Highlights

Highlights from the last six months of operations to 30 June 2008

3,737 phone calls received → see page 12

739 new complaints received (increase of 33% on 1st six months of 2007)  
→ see page 13 (and pie chart below)

702 complaints were finalised → see page 13

2,479 (92%) of FICS members had NO complaints lodged against them

14 further written Westpoint complaints were lodged → see page 10

91 Westpoint cases were finalised (either by settlement/conciliation or determination) → see page 10

\$3.1 million in total was paid out to Westpoint complainants → see page 10

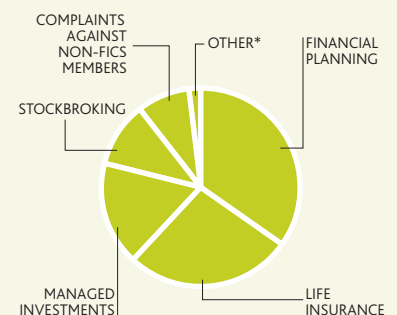
IDR training workshops continued to be held → see page 9

16 May 2008 - Financial Ombudsman Service Limited is incorporated → see page 5

## New complaints by industry

	1 Jan 2008 - 30 June 2008	%
Financial planning	257	34.8%
Life insurance	202	27.3%
Managed investments	126	17.1%
Stockbroking	78	10.6%
Complaints against non-FICS members	62	8.4%
Other*	14	1.9%
TOTAL	739	100%

\*e.g. Futures traders, contracts for difference



# About the FICS Board

The FICS Board oversees and monitors the activities of FICS and ensures the dispute resolution process is independent.

## Board of Directors 1 January 2008 – 30 June 2008



Peter E. Daly, AM  
*(Chair)*

Peter was appointed as a FICS Director in December 1993 and as Chair in January 1997.

Peter is the Chairman of many organisations, including: Aioi Management Australia, Aldersgate Finance, Australian Landscape Trust, Gerling Australia Insurance Company, Lion Financial Services, and Wolridge.

Peter sits on the Lazard Industry Advisory Committee and the Legal Practitioners Liability Committee.

On 14 March 2004, Peter was awarded the Order of Australia for services to the insurance industry and to the community.

Peter is now the Chair of the inaugural Financial Ombudsman Service Board.



Dominic Alafaci  
*CPA, CFP®, FFPA, B.Ec, B.Bus (Acc)*

Dominic was appointed Director in March 2004 representing industry participants.

Dominic is the Managing Director of Collins House Financial Services Pty Ltd and a Principal of Lachlan Partners.



John Berrill  
*BA, LLB*

John was appointed Director in August 2005 as a consumer representative.

John was a consumer representative on the FICS Panel from 1995 to 2001 and again from 2003 until August 2005.

John is an insurance and superannuation lawyer and is a partner with Maurice Blackburn, a labour law firm.



Winsome Hall  
*BA*

Winsome was appointed Director in April 2006 as a consumer representative and resigned in February 2008.

Winsome was previously a consumer representative on the FICS Panel from December 2004.

Winsome is a company director and Trustee of the Australian Reward Investment Alliance (ARIA), a director of State Superannuation Financial Services; a director of Zurich Australia Superannuation; and a director of Uniseed (UIIT Pty Ltd).



David W. Lidbetter

*B.Sc., Dip.Scc Inst.*

David was appointed Director in November 1999 as a consumer representative.

David was the Supervising Director and Chief Executive of Berger Paint's parent group Berger Jenson & Nicholson, until he retired in 1986. He was also the Community Representative on the Sydney Airport Community Forum and various airport committees.



Catriona Lowe

*LLB*

Catriona was appointed Director in February 2008 as a consumer representative.

Catriona is Co-CEO of the Consumer Action Law Centre, an independent, not-for profit, campaign focussed, casework and policy organisation. She is also the current Chair of the Consumers' Federation of Australia.



Russell McKimm

*Dip FP, SF Fin, MSDIA, FAICD, ADA2 (ASX)*

Russell was appointed Director in August 2005.

Russell is a consultant with Tolhurst Ltd. He is a current panel member for ASX National Adjudicatory Tribunal and ASTC Disciplinary Tribunal. He is also a board member of the Stockbrokers Industry Association the SDIA.

Russel is now a Director of the inaugural Financial Ombudsman Service Board.



Jenni Mack

*BA, MALP (Admin Law and Policy)*

Jenni was appointed Director in November 1999 as a consumer representative.

Jenni is the Chair of the consumer watchdog Choice and ASIC's Consumer Advisory Board. She is also a director of Insurance Brokers Disputes Ltd.

Jenni is now a Director of the inaugural Financial Ombudsman Service Board.



Jim Simpson

*B.Arts (Psyc/Eco), Dip.Fin. Planning, Dip.Aust.Insurance*

Jim was appointed Director in November 2006.

Jim is the National Manager of Guardian Financial Planning.



David W. Squire

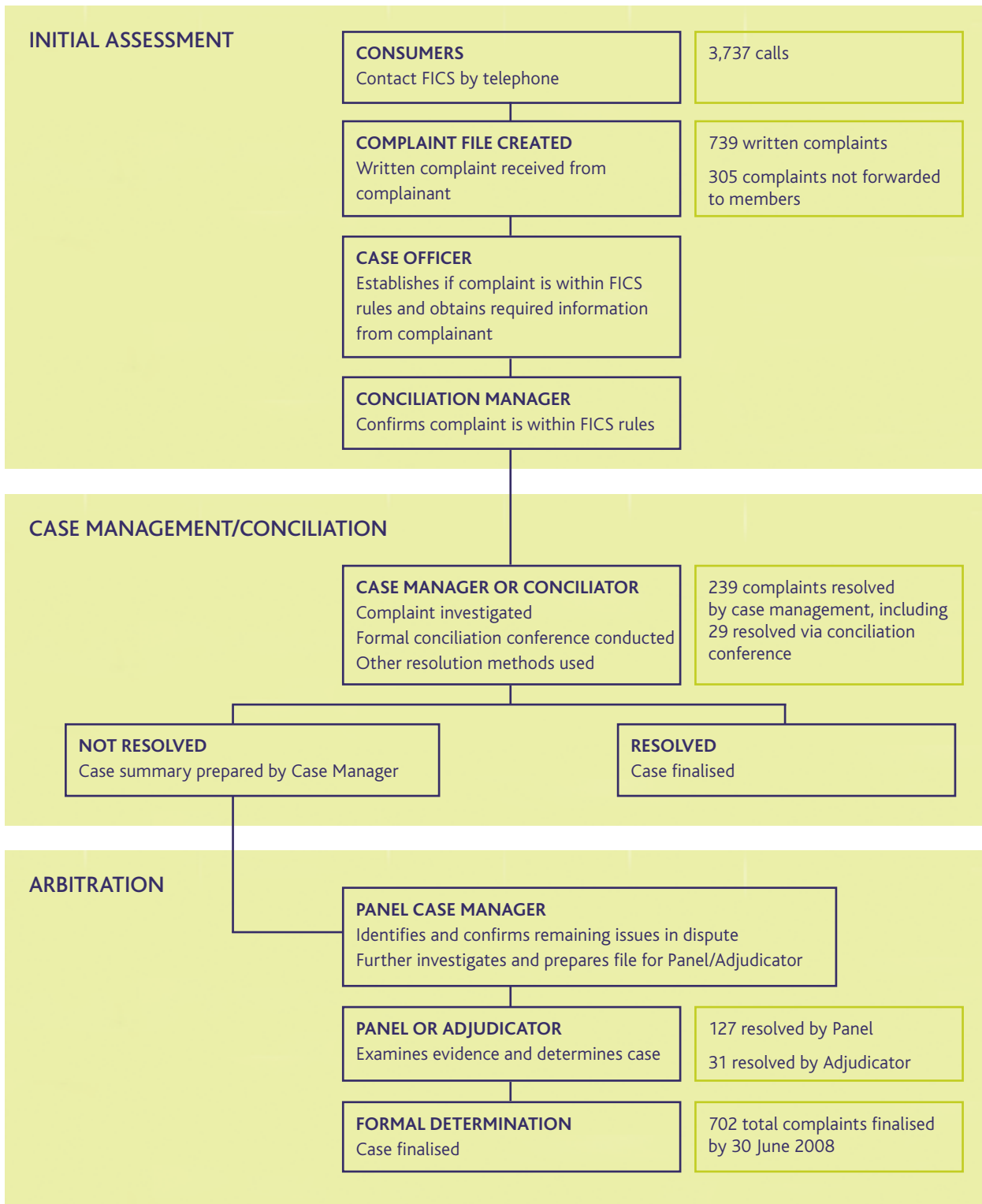
*Dip All, GMQ (UNSW), QPIB, AACI*

David was appointed Director in August 2002 representing industry participants.

David is the National Industry Liaison Manager for MLC and a Director of the National Insurance Brokers Association.

David is now a Director of the inaugural Financial Ombudsman Service Board.

# Dispute Resolution



Alison Maynard

# Chief Executive's Report

Preparation for the merger of FICS' operations with the Banking and Financial Services Ombudsman and the Insurance Ombudsman Service, as well as a 33% increase in complaints, dominated the activities of FICS in the first six months of 2008.



**Alison Maynard**

*Ombudsman - Investments,  
Life Insurance & Superannuation  
Financial Ombudsman Service*

## Merger

The Financial Ombudsman Service Limited was incorporated on 16 May 2008, in preparation for the merger of FICS with the BFSO and IOS schemes.

Management was involved in the dissemination of information to members and other stakeholders, preparing for the membership change over process, participating in the development of the new Constitution, dealing with staff issues and briefings, as well as the commencement of the project to develop new Terms of Reference.

## Complaints

From 1 January 2008 to 30 June 2008, FICS dealt with 3,737 new telephone contacts and received 739 new complaints (see table below right) of which 349 were progressed to investigation by FICS Case Managers. This is a 33% increase compared to the figures for the first six months of 2007.

FICS attributes this increase, in part, to overall economic and market conditions. The biggest increase has been in financial planning complaints, where the major causes for complaints are inappropriate advice and standard of service. Complaints about managed investments also rose, with the most common issues being standard of service, misrepresentation and redemption requests.

## Retail client compensation

FICS has continued to investigate the feasibility of setting up a compensation fund to deal with entitlements from retail clients in circumstances where a financial services provider has failed to make payment in relation to a determination because the provider goes into liquidation or otherwise ceased to trade, and where there is no professional indemnity insurance available to meet the claim.

## Thank you

I would like to say a huge thank you to all the current and past FICS staff, Panel Chairs, Panel Members and Board Members for all their contributions to FICS over the years. I would particularly like to thank the staff for their open cooperation and optimism in the undertaking of the merger process. We all look forward to a future of working in a larger, well regarded organisation which is striving for excellence in dispute resolution.

## New complaints – 1 January 2008 to 30 June 2008

Financial planning	257
Life insurance	202
Managed investments	126
Stockbroking	78
Complaints against non-FICS members	62
Other (e.g. Futures traders, contracts for difference)	14
<b>TOTAL</b>	<b>739</b>

# Panel Chair's Report

From 1 January 2008 to 30 June 2008, 77 complaints were determined by the Panel, 23 complaints were adjudicated by the Adjudicator, and 20 rulings on jurisdiction were made.



**Michael Arnold**  
National Panel Chair  
FICS Panel

This is my final report as National Panel Chair of FICS as the transition to the Financial Ombudsman Service was completed on 30 June 2008. There are challenges ahead in relation to the requirements of Panels as part of the new Financial Ombudsman Service, but I am confident that the Panels are up to this task.

I thank my colleagues, the Panel Chairs/Adjudicators – Terry Casey, Michael Croyle, Murray Gerken and Dick Viney – for their contribution to the Panel operations.

I must also thank our Panel Members from a number of industries and professions. These include Life Insurance: Bob Emery, Glenys O'Leary, Iain Ross and Graham Slater; Stockbroking: Andrew Gillon, Marc Huinink, Alex Knipping, Barry Murray and Matthew Wigzell; Financial Planning and Managed Investments: Anne Bartholomew, Greg Cunningham, Brian Lacey, Warren McKeown, Wayne Moriarty, Peter Roan, Brian Scullin, Peter Van West, Gavin Wright; and Timeshare: Laura Younger.

I also thank the consumer representatives: Stephen Duffield, Dr Justin Malbon, Bill Mitchell, Paul O'Shea and Joan Staples.

## Determinations and adjudications 1 Jan 2008 - 30 June 2008

Panel determinations	No.
Life insurance	29
Financial planning	40
Managed investments	2
Stockbroking	3
Other	3
<b>TOTAL</b>	<b>77</b>

Adjudications	No.
Life insurance	7
Financial planning	9
Managed investments	4
Stockbroking	2
Other	1
<b>TOTAL</b>	<b>23</b>

## Managed investment schemes

The first six months of 2008 saw a significant change in the investment landscape, with a large proportion of the nation's wealth being reduced. Falling superannuation savings and equity values will inevitably bring an increase in the number of disputes about the quality of financial advice and the suitability of investment strategies. A proportion of these disputes will flow through to the Panel involving complex issues that will need close examination, by both the Panel industry and consumer representatives as part of the Panel's independent decision-making process.

Previous Panel decisions are indicative of the fact that in compliance with the Rules, compensation will not be awarded, in the absence of non-disclosure or misrepresentation, on the basis of the investment performance of a product. However, if a Panel is satisfied that an adviser has acted in breach of the adviser's duty of care or obligations under the *Corporations Act 2001* and placed a client in an investment that was not appropriate (and the client suffered a foreseeable loss as a consequence) then compensation shall be payable. The diminution in the value of the investment can be used as a yardstick in determining the extent of that compensation.

One of the challenges the Panel has faced in recent times is determining disputes in respect of compensation being sought for losses sustained by investors from the increasing investments in new and manufactured products.

The suitability of investments has been very much the issue in the Westpoint cases that have come before the Panel over the last six months. The Panel has found in a number of instances, that the



financial advisers did not understand the true nature of the risk of the investment and failed to carry out adequate research in order to make a proper assessment of the risk. Significantly, some advisers relied on dated research material in recommending the rollover or extension of Westpoint investments rather than ascertaining the current state of investment risk.

It is the Panel experience that manufactured yield products, usually involving infrastructure assets or property trusts or structured finance, are 'income generating' investment products that repay the investors' capital in the early years until the project is (a) viable and (b) generating real profits. Manufactured yield products have allowed wholesale funding projects to be offered to retail investors and produced large fees for promoters. Retail investors have been subscribing for these investments for nearly twenty years following moratorium for Estate Mortgage manufactured yield mortgages. Financial advisers should be careful in determining the suitability of such investments for their clients in the existing economic climate.

There must be regular and ongoing scrutiny of such products to ensure the risks attached to them match the needs and objectives of their clients.

### Life insurance

The Panel continued to deal with questions of non-disclosure and misrepresentation in life insurance complaints, including issues of fraud. An allegation of fraud is, of course, serious and must be supported by definite proof. Difficulties were experienced in some complaints in obtaining all of the relevant documentation from some members, who have adopted an attitude

that it is a matter for them to determine what material is relevant or not. It was a matter for FICS, and ultimately the Panel, to determine the relevance of any documentation and all material in relation to a claim which is the subject of a complaint should be provided.

There have been a number of judicial decisions in respect of life insurance in recent times that impacted upon the Panel's decision in relation to such matters as rectification of contracts (**Metlife Insurance Ltd v Visy Board Pty Ltd & Ors** (2007) NSWSC 1481), non-disclosure and misrepresentation (**CGU Insurance Limited v Porthouse** (2008) HCA 30) and interest (**Triffitt v Australiansuper** (2007) NSWSC 1167). These and other decisions are worthy of the attention of members and consumers.

### The future

The Panel must be equipped for an upturn in the number of disputes that it is most likely to receive in relation to financial and securities advice.

The challenge for the Panel is to meet the changing circumstances as part of the Financial Ombudsman Service. The convergence of the three major external dispute resolution schemes presents opportunities to streamline and refine the dispute resolution process before complaints come to the Panel. Care must be taken not to lose the comparative advantages that each of these schemes had in providing a dispute resolution process for consumers and its members. The schemes, historically, have served their constituencies well and it is important that the Financial Ombudsman Service maintains this role.

#### NATIONAL PANEL CHAIR

Michael Arnold

#### PANEL CHAIR

Michael Croyle

#### ALTERNATE PANEL CHAIRS

Terry Casey

Murray Gerkens

Dick Viney

#### LIFE INSURANCE REPRESENTATIVES

Rob Emery

Glenys O'Leary

Iain Ross

Graham Slater

#### STOCKBROKING REPRESENTATIVES

Andrew Gillon

Marc Huinink

Alex Knipping

Barry Murray

Matthew Wigzell

#### FINANCIAL PLANNING REPRESENTATIVES

Anne Bartholomew

Gregory Cunningham

Warren McKeown

Wayne Moriarty

Peter Roan

Peter Van West

Gavin Wright

#### MANAGED INVESTMENTS REPRESENTATIVE

Brian Lacey

#### TIME SHARE REPRESENTATIVE

Laura Younger

#### CONSUMER REPRESENTATIVES

Stephen Duffield

Dr Justin E. Malbon

Bill Mitchell

Paul O'Shea

Joan Staples

# Case Management & Conciliation Report

There was a significant increase in complaints received by the FICS Case Management Team between 1 January 2008 and 30 June 2008, in particular due to the volatility and falls in financial markets since late 2007. The team continued to progress and resolve cases efficiently and effectively, maintaining timely case resolution and referral timeframes.

## Case management snapshot 1 January 2008 to 30 June 2008

- » FICS received 739 new complaints, (compared with 556 for the first six months of 2007 - an increase of 33%). Of these, 349 were allocated to a case manager or conciliator for investigation and conciliation, an increase of 13% on the same period in 2007.
- » Case managers and conciliators resolved and closed 239 complaints during this six month period, with 76 complaints being referred to the Panel or Adjudicator.
- » As a proportion of total complaints resolved or referred to the Panel/ Adjudicator, 76% were resolved through conciliation and case management.
- » 97 (28%) complaints were resolved directly by FICS members before FICS' investigation commenced.

## Case management by type

239 complaints were resolved by a case manager or conciliator between 1 January 2008 and 30 June 2008:

Life insurance	80	(34%)
Financial planning	94	(39%)
Stockbroking	27	(11%)
Managed investments	34	(14%)
Other industry	4	(2%)
<b>TOTAL</b>	<b>239</b>	<b>(100%)</b>

## Conciliation snapshot 1 January 2008 to 30 June 2008

- » 53 conciliation conferences were conducted between 1 January 2008 and 30 June 2008, with 3 cases being resolved before a conciliation conference was organised.
- » The resolution rate of cases referred to the conciliation team between 1 January 2008 and 30 June 2008 was 64%.
- » The Conciliation Team took an average time of 75 days to resolve cases, once they were referred for conciliation.
- » Of the 230 cases that progressed into investigation between 1 January 2008 and 30 June 2008, 128 (56%) were referred for a conciliation conference.

Total complaints referred to Conciliation Team between 1 January 2008 and 30 June 2008	128
Referred complaints deemed suitable for conciliation	116 (91%)
Conciliations conducted	53
Referred cases resolved before conciliation	3
Average resolution time	75 days*

\* This average resolution time includes any cases that were resolved after a conciliation conference, following negotiations between parties facilitated by a conciliator.

## Conciliation survey results

The Conciliation Team sends surveys to all members and complainants who participate in a conciliation conference. Outlined below are some of the results from the conciliation surveys returned.

- » 92% of members and complainants agreed or strongly agreed that they were treated equally in the conciliation conference
- » 97% of members and complainants agreed that they had the opportunity to speak freely
- » 97% of members and complainants agreed or strongly agreed that they were able to discuss their concerns in the conciliation conference
- » 78% of members and complainants disagreed or strongly disagreed that they felt pressured to reach a resolution in their conciliation conference
- » 70% of members and complainants agreed or strongly agreed that the conciliation conference helped move the dispute forward
- » 92% of members and complainants agreed or strongly agreed that the conciliator was fair and impartial
- » 92% of members and complainants agreed or strongly agreed that the conciliator managed the process effectively.

# Other FICS Activities

## Member internal dispute resolution (IDR) training

FICS continued to hold the member IDR training workshops from 1 January 2008 to 30 June 2008.

These workshops help members with information and skills to avoid, manage and resolve complaints using their own IDR processes.

The two workshops held in Sydney saw 60 members attending. 100% of attendees stated they would recommend the workshop to other FICS members while 100% of attendees rated the workshop 'excellent' or 'good'.

## Participants survey

From 1 January 2008 to 30 June 2008 the 'FICS One Minute Member/ Consumer Satisfaction Surveys' (Participant Surveys) were sent to all parties when a complaint is finalised - whether at case manager stage or Panel or Adjudicator stage.

Though limited by the number of questions that can be asked, the survey results still provide valuable feedback.

From 1 January 2008 to 30 June 2008, 699 cases were closed at FICS and surveys were sent to both members and complainants for each case. During this period 159 member surveys and 202 complainant surveys were returned (see next column).

## Key survey results:

- » 96.5% of members and 95% of consumers thought the information provided to them about how FICS works was sufficient
- » 88% of members and 92% of consumers thought FICS staff were helpful
- » 83% of members and 90% of consumers thought FICS was fair

Following these surveys, 17 members and 36 consumers requested a follow-up call from FICS to provide additional feedback.

## Handling complaints about FICS

FICS has its own IDR function where members and consumers can make a complaint about FICS. 67 complaints about FICS were received between 1 January 2008 and 30 June 2008 by the Complaints Manager, with the most common complaints related to dissatisfaction with Panel/Adjudicator decisions (25%).

Every issue raised is addressed as quickly as possible by the FICS Complaints Manager. If an issue cannot be resolved immediately, the complainant is contacted within seven days and the ongoing process is explained. The aim is to resolve simple complaints within seven days and to resolve issues that require specialist advice or further investigation within 28 days.

Apart from resolving these complaints, FICS is using the feedback received to continually improve the services to consumers and members at all levels of the FICS process.

## Other activities

Date	Event
29 Feb 2008	First FICS Decision Maker Forum - Sydney
22-23 April 2008	ANZOA Conference - Melbourne
28-29 April 2008	Count Financial Limited Conference - Brisbane
16 May 2008	FICS 2008 Annual General Meeting - Sydney
22-23 May 2008	SDIA conference - Melbourne
26 May 2008	FICS Decision Maker Forum - Gold Coast
27 May 2008	FICS Decision Maker Forum - Brisbane
28-30 May 2008	Australian Timeshare & Holiday Ownership Council training - Gold Coast

# Westpoint Update

91 Westpoint complaints were resolved between 1 January 2008 and 30 June 2008: 26 via settlement/conciliation and 65 via determination.

The vast majority of Westpoint complaints concern advice to invest in promissory notes of more than \$50,000 face value in various Westpoint property development schemes. The returns to unsecured investors from some Westpoint schemes have been anticipated by the liquidators to be nil and consumers are anticipating the total loss of the capital invested.

Statistics on Westpoint are included in the broader FICS statistics starting on page 12, but have been extracted here.

## Status of new Westpoint complaints from 1 January 2008 to 30 June 2008

	No.	%
Investigation pending	1	7%
Complaint under investigation	4	29%
Complaint referred to Adjudicator	1	7%
Complaint referred to Panel	6	43%
Determination issued	2	14%
<b>TOTAL</b>	<b>14</b>	<b>100%</b>

## Westpoint snapshot

Item	1 Jan 2008 to 30 June 2008	Cumulative from 2006 to 30 June 2008
Total phone calls about Westpoint	14	574
Total new Westpoint written complaints	14*	427
Total Westpoint complaints resolved by settlement/conciliation process	26**	81
Total Westpoint complaints resolved by determination process	65**	102
Average time to resolve Westpoint complaints***	574 days	436 days
Total claim value of resolved Westpoint complaints (i.e. actual claimed amounts) ****	\$5.4 million	\$10.7 million
Total paid out for resolved Westpoint complaints (i.e. amount paid to complainants)****	\$3.1 million	\$5.4 million

\* Of these 14 complaints, 12 progressed to investigation, with all 12 relating to 'inappropriate advice'.

\*\* 26 + 65 = 91 total complaints received.

\*\*\* This figure is higher than normal as it includes time waiting for the outcome of the Federal Court decision on FICS' ability to hear Westpoint cases in 2006.

\*\*\*\* Figures are rounded down.

# Systemic Issues

FICS has a responsibility to identify systemic issues and cases of serious misconduct that arise from complaints.

When FICS identifies systemic issues and cases of serious misconduct that arise from complaints, these matters are referred to the relevant member(s) for response and action. FICS also reports information about the systemic issue or serious misconduct to ASIC in accordance with agreed guidelines and thresholds.

A systemic issue is one that may have further implications for a member beyond the immediate actions and rights of the parties to the complaint. While several complaints of the same type may indicate a systemic issue, it is not enough to define or classify systemic issues by reference only to the number of complaints FICS may receive. A systemic issue can be identified by one complaint. This is because the effect of the particular issue will clearly extend beyond the parties to the complaint.

Rule 49 provides that:

*“the Board must ensure that FICS has procedures in place for dealing with systemic issues and serious misconduct.”*

The Board must consult with ASIC in relation to changes to those procedures.

## Systemic issues investigated - 1 January 2008 to 30 June 2008

### Potentially excessive brokerage

A member was approached regarding the amount of brokerage being charged to its clients.

This occurred after several complaints had been brought by the member's clients relating to significant portfolio losses over the same period of time. During the period of the losses, brokerage had been charged equal to almost half of the investment losses. FICS approached the member to obtain an explanation of its brokerage practices and transactional methodology.

The response received from the member satisfied FICS that the brokerage had been properly incurred by the clients, and now believes the matter to have been satisfactorily resolved.

### Provision of relevant evidence

A member was approached regarding statements made during the handling of a matter before FICS.

The member asserted that it was going to provide to FICS only that evidence which the member believed to be relevant to the member's position. The FICS Rules and procedures require all requested evidence to be provided, whether or not that evidence aids or hinders a member's position.

The member explained that the statement had been an unfortunate oversight and would not happen again. The member explained what had been done to re-train staff appropriately and apologised for the error. FICS was satisfied with this result.

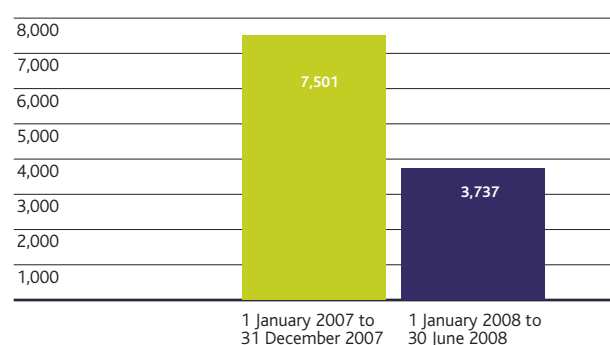
1 January 2008 – 30 June 2008

# Statistics

These statistics cover 1 January 2008 to 30 June 2008, the last six months of FICS' operations. We have included the statistics for 1 January 2007 to 31 December 2007 for completeness. Please note that these statistics also include all the Westpoint statistics (reported separately on page 10).

## TELEPHONE COMPLAINTS

### How many people rang FICS



### The type of complaints people rang about

	1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
	No.	%	No.	%
Denial of claim	398	14	145	10
Denial of claim & policy avoidance	37	1	5	<1
Inappropriate advice*	183	6	204	14
Inappropriate advice - super choice	152	5	2	<1
Misrepresentation	160	5	88	6
No written plan	0	0	1	<1
Non-disclosure	234	8	76	5
Policy values/charges	174	6	30	2
Product terms/condition**	0	0	52	3
Product value/charges**	0	0	56	4
Policy terms and conditions	266	9	36	2
Redemption delay	0	0	17	1
Share/derivative transaction	0	0	4	<1
Standard of member service	1,251	42	742	50
Share transaction - misunderstanding	82	3	24	2
Technical problems	17	1	5	<1
Other	0	0	4	<1
<b>TOTAL</b>	<b>2,954</b>	<b>100</b>	<b>1,491</b>	<b>100</b>

\* This figure has been much higher since 2006 due to calls relating to Westpoint.

\*\* New category

Not all calls require a nature of complaint to be recorded. Instances of such calls include those outside jurisdiction or follow up calls from complainants regarding complaint progression. Rounding of figures has taken place to account for figures <1.

### What products people complained about when they rang

	1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
	No.	%	No.	%
Allocated pension	45	<1	28	1
Bank deposits	4	<1	2	<1
Contracts for difference	17	<1	10	<1
Credit protection	0	0	9	<1
Debentures	9	<1	1	<1
Deferred annuity	16	<1	8	<1
Endowment	65	1	20	1
Foreign exchange/current products	0	0	10	<1
Funeral plan	183	3	81	3
Futures and futures options	0	0	4	<1
Immediate annuity	26	<1	5	<1
Income protection	451	8	151	6
Investment single/regular premium	19	<1	16	1
Managed funds	549	10	193	8
Managed investments	466	8	510	20
Margin loans	0	0	3	<1
Mortgage broking/to consumer	0	0	10	<1
Mortgage protection	40	1	16	1
Non FICS	998	18	443	17
Promissory note	99	2	14	<1
Property	3	<1	5	<1
Regular premium	0	0	1	<1
Reverse mortgage	0	0	1	<1
Scholarship fund	0	0	9	<1
Shares/securities/derivatives/warrants	483	9	251	10
Superannuation - company	7	<1	2	<1
Superannuation - personal	262	5	130	5
Term/temporary insurance	1,325	24	445	17
Timeshare	48	1	32	1
Total & permanent disablement	138	3	61	2
Trauma	49	1	21	1
Unit trusts - property	16	<1	1	<1
Whole of life	124	2	77	3
Other (individually < 1% for both years)	52	<1	0	0
<b>TOTAL</b>	<b>5,494</b>	<b>100</b>	<b>2,570</b>	<b>100</b>

Not all product types were recorded on initial telephone contact. Instances of such calls would include those outside jurisdiction or follow up calls from complainants regarding complaint progression.

Rounding of figures has taken place to account for the figures <1.

## WRITTEN COMPLAINTS

Consumers with a complaint must contact the member and lodge their complaint with the member's IDR process prior to coming to FICS. If the consumer is not satisfied with this process/response, then they can complete and send us a Complaint Form – making it an official FICS complaint.

### New complaints - 1 January 2008 to 30 June 2008

	1 Jan 07 to 31 Dec 07	1 Jan 08 to 30 June 08
New complaints received during the year	1,127	739
Reopened	90	26
Finalised*	1,214	702
<b>ACTIVE AT END OF PERIOD</b>	<b>665</b>	<b>709</b>

### New complaints - by industry

	1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
	No.	%	No.	%
Life insurance	388	34	202	27
Financial planning	336	30	257	35
Stockbroking	165	15	78	11
Managed investments	120	11	126	17
Non-FICS industry type***	100	9	62	8
Other**	18	1	14	2
<b>TOTAL</b>	<b>1,127</b>	<b>100</b>	<b>739</b>	<b>100</b>

\* 'Finalised' does not include those complaints where a Panel or Adjudicator determination has been issued but the complaint remains open pending further administrative requirements.

\*\* 'Other' denotes industry types that do not fit the standard categories such as Traders in Futures and Contracts for Difference.

\*\*\*'Non-FICS industry' refers to complaints received against companies that are not members of FICS.

Rounding of some figures has taken place.

### Finalised complaints - by industry

	1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
	No.	%	No.	%
Life insurance	430	35	209	30
Financial planning	401	33	282	40
Stockbroking	152	13	68	10
Managed investments	111	9	75	10
Other**	22	2	11	2
Non-FICS industry***	98	8	57	8
<b>TOTAL</b>	<b>1,214</b>	<b>100</b>	<b>702</b>	<b>100</b>

### Open complaints - by industry

	1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
	No.	%	No.	%
Life insurance	209	31	204	29
Financial planning	323	49	304	43
Stockbroking	65	10	70	10
Managed Investments	52	8	104	15
Other**	14	2	19	2
Non-FICS industry***	2	<1	8	1
<b>TOTAL</b>	<b>1,214</b>	<b>100</b>	<b>709</b>	<b>100</b>

### Complaints outside jurisdiction - by industry

	1 Jan 08 to 30 June 08	
	No.	%
Life insurance	23	17
Financial planning	32	24
Stockbroking	8	6
Managed investments	14	11
Other**	8	6
Non-FICS industry***	48	36
<b>TOTAL</b>	<b>133</b>	<b>100</b>

## WRITTEN COMPLAINTS continued

### All complaints finalised and their outcomes

		1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
		No.	%	No.	%
Complaint not forwarded to member	Duplicated**	34	6	12	4
	Outside jurisdiction	222	38	116	38
	Withdrawn by complainant	84	15	47	16
	Complainant did not respond/complaint not proceeding/dismissed*	140	24	93	30
	Resolved by member***	97	17	37	12
	<b>Total</b>	<b>578</b>	<b>100</b>	<b>305</b>	<b>100</b>
Case Manager	Outside jurisdiction	33	8	9	4
	Withdrawn by complainant	29	7	22	9
	Resolved by member***	141	32	94	39
	Resolved by agreement - conciliation conference	58	13	29	12
	Resolved by agreement - case management	170	39	85	36
	Complaint dismissed	9	2	0	0
<b>Total</b>	<b>440</b>	<b>100</b>	<b>239</b>	<b>100</b>	
Adjudicator	Outside jurisdiction	1	1	0	0
	Withdrawn by complainant	1	1	2	7
	Resolved by agreement - conciliation conference	2	3	0	0
	Resolved by agreement - panel case management	1	1	6	19
	Complaint dismissed	1	1	0	0
	In favour of complainant	31	46	12	39
	In favour of member	31	46	11	35
<b>Total</b>	<b>68</b>	<b>100</b>	<b>31</b>	<b>100</b>	
Panel	Outside jurisdiction	5	4	0	0
	Withdrawn by complainant	9	7	21	17
	Resolved by agreement - conciliation conference	2	2	4	3
	Resolved by agreement - panel case management	9	7	24	19
	Complaint dismissed	1	<1	1	1
	In favour of complainant	68	53	49	39
	In favour of member	34	27	28	22
<b>Total</b>	<b>128</b>	<b>100</b>	<b>127</b>	<b>100</b>	
TOTAL	Duplicated**	34	3	12	2
	Outside jurisdiction	261	21	125	18
	Withdrawn by complainant	123	10	92	13
	Complainant did not respond/complaint not proceeding*	140	12	91	13
	Resolved by member***	238	20	131	19
	Resolved by agreement - conciliation conference	62	5	33	5
	Resolved by agreement - case management	170	14	85	12
	Resolved by agreement - panel case management	10	<1	30	4
	Complaint dismissed	12	<1	3	<1
	In favour of complainant	99	8	61	9
	In favour of member	65	18	39	5
	<b>TOTAL</b>	<b>1,214</b>	<b>100</b>	<b>702</b>	<b>100</b>

\* 'Complainant did not respond' refers to when the complainant does not respond to requests for further information after at least two follow ups.

\*\* 'Duplicated' are complaints that the complainant tries to bring/raise multiple times or complaints that are administratively duplicated.

\*\*\*Resolved by member' occurs when the member resolves the complaint either before it is referred to a Case Manager or at the Case Manager stage.

Rounding of some figures has taken place.



## Where the new complaints came from – 1 January 2008 to 30 June 2008

	Life Insurance		Financial Planning		Stockbroking		Managed Investments		Other		All Industries	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
ACT	2	2	3	3	0	0	1	2	0	0	6	2
NSW	28	31	40	35	8	19	14	27	2	25	92	30
NT	1	1	0	0	0	0	0	0	0	0	1	0
QLD	14	15	19	16	10	23	8	15	2	25	53	17
SA	10	11	10	8	4	9	6	12	0	0	30	10
TAS	3	3	3	3	0	0	1	2	0	0	7	2
VIC	26	29	27	23	12	28	14	27	3	38	82	27
WA	5	6	10	9	6	14	5	10	1	12	27	9
State not recorded	2	2	3	3	3	7	3	5	0	0	11	3
<b>TOTAL</b>	<b>91</b>	<b>100</b>	<b>115</b>	<b>100</b>	<b>43</b>	<b>100</b>	<b>52</b>	<b>100</b>	<b>8</b>	<b>100</b>	<b>309</b>	<b>100</b>

Rounding of some figures has taken place.

## How long it took to resolve complaints (all industries)

	Months	1 Jan 08 to 30 June 08	
		No.	%
Case Manager	up to 2 mths	86	36
	2 - 3 mths	35	15
	3 - 4 mths	26	11
	4 - 5 mths	20	8
	5 - 6 mths	14	6
	6 - 7 mths	16	7
	7 - 8 mths	6	2
	8 - 12 mths	17	7
	12 - 18 mths	11	5
	18 - 24 mths	2	1
> 2 years	6	2	
TOTAL		239	100
Adjudicator	up to 3 mths	2	7
	3 - 4 mths	4	13
	4 - 5 mths	1	3
	5 - 6 mths	5	16
	6 - 7 mths	4	13
	7 - 8 mths	5	16
	8 - 12 mths	8	25
	12 - 18 mths	2	7
	18 - 24 mths	0	0
	> 2 years	0	0
TOTAL		31	100
Panel	up to 2 mths	3	3
	2 - 3 mths	1	1
	3 - 4 mths	8	6
	4 - 5 mths	8	6
	5 - 6 mths	4	3
	6 - 7 mths	10	8
	7 - 8 mths	8	6
	8 - 12 mths	51	40
	12 - 18 mths	24	19
	18 - 24 mths	9	7
> 2 years	1	1	
TOTAL		127	100

The case manager statistics measure the time taken from when a complaint is sent to the member until it is closed by the case manager. The Adjudicator and Panel statistics measure the time taken from when the complaint is referred to the Adjudicator or Panel until a determination is issued or the file is closed. Rounding of some figures has taken place.

## WHAT NEW COMPLAINTS WERE ABOUT

	1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
	No.	%	No.	%
<b>Life insurance</b>				
Standard of member service	27	13	16	15
Denial of claim	98	47	51	50
Denial of claim and policy avoidance	8	4	7	7
Policy values/charges	25	12	6	6
Product value/charges	0	0	11	11
Policy terms and conditions	28	13	4	4
Product terms and conditions	0	0	1	1
Non-disclosure	5	2	1	1
Non-disclosure - fees/charges	2	<1	0	0
Non-disclosure - conditions and warning	0	0	0	0
Misrepresentation	15	7	4	4
Redemption delay	0	0	1	1
<b>TOTAL</b>	<b>208</b>	<b>100</b>	<b>102</b>	<b>100</b>

### Financial planning

Denial of claim	1	<1	0	0
Inappropriate advice*	206	75	88	64
Inappropriate advice - super choice	3	1	0	0
Misrepresentation	16	6	9	6
Non-disclosure	4	1	3	2
Non-disclosure conditions and warnings	1	<1	1	1
Non-disclosure - fees/charges	15	5	7	5
Non-disclosure - risk	2	<1	1	1
No written plan	1	<1	0	0
Policy values/charges	1	<1	0	0
Redemption delay	0	0	6	4
Standard of member service	25	9	23	17
Share transaction - misunderstanding	1	<1	0	0
<b>TOTAL</b>	<b>276</b>	<b>100</b>	<b>138</b>	<b>100</b>

### Managed investments

Inappropriate advice	3	5	2	3
Inappropriate margin call/liquidation	0	0	1	2
Misrepresentation	18	32	13	23
Non-disclosure	1	2	2	3
Non-disclosure - fees/charges	2	4	0	0
Non-disclosure - conditions & warnings	3	5	0	0
Non-disclosure - risk	1	2	0	0
Policy terms & conditions	2	4	2	3
Policy value/charges	5	9	1	2
Product value/charges	0	0	2	4
Redemption delay	0	0	10	18
Standard of member service	20	36	23	40
Transaction delay	0	0	1	2
<b>TOTAL</b>	<b>56</b>	<b>100</b>	<b>57</b>	<b>100</b>

### Stockbroking

Standard of member service	23	38	10	26
Inappropriate advice	13	21	8	21
Redemption delay	0	0	4	10
Transaction delay	0	0	4	10
Share/derivative transaction - incorrect/unauthorised/misunderstanding	18	30	5	12
Inappropriate margin call/liquidation	0	0	2	5
Misrepresentation	1	2	2	5
Non-disclosure - risk	1	2	0	0
Non-disclosure - fees/charges	2	3	0	0
Technical problems	3	5	2	5
Product terms and conditions	0	0	1	3
Product value/charges	0	0	1	3
<b>TOTAL</b>	<b>61</b>	<b>100</b>	<b>39</b>	<b>100</b>

\* This figure has been high for the last two years as it is the most common category of complaint relating to Westpoint. Rounding of some figures has taken place.

## TYPES OF POLICIES/PRODUCTS/CONTRACTS

### What type of policies new life insurance complaints related to

	Denial of claim	Denial of claim and policy avoidance	Misrepresentation	Non-disclosure	Policy/product terms and conditions	Policy/product value/charges	Redemption delay	Standard of member's service	Total
Allocated pension	0	0	0	0	0	1	0	0	1
Credit protection	1	0	0	0	0	0	0	0	1
Endowment	0	0	0	0	0	4	0	2	6
Funeral plan	0	0	1	0	1	0	0	1	3
Immediate annuity	0	0	0	0	1	0	0	1	2
Income protection	25	5	0	0	0	2	0	1	33
Investment bonds	0	0	0	0	0	1	1	0	2
Investment single premium	0	0	0	0	0	1	0	0	1
Mortgage protection	2	0	0	0	0	0	0	0	2
Scholarship fund	0	0	1	1	1	2	0	0	5
Term/temporary	11	0	0	0	2	6	0	9	28
Total and permanent disability	4	1	0	0	0	0	0	2	7
Trauma	7	1	0	0	0	0	0	0	8
Whole of life	1	0	2	0	0	0	0	0	3
<b>TOTAL</b>	<b>51</b>	<b>7</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>17</b>	<b>1</b>	<b>16</b>	<b>102</b>

### What types of products new financial planning complaints were related to

	Inappropriate advice	Misrepresentation	Non-disclosure	Redemption delay	Standard of member's service	Total
Allocated pension	8	0	0	0	0	8
Contracts for difference	0	0	0	0	1	1
Debentures	1	0	0	0	0	1
Deferred annuity	0	0	0	0	1	1
Foreign exchange and currency products	0	0	0	0	1	1
Immediate annuity	0	0	1	0	0	1
Income protection	0	0	0	0	2	2
Managed funds	1	0	0	0	4	5
Managed investments	41	2	7	2	3	55
Mortgage to consumer	0	1	0	0	1	2
Promissory note	12	0	0	0	0	12
Property	1	0	0	0	0	1
Shares - derivatives/warrants	4	4	1	0	2	11
Super - company	1	0	0	0	0	1
Super - personal	18	0	3	4	8	33
Unit trusts - property	1	2	0	0	0	3
<b>TOTAL</b>	<b>88</b>	<b>9</b>	<b>12</b>	<b>6</b>	<b>23</b>	<b>138</b>

### What types of products managed investments complaints related to

	Inappropriate advice	Inappropriate margin call/liquidation	Misrepresentation	Non-disclosure	Policy terms and conditions	Policy/product value/charges	Redemption delay	Standard of member's service	Transaction delay	Total
Managed funds	0	0	0	0	0	0	0	1	0	1
Allocated pension	0	0	0	0	0	0	0	1	0	1
Managed investments	2	0	2	1	2	3	10	19	1	40
Shares - derivatives/warrants	0	1	0	0	0	0	0	0	0	1
Timeshare	0	0	11	1	0	0	0	2	0	14
<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>13</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>10</b>	<b>23</b>	<b>1</b>	<b>57</b>

### What types of contracts new stockbroking complaints related to

	Inappropriate Advice	Misrepresentation	Product terms and conditions	Product value/charges	Redemption delay	Share/derivative transaction - incorrect/unauthorised/misunderstanding	Standard of member's service	Transaction delay	Inappropriate margin call/liquidation	Technical problems	Total
Managed investments	2	0	0	0	4	0	1	0	0	0	7
Shares/securities/derivatives	5	2	0	0	0	5	9	4	2	2	29
Margin loan	0	0	1	1	0	0	0	0	0	0	2
Managed discretionary account	1	0	0	0	0	0	0	0	0	0	1
<b>TOTAL</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>10</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>39</b>

Rounding of some figures has taken place.

## TYPES OF POLICIES/PRODUCTS/CONTRACTS continued

### Life insurance complaints finalised and their outcomes

		1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
		No.	%	No.	%
Complaint not forwarded to member	Complainant did not respond*	68	38	0	0
	Duplicated**	15	8	4	5
	Outside jurisdiction	47	26	23	25
	Withdrawn	32	18	15	16
	Complaint not proceeding	0	0	37	41
	Complaint dismissed	0	0	1	1
	Resolved by member***	16	9	11	12
	<b>Total</b>	<b>178</b>	<b>100</b>	<b>91</b>	<b>100</b>
Case Manager	Outside jurisdiction	6	3	0	0
	Withdrawn	11	6	6	12
	Resolved by member***	60	33	34	40
	Resolved by agreement - case management	71	39	30	36
	Resolved by agreement - conciliation conference	33	18	10	12
	Complaint dismissed	2	1	0	0
	Resolved in favour of complainant	65	26	0	0
	Resolved in favour of member	55	21	0	0
<b>Total</b>	<b>183</b>	<b>100</b>	<b>80</b>	<b>100</b>	
Adjudicator	Resolved by agreement - conciliation conference	1	6	0	0
	Resolved by agreement - panel case management	0	0	0	0
	Finalised by agreement	0	0	0	0
	Complaint dismissed/withdrawn	2	12	0	0
	Decision in favour of complainant	4	25	5	71
	Decision in favour of member	9	56	2	29
	<b>Total</b>	<b>16</b>	<b>100</b>	<b>7</b>	<b>100</b>
Panel	Outside jurisdiction	1	2	0	0
	Withdrawn	2	4	1	3
	Resolved by agreement - conciliation conference	2	4	0	0
	Resolved by agreement - panel case management	4	8	1	3
	Decision in favour of complainant	23	43	18	58
	Decision in favour of member	21	40	11	36
	<b>Total</b>	<b>53</b>	<b>100</b>	<b>31</b>	<b>100</b>
TOTAL	Duplicated**	15	3	4	2
	Outside jurisdiction	54	13	23	11
	Complaint dismissed/withdrawn	49	11	23	11
	Complaint not proceeding	0	0	37	18
	Complainant did not respond*	68	16	0	0
	Resolved by member***	76	18	45	22
	Resolved by agreement - case management	71	17	30	14
	Resolved by agreement - conciliation conference	36	8	10	4
	Resolved by agreement - panel case management	4	<1	1	1
	Decision in favour of complainant	27	6	23	11
	Decision in favour of member	30	7	13	6
<b>TOTAL</b>	<b>430</b>	<b>100</b>	<b>209</b>	<b>100</b>	

\* 'Complainant did not respond' refers to when the complainant did not respond to requests for further information after at least two follow ups.

\*\* 'Duplicated' are complaints that the complainant tries to bring/raise multiple times or complaints that are administratively duplicated.

\*\*\*'Resolved by member' occurs when the member resolves the complaint either before it is referred to a Case Manager or at the Case Manager stage.

Rounding of some figures has taken place.

## Financial planning complaints finalised and their outcomes

		1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
		No.	%	No.	%
Complaint not forwarded to member	Complainant did not respond*	38	27	0	0
	Duplicated**	10	7	8	9
	Outside jurisdiction	57	41	26	29
	Complaint dismissed/withdrawn	249	18	40	44
	Resolved by member***	10	7	16	18
	<b>Total</b>	<b>139</b>	<b>100</b>	<b>90</b>	<b>100</b>
Case Manager	Outside jurisdiction	26	16	6	6
	Complaint dismissed/withdrawn	17	11	10	11
	Resolved by member***	51	31	31	33
	Resolved by agreement - case management	55	34	32	34
	Resolved by agreement - conciliation conference	14	9	15	16
	<b>Total</b>	<b>163</b>	<b>100</b>	<b>94</b>	<b>100</b>
Adjudicator	Outside jurisdiction	1	3	0	0
	Complaint dismissed/withdrawn	0	0	1	8
	Resolved by agreement - conciliation conference	1	3	0	0
	Resolved by agreement - panel case management	0	0	3	23
	Decision in favour of complainant	18	55	4	31
	Decision in favour of member	13	39	5	38
	<b>Total</b>	<b>33</b>	<b>100</b>	<b>13</b>	<b>100</b>
Panel	Complaint dismissed/withdrawn	8	13	19	22
	Outside jurisdiction	4	6	0	0
	Finalised by agreement - panel case management	4	6	22	26
	Resolved by agreement - conciliation conference	0	0	4	5
	Decision in favour of complainant	43	65	28	33
	Decision in favour of member	7	11	12	14
	<b>Total</b>	<b>66</b>	<b>100</b>	<b>85</b>	<b>100</b>
TOTAL	Duplicated**	10	2	8	3
	Outside jurisdiction	88	22	32	11
	Complaint dismissed/withdrawn	49	12	70	25
	Complainant did not respond*	38	9	0	0
	Resolved by member***	61	15	47	17
	Resolved by agreement - case management	55	14	32	11
	Resolved by agreement - conciliation conference	15	4	19	7
	Finalised by agreement - panel case management	4	<1	25	9
	Decision in favour of complainant	61	15	32	11
	Decision in favour of member	20	5	17	6
	<b>TOTAL</b>	<b>401</b>	<b>100</b>	<b>282</b>	<b>100</b>

\* 'Complainant did not respond' refers to when the complainant did not respond to requests for further information after at least two follow ups.

\*\* 'Duplicated' are complaints that the complainant tries to bring/raise multiple times or complaints that are administratively duplicated.

\*\*\*'Resolved by member' occurs when the member resolves the complaint either before it is referred to a Case Manager or at the Case Manager stage.

Rounding of some figures has taken place.

## TYPES OF POLICIES/PRODUCTS/CONTRACTS continued

### Managed investment complaints finalised and their outcomes

		1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
		No.	%	No.	%
Complaint not forwarded to member	Duplicated**	2	3	0	0
	Outside jurisdiction	19	30	13	38
	Complaint dismissed/withdrawn	10	16	18	53
	Complainant did not respond*	24	33	0	0
	Resolved by member***	15	23	3	9
	Total	64	100	34	100
Case Manager	Outside jurisdiction	0	<1	1	3
	Withdrawn	3	8	4	12
	Resolved by member***	14	36	15	44
	Resolved by agreement - case management	16	41	12	35
	Resolved by agreement - conciliation conference	6	15	2	6
	Total	39	100	34	100
Adjudicator	Withdrawn by complainant	1	17	1	20
	Decision in favour of complainant	4	67	3	60
	Decision in favour of member	1	17	1	20
	Total	6	100	5	100
Panel	Withdrawn by complainant	0	0	0	0
	Finalised by agreement - panel case management	1	50	0	0
	Decision in favour of complainant	0	0	2	100
	Decision in favour of member	1	50	0	0
	Total	2	100	2	100
TOTAL	Duplicated**	2	2	0	0
	Outside jurisdiction	19	17	14	18
	Withdrawn	13	12	23	31
	Complainant did not respond*	18	16	0	0
	Resolved by member***	29	26	18	24
	Resolved by agreement - case management	16	14	12	16
	Resolved by agreement - conciliation conference	6	5	2	3
	Resolved by agreement - panel case management	2	2	0	0
	Decision in favour of complainant	4	4	5	7
	Decision in favour of member	2	2	1	1
<b>TOTAL</b>	<b>111</b>	<b>100</b>	<b>75</b>	<b>100</b>	

\* 'Complainant did not respond' refers to when the complainant did not respond to requests for further information after at least two follow ups.

\*\* 'Duplicated' are complaints that the complainant tries to bring/raise multiple times or complaints that are administratively duplicated.

\*\*\*'Resolved by member' occurs when the member resolves the complaint either before it is referred to a Case Manager or at the Case Manager stage.

Rounding of some figures has taken place.

## Stockbroking complaints finalised and their outcomes

		1 Jan 07 to 31 Dec 07		1 Jan 08 to 30 June 08	
		No.	%	No.	%
Complaint not forwarded to member	Complainant did not respond*	14	15	0	0
	Duplicated**	3	3	0	0
	Outside jurisdiction	12	13	6	19
	Complaint dismissed/withdrawn	13	14	18	58
	Resolved by member***	53	56	7	23
	<b>Total</b>	<b>95</b>	<b>100</b>	<b>31</b>	<b>100</b>
Case Manager	Outside jurisdiction	1	2	2	7
	Complaint dismissed/withdrawn	4	9	2	7
	Resolved by member***	13	30	12	45
	Resolved by agreement - case management	22	50	10	37
	Resolved by agreement - conciliation conference	4	9	1	4
<b>Total</b>	<b>44</b>	<b>100</b>	<b>27</b>	<b>100</b>	
Adjudicator	Finalised by agreement - panel case management	0	0	2	50
	Decision in favour of complainant	4	50	0	0
	Decision in favour of member	4	50	2	50
	<b>Total</b>	<b>8</b>	<b>100</b>	<b>4</b>	<b>100</b>
Panel	Complaint dismissed/withdrawn	0	0	2	33
	Resolved by agreement - panel case management	0	0	1	17
	Decision in favour of complainant	2	40	1	17
	Decision in favour of member	3	60	2	33
<b>Total</b>	<b>5</b>	<b>100</b>	<b>6</b>	<b>100</b>	
TOTAL	Duplicated**	3	2	0	0
	Outside jurisdiction	13	9	8	12
	Complaint dismissed/withdrawn	17	12	21	31
	Complainant did not respond*	14	9	0	0
	Resolved by member***	66	43	19	28
	Resolved by agreement - case management	22	14	10	15
	Resolved by agreement - conciliation conference	4	3	1	1
	Resolved by agreement - panel case management	0	0	4	6
	Decision in favour of complainant	6	4	1	1
	Decision in favour of member	7	5	4	6
<b>TOTAL</b>	<b>152</b>	<b>100</b>	<b>68</b>	<b>100</b>	

\* 'Complainant did not respond' refers to when the complainant did not respond to requests for further information after at least two follow ups.

\*\* 'Duplicated' are complaints that the complainant tries to bring/raise multiple times or complaints that are administratively duplicated.

\*\*\*'Resolved by member' occurs when the member resolves the complaint either before it is referred to a Case Manager or at the Case Manager stage. Rounding of some figures has taken place.

## **CONTACTING US**

On 1 July 2008 FICS merged with the Banking and Financial Services Ombudsman and the Insurance Ombudsman Service to form the Financial Ombudsman Service, with the following contact details:

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