

appendices

ASIC: The Australian Securities and Investments Commission

BFSO: Banking and Financial Services Ombudsman Limited, formerly Australian Banking Industry Ombudsman Limited

Case Manager: Investigates unresolved disputes

Case Officer: Takes telephone calls from the public, processes new disputes and investigates some unresolved disputes

Case Resolved: A dispute that is resolved after referral to the financial institution

Conciliation Conference: A case conference conducted by the Ombudsman or senior staff member

Customer: An individual or small business user of the services of a financial services provider

Determination: A written decision issued by the Ombudsman if the member rejects a Recommendation. A Determination is binding on the member

Directors: The Directors of the BFSO Board

Discontinued: Cases that do not proceed to resolution through BFSO, including disputes sent to BFSO for information without a request to investigate, and disputes subsequently withdrawn by the disputant

Disputant: An individual or small business bringing a dispute before the Ombudsman

Dispute: A written request to resolve a disagreement between a financial services provider and a customer

Early Resolution: Where a dispute is resolved after referral to a member but prior to investigation by BFSO

Enquiry: A telephone enquiry from a person

Financial Institution: A member of the BFSO Scheme

Finding: A written assessment of the merits of a dispute after investigation of the dispute by BFSO staff

FOS: (Financial Ombudsman Service) A co-operative venture between BFSO, Financial Industry Complaints Service (FICS) and Insurance Ombudsman Service Limited (IOS) providing a telephone referral service

Guidelines: A manual published by BFSO which explains the clauses of the Terms of Reference

Member: A financial services provider that has agreed to participate in the Scheme (see Appendix B)

Negotiated Settlement: An investigation that is resolved by way of a settlement that is acceptable to both parties. Usually a case manager will facilitate the settlement

OTR: (Outside Terms of Reference) A dispute that is outside the Ombudsman's jurisdiction

Problem: The term used by BFSO to describe the nature or description of the complaint that the disputant has about a financial service

Product: The term used by BFSO to categorise the various financial products, services, accounts or facilities available to customers from financial services providers

Provisionally Closed: The status of a case for the 30 day period between BFSO seeking confirmation of the resolution of the case and the date when the appeal period expires and the case is closed

Recommendation: A decision made by the Ombudsman if either the member or disputant rejects a case manager's Finding, or where resolution cannot be reached at a Conciliation Conference

Related Body Corporate: A company that belongs to the same group of companies as a member

Small Business:

For events occurring between 6 July 1998 and 10 March 2002: An incorporated or unincorporated business with less than 15 employees and a turnover of less than \$1 million, which is independently owned and managed

For events occurring on or after 11 March 2002: An incorporated or unincorporated business that employs less than 100 full time equivalent employees if the business is manufacturing, and less than 20 employees if the business is of another nature

Serious Misconduct: A broad term that includes fraudulent conduct, grossly negligent or inefficient conduct, and wilful or flagrant breaches of relevant laws and codes of practice. BFSO is obliged to report cases of serious misconduct to ASIC

Systemic Issue: An issue which has been raised in a dispute or several disputes to BFSO which will affect a class of people in addition to those who have complained to the Scheme. BFSO is obliged to report systemic issues to ASIC

Telephone Dispute: Details of a dispute recorded by a case officer and referred directly to the member by BFSO

Terms of Reference: A written document setting out the powers, duties and obligations of BFSO

The Board: The governing body of the Scheme comprising an independent chair, two consumer and one small business representative, and three bank representatives

Appendix B: Full list of members as at 30 June 2007:

Bank Members

Adelaide Bank Limited
 AMP Bank Limited
 ANZ Banking Group Limited
 Arab Bank Australia Limited
 Bank of China
 Bank of Cyprus Australia Pty Limited
 Bank of Queensland Limited
 Bank of Western Australia Limited
 Bank SA (a division of St George Bank Limited)
 Bendigo Bank Limited
 Citigroup Pty Limited
 Commonwealth Bank of Australia
 Elders Rural Bank Limited
 GE Capital Finance Australia (t/as GE Money)*
 HBOS Treasury Services plc
 HSBC Bank Australia Limited
 ING Bank (Australia) Limited
 Laiki Bank (Australia) Limited
 Macquarie Bank Limited
 Mega International Commercial Bank Co. Limited
 Members Equity Bank Pty Limited
 Mizuho Corporate Bank Limited
 MoneySwitch Limited*
 National Australia Bank Limited
 Rabobank Australia Limited
 Royal Bank of Canada
 St George Bank Limited
 State Bank of India
 Suncorp-Metway Limited
 Taiwan Business Bank
 The Bank of Tokyo - Mitsubishi UFJ Limited
 The Royal Bank of Scotland Pty Limited
 United Overseas Bank Limited
 Westpac Banking Corporation

Non - Bank Members

Acclaim Management Group Pty Limited
 Accumulus Capital Pty Limited
 Acreis Australia Pty Limited
 All-States Group
 American Express Australia Limited
 Anglican Community Fund (Incorporated)
 Anglican Financial Services
 Ares Capital Management Pty Limited (t/as Rismark International)
 Associated Foreign Exchange Australia Pty Limited
 Auspay Limited
 Australian Postal Corporation
 Australian Seniors Finance Limited
 Automatic Data Processing Limited
 Back 9 Capital Management Pty Limited
 Bennetto Finance Pty Limited
 Benton Asset Management Pty Limited
 BEO-Export Australia Pty Limited (incorporating BEO-Finance)
 Bopo Cards (Australia) Pty Limited
 Brammall Financial
 Capel and Associates Pty Limited
 Collection House Limited
 DNR AFSL Pty Limited
 eChoice Pty Limited
 Elders Limited
 EMerchants Australia Pty Limited
 Everforex Financial Pty Limited
 Financestore.com.au Pty Limited
 Forex Plus Australia Pty Limited
 Great Western Insurance Brokers Pty Limited
 Habib Finance (Australia) Limited
 Hillcrest Litigation Services Limited
 Home Loan Selection Services (Australia) Pty Limited
 IFM (Securities) Pty Limited
 IMF (Australia) Limited
 John Coombes and Company Pty Limited
 Lachlan James Christie
 Lift Capital Partners Pty Limited
 Lion Finance Pty Limited
 Michael McHugh Lawyers (t/as Independent Finance)
 MidWinter Financial Services
 Mortgage Choice Limited (including its franchisees)
 Mortgage Selection Services Pty Limited
 Mutual Care Pty Limited
 Olympus Financial Services Pty Limited
 Osborne Finance Pty Limited (t/as City Pacific Finance Dubbo)
 Pagasa Express
 Pay Clear Services Pty Limited
 Paymate Pty Limited
 PayPal Australia Pty Limited
 PayPal Inc
 PFG Pty Limited
 PrincipleFocus Pty Limited
 ProLoan (Australia) Pty Limited
 Prosolution Group Pty Limited
 Prudential Term Deposits Limited
 RCP Finance Limited
 Real Financial Services Pty Limited
 RIA Financial Services Australia Pty Limited
 RTP Group Pty Ltd (t/as City Pacific Finance - Upper North Shore)
 Ruesch International Australia Pty Limited
 Sherlock Home Loans (Aust) Pty Limited
 StrataPay Pty Limited
 Sydney Capital Partners
 Technocash Pty Limited
 Telecheck Payment Systems Limited
 The Meudon Service Trust (t/as Meudon Financial Services)
 The Rock Building Society
 Trinity Mortgages Pty Limited
 Veda Advantage Limited
 WFD Management Services Pty Limited (t/as CoverIT)
 XAVAX Pty Limited
 Yes Finance

* authorised under the Banking Act 1959 to carry on a 'banking business' as a specialist credit card institution, but is not an authorised deposit taking institution.

Appendix C: Product categories

Category	Product	Category	Problem	
Deposit account	Cash management	Industry practice	Breach of written authority/instruction /understanding	
	Foreign currency account		Oral instruction/understanding/ promise not carried out	
	Mortgage offset	Service quality	Unilateral bank action	
	Passbook		Account balance	
	Personal cheque account		Administrative oversight/error	
	Statement (no cheques)		Breach of privacy/confidentiality	
Financial planning	Term deposit/bank bill	Delay		
	Life insurance	Failure to reply to correspondence/ enquiries		
	Managed funds	Inappropriate request for information		
Housing finance	Rollovers/superannuation	Inappropriate staff attitude to customer		
	Shares/bonds	Loss of document/safe custody items		
	Home loan fixed interest	Advertising/promotion		
Consumer finance	Home loan variable rate	Information inadequate /incorrect	Advice	
	Investment property loan		Contracts	
	Credit cards		Fees and charges	
	Equity finance		Investment advice	
	Interest free finance		Lending decision/reason	
	Hire purchase/lease		Product/service advice	
	Margin lending		Fee excessive/inappropriate/wrong	
	Personal loan		Interest rate excessive/appropriate	
Business facility	Line of credit personal overdraft	Fees	Account credited/debited wrongly	
	Bank guarantee		Calculation errors	
	Business cheque account		Unauthorised transaction	
	Business loan fixed	Interest rates	Incorrect cash given	
	Business loan variable		Lost funds	
	Business credit card		Commercial decision	Cancelled/withdrawn/rejected facility
	Commercial bill			Denied access to funds in account
	Hedging facilities	Transaction/ calculations	Dishonoured transaction	
	Leasing/hire purchase		Guarantees	
	Merchant facility	Other problems	Inappropriate collection activity	
Overdraft	Maladministration in debt recovery			
Trade facility	Maladministration in granting loan			
Payment system	Reporting to credit agency			
ATM	Features or eligibility restrictions			
Bank cheque	Internet			
Cheque, including third-party cheque	Other problems			
Electronic/computer banking	Request for indulgences			
Currency exchange/travellers cheques	Balance transfers			
Direct credits				
EFTPOS				
Non-cash payment facility				
Periodic payments/direct debits				
Stored value cards				
Telegraphic transfer bank drafts				
Telephone banking				
Other products	Deposit to a third party account			
	Holding title deeds			
	Insurance			
	No products or services			
Other products or services				
Safe deposit				