



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

SIARAN AKHBAR

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For immediate release

Operationalisation of Financial Ombudsman Scheme

Bank Negara Malaysia (the Bank) wishes to announce that the Ombudsman for Financial Services will commence operations as the operator of the financial ombudsman scheme on 1 October 2016. The Ombudsman for Financial Services is approved by the Bank under the Financial Services Act 2013 and Islamic Financial Services Act 2013 to provide a fair and efficient avenue for financial consumers to resolve disputes against financial service providers.

The Ombudsman for Financial Services serves as an independent redress mechanism with minimum formality for financial consumers to resolve disputes with financial service providers. Its services are an alternative to, and not a replacement for legal actions taken in a court of law. The services of the Ombudsman for Financial Services are offered free of charge to financial consumers.

The Ombudsman for Financial Services will operate in accordance with the principles of independence, fairness and impartiality, accessibility, accountability, transparency and effectiveness. The Ombudsman for Financial Services is governed by a board of directors, led by YBhg. Tan Sri James Foong, a retired Federal Court Judge, who has been appointed the Chairman of the Ombudsman for Financial Services.

Jeremy Lee, Chief Executive Officer of the Ombudsman for Financial Services said, "The introduction of the new financial ombudsman scheme is timely. It further strengthens the financial consumer protection framework in an

environment of increasing diversity with competitive offerings of financial products and services. In operating the scheme, the Ombudsman for Financial Services incorporates enhanced governance and operational arrangements which is in line with international best practices to promote fair, effective and independent dispute resolution."

Financial consumers can refer eligible disputes involving banks, insurance companies, takaful operators, development financial institutions, designated payment instrument issuers, insurance and takaful brokers, and financial advisers, to the Ombudsman for Financial Services for resolution. Disputes filed with the Ombudsman for Financial Services must not exceed RM250,000. Lower limits apply for disputes on motor third party property damage insurance claims and unauthorised transactions involving payment instruments and payment channels. Further information on eligible disputes covered by the financial ombudsman scheme and procedures for bringing a dispute to the financial ombudsman scheme is available on the Ombudsman for Financial Services' website at www.ofs.org.my.

Members of the public can also contact the Ombudsman for Financial Services or walk in during office hours (8.30 am to 5.30 pm Monday to Friday).

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Bank Negara Malaysia
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