

## **25 years of the Banking Ombudsman: as relevant as ever.**

- **In 2017, the Swiss Banking Ombudsman dealt with 2027 cases.**
- **Charges and early redemption penalties remain the most common issues.**
- **The Ombudsman calls for willingness to compromise.**
- **Case studies also published in Italian and English for the first time.**

“Human relations, by nature, lead to conflicts”, stated Marco Franchetti, the Swiss Banking Ombudsman, at his annual press conference in Zurich. The Banking Ombudsman is widely recognised and also well trusted. Reasons why “use of the Office of the Banking Ombudsman is huge and we are never short of work”, he added. In terms of figures, this is the picture for 2017: 2027 cases in total (2068 in the previous year) were settled, which included 1202 cases conducted verbally and 825 in writing.

38% of the clients were from other countries. The origin of the 62% of Swiss domiciled customers more or less corresponded to the actual population distribution of the individual language regions. 77% of their enquiries and complaints were dealt with within 3 months and in 85% of the cases, the amount in dispute did not exceed 100,000 CHF.

As far as the issues behind the cases are concerned, complaints about bank charges are an ongoing topic. Franchetti: “Whether or not charges have been introduced or adjusted in compliance with the contract is a common bone of contention.” For example, where the customer has not taken note of the corresponding messages, raising the question of whether or not implied consent can be assumed. The Ombudsman is still regularly being faced with complaints about early redemption penalties in the case of fixed-rate mortgages repaid early.

The Ombudsman is committed to finding fair solutions for the customers and is also engaged in the area of legislative changes. Franchetti also calls for reason however for “if banks are to be expected to correct their mistakes, customers also need to compromise.” For this, willingness is needed by both parties to move away from an initial maximum demand during mediation proceedings, and to accept the solution proposed by the Banking Ombudsman.

In its role as the central point of contact for the search for dormant assets, the Office of the Banking Ombudsman received 530 new search queries in the last year. Of those, access was restored to a total of 40 accounts, or 10.9 million CHF, as well as two safe deposit boxes. Since the current search system was introduced in 2001, these figures are 96 million CHF in total and the contents of 53 safe deposit boxes.

“We are not making a big issue of it but this year the Office of the Swiss Banking Ombudsman is celebrating 25 years of existence”, stated Marco Franchetti. The Swiss Banking Ombudsman started out on 1 April 1993 with a 20% part-time position and was assisted by two employees. Today, a highly-professional team of 9 multilingual lawyers, economists and banking experts handles the approximately 2000 cases and enquiries a year which cover all aspects of banking. Franchetti went on to say that even after 25 years, nothing has changed regarding the Office of the Banking Ombudsman’s task and objective. “Through our mediation activities, we want to help avoid lengthy and costly court proceedings between customers and banks in the interest of both parties.”

And, for Italian and English speaking users: the selected 27 case studies from reporting year 2017 are now also electronically available in Italian and English. These, along with the complete annual report in German and French, have been published on the website.

Annual Report 2017 (in German)  
Annual Report 2017 (in French)  
2017 in Brief  
Pictures Marco Franchetti