



How to complain

Resolving problems with
financial products and services



ASIC's
MONEYSMART
Financial guidance you can trust



About ASIC

The Australian Securities and Investments Commission (ASIC) regulates financial advice and financial products, including credit.

ASIC's MoneySmart website is designed to help you make smart choices about your personal finances. It offers calculators and tips to give you fast answers to your money questions.

Visit moneysmart.gov.au or call ASIC on 1300 300 630.

About this booklet

If you are having a problem with a financial product or service, including financial advice, superannuation, investments, insurance, credit cards, loans or your bank accounts, this guide can help you to take steps to resolve your problem.

Smart tip



There are three steps you can take to resolve your complaint:

1. Contact the business to discuss your complaint.
2. If you're not satisfied, make a formal written complaint to the business.
3. If you're still not satisfied, take your complaint to an independent complaints scheme (also known as an external dispute resolution scheme).



Contents

This guide shows you the best way to sort out your problems with financial products and services.

<u>Step 1: Contact the business about your complaint</u>	4
<u>Step 2: Make a formal complaint to the business</u>	5
<u>Step 3: Take your issue to an independent complaints scheme</u>	8
<u>Complaining to ASIC</u>	10
<u>Where to get help with complaints</u>	11



Step 1: Contact the business about your complaint

The first step you should take to resolve a complaint is to contact the business that holds your account or sold you the product or service, and explain the problem. You can do this by phone, in person, or in writing.

Before you contact the business

Know the outcome you want

You might want an apology, an explanation, a contract cancelled, or compensation for a loss you have suffered. Whatever it is, be clear about what you would like done.

Have the details ready

Make sure you are organised, and have your account, policy or customer reference number ready. This will save time and make it easier for the business to deal with your complaint.

When you contact the business

Be calm

If you can, speak to the person you first dealt with, as they should be most familiar with your details. Stay calm and explain your problem clearly and logically.

Keep a record

Keep a record of your discussion. Include details like the date, who you spoke to, and what was discussed. You might need to refer to this later if the matter is not resolved. If the complaint is resolved you should ask the business to confirm this for you in writing.

What if you are not satisfied?

If you're not satisfied with the answer from the business, or if the problem can't be sorted out, you can make a formal complaint.



Step 2: Make a formal complaint to the business

Internal dispute resolution (IDR)

To make a formal complaint, ask for details of the business' complaints procedure or look for it on their website. This should explain who to contact and how your complaint will be handled.

Make your complaint

Formal complaints can be made in writing -- by letter or email -- over the phone, or in person. The business should supply details of the different ways you can make a complaint. For example, they may have an online form to fill out, or they may provide a phone number, email or postal address.

Keep records of everything

Keep copies of anything you send or receive in writing, and keep a record of any phone calls you make, who you spoke to, and what was discussed.

Timeframes

Usually a business must respond, and attempt to resolve your complaint, within 45 days. However, if your complaint is about a credit product and you are in financial hardship, the business needs to get back to you within 21 days. For superannuation complaints, the fund must respond to you within 90 days.

You can ask the business when they expect to be able to respond to your complaint. If they don't respond within that time, follow up with a phone call.



Important

Financial hardship

If you're struggling to pay your loans or credit cards, contact your credit provider as soon as possible to negotiate your repayments. A financial counsellor can give you free, confidential help with this if you need it (see page 11).

Case study: Alison's credit card fees

Alison was approved for a credit card that was advertised as having no service fees and a competitive interest rate. After 6 months, the bank started charging her a monthly service fee. Alison then called the bank to discuss the issue.

Her bank told her that they only waive service fees if she repays the full balance every month, and one month Alison hadn't paid the full balance. Alison felt this wasn't made clear, so she emailed a formal complaint to her bank.

Her bank rejected her complaint, so Alison decided to take her complaint to an external dispute resolution (EDR) scheme. She told them that she relied on the information in the bank's newspaper ad in her decision to get the credit card, and wanted her service fees refunded and not charged again.

The EDR scheme reviewed her case and said that the bank should refund the fees and not charge the fee for another 2 months so Alison could get a new credit card. The EDR scheme also said that the bank should make the same offer to anyone else who took out a new card after the advertisement first appeared.



Example of a written complaint

See page 7 for tips on how to write a complaint email or letter. If your complaint does not get resolved after you send a written complaint, you should take your issue to an independent complaints scheme, which is explained on page 8.



Sample complaint email

To: <email address>

Put 'complaint' in the subject line of your email or at the top of your letter so the business knows it's important.

Subject: Complaint regarding account number: 1234567890

Provide your account or policy number.

Dear _____

I am writing to complain about the charges on my savings account for April. I phoned your call centre on 1 June and spoke to Sally, who recorded the conversation and suggested I put my complaint in writing.

Attach copies of all relevant documentation.

I attach a copy of my monthly statement that shows that I was charged twice for getting cash out of an ATM on George Street, Sydney, on 15 April. I have highlighted the relevant section and the reference for the transaction on my statement is ABCDE12345.

Set out the problem clearly and provide the names of the people you dealt with and the dates.

I am sure that this must be an error and I would like you to credit my account for (the amount of the charge) _____.

Clearly state the outcome you want.

I look forward to your response. I can be contacted on 04xx-xxx-xxx or by email at xxxxxx.

Yours sincerely,
Jenny Smith

End your email with something that shows you expect a reply and provide your contact details.

Step 3: Take your issue to an independent complaints scheme

External dispute resolution (EDR)

Most financial services businesses and superannuation funds must be a member of an independent complaints scheme, or EDR scheme that you can go to if:

- ▶ you are not happy with the business' answer to your complaint
- ▶ the business makes you an offer you're not satisfied with
- ▶ the business does not respond to your complaint within a reasonable time (outlined on page 5).

Complaints schemes are free and independent

Independent complaints schemes resolve complaints that cannot be settled between you and the business.

A complaints scheme is a free service that is independent of both you and the business and is a simpler alternative to resolving disputes in court.

The complaints scheme does not take sides when dealing with a complaint, but will work with you and the business to help resolve it. If an agreement can't be reached, the complaints scheme will make a final decision. If you accept this decision, then the business is bound by it.

Can a complaints scheme assist you?

A complaints scheme will only deal with your complaint if you have raised the matter with the business first and given them the chance to put things right.

An EDR scheme can deal with most complaints. However, if the value of your complaint is higher than the amount the scheme can deal with, or if your complaint is too old, they may not be able to help you. Contact the scheme (page 9) to find out if they can deal with your complaint.



Lodging complaints from 1 November 2018

Australian Financial Complaints Authority (AFCA)

On 1 November 2018, a single external dispute resolution scheme, the Australian Financial Complaints Authority (AFCA), replaced the Financial Ombudsman Service (FOS), the Credit and Investments Ombudsman (CIO) and the Superannuation Complaints Tribunal (SCT). The old schemes will continue to deal with complaints received before this date.

afca.org.au or phone 1800 931 678

Complaining to ASIC

If you believe a business, organisation or person has committed an offence or engaged in misconduct, and you think ASIC should investigate, then you can lodge a complaint. For more information, go to asic.gov.au/complain. However, ASIC does not generally act for individuals and can only take action if the matter is within its areas of responsibility and is in the wider public interest.

Complaints about ASIC

If you have dealt with ASIC and are not happy with any aspect of the process, you can complain.

You can lodge a complaint online through ASIC's complaint process at asic.gov.au, by calling 1300 740 895, or by writing to us at:

The Complaints Officer
GPO Box 9827
Sydney NSW 2001
DX 653 Sydney



Where to get help with complaints

Financial counsellors

Financial counsellors provide a free and independent service. They can give you guidance about your complaint.

Visit moneysmart.gov.au or financialcounsellingaustralia.org.au or phone National Debt Helpline on 1800 007 007 (9am–5pm)

Community legal centres

Community legal centres can also give you advice about your complaint.

Visit naclc.org.au or call 02 9264 9595

Translation services

Translation services can arrange an interpreter or translator for you.

Government departments, external dispute resolution (EDR) schemes and many other organisations are registered with the Translating and Interpreting Service (TIS), who can provide this service at no cost to you.

Visit tisonational.gov.au or call 13 14 50

National Relay Service

The National Relay Service assists people who are deaf or have a hearing or speech impairment.

Visit relayservice.gov.au or call 13 36 77

Australian Securities and Investments Commission

Contact ASIC if you're not sure who to speak to about your complaint.

Visit moneysmart.gov.au or call ASIC on 1300 300 630



ASIC's

MONEYSMART



ASIC's MoneySmart website has calculators, tools and tips to help you with:

- ▶ Borrowing and credit
- ▶ Investing
- ▶ Superannuation and retirement
- ▶ Avoiding scams
- ▶ Budgeting and saving
- ▶ Insurance

moneysmart.gov.au

Call ASIC: **1300 300 630**

Disclaimer

Please note that this is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice.

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