

Swiss Banking Ombudsman: Beware of fraudsters!

- **Recognition as an Ombudsman institution without significant impact on the activity**
- **Numerous complaints from customers who became victims of fraudsters**
- **Covid 19 and leveraged investments**
- **2'142 processed and closed cases in 2020, 6% more than in the previous year**

Zurich, 1 July 2021. — At his annual media conference, the Swiss Banking Ombudsman stated that his accreditation in June 2020 as an Ombudsman office according to the Financial Services Act (FinSA) by the Federal Department of Finance has not significantly influenced his activities. He attributes this to the fact that the general principles of his activity served as a model for the mediation provisions introduced by the FinSA, in the design of which he was significantly involved. In fact, his institution has been carrying out its original activity as an information and mediation centre for clients of financial companies within the framework of the self-regulation of the banking sector for almost 30 years. The remit of the Banking Ombudsman has now been extended to all those financial service providers that are affiliated with its founder, the Swiss Bankers Association. This applies in particular to foreign institutions that provide financial services to clients domiciled in Switzerland and are subject to an affiliation obligation under the FinSA. These institutions can now join the Banking Ombudsman. In 2020, the Banking Ombudsman issued affiliation certificates for 307 financial businesses.

According to the FinSA, financial service providers must inform their clients that they can submit a possible dispute to an Ombudsman. If financial service providers do so after having rejected a client's claim, the Ombudsman requires that they have previously commented in detail and in writing on the client's complaint.

In 2020, the Ombudsman was confronted with an above-average number of cases in which clients made claims for damages against banks after having fallen victim to fraudsters who gained access to their assets through various deceptive manoeuvres. In many cases, the clients triggered the payments themselves. As a rule, the bank is not liable in such cases. The Ombudsman therefore advises customers to exercise the necessary caution in such transactions. «Beware of fraudsters», appeals the Banking Ombudsman, Marco Franchetti.

The turbulence in the financial markets caused by the pandemic was partly reflected in the complaints. Clients who had leveraged investments in the hope of large profits were affected by forced liquidations and complained about the behaviour of the financial institutions.

In the year under review, the Banking Ombudsman's Office settled a total of 2'142 cases. 1'353 were oral cases, 789 written cases. The total number of cases thus increased by about 6% compared to the previous year. As in the previous year, the most important cause of problems was settlement issues. Complaints in connection with fraud increased by 80%, making this issue the third most important cause of problems in 2020. 80% of the cases could be closed within the targeted period of 3 months. 87% of the Banking Ombudsman's proposed solutions were accepted by the financial businesses.

In 2020, 453 new requests were received for the search for assets without contact and dormant assets. Values of CHF 3.6 million and the contents of 1 safe deposit box were made available to eligible beneficiaries of 28 client relationships.

Press release

Annual Report 2020 (in German)

Annual Report 2020 (in French)

2020 in Brief

Pictures Marco Franchetti