

# 2024 in brief

## OMBUDSMAN PROCEEDINGS

A major challenge for the employees of the Ombudsman's office is to explain the sometimes very complex issues underlying enquiries and complaints to clients in a comprehensible manner. Many cases are submitted to the Ombudsman because clients do not understand the behaviour of a bank and feel that they have been treated unfairly or even unlawfully. Some of the cases presented can already be resolved by the Ombudsman explaining the underlying problem to the client in an understandable way. The employees of the Ombudsman's office receive regular training in communication. The Ombudsman's office attaches great importance to clear and target-oriented communication, whether in dialogue with clients or with the banks. The employees of the Ombudsman's office draw the attention of the banks if they recognise communication difficulties between banks and clients, which can be shown, for example, by an accumulation of similar cases. They make suggestions to the banks on how the challenges in client communication can be solved by improving correspondence, explanations in documents or on the website, the wording of contractual provisions statements.

An example of this is the first case [2024/01](#). The bank had presented the client concerned with an incomprehensible account statement. The Ombudsman was also only able to understand the bookings contained therein after detailed explanations from the bank. Following the Ombudsman's intervention, the bank explained the bookings to the client in a personal meeting.

In the area of pension products, clients often struggle with the requirements that the banks' pension foundations impose for a payout of assets. Such a situation is the subject of case [2024/02](#). The Ombudsman is also regularly confronted with the situation that payment orders from clients for payments into a retirement savings account are no longer processed on time at the end of the year, so that they can no longer be deducted from income for tax purposes in the desired year. One example is case [2024/03](#).

In the area of payment transactions, processing problems sometimes occur, e.g. if a payment does not reach the desired recipient account or is rejected by the recipient bank and not credited back to the sender account. In view of the high number of reliably processed payment orders and the large associated payment flows, such cases are rare. However, experience shows that the investigations required to correct such an error can take a long time and are time-consuming. This can lead to unsatisfactory situations for clients. In the cases submitted to the Ombudsman, they often have the feeling that the banks are not paying enough attention to their concerns. Clear and comprehensible communication is also key here. Case [2024/04](#) shows a problem that could only be solved with the intervention of the Ombudsman. Case [2024/05](#) describes a situation in which banknotes submitted by the client for crediting to his account were withheld by the bank because they were of criminal origin.

The next cases presented deal with fraud. The Ombudsman has been increasingly concerned with this issue in recent years. Unfortunately, it became even more prominent again in the reporting year - in line with the developments described by the reporting centres and law enforcement authorities. For the first time, "fraud" was the most common cause of problems in the cases submitted to the Ombudsman, replacing "settlement", which had long been the number one cause of problems. Details can be found in the "Facts and figures" section below. While the increase in cases of debit and credit card fraud stabilised at a high level, there was an increase in cases in which fraudsters either succeeded in triggering unauthorised payments from clients after gaining access to their online banking by deceiving them, or persuading clients to make payments themselves under false pretences.

The methods of fraud are varied and are becoming increasingly sophisticated. If the aim of the fraud is to gain access to the victim's accounts or to gain their trust, defrauded clients often lose a substantial part or even all of their savings. These are severe blows of fate for the affected clients, which are often associated with psychological problems in addition to the material consequences.

The Ombudsman must repeat at this point that fraudsters usually start with the clients and can hardly ever penetrate the banks' systems without their help. Due to the current legal situation in Switzerland, there is generally no legal obligation for financial institutions to compensate clients in such cases. In addition, the willingness of financial institutions to provide goodwill payments in cases of fraud on equitable grounds appears to be decreasing. This is probably due to the sharp increase in the number of cases and the amounts of damage involved.

Clients cannot expect financial institutions to step in if they are victimised by fraudsters. Prevention is key. The Ombudsman therefore repeats his recommendation to clients to take note of the relevant information and follow the warnings from the authorities, financial institutions and consumer protection organisations, and refers once again to his own advice, which is published on the website under [Watch out for fraud!](#). The detailed information provided by the police on the following websites is also very helpful (partly available in German only):

[www.telefonbetrug.ch](http://www.telefonbetrug.ch), [www.card-security.ch](http://www.card-security.ch) and [www.cybercrimepolice.ch](http://www.cybercrimepolice.ch).

Case [2024/06](#) concerns fraudulent transactions with TWINT. In the year under review, the Ombudsman was also confronted several times with cases in which clients criticised the bank's behaviour after reporting fraud. Some clients complained that they were given false hope when they were first notified and were told that they would not have to expect their accounts or cards to be debited for the fraudulent transactions. Clients often consider the banks' response to a fraud report to be too hesitant and too slow. One example is case [2024/07](#). In case [2024/08](#), the relatives of an elderly client claimed that the bank should have recognised that the payment order issued by the client at the bank's counter had a fraudulent background.

In the case of loans, complaints relating to mortgages took centre stage. As interest rates were lower again in the reporting year, the amounts of early repayment penalties that had to be paid for prematurely repaid fixed-rate mortgages increased. This was the point of contention in case [2024/09](#).

In the stock exchange and custody area, case [2024/10](#) deals with the situation of a temporary blocking of a securities position of the client in his custody account with the bank, which was due to a "corporate action" by the securities issuer. The client then claimed damages from the bank because he was only able to sell the securities affected by the block at a lower price after it was lifted. There were also a number of cases in the stock exchange and custody area due to the sanctions in connection with the measures due to the situation in Ukraine. One example is case [2024/11](#). In case [2024/12](#), the client suffered a loss as a result of the Covid pandemic on a bond issued by a foreign airline, for which he held the bank responsible.

Of course, the Ombudsman was also confronted with a number of fee cases in the reporting year. The last case presented, [2024/13](#), shows an example in which little money was at stake for the client, but presumably a considerable sum for the clientele of the entire bank. The client complained that he was referred to a chargeable business number to contact the bank by telephone.

## FACTS AND FIGURES

In the reporting year, the Ombudsman processed and closed a total of 2475 cases, of which 1576 were oral and 899 written. This corresponds to a 5% increase compared to the previous year (2360 cases), or 6% more in oral and 3% more in written cases.

In 303 cases, the Ombudsman turned to the financial institution, which corresponds to 34% of the total number of cases. After an in-depth analysis of the facts, the Ombudsman considered a compensation by the financial institution to be appropriate in 172 cases or 57% of those interventions. In 97 % of these cases, the financial institution agreed with the Ombudsman's opinion and made concessions to the client.

56% of the clients come from German-speaking Switzerland, followed by 27% from abroad. The percentage from French-speaking Switzerland remained stable at 20%, the percentage from Italian-speaking Switzerland unchanged at 3%.

In a total of 89% of the cases, the amount in dispute remained below 100 000 CHF.

The average processing time of the written cases changed only slightly in the reporting year despite a further increase in the number of cases. As a result, 60% of respondents received a definitive answer within one month.

### Overview by subject area

Broken down by subject area, 72 % of the 899 written cases concerned the area of "Accounts, Payment Transactions, Cards". This subject area increased by 7% compared to the previous year. Fraud was the most common cause of problems in this area with 264 cases (+17%), after 226 cases in 2023 and 120 cases the year before. Settlement issues were the cause in 128 cases and a restriction\* by the financial institution in 105 cases. Fee issues were involved in 58 disputes.

\*The problem cause "Restriction financial institution" applies in cases where an institution refuses to enter into a business relationship, conclude a transaction, provide a service or follow an instruction.

85, or 9% of all written cases were allocated to the subject area "Stock Exchange, custody account". In 44% of cases, the main cause of problems is the incorrect or incomplete processing of orders.

8% or 70 of all written cases related to the subject of "Investment advice, assets management". These cases decreased by 18% compared with the previous year. Clients who complained about errors in advisory services accounted for 39% of these cases, followed by 27% with complaints about settlement problems.

In 9% or 81 of the written cases respectively, the Ombudsman dealt with complaints relating to "Mortgages and loans". The largest sub-area, with 50 % of the cases, was again fixed-rate mortgages, where the focus was on disputes in connection with fees, primarily early repayment penalties.

### Overview of all causes of problems

The issue of "Settlement" has been the most frequent cause of problems for years, followed by cases of "Fraud". This was reversed for the first time in the reporting year. Cases in connection with fraud rose by an additional 15% and, with 270 cases, exceeded the 208 cases in the area of settlement.

## PUBLIC RELATIONS

The media conference took place as webcast on 22 May 2024. The response was very good and the topics of investment losses and fraud - the latter entirely in the spirit of prevention - were discussed in detail. Even in the aftermath, the number of media queries remained relatively high, and the Ombudsman's office was given the opportunity to present its position in the reporting through various articles and interviews.

Most of the regular meetings, such as those held by the European Federation of Financial Services Ombudsmen (FIN-NET) or the International Network of Financial Services Ombudsman Schemes (INFO Network), were held online. Only the INFO Network Annual Conference was held physically and provided a valuable opportunity for the Ombudsman to exchange views and network internationally. In terms of content, the conference focussed on new technical possibilities (e.g. artificial intelligence) to make case treatment more efficient. Current approaches to combating and preventing fraud were also discussed.

Also in 2024, representatives of the Ombudsman's office were again involved in public presentations and teaching events at universities.

## ASSETS WITHOUT CONTACT AND DORMANT ASSETS

Since 1996, besides acting as an information and mediation office, the Banking Ombudsman has also been responsible for the single point of contact for the search for assets without contact and dormant assets. In this function, the Ombudsman received 485 new search enquiries (495 in the previous year) related to the assets of one or more presumed bank clients. Of these, 472 (477 in the previous year) were considered sufficiently legitimate. 534 presumed bank clients were compared with the central database of assets without contact and dormant assets. This resulted in assets of a total of 29 client relationships without contact, which could be made accessible to authorized persons. These 29 relationships involved account/deposit values of CHF 5.7 million and the contents of 2 safe deposit boxes. 6 of these relationships involved search enquiries submitted by the beneficiaries in one of the previous years which had been held as pending by the Claims Office ever since, but where the account was only reported as having no contact by the bank within the year under review.

Since the current search system was introduced in 2001, the claims office has identified a total of 739 dormant accounts or accounts without contact and made 145,2 million CHF, and the contents of 75 safe deposit boxes accessible to eligible beneficiaries.

Representatives of the Banking Ombudsman's office are part of the Swiss Bankers Association's Dormant Assets working group. This group is dedicated to coordinating, solving problems and improving processes around the issue of dormant assets and assets without contact. The working group met several times by telephone and personally in the reporting year.

Further information about the relevant guidelines and options for searching for assets with banks in Switzerland can be found here at: [Search for assets](#).