

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Consumer Complaints

2006
ANNUAL REPORT

MALTA FINANCIAL SERVICES AUTHORITY

Contents

Chairman's statement	2
Section A	
DEALING WITH COMPLAINTS	3
Complaints handling	3
On receiving a complaint form	3
Section B	
COMPLAINTS OVERVIEW	6
INSURANCE RELATED COMPLAINTS	6
Motor insurance	6
Health Insurance	9
Travel Insurance	10
The liquidation process of Independent Insurance Limited	10
INVESTMENT SERVICES RELATED COMPLAINTS	11
Capital protected or secured products	11
BANKING RELATED COMPLAINTS	13
Section C	
CONSUMER EDUCATION INITIATIVES	16
Comparative Tables	17
Scams and warnings	17
Development of Online Consumer Education Tools for Adults	17
CESR Investor Education Task Force	17
Appendix 1 - Formal Complaints	18
Appendix 2 - Verbal Complaints and Queries	20

CONSUMER COMPLAINTS

Annual Report
2006

CHAIRMAN'S STATEMENT

The Malta Financial Services Authority Act empowers the Malta Financial Services Authority (MFSA) to take care of individual consumer complaints. As from the end of 2006, the MFSA's Board of Governors has requested that a report on consumer complaints is published separately from the main Annual Report of the Authority. This development is to be seen as a further evolution of the role of the Consumer Complaints Unit within the Authority.

The Consumer Complaints Unit deals not only with complaints, but also with a wide-range of queries from consumers covering all aspects of financial services. We are the first port of call for many consumers who have a question to ask or an observation to share.

Many times, we do not have an all encompassing reply for everything that is asked of us. Also at times, we do not uphold a consumer's complaint. There are instances where we agree to disagree with certain consumers. However, we do give a full explanation as to why we do not uphold a complaint, the way we reviewed a complaint, and what other means of redress and remedies are available to complainants.

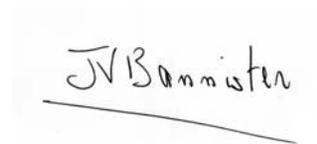
We have in this first report also included case notes of a number of complaints we have dealt with over the past year so that consumers can understand the review process.

The Unit is also responsible for consumer education and information about financial services and to answer queries from the public on financial services in general. The MFSA considers this as being a complementary role to its objectives to ensure that the legitimate expectations of consumers are met. The role of the Complaints Manager is not to provide financial advice but to impart general information to consumers who should then be able to have the necessary tools to make an informed decision for themselves.

We will continue to do our utmost to deal with all complaints as expeditiously as possible and we will endeavour to increase our educational initiatives throughout 2007. We are in the process of preparing to issue a new version of our insurance guides and we also intend to update and issue other comparative tables of fees and tariffs applied by various sectors of the industry.

I thank Mr Geoffrey Bezzina (Deputy Director, Consumer Complaints Unit) and his colleagues Dr Joseph Mifsud, Ms Michelle Delceppo and Ms Ingrid Fenech for their dedication. They are assured of continuous support from all their fellow colleagues at the MFSA.

Finally, I also thank the financial sector for its feedback and co-operation during the review of complaints and naturally all the consumers who have approached the MFSA with complaints for their understanding that our task is not an easy one.

A handwritten signature in black ink that reads "JV Bannister". The signature is written in a cursive style and is positioned above a horizontal line.

Prof. Joe V. Bannister

Section A DEALING WITH COMPLAINTS

The office of the Consumer Complaints Manager was formally established on 1 October 2002 with the coming into force of the Malta Financial Services Authority (MFSA) Act.

Article 20 of the MFSA Act provides for the appointment of a Consumer Complaints Manager whose function is to investigate complaints from private consumers arising out of or in connection with any financial services transaction and to refer such cases, as may be necessary or appropriate, to the individual heads of regulatory units and the Supervisory Council for their consideration.

In carrying out its consumer complaints functions, the Consumer Complaints Unit (the Unit) abides by the following principles:

1. **Independence:** it seeks to provide an impartial service which is accessible and freely available to the general public with complaints against financial entities and their services.
2. **Transparency:** it ensures that consumers have all the necessary information about the procedures for handling their complaints on financial services transactions.
3. **Adversarial:** it ensures that the complainant, the financial entity and any other interested party in the complaint are given an opportunity to make representations to the Complaints Manager. The Complaints Manager informs such parties about progress achieved.
4. **Effectiveness:** it ensures that private consumers will benefit from the advantages of its consumer complaints handling procedures, i.e.:
 - i) access without being obliged to seek professional advice;
 - ii) a service which is free of charge;
 - iii) a procedure which ensures minimum bureaucracy, no undue delays and which does not deprive the consumer of the protection afforded by consumer protection legislation or to bring an action before the Courts for the settlement of the dispute.

Complaints handling

All licensed entities are required to have in place procedures which they are required to follow and communicate to their clients in the event of a complaint. The respective on-site teams from the

regulatory units constantly ensure that these procedures are in place and adhered to. Financial entities are required to inform their clients that they may refer their case to the MFSA if they are not satisfied with the outcome of their complaint. Financial entities are also required to maintain a complaints register.

Complainants are referred to MFSA in a number of ways. Consumers are sometimes informed about the service by the licensed entity. There are occasions where licensed entities refer so called 'discourteous' complainants directly, especially when an impasse is reached. In these situations, the entity would ask the Unit to intervene and explain a procedure or a way forward depending on the case in question.

It has been noted that some licensed entities do not include a reference about the Unit's services in their final letter to clients. Referring a complaint to MFSA is a right given by law to all individuals. Making consumers aware of such a right goes beyond being prescriptive. It is part of the overall framework of complaints handling by a licensed entity and a key link which would lead the consumer to exercise his right to refer his case to the Authority.

A number of consumers have also been referred to MFSA by the Information and Client Affairs Directorate within the Consumer and Competition Division, at the Ministry for Competitiveness and Communications. Occasionally, we are also referred cases from the Office of the Ombudsman and the Ministry of Finance, amongst others.

Consumers also come directly to the Unit because they have become generally aware of the MFSA's role either by referrals or through our participation on television and radio programmes.

We encourage consumers to read the leaflet entitled 'Information for Consumers' which sets out - in question and answer format - the extent to which consumers may be assisted by the MFSA if they are not satisfied with their licensed entity's response to their claims. This leaflet is also available from the MFSA's website (www.mfsa.com.mt/consumer).

On receiving a complaint form

Before commencing a formal review of a complaint, the Unit ensures that the licensed entity has been

given enough opportunity to investigate the case internally. Financial entities are expected to inform complainants that they may seek redress through the MFSA if their complaint has not been upheld by the financial entity.

Depending on the detail of information provided by the complainant, the Unit may sometimes be in a position to give its preliminary views and observations. However, the Unit does write to the licensed entity concerned and asks for feedback.

Licensed entities are reminded that a complaint should be judged by what is considered to be fair and reasonable for the complainant. In doing so, the Unit takes into account aspects of the law, rules, good practice in the industry and also other cases which were reviewed in the past. The approach is to ask questions, listen to both sides of the story and finally reach a conclusion on individual facts and merits – not on how cleverly or persuasively either side argues their case.

Some cases may be clear-cut. However, others may not be straight forward and the licensed entity is

asked to review the complaint afresh by exploring certain aspects which might have been overlooked or taken for granted.

Depending on the information received, the Unit may request a meeting with the complainant in order to elaborate further on certain issues which would have come to light during discussions with the licensed entity.

During these meetings, consumers are made aware that the MFSA is not an arbiter but that its role is mainly to mediate between the consumer and the licensed entity. The Unit does its best to achieve a compromise which is acceptable to both parties. It may reject or uphold the complaint. However, if the licensed entity does not accept the recommendation, the complainant would be informed as to his rights at law.

The complaints handled by the Unit during 2006 are presented in Table 1 below. Formal cases resolved in 2006 by classification are presented in Table 2 and Figure 1 on the next page.

*Table 1
A statistical analysis of complaints handled in 2006*

	FORMAL COMPLAINTS			VERBAL COMPLAINTS	QUERIES*
	New cases received	Cases closed	Unresolved Cases		
Banking-related	34	32	5	7	24
Insurance-related	121	117	13	62	116
Investment Services-related	30	39	8	10	34
Others	5	5	2	6	37
Total Complaints	190	193	28	85	211

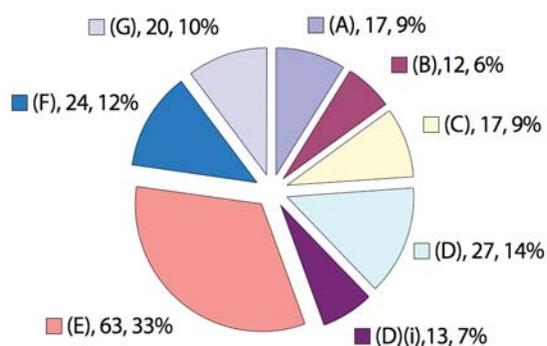
Except where otherwise stated, data is from 1 January to 31 December 2006.

Closed cases in 2006 include also cases received in 2005.

* Data for queries started being collected as of 1 April 2006 and does not include requests for publications (educational guides and comparative tables) which account for a further 250 (approximate).

*Table 2
Formal cases resolved in 2006 by classification*

(A)	17	Outside MFSA jurisdiction (in such instances and following any investigation undertaken, the complainant is requested to seek redress with the appropriate authority as applicable)
(B)	12	Customer withdrew complaint
(C)	17	Referred to entity or consumer – no feedback
(D)	27	Entity has not treated the customer's complaint fairly – Complaint upheld by the Consumer Complaints Unit. Entity accepts recommendation
(D)(i)	13	Entity has not treated the customer's complaint fairly – Complaint upheld by the Consumer Complaints Unit. However, entity did not accept recommendation
(E)	63	Entity has treated the customer's complaint fairly – Complaint not upheld by the Consumer Complaints Unit
(F)	24	Entity has generally treated the customer's complaint fairly but it still agreed a goodwill payment or an improved settlement
(G)	20	General query – provided information/clarification



*Figure 1
Formal cases resolved in 2006 by classification*

Complaints are distinguished by the way they are received - formally and verbally. For 'formal' complaints, the complainant submits his complaint in writing. In respect of 'verbal' complaints, the complainant voices his complaint informally, normally over the phone. If the issue raised by the complainant requires contacting a licensed entity, such entity is contacted by email or over the telephone for any comments. However, if the matter becomes complicated, complainant is requested to submit the complaint formally in writing.

Throughout the year, data were collected for the number of queries received from consumers on a wide range of issues relating to financial services. Comments or replies on these queries were given immediately over the phone, without the need to contact a licensed entity.

A detailed breakdown of the above tables is available in Appendix 1 and 2.

Section B COMPLAINTS OVERVIEW

The following sections give a sector by sector overview of the most common issues raised during the year. Where appropriate, these relevant issues are illustrated by examples based on typical cases.

INSURANCE RELATED COMPLAINTS

The number of insurance complaints remains the highest of the three main areas of financial services. However, the amount of complaints and queries processed remains small compared to the amount of claims handled by insurers. It appears that a number of insurers and insurance intermediaries are going to great lengths to attend to claimants' (own policyholders and third parties) queries and complaints, thereby reducing the need to refer cases for the consideration by the Unit.

Motor insurance



The Unit receives complaints and queries from both policyholders (where there is a contract of insurance binding the insurer and the policyholder) and third parties (in which case, there would be no contractual relationship with an insurer but the third party - usually the injured party - would need to notify the insurer which may become liable to indemnify such party).

A wide range of issues relating to motor insurance have been noted and these include:

- (1) the use of original or non-original replacement parts during repairs;
- (2) non-claims discounts and refunds of premium;
- (3) small claims by third parties from insurers where there is no legal liability or where liability is not clear;
- (4) refusal by an insurer to settle costs until a court judgement is made or a *process verbal* is finalised;

- (5) complaints from third parties relating to delays by the other party (who allegedly caused the accident) to open a claim;
- (6) the right of an innocent party for a replacement vehicle for the period his vehicle cannot be used; and
- (7) the manner in which an insurer estimates the market value of a vehicle after an accident.

In this report, particular attention is given to issues (5), (6) and (7).

Complaints from third parties relating to delays of the other party (who allegedly caused the accident) to open a claim

Delay or failure to open a claim

Mr B was involved in a car collision with Mr A. Mr B explains that Mr A emerged from a stop sign. The wardens were contacted and subsequently drew up a report. Mr B is insured on a Third Party basis. He contacts his insurance company and is informed that he has to open a claim with Mr A's insurer. Mr B duly does so and is informed that Mr A had not yet contacted them about the accident. They promise to contact Mr A to 'persuade' him to lodge a claim. Mr B is not happy with the situation. Given the extensive damages, the car was towed to a garage. He is lamenting the fact that the longer Mr A delays in filing a claim, the greater is the inconvenience he is enduring through loss of use of his vehicle.

Mr A's insurers confirm receipt of a copy of the warden's report and send their surveyor, on a without prejudice basis (i.e. without admittance of liability), to survey Mr B's vehicle. Mr A's insurers confirm that, on the basis of the warden's report, their client is to blame but unless their client files a claim and pays the excess (Lm100), they would not be in a position to accept liability and proceed with repairs. Moreover, should they accept liability, a replacement vehicle would be provided for the period the vehicle is being repaired and not when the vehicle is at a standstill waiting for parts to be sourced or, worse still, until Mr A decides to open a claim.

Mr B would be informed that in terms of law any insured party who has been involved in an accident and who might have suffered or caused any damage or injury should inform his insurer of the accident within two weeks of the event. Whenever an insurer believes that there are reasonable

grounds that he may have to pay a claim to an injured party but their insurer fails or delays to open a claim, the insurer is obliged to treat that event as if a claim had been made.

In many instances, drivers like Mr A would lodge a claim with their insurer and would admit fault. In other instances, Mr A would lodge a claim but would refuse to admit liability. In such situations, the insurer would advise Mr A that from the documentation at hand, it is likely that he was at fault. Mr A may accept or refuse the insurer's recommendation. If Mr A disagrees with his insurer, he has to submit a reasoned opinion in writing and within a specific time-frame (within 10 days of receipt of an insurer's written notice) as to why he is not accepting liability.

Failure to submit a reasoned opinion as to his refusal of liability normally leads the insurer to automatically honour the claim and proceed with repairing Mr B's car. However, in certain instances, the insurer will inform Mr B that Mr A is contesting payment of the claim. The matter will probably be referred to arbitration or any other appropriate tribunal. Mr B will always be informed that the Consumer Complaints Unit is not an adjudicating body and that it will not be involved where liability has not been ascertained. Such cases fall within the remit of arbitration and Mr A would be recommended to seek legal advice (*reference should be made to the legal provisions of the Motor Vehicles Insurance [Third Party Risks] Ordinance*).

Do I have a right for a rented vehicle during the period when my car is out of action?

Mrs C has been involved in a car collision with Mr D. Mr D's insurer has accepted liability and starts the process for repairing Mrs C's car (which was towed to a repairer). It so happens that some parts are not readily available. Mrs C is furious because she depends on her car to go to work and for the routine family chores. Mrs C contacts the Unit to learn about her rights.



This is always a much contested issue. Insurers would normally inform third parties, such as Mrs C that they would only provide a rented car during the period when the vehicle is being repaired (and not when it is actually out of action).

Almost invariably, spare parts would be available and repairs would commence immediately. On the other hand, if replacement parts are not available, the insurer which accepted liability would not extend the use of a car for the period in which the injured party is waiting for the parts to arrive. Indeed, sometimes it takes longer to source parts than to repair a vehicle. The injured party will find this objectionable as the more his vehicle is delayed, the more inconvenience he suffers. Claimants expect the insurance company to remedy their situation without delay – a fair and reasonable expectation, one would argue.

The Unit's approach has always been to refer to case law and there are a number of cases in which the Courts (including the Small Claims Tribunal) had concluded that an injured party should be reinstated in full and a victim has a right to recover the losses and to restore his property to its pristine original state from the guilty party. A typical case to which reference is made is *Percius Car Hire Ltd vs R Schembri*, 20 October 2003, Case 616/2001/1, wherein the Court of Appeal stated that a victim should (a) minimise his losses and (b) should not be saddled with additional burdens to reduce expenses. The victim has a right to recover the cost of a hired car for the period his car is out of action. Similarly, cases *Anthony and Manuel Xuereb vs Noel Caruana*, 30 June 2004, Case 655/2001/1 and *Mario Psaila Savona vs Chris Zahra*, 17 March 2006, Case 391/2005 confirmed the abovementioned principles.

The Unit always informs injured parties that it is most important to keep the insurance company (or companies) informed at all times in writing of any issues arising from a claim (such as loss of use) and as to any efforts to source parts from any supplier. The Unit also recommends that the injured party should request the insurer (in writing) to confirm the maximum amount reimbursable for renting a vehicle per day, against receipt. The Unit would also explain that the rights of an injured party are not limitless. In this sense, an injured party cannot blame an insurance company for any delays if repairs are delayed for no valid reason.

A word of caution: The Consumer Complaints Unit treads very carefully when the case appears to be more complicated than the one outlined above. Reimbursement for loss of use is not an automatic right but depends on various factors including whether liability is confirmed, and when. An injured party can always claim

reimbursement for loss of use by instituting proceedings against the party who caused the accident. In these cases, legal advice should always be sought.

Market value of vehicles

At the time of renewal, the policyholder is responsible for establishing the market value (MV) of his vehicle. The majority of insurers would state, on their renewal notices, that market values change and a policyholder should ensure that the sum assured is revised according to current market values. The MV of a vehicle may be established in two ways:

- (1) Through the value guidebook issued by the Malta Insurance Association. As the guidebook is updated yearly, it may be that some of the values may not remain realistic after some months following the date of publication.
- (2) Appoint a surveyor to carry out a survey of the vehicle and, on the basis of the evaluation, the MV would be determined. It is advisable that the survey is carried out yearly to ensure that the vehicle's value is kept up to date.

Sometimes, the rule of thumb is to deduct 10% of the previous year's value – but this is hardly a scientific approach.

Problems usually arise at the time of a claim and when a vehicle is considered as either 'beyond economic repair' or 'total loss'. Sometimes, the value would not meet the expectation of the policyholder, claiming that the surveyor was not fair in his evaluation. When claimants ask the Complaints Unit to intervene, they are advised that values are established by the market and that they have a right to see the insurer's survey report. This report would generally include the Pre-Accident Value, which is the surveyor's estimate of the market value of the vehicle prior to the accident. At times, this estimate would reflect the value reported in the value guidebook in force at the time of the claim.

Sometimes, claimants may refuse to accept the estimated value. In such cases, they are informed that the Unit does not establish values and that it would be reasonable to rely on professional valuations. If a claimant disagrees with the value of an insurer's surveyor, he may appoint an independent surveyor himself for a second opinion.

When the claimant refuses to accept the estimate produced by the insurer, the Unit would recommend that the claimant seeks legal advice.

The issue of motor vehicle valuations will continue to trouble some policyholders until clear information is made easily accessible to them. For example, many policyholders are probably not aware that motor values are revised yearly. Some policyholders continue to insure their vehicles on values going back a year or two or even more, hoping that in the event of a claim, the amount on which a vehicle is insured would be taken into consideration (when in fact reality proves otherwise).

It is therefore very important for the motor value guidebook to be made easily accessible to policyholders, such as online. This facility, coupled with other initiatives to inform the consumer, would perhaps bridge the expectations gap between claimants and insurers on this aspect.

'Beyond economic repair'

An insurer will determine whether to repair a vehicle or not on the basis of the costs required to put the vehicle in the same condition it was prior to the accident. This means that if repair costs exceed a certain threshold - usually 60% of the vehicle's market value - it would render the vehicle 'beyond economic repair'. The insurer will inform the claimant about this and will make an offer - either as a cash settlement for the market value of the vehicle, or alternatively, the insurer will obtain a realistic and valid value for the wreckage and will pay the difference in cash.

This is market practice - whether it is fair or not remains to be seen because on the basis of the principle of indemnity, one should be able to purchase a vehicle very similar to what the complainant had with the amount of money which an insurer offers. Technically, this may not be possible for obvious reasons but that is why it is important for a fair market value to be established.

It is therefore important that, at time of their policy renewal, policyholders should establish the market value to the best of their knowledge. It is incumbent on insurers not only to remind policyholders that responsibility to establish market values rests squarely on them, but also that information which they provide to the policyholder is given in good faith. A policyholder whose insurance is renewed

ten months after the date of publication of the guidebook should be informed that the value might have changed in the meantime. It is not fair for a policyholder to renew a policy on values without being told that they are ten months old.

Health insurance



During the year, the Unit received a number of complaints relating to health insurance. The Unit is aware as to the sensitivity of some cases. Issues may become complicated when the claimant is unable to understand why a claim has been repudiated. The Unit is very much aware of the fact that many policyholders give scant notice of their policy document when making a claim. Several queries were received regarding increases in premia for health insurance. The matter was also discussed at length during a meeting with the Consumer Affairs Council, which expressed concern that insurance premia have become unaffordable for certain age-groups. The premium charged by an insurance company for any type of insurance policy is neither approved nor authorised by the MFSA. An insurance company with a high value of claims will find that in order to sustain its business, it may need to charge a higher premium to its policyholders.

A familiar question is why a health insurance covers the insured only when in dire straits? Why doesn't it cover preventive treatment? Strange and ironic as it may seem, health insurance only pays when there is a problem which requires treatment. Preventive treatment is considered beyond the scope of a medical policy and one has to pay extra for such cover, if offered by the insurer. In reality, this is very much similar to other insurance policies – an insurance policy would not provide cover for a car service or house maintenance.



Mrs Z wanted to purchase a health insurance policy and sought the services of an agent for more information. This was the first week of April. A proposal form was filled and details about payment were given. Twelve days after, Mrs Z happened to check her savings account and noticed that the insurer debited an amount from her account which represented the amount of premium which the agent had told her when they first met. It so happened that four days after her account had been debited, Mrs Z was hospitalised for an emergency. Mrs Z assumed that, on the basis that premium had been deducted from her account, she was on cover and sought medical attention in a private hospital. Her husband made various attempts to contact the agent to check if his wife was covered but the agent was not able to confirm outright whether his wife's proposal form was accepted or not. Two days after she was hospitalised, Mr Z husband noticed that his wife received an envelope at home in which the insurer was welcoming Mrs Z as a policyholder. The relevant cover note, which was enclosed, stated that the commencement of the policy was 1 May. Mrs Z complained that she was never told that cover had to commence on the following month and she thought that she was on cover as soon as her premium was deducted from her account. The insurer refused the claim for emergency hospitalisation on the basis that Mrs Z was not on cover.

In discussions with Mr and Mrs Z, it transpired that between the first week of April (when she met the agent) and the date when they received confirmation of cover, Mrs Z never received any confirmation whatsoever when policy would commence. Indeed, she had nothing in writing from the insurer and the only indication that her proposal form was accepted was the debit entry in her account of the first premium.

When Mrs Z was hospitalised, Mr Z was always in contact with the insurer to seek advice regarding his wife's cover. The reply that she was not yet on cover came a bit late. The position of the Consumer Complaints Unit was that it was reasonable to expect a policyholder - in the absence of any documentation stating otherwise - to assume that cover starts as soon as the premium was paid. Indeed, between the date when the insured met with the agent and the date when the confirmation

of cover was received, the (prospective) policyholder had nothing in writing which stated clearly when and under what conditions cover would commence – not even an acknowledgment of the proposal form. The insurer, however, argued that Mrs Z was incorrect to assume that cover was in force on the day when premium was deducted.

The insurer offered an ex-gratia payment as a gesture of goodwill but this was considered by the Unit to be insufficient. The matter was referred to the MFSA's Insurance Business Unit, which agreed with the position taken by the Consumer Complaints Unit that the claim should be paid in full. The insurer eventually agreed to pay the claim in full and also revised its internal procedures in light of the issues raised by this complaint.

Travel insurance



These policies are the least expensive and the accompanying documents are not very complicated. However, most of the complaints received during 2006 indicate that policyholders either expect too much from their travel policy or alternatively they try to get indemnified for situations for which they are not covered. In some cases, an insurer might offer an ex-gratia payment to a claimant. Some claimants would still refer the matter to the Consumer Complaints Unit, possibly because they suspect that the insurer is either trying to ignore their rights or the amount of settlement is too low. In some instances, the insurer would increase the offer after discussing the matter.

Claimants are made aware (essentially repeating to them what the insurer had already told them) why a claim is being refused. For example, in cases where insurers refuse claims for malfunction of cameras or mobile phones, copies of technical reports are made available which indicate that the fault was caused by a mechanical failure – most often, a standard exclusion in such policies.

Other travel insurance issues relate to luggage stolen after being left unattended. Sometimes, the claim form (which is accompanied by a police report) would clearly indicate the extent of negligence by a policyholder creating limited room to argue for an ex-gratia offer.

The liquidation process of Independent Insurance Limited

Until the issue of the liquidation of Independent Insurance Limited is finalised, it is inevitable that the Unit will continue to receive telephone calls and letters from persons who are expecting payment from the company. Although four years have elapsed since the company went into provisional liquidation, the process appears to be unbearably long for some claimants and creditors, especially those whose claim runs into hundreds or thousands of liri. We are aware of a number of hardship cases in which injured parties are involved.

The MFSA is acutely conscious of these concerns. If the process of liquidation was not complicated and all claims have been ascertained, claimants would have already received their payment. There is no scope for payment to be withheld. However, the process is very sensitive and any action by the liquidators to release funds, even partially, would have to be made whenever there is certainty and in the interest of all claimants and creditors in order to ensure the same level of treatment of all creditors.

We hope that this process will be resolved during 2007.



INVESTMENT SERVICES RELATED COMPLAINTS

Markets have been somewhat favourable to investors during 2006 and this is reflected in the rather small number of complaints which the Unit received relating to investment services when compared to previous years.

Capital protected or secured products

There is, however, one worrying and common factor in these complaints. The majority relate to capital protected or secured products. Such products come in various guises and appeal to those investors who would prefer not to have their hard earned savings at the mercy of stock markets. Their common feature is the preservation of capital on the day the product matures. What is not guaranteed or certain is the amount of interest or return payable until the date of maturity. This is where the problem starts. We had several complaints about products which pay only what is guaranteed but perform very poorly during the period when interest or return is not guaranteed. We are in fact concerned that these products are being marketed as some sort of 'risk-free' products – when indeed they are not.

There are two sides of the story. On one part, one has to take these products at face value. Removing the aura of appeal which these products may have, it comes down to how the product is structured and its performance during the period. If an index or a basket of investments to which the product is linked fails to perform, or performs miserably, this is the risk that has to be undertaken. Hence the reason why the Unit continuously insists that these are far from risk-free investment products, even if capital is always paid on maturity. On the other hand, investors should always and invariably take an interest in the investment product they are purchasing.

Despite extensive educational campaigns, it is evident that investors continue to give little regard to any documentation which accompanies these products. Some investors complain that the licensed entity did not provide them with a document explaining the product. When investors complain, the Unit would ask the licensed entity concerned for copies of product documentation and whatever other forms the complainant has signed at the time of purchase. Invariably, forms signed by investors attesting that they have read and fully understood the product documentation which had been provided to them are always submitted. In many cases, investors would have no idea of what documents they had signed.

Investors expect the MFSA to take action against financial planners and their staff, whose main objective is to endeavour to sell to whoever comes their way. The Unit does more than its fair share about this issue. However, consumers have to carry out what is expected from them by asking questions and reading the material which is presented to them. It is not understood why investors (and their lawyers) expect products to pay them interest when such interest may not be guaranteed and very much depends on market performance. It is only the capital which is guaranteed at maturity.

Sometimes the problem is not with the financial planner but rather the product documentation itself. While investors should take an active interest in the material they are presented with, this material should be tailored for 'normal' investors and not for expert financial planners. The material included in the documentation reviewed is sometimes unbelievably complex especially when there are mathematical formulae to explain potential returns. This is not considered fair on consumers.





*Delay in
executing a
transaction*

On a particular day in August 2006 at 8:51 am – circa 84 minutes before the opening of trading on the Malta Stock Exchange, Mr B placed an order with a stockbroker by phone for the latter to purchase a rather substantial amount of shares in a listed company at a particular price. Mr B alleged that due to the stockbroker's excessive delay in placing his order on the market, the share price had changed to more than six per cent during that particular day. A few days after, on the complainant's third attempt to obtain these shares, with roughly the same amount of capital, the stockbroker obtained only three quarters of the amount originally requested at a much higher amount than Mr B's first order which in fact was not executed out by the contacted stockbroker.

On complaining, the stockbroker told Mr B that on the day shortly before his order was placed on the market but a few seconds soon after the opening of the trading session another transaction was processed with a lower price than he had ordered. However, all trading after this initial transaction was carried out at a higher price than that requested by Mr B. Mr B referred the case to the Unit.

The Stock Exchange was contacted to provide the transaction history and outstanding dealings on the day in question. From the information provided, it was concluded that there was an unjustifiable delay by the stockbroker to place the complainant's order in time before commencement of trading. It was felt that Mr B's complaint was justified and that he should be compensated accordingly. The stockbroker was asked to purchase the remaining difference of the shares in Mr B's name, together with payment of any dividend due to him on the said shares and reimbursement of any commission. The stockbroker accepted the MFSA's recommendation.



*The mis-sold
retirement plan*

Mrs F, 56 years old, was encashing a cheque at the local branch of her bank when she was approached by a financial planner who started a conversation about her retirement. Mrs F was not conversant with the way investments

worked but was impressed to learn that the bank had a rather good investment proposal for her retirement. Mrs F met the financial planner some days later and agreed to purchase a retirement policy which supposedly would have made her rich at age 61. She signed all the documentation and committed to pay around Lm200 a month.

After one year, Mrs F could not cope with the monthly payments and agreed with the bank to reduce the payments. Sometime later, Mrs F asked to skip some payments as she could not afford to continue paying. In the meantime, a new financial planner took over Mrs F's file. At age 61, Mrs F stopped paying and requested the bank to start paying her an amount per month 'in terms of what I had agreed with the previous financial planner'. Following an investigation, the bank determined that the retirement policy was certainly not suitable for Mrs F. The bank agreed to refund Mrs F all her money with interest. However, Mrs F was not happy with the arrangement. She claimed that she was led to believe that, at 61, the bank would start giving her a specific amount of money until her death. She approached the MFSA to lodge her complaint against the bank.

The documentation showed that the product had certainly been mis-sold. The Unit was of the opinion that Mrs F was somewhat naïve in expecting to become 'rich' within barely five years from commencement of the policy. Even though it was suspected that the financial planner might have been over-zealous when selling the product, it was difficult to prove what Mrs F was claiming. She was surprised to learn that she had made a policy for 20 years with a monthly payment of Lm200 while she was under the impression that she would only be obliged to pay until she was 61. Mrs F engaged the services of a lawyer to request a higher compensation.

It was explained to Mrs F and to her lawyer that the bank is obliged to put her in the same position she was prior to the investment and compensate her for any foregone income. The Unit advised the bank that the amount of compensation offered (based on a fixed deposit account rate) was not enough and that the benchmark rate for any additional compensation should be based on an investment which could have been suitable for Mrs F. The bank agreed to use the average return of one of its low-risk funds (and suitable for Mrs F's risk category) to pay compensation to Mrs F who accepted the bank's offer.

BANKING RELATED COMPLAINTS

The Unit was asked to intervene in a wide range of banking related complaints during 2006. The major bone of contention is the allegation made by complainants that they have suffered inconvenience as a result of mistakes made by their bank. Matters can become somewhat complicated when complainants ask for the Unit's intervention in cases where the complainant would have suffered an inconvenience without financial loss.

The Unit had a number of complaints and queries relating to the following issues:

- **Bank charges:** Consumers complain about the principle rather than the materiality of bank charges. It is evident that there is still a long way to go until there is full transparency and easily accessible information about bank charges. It is also a matter of culture, deep-rooted in the way banking has developed over the years not just in Malta but everywhere else particularly in the Western World.
- **Cheque clearing:** A number of consumers have complained about the time which is taken by banks for clearing of local and foreign cheques. Consumers cannot understand why the clearing processes have not been expedited over these years and it still takes up to four days for a local cheque and up to 45 days for a foreign cheque to clear.
- **Card transactions in ATMs:** The Unit received a number of complaints regarding alleged misuse of cards. From the experience gained over the years when dealing with these complaints, the Unit may be able to give an indication of the possible outcome of the case soon after the complaint is lodged. For example, in cases where funds are withdrawn from an ATM, the complainant is usually informed that unless proven otherwise, it would be very hard to prove that funds were withdrawn without the use of the PIN number (which is near to impossible). Complainants would categorically deny making their PIN number accessible to any third party but that is likewise very hard to prove on their part.
- **Card transactions in retail outlets:** These cases relate to the use of credit/debit cards at retail outlets after having been mis-used. In such cases the bank is requested to reproduce a copy

of the voucher signed at the merchant where the alleged fraudulent transaction took place. In some cases, the bank may refuse to reverse the transaction on the basis that, as the card was not retrieved, it is unable to determine whether the cardholder's signature was to be found on the back of the card. In such cases, the cardholder is requested to compare his signature with that on the voucher and, as it happens so often, when the signatures do not match, the bank is asked to consider reversing the transaction. In the meantime the Unit checks if the customer had been negligent when he lost his card and that he had reported his stolen card as soon as he noticed that it was no longer in his possession.

Cardholders are not usually aware of Directive 4 on Electronic Payment Instruments issued by the Central Bank of Malta (available from www.centralbankmalta.com). The directive, modelled on a European Commission Recommendation, states in the introduction that its aim is to ensure a high level of consumer protection in the field of electronic payment instruments and to promote customer confidence in, and retailer acceptance of, these instruments, and to set out the minimum requirements needed to ensure an adequate level of customer information upon conclusion of an electronic payment contract as well as subsequent to transactions effected by means of a payment instrument.

An important aspect of this directive deals with the amount a cardholder has to bear in consequence of the loss or theft of the electronic payment instrument. The directive states that, unless the cardholder has acted with 'extreme negligence' in contravention of certain aspects of the directive or fraudulently, any losses sustained by the cardholder as a result of loss or theft of a card up to the time of notification to the bank may not exceed Lm60. The directive lays out a number of obligations on the cardholder. It does not define 'extreme negligence' but in the various educational initiatives carried out by the Unit, it was explained that leaving a card in a car's glove compartment or simply lying around may constitute 'extreme negligence'. Each case has to be assessed on its merits, however.

Depending on the case, a bank may be asked to pay the full amount to a consumer, without

deducting the first Lm60. For example, an elderly person's home was burgled and the thieves stole her debit card which she had never used before. The card and PIN number were in a wallet placed in her wardrobe. She did not notice that the card had been stolen. Some three weeks after the robbery, she went to check her savings account at her branch and found that three quarters of her savings were missing. The bank told her that the funds were withdrawn from various ATMs in a short time span. She contacted the Unit for advice and the bank, upon becoming aware of the situation, investigated her complaint. It was evident that the lady did not report her stolen debit card because she had never used it before and forgot that she actually had one. The bank agreed to refund all her money back except for the first Lm60. The bank was asked to reconsider its decision and give her the full amount on compassionate grounds. The bank agreed.

Should banks be allowed to make mistakes?

During the year, the Unit considered a number of situations relating to consumers asking for compensation from their bank on the basis that they suffered an inconvenience from a bank's mistake. In principle, this is not the MFSA's terms of reference regarding consumer complaints. However, customers should be given an adequate explanation as to how the mistake occurred and offered an apology. Some banks go beyond this and depending on the nature of the issue, may offer token compensation as a gesture of goodwill for the inconvenience caused.

This is not the first time that the Unit received complaints against banks regarding errors which may cause consumers unnecessary inconvenience. Some consumers have become more demanding and argue (rightly or wrongly) that banks should be more careful in their dealings with customers and to compensate them adequately if they are at fault. Consumers argue that if they are at fault the bank would slap them a tariff charge and therefore the principle of "errant must pay" should apply to the banks as well.

Mr P, a self-employed person alleged that he had suffered financial damages to the tune of Lm1000

Reimbursement for loss of earnings

when the bank, on two separate occasions within a very short time span, mistakenly deposited funds which did not belong to him in his account. His wife contacted the bank and upon becoming aware of the mistake, the bank immediately reversed the transactions. In the meantime, Mr P made a number of cheque payments and, given the bank's reversal, one of the cheques was referred to drawer (with the bank charging him a tariff for the referral). Mr P was exasperated.

In his complaint form, Mr P explained that he lost a day's work to be able to meet and discuss his case with the bank's branch manager. Mr P alleged that he had to sub-contract the day's work to another person and was claiming Lm1000 in foregone income. The bank did not accept the Unit's argument that the token gesture (a voucher of Lm30) which it offered was a pittance given the allegations brought forward by the complainant. Moreover, the bank remarked that Mr P did not need to miss a day's work and that he could have easily made an appointment with the bank manager. The bank claimed that the gesture which it offered was commensurate with what it described as a small mistake. Although the Unit informed Mr P about the bank's position, no further feedback was received.

Divulging information to third parties

Mrs T had investments with a local bank. At some point in time, she introduced her son to her bank manager to discuss financial planning. Later, her son approached his mother's manager to enquire about a loan of a substantial amount. The manager replied that, given the amount and the purpose of the loan, he should ask his mother for funding. After a few days, the bank sent an unsigned valuation report to Mrs T's son in which all his mother's investments were disclosed, including market values. Mrs T never gave instructions to the bank to disclose such information to her son. Mrs T complained bitterly with the bank, which - following an investigation - admitted its mistake. As compensation for what the bank described as an administrative error done in good faith, Mrs T was offered a weekend break in a five-star hotel. She refused the bank's offer and demanded financial compensation amounting to 15% of the value of her investments. The bank refused Mrs T's claim.

Mrs T was made aware by the Unit that she had not proved that she sustained any financial loss as

a result of the bank's error. However, it was pointed out that the bank had been somewhat careless by divulging information to third parties even though this was carried out in good faith. The case was referred to the MFSA's Banking Unit for any regulatory action deemed to be appropriate in the circumstances. Mrs T was informed that whatever regulatory action was taken against the bank could not be divulged.

It was also explained that the MFSA could not determine the extent of damages allegedly suffered by Mrs T. Even though she was adamant that her claim was justified, she never furnished a reason to back her claim for financial loss. Mrs T was also advised that she could refer the matter to the courts. However, in order to attempt to seek a compromise, the Unit enquired about the practice used by overseas financial redress schemes when faced with similar situations.

Mrs T was informed that the UK's financial ombudsman had very specific views about similar situations and awarded very modest sums for moral damages, normally around Lm200. Only in very exceptional cases would the award be higher. She was advised that such information was only being provided for information purposes and she was cautioned that the Unit was not in a position to apply UK's rules in Malta.

Although the bank eventually put forward a cash offer in full and final settlement, the complainant informed us that she was still considering the offer.

Mr K and a business partner of his approached a bank in order to obtain a loan



for the purpose of developing property. In the interim, the seller of the said property did not appear at the signing of the promise of sale agreement. Hence, the bank was informed that the loan was no longer required. A few days after, Mr K noticed that Lm600 had been deducted from his personal account for processing fees. The complainant objected on the grounds that the loan was meant for a business project which never materialised. He claimed that he never gave instructions for his personal account to be debited with any fees. It also transpired that the bank did not request payment from his business partner (they could not deduct their fees because this person did not have accounts with the bank).

The Unit embarked on a series of discussions with the bank to ascertain whether the bank was correct in deducting the fees from a personal account without authorisation. The bank remarked that when Mr K and his business partner approached the bank, there was a certain degree of urgency. It stated that within 48 hours, the bank had approved the sanctioning of a rather large amount. The documentation provided by the bank showed that the branch was very keen to attract business from the complainant's business partner, who banked with a competing bank. It was evident, however, that the bank dedicated resources to process the loan and also requested Mr K and his business partner to provide documentation in support of their intended plans. The bank insisted that it was not to blame that the deal never materialised and it was reasonable to request its fees for services rendered. Given the amount of the loan, fees (based on percentage of the whole amount of the loan which was rather substantial) came to a rather hefty amount. However, the bank agreed to reduce the fees by half.

The Unit informed the bank that it is not acceptable to debit an account in this manner. Moreover, it was incumbent on the bank to make the list of tariffs transparent and accessible to all prospective and present customers to ensure that everyone is aware of what is due to the bank and at what stage. Indeed, it transpired that the bank would not have applied the processing fee had the deal been successful. The bank in fact told Mr K that if he proposed another loan and this was successful, then the fees incurred for the loan would be refunded. Moreover, it transpired that sometime after the complaint was lodged, in what appeared to be an attempt to treat both partners equally, the bank sent a short letter asking for payment of the business partner's share of fees (nearly nine months after the complainant's account was debited). The Unit recommended that the bank should reimburse the full amount of fees deducted from Mr K's account. Finally, the bank accepted the Unit's recommendation.

Section C CONSUMER EDUCATION INITIATIVES

Throughout the year, the Consumer Complaints Unit continued with its responsibility to disseminate educational information to financial services consumers.

The Unit uses radio and television programmes to educate and inform the consumer. These are powerful media disseminating tools which are very effective and regular contributions are tailor-made for different audiences.

The Complaints Manager is a permanent guest every fortnight during *Familja Waħda* (translated 'One Family') on Radio Malta where the feedback from listeners during and after the programme is very encouraging. The MFSA is particularly grateful to the producer of the programme and the national broadcasting station for the air-time allocated.

The Consumer Complaints Manager has also appeared on various television programmes aired

on the three major television stations. Contrary to perception, MFSA's participation in these programmes is, more often than not, against payment.

The Manager is also regularly invited to deliver lectures organised by private organisations on investor education and consumer rights in financial services.

During the first quarter of 2006, the MFSA produced and co-ordinated a live radio programme on RTK entitled *Mill-Portafoll* (meaning 'from one's wallet'). The 26-programme series, which commenced in October 2005, dealt with consumer aspects relating to banking, insurance and investment services. A broad range of subjects were covered including use of credit cards, cross-border payments and motor insurance. For this series, financial services associations were invited to nominate a representative from their sector to participate in the radio programme. All programmes are available for download from the MFSA's consumer website: www.mfsa.com.mt/consumer.

Comparative tables

A major consumer initiative undertaken by the Unit during the year was the publication of four comparative tables showing fees, charges and other information to help consumers compare and select products and services related to debit and credit cards, savings and current bank accounts, paying and receiving money by cheque and local bank account transfers.



The tables are designed to provide consumers with a tool to help them widen their search for available products, identify the differences and, where possible, narrow down to a shortlist or to a particular product provider. They are not meant to tell a consumer whether a product is suitable for his requirements and would not replace the role of the financial services entity.

The tables include appropriate help and guidance so that consumers who do not understand the information in the table as represented can seek further explanations and examples.

Various banks offered their cooperation and provided the information required for these tables, sometimes within very tight timeframes. The Unit is committed to publish regular updates of these tables and to prepare new tables of other types of financial services.

The tables can be downloaded from the MFSA's consumer website www.mfsa.com.mt/consumer and are also available on request.

Scams and warnings

Although lottery scams do not fall within the Unit's remit, several consumers have contacted the Unit asking whether it was true that, according to a letter or e-mail they had received, they had won millions of euros in a particular Spanish, UK or other lottery. Some consumers find it hard to believe that these are scams and a few have doubted the Unit's advice to disregard these letters even after it was explained to them where the catch is and why they should never disclose any personal information to third parties. It is very hard to trace the source of these letters. Our major concern are elderly persons who are sometimes the most vulnerable and misinformed.

A number of media releases were issued in 2006 to warn the public about persons or entities soliciting financial services without a licence. Of particular importance is the warning issued regarding a cross-border scam, referred to as Cheque Overpayment Scam, which is generally targeted at traders who might use the internet to promote and sell their products and services online. Given its level of sophistication, consumers were warned to exercise due caution when receiving payments by foreign cheques and drafts for on-line transactions or from unfamiliar sources.

The MFSA receives warnings from European regulators regarding scams or unauthorised firms. These warnings are posted on the MFSA website and also included in the MFSA newsletter which is published in a local newspaper every month. The number of such warnings has increased substantially since 2003. In 2006, 250 warnings were posted on the MFSA's website (around one warning for every working day during 2006).

CESR Investor Education Task Force

The Committee of European Securities Regulators (CESR) setup a task force made up of a representatives from the UK, German, French, Italian, Spanish, Portuguese and Maltese regulators to prepare the necessary groundwork and content for an investor portal (within the CESR web site <http://www.cesr.eu>) to which all CESR members can create links to/from their respective consumer page. During the year, the Consumer Complaints Manager actively contributed to the development of a first draft of a potential website containing useful information retail investors should know when investing cross border. The site is currently in testing phase and is expected to be launched during 2007.

DOLCETA - Development of Online Consumer Education Tools for Adults



During a European Consumer Education Workshop held in Brussels in June, the European Commission's DG Health and Consumer Protection launched a new web-based education tools called DOLCETA which stands for Development of Online Consumer Education Tools for Adults. The Consumer and Competition Division of the Ministry for Competitiveness and Communication and the MFSA have been involved in this project since May 2005 along with a number of other European consumer associations and adult-learning institutions.

DOLCETA (www.dolceta.eu) is a web-based consumer education platform targeting trainers and other multipliers in consumer education, as well as consumers who would like to learn more about their rights. It aims to raise the level of

awareness and understanding of European consumer rights among the EU adult population.

It consists of two modules: a general module on basic consumer rights and the advantages of the internal market and redress possibilities and a second module specifically on financial services.

The Malta team involved in DOLCETA worked hard to meet the tight deadlines imposed by the Commission. The amount of text that had to be adapted for Maltese consumers was substantial but the Maltese team was eager to see this project come to fruition. DOLCETA is an extremely important tool for teachers when preparing their course work for students. School teachers constantly request information which they can use in class as part of the social and personal skills curriculum. Regrettably, the Commission has not allocated any funds to market DOLCETA and the Unit is doing all it can to disseminate the use of this web-based tool by preparing short write-ups in specific journals and magazines targeting teachers and other multipliers.

Appendix 1 - Formal Complaints

Description	Classified Cases by Category								Total
	A	B	C	D	D(1)	E	F	G	
Banking complaints									
Bank commercial decision			1						1
Bank mistake		1			1	1			3
Charges			1	2	1		2		6
Cheque encashment	1		2		1	1			5
Delays				1			1	1	3
Provided info or general query								1	1
Refusal to give information	1			1		1		1	4
Transfers				2		2			4
Unauthorised credit card transaction				3		1	1		5
Insurance complaints									
Cannot find insurance			1			1			2
Health-related		1		2	3	11	2	2	21
Home insurance- related		1	1			4			6
Increase in premium						1			1
Insurer Concerned	2								2
Intermediary-related		1							1
Life-related		1				4		2	7
Motor - Own policyholder - Claims	1					1	2		4
Motor - Own policyholder - Liability					1	1		1	3
Motor - Own policyholder - Loss of use						1	1		2
Motor - Own policyholder - Market Value						3	2		5
Motor - Own policyholder - Non - Claims Discount (NCD)					1		1		2
Motor - Third-party - Choice of garage		1							1
Motor - Third-party - Delay in handling claim/payment			1	1			1	1	4
Motor - Third-party - Failure to open claim	1		2	1		2	2		8
Motor - Third-party - Liability	1	1	4	2	2	1		2	13
Motor - Third-party - Loss of profit				1			1		2
Motor - Third-party - Loss of use		1		1			1		3
Motor - Third-party - Market Value		1	1	2	2	3	1		10
Motor - Third-party - Use of spare parts				1				1	2
Provided info or general query	3	1	1						5
Refusal to give information			1						1
Travel-related	2			2	1	3	4		12

Description	Classified Cases by Category								
	A	B	C	D	D(1)	E	F	G	Total
Investment services complaints									
Bad advice allegation	1					4			5
Calculation of interest/yield/price						3		1	4
Capital guaranteed-related		2		2		9		1	14
Charges						1			1
Intermediary mistake				2			1		3
Mis-selling allegation			1	1		2	1	1	6
Other	1					1		3	5
Use of exchange rate						1			1
Others	3							2	5
	17	12	17	27	13	63	24	20	193

CLASSIFICATION

- (A) Outside MFSA jurisdiction (in such instances and following any investigation undertaken, the complainant is requested to seek redress with the appropriate authority as applicable)
- (B) Customer withdrew complaint
- (C) Referred to entity or consumer – no feedback
- (D) Entity has not treated the customer's complaint fairly – Complaint upheld by the Consumer Complaints Unit. Entity accepts recommendation
- (D)(i) Entity has not treated the customer's complaint fairly – Complaint upheld by the Consumer Complaints Unit. However, entity did not accept recommendation
- (E) Entity has treated the customer's complaint fairly – Complaint not upheld by the Consumer Complaints Unit
- (F) Entity has generally treated the customer's complaint fairly but it still agreed a goodwill payment or an improved settlement
- (G) General query – provided information/clarification

ABBREVIATIONS

(with reference to Appendix 2 overleaf)

BNK: Banking
INS: Insurance
INV: Investments
NCD: Non Claims Discount

Appendix 2- Verbal Complaints and Queries

<i>Description</i>	<i>Verbal complaints</i>	<i>Queries</i>
OTH - Scams	6	21
INS - Health-related	6	6
INS - Life-related	5	11
INS - Motor - Third-party - Loss of use	5	7
INS - Motor - Third-party - Use of spare parts	5	7
INS - Motor - Third-party - Delay in handling claim/payment	5	
INS - Travel-related	4	13
INS - Motor - Third-party - Failure to open claim	3	5
INS - Motor - Third-party - Liability	3	5
INV - Charges	3	4
INS - Motor - Own policyholder - Use of spare parts	3	4
INS - Home insurance- related	3	4
INS - Increase in premium	3	4
INS - Provided info or General query	3	
INS - Motor - Own policyholder - Market Value	2	3
INS - Motor - Own policyholder - Claims	2	3
INS - Motor - Third-party – Market Value	2	2
INS - Motor - Own policyholder - NCD	2	2
BNK - Bank Mistake	2	
INV - Refusal to give information	2	
INV - Calculation of interest/yield/price	2	
INV - Provided info or General query	2	
INS - All Commercial Policies	2	
BNK - Charges	1	4
BNK - Delays	1	2
BNK - Provided info or General query	1	2
INS - Cannot find insurance	1	2
BNK - Refusal to give information	1	
BNK - Unauthorised credit card transactions	1	
INV - Mis-selling allegation	1	
INS - Refusal to give information	1	
INS - Insurer Concerned	1	
INS - Motor – Third-party - Choice of garage	1	
INS - Independent Insurance – related		25
INV - Miscellaneous		21
OTH - Miscellaneous		9
BNK - Miscellaneous		8
BNK - Interest Rates		7
INV - Suitability of product		7
INS - Motor - Own policyholder - Liability		6
OTH - Network Marketing		6
INS - Miscellaneous		6
BNK - Cheque encashment		3
INV - Capital guaranteed-related		2
	85	211

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Attard - Malta

Tel: 00356 2144 1155 Fax: 00356 2144 1189

Consumer helpline: 00356 800 74924

consumerinfo@mfsa.com.mt

www.mfsa.com.mt/consumer