



**BOARD PAPER: 16/1/403
STATISTICAL REPORT AS AT 31 DECEMBER 2015**

- The number of complaints handled by the Mediators for the year ended 31 December 2015 is as follows:-

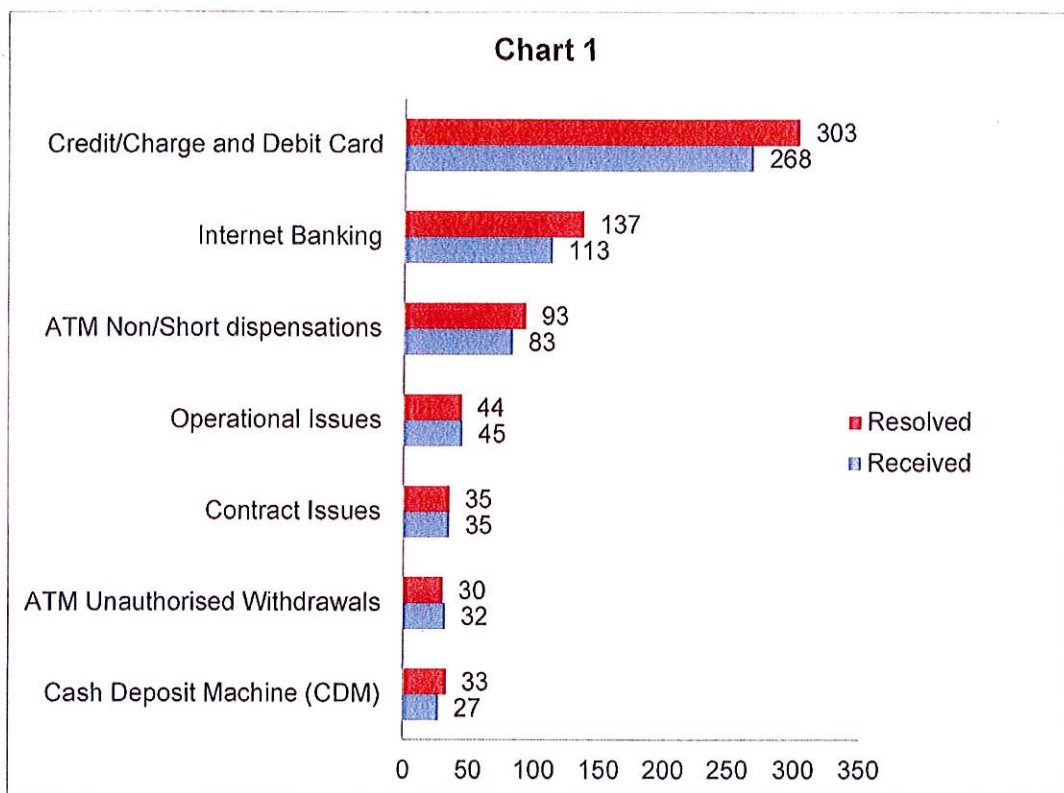
| As at 31 December 2015 | <u>Banking*</u> | <u>Insurance</u> | <u>Takaful</u> | <u>Total</u> |
|-------------------------------|------------------|------------------|-----------------|------------------|
| Brought forward from 2014 | 230 | 326 | 59 | 615 |
| Cases Registered | 603 | 871 | 233 | 1,707 |
| Cases Handled | 833 | 1,197 | 292 | 2,322 |
| Cases Disposed | 675 (81%) | 962 (80%) | 239 (82%) | 1,876 (81%) |
| Outstanding Cases | 158 (19%) | 235 (20%) | 53 (18%) | 446 (19%) |

| As at 31 December 2014 | <u>Banking*</u> | <u>Insurance</u> | <u>Takaful</u> | <u>Total</u> |
|-------------------------------|------------------|------------------|-----------------|------------------|
| Brought forward from 2013 | 420 | 513 | 97 | 1,030 |
| Cases Registered | 554 | 918 | 219 | 1,691 |
| Cases Handled | 974 | 1,431 | 316 | 2,721 |
| Cases Disposed | 744 (76%) | 1,105 (77%) | 257 (81%) | 2,106 (77%) |
| Outstanding Cases | 230 (24%) | 326 (23%) | 59 (19%) | 615 (23%) |

*both conventional and Islamic banking cases

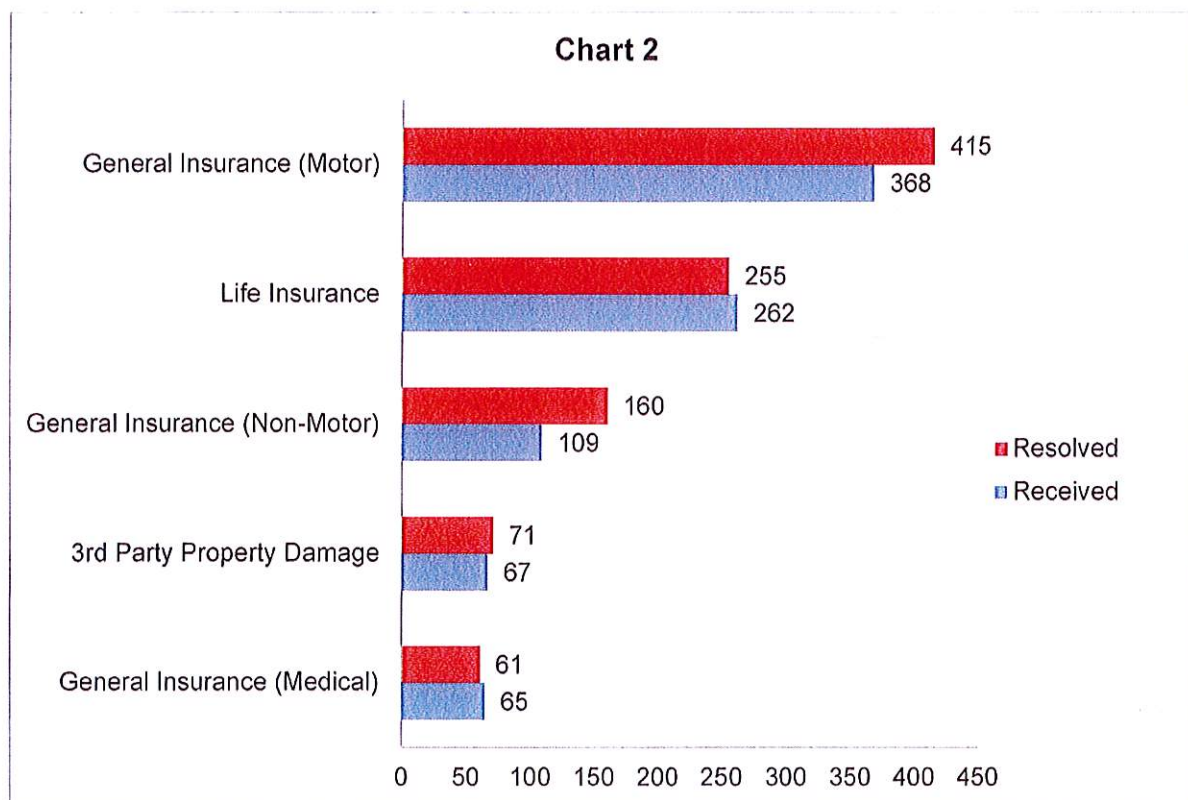
- On a year to year comparison, FMB recorded a higher percentage of cases disposed by the Mediators for the year ended 31 December 2015. Eighty-one percent (81%) of the total cases handled were disposed-off as compared to 77% in 2014. This achievement has contributed the lower number of cases remained outstanding - 446 cases compared to 615 in 2014.
- The analysis of the type/number of complaints handled by Mediators (by sector) for the year ended 31 December 2015 is as follows:-

Conventional and Islamic Banking



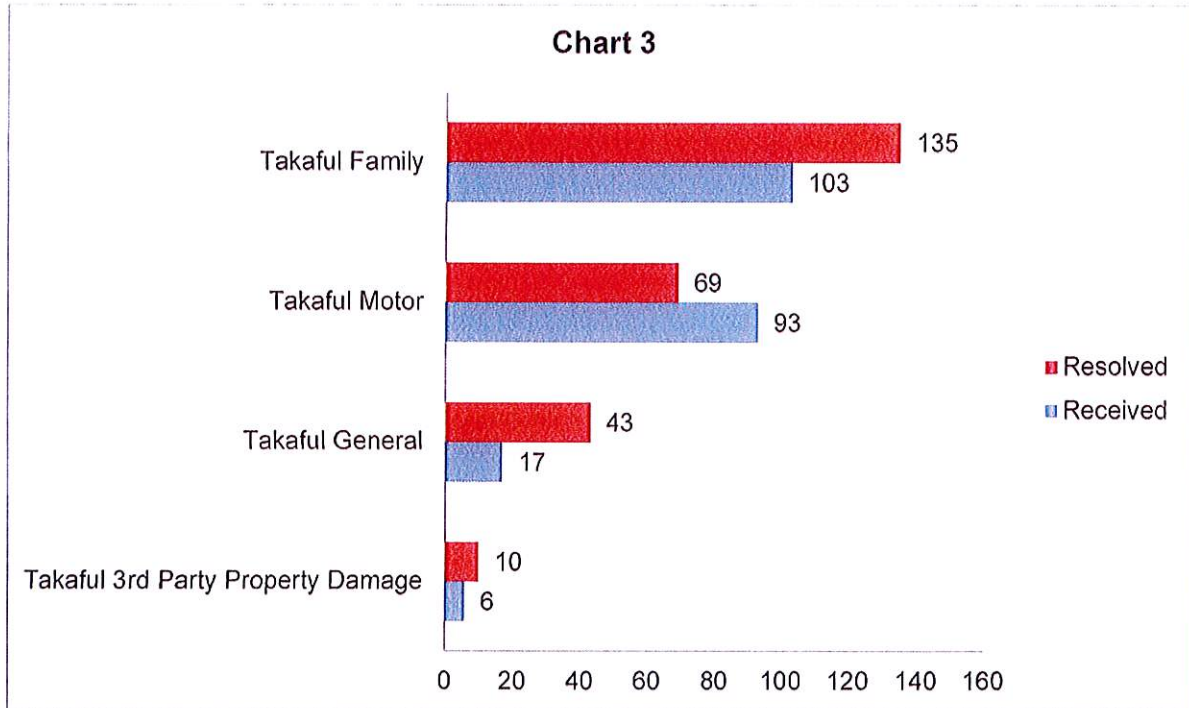
- In 2015, the number of complaints received against the banking sector increased to 603 cases (2014: 554 cases). Disputes involving credit/charge/debit cards accounted for 268 cases, followed by internet banking (113 cases), and ATM - non/short dispensations (83 cases). These are the top three types of disputes which filed by the Complainants against the financial services providers in 2015.
- A total of 675 cases were resolved in 2015 (2014: 744 cases), of which, 303 cases (45%) were credit/charge/debit cards disputes, 137 cases (internet banking), 93 cases (ATM – non/short dispensations), 44 cases (operational issues), 35 cases (contract issues), 30 cases (ATM – unauthorised withdrawals) and 33 cases (Cash Deposit Machines – discrepancy/not-credited/shortage).

Insurance



- For the year of 2015, the number of complaints registered against conventional insurance sector decreased to 871 cases (2014: 918 cases). Disputes on general insurance [motor claims] remained the highest with 368 cases (42%), followed by life insurance (30%) and general insurance [non-motor claims] (13%) made up the bulk of the disputes in this sector.
- A total of 962 cases were resolved in 2015 (2014: 1105 cases), of which, 415 cases relates to general insurance [motor claims], followed by life insurance (255 cases), general insurance [non-motor claims] (160 cases), third-party property damage (71 cases) and general insurance [medical claim] (61cases).

Takaful



- For the year of 2015, the number of complaints registered against the takaful sector increased to 233 cases (2014: 219 cases). Disputes on Takaful Family remained the highest with 114 cases (49%), followed by Takaful Motor (40%) and Takaful General and Takaful third-party property damage (11%) made up the bulk of the disputes in this sector.
- A total of 239 cases were resolved by ended of 2015 (2014: 257 cases), of which, 111 cases relates to Takaful family, followed by Takaful motor (100 cases), Takaful general (43 cases) and Takaful third-party property damage (71 cases).

Recommendation

- We propose that the above report be endorsed by the Board and be distributed to the financial industry.