



Report by the Financial Services Ombudsman under Sections 16 and 57 BS of the Central Bank and Financial Services Authority of Ireland Act 2004.

The Act provides that the Financial Services Ombudsman shall publish a report within three months after the end of each financial year containing

- (a) a summary of all complaints made during the previous financial year and of the results of the investigations into complaints
- (b) a review of trends and patterns in the complaints.

The Act also provides that the Ombudsman may publish such a report more frequently than once a year if the Ombudsman thinks it would be in the public interest to do so. In that regard some complaints trends data for the period 1 April to 30 September 2005 were already published in October 2005.

As the Financial Services Ombudsman's Bureau began work on 1 April 2005 this report fulfils the requirements of the Act at the end of the first financial period- 1 April to 31 December 2005.

Joe Meade
Financial Services Ombudsman
19 January 2006

1. Cases for investigation since 1 April 2005

Carried forward at 1 April 2005 from former voluntary schemes

Credit Institutions	166	
Insurance	<u>613</u>	779

New cases received from 04- 12/05

Insurance

<i>Non Life</i>	995	
<i>Life</i>	637	
<i>Health</i>	<u>102</u>	1734*
<i>(* includes 102 intermediaries)</i>		

Credit Institutions

<i>Banks</i>	748	
<i>Building Societies</i>	58	
<i>Credit Unions</i>	23	
<i>Stockbrokers</i>	19	
<i>Intermediaries</i>	17	
<i>Others</i>	<u>5</u>	<u>870</u>
		<u>2604</u>

Total cases for investigation **3383**

2. Comparisons with prior period

Complaints received

	Insurance	Credit Institutions	Total
April 05 – December 05	1734	870	2604
April 04 – December 04	<u>1428</u>	<u>692</u>	<u>2120</u>
Increase	306	178	484
	21%	25%	23%

3. Cases investigated in the period 1 April to 31 December 2005

(a) Cases concluded

Insurance	1000	
Credit Institutions	<u>368</u>	1368

(b) Cases referred to financial service providers internal complaints procedure

Insurance	886	
Credit Institutions	<u>453</u>	1339

(c) Cases under investigation at end 12/05

Insurance	461		
Credit Institutions	<u>215</u>	<u>676</u>	3383

(d) Analysis of cases concluded

	<i>Insurance</i>	<i>Credit Institutions</i>
Upheld	241 (24%)	133 (36%)
Not upheld	260 (26%)	141 (38%)
Settled	338 (34%)	21 (6%)
Outside remit	161 (16%)	73 (20%)
	1000	368

4. Complaint trends and patterns since April 2005

(a) Area of business

Credit Institutions

Account Transactions	206	24%
Various Lending Problems	157	18%
Credit Card Disputes	134	15%
Mortgage Issues	131	15%
Investment Performance Disputes	125	14%
Service Issues	45	
ATM Disputes	42	
Foreign Exchange	<u>28</u>	14%
Miscellaneous	2	

870

Insurance

Non Life (57%)

Travel	323	
Motor	281	
Household contents and Buildings	146	
Saving policy / SSIA's	15	
Payment / Loan protection policy	91	
Mobile phones	13	
Miscellaneous	<u>126</u>	995

Medical (6%)

Medical expenses	102	102
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Life (37%)

Life Assurance	180
Investment policy	136
Endowment policy	96
Critical / serious illness	50
Permanent Health	18
Pensions	63
Mortgage Protection	59
Salary Protection / Income Continuance	<u>35</u>

637
1734

(b) Nature of complaint

Credit Institutions

Maladministration	317	37%	
Unfair treatment	255	29%	
Breach of contract	108	12%	
Negligence	83	9%	
Fees and charges	61	7%	
Misrepresentation	29	3%	
Breach of confidentiality	12		
Interest rates	3		
Other	<u>2</u>	3%	870

Insurance

Repudiation of claim	484	28%	
Maladministration	201	12%	
Customer care	177	10%	
Claim handling	158	9%	
Mis-selling	119	7%	
Pre-existing condition	72		
Policy terms	67		
Premium rates	57		
Lapse/cancellation of policy	54		
Policy review	<u>46</u>	17%	
Misrepresentation	41		
Settlement amount	37		
Non disclosure	35		
Surrender value	<u>23</u>	8%	
Pre accident value	15		
Premium collection	15		
Declined quotation	12		
No claim bonus	11		
Subrogation	<u>8</u>	3%	
Miscellaneous	102	6%	1734