

The logo for FIDReC, with 'FID' in black and 'ReC' in red.

Financial Industry Disputes Resolution Centre Ltd

Company Reg No. 200502125D

# Successful Resolutions for **Financial Disputes**

Annual Report 2015/2016

## Mission

To provide an affordable alternative dispute resolution scheme that is independent and impartial, so as to encourage and assist in the resolution of disputes between consumers and financial institutions in an amicable and fair manner.



# Contents

Mission Statement	01
Chairman's Message	03
Report from the Chief Executive Officer	03
Overview	04
Jurisdiction	06
The Board	07
Profiles of Board Members and Management	08
The 5 Founding Principles of FIDReC	13
The FIDReC-NIMA Scheme	16
The FIDReC Dispute Resolution Scheme	18
FIDReC Adjudicators	19
International Standing and Reputation	21
FIDReC Accreditation of Mediators (specialised in financial disputes)	22
FIDReC Training Programme for Mediators of Financial Disputes (FTPM)	24
FIDReC Advanced Seminar on Mediation and Alternative Dispute Resolution of Financial Disputes (FASM)	26
Progress of FIDReC	27
Subscriber Financial Institutions of FIDReC	35
Reports and Financial Statements	44

## Chairman's Message

The Financial Industry Disputes Resolution Centre Ltd ("FIDReC") was launched on 31 August 2005 by Mr Heng Swee Keat, the then Managing Director of the Monetary Authority of Singapore (MAS).

FIDReC is an independent and impartial institution set up to deal with financial disputes between consumers and financial institutions such as banks, finance companies, life insurers, general insurers, capital market services licensees, licensed financial advisers and insurance intermediaries.

It subsumed the work of the Consumer Mediation Unit of the Association of Banks in Singapore and the Insurance Disputes Resolution Organisation Ltd.

To date, more than 530 financial institutions have subscribed to FIDReC and have submitted to the jurisdiction of FIDReC in adjudicating claims and complaints brought against them by consumers.

In the current financial year of 2015-2016, FIDReC dealt with 3,918 cases, of which 2,757 were disposed of as inquiries and 1,161 dealt with as claims at FIDReC.

In addition, FIDReC also handled another 6 claims which were at the Pre-Acceptance Stage filed in the previous financial year. Accordingly, FIDReC dealt with a total of 1,167 claims.

Out of these 1,167 claims, 3 claims were either outside FIDReC's jurisdiction or referred back to the financial institutions in question and 2 were at the pre-acceptance stage. 1,162 claims proceeded to mediation, and where mediation was unsuccessful, to adjudication.

At the beginning of the financial year, there were 339 outstanding claims at FIDReC. Taking these outstanding claims into account, FIDReC therefore managed a total of 1,501 claims.

In the period 1 July 2015 to 30 June 2016, of the total of 1,501 claims, 1,021 were resolved leaving 480 claims outstanding at the end of the financial year.

Of the 1,021 claims resolved, 1,002 or 98.14% were resolved within six months and 493 or 48.29% within 3 months. All the claims were resolved within nine months.

These figures attest to the acceptance by consumers and financial institutions of FIDReC as an independent and impartial alternative dispute resolution institution and also attest to the effectiveness of FIDReC's established dispute resolution process, a process which is both accessible and financially affordable to the disputants.

## Chairman's Message

FIDReC and its work also gained more recognition on the international stage. In June 2016, FIDReC was pleased to host distinguished guests from the World Bank Group as well as senior policymakers of the Supreme People's Court of Vietnam, Ministry of Justice of Vietnam and the Vietnam International Arbitration Center (VIAC).

In December 2015, FIDReC moved into its current City House Office after about 10 years in its old office at 112 Robinson. FIDReC's City House Office is designed to ensure that FIDReC remains relevant and keeps pace with the rapidly evolving needs and expectations of consumers as well as the increasing complexity and challenges of modern financial disputes.

In conjunction with FIDReC's 10th Year Anniversary in 2015, FIDReC initiated a review of its jurisdiction so as to ensure that its dispute resolution scheme will continue to remain effective and relevant. The relevant announcements will be made in due course at the appropriate time.

On behalf of the Board, I will like to thank all the stakeholders for their valuable support and FIDReC's Adjudicators and Mediators for their commitment and contributions. The Board also records its appreciation of the management and staff of FIDReC for their dedication and hard work.



Goh Joon Seng  
Chairman

## Report from the Chief Executive Officer

Since the launch of its operations about eleven years ago in August 2005, the Financial Industry Disputes Resolution Centre Ltd (FIDReC) has established itself as an independent and impartial ADR (Alternative Dispute Resolution) institution specialising in the resolution of financial disputes between consumers and financial institutions.

In financial year 2015/2016, FIDReC handled a total of 1,162 complaints. This is significant increase of about 28.7% compared to the 903 complaints handled in the previous financial year.

In spite of this substantial increase in its workload, FIDReC nevertheless resolved a total of 1,021 complaints. This represents an increase of about 4% over the previous year's resolution number of 981 complaints.

Additionally, FIDReC achieved substantially improved resolution turnaround times in the current financial year. 48.29% of complaints were resolved within three months, 98.14% of complaints were resolved within six months. All complaints were resolved within nine months.

By way of comparison, in the previous financial year, 43.53% of complaints were resolved within three months, 86.44% of complaints were resolved within six months and 99.59% of the complaints were resolved within nine months.

FIDReC's work and experience has also been recognised on the international level. To date, it has shared its dispute resolution and operational experience and expertise with many foreign government, industry as well as academic delegations from 15 countries as well as consultants and officers from the World Bank Group, ASEAN and the United Nations.

In reviewing the success of FIDReC thus far, I will like to thank Chairman and the Board for their wise counsel and guidance as well as the Adjudicators for their commitment and priceless contributions in adjudicating the cases assigned to them.

The management and staff of FIDReC have also played an important part in FIDReC's success and, as always, I am grateful to have been afforded the privilege of leading and working with them. Together, we will continue to work for the benefit of consumers, financial institutions and Singapore in the years ahead.



Ng Wee Jin  
CEO

# Overview

## BACKGROUND

The Financial Industry Disputes Resolution Centre Ltd (FIDReC) is an independent and impartial institution specialising in the resolution of financial disputes between financial institutions and consumers.

FIDReC subsumes the work of the Consumer Mediation Unit (CMU) of the Association of Banks in Singapore and the Insurance Disputes Resolution Organisation (IDRO). It is a company limited by guarantee.

FIDReC streamlines the dispute resolution processes across the entire financial sector of Singapore. It provides an affordable and accessible one-stop avenue for complainants to resolve their disputes with financial institutions such as banks, finance companies, life insurers, general insurers, capital market services licensees, licensed financial advisers and insurance intermediaries.

FIDReC provides an affordable avenue for complainants who do not have the resources to go to court or who do not want to pay hefty legal fees. It is staffed by full-time employees familiar with the relevant laws and practices.

### **11 Years of specialised financial disputes resolution – more than 11,000 financial disputes resolved**

FIDReC was officially launched on 31 August 2005 by Mr Heng Swee Keat, who was at that time the Managing Director of the Monetary Authority of Singapore.

In the 11 years since the launch of its operations, FIDReC has resolved more than 11,000 financial disputes.

### **Complete dispute resolution process**

FIDReC offers a complete dispute resolution process, conducting both the mediation and if necessary, adjudication of the financial dispute.

The majority of financial disputes are resolved by mediation at FIDReC. Where the disputants are unable to agree on mutually acceptable terms of settlement and mediation is unsuccessful, FIDReC can continue to handle the dispute by adjudicating it.

There is no need for the disputants to bring their dispute to another third party forum, to re-file their dispute at such third party forum or to explain their case/positions again to such third party forum.

### **Two concurrent Schemes**

FIDReC operates two concurrent Schemes:

- (1) The FIDReC Dispute Resolution Scheme covers financial disputes between complainants and financial institutions such as banks, finance companies, life insurers, general insurers, capital market services licensees, licensed financial advisers and insurance intermediaries;
- (2) The FIDReC Non-Injury Motor Accident Scheme ("FIDReC-NIMA Scheme") covers Non-Injury Motor Accident (NIMA) claims below \$3,000. Such NIMA claims have to be first mediated and where necessary, adjudicated by FIDReC before court proceedings could be commenced.

## Overview

### **Accreditation of Mediators specialising in financial disputes**

FIDReC administers an Accreditation Scheme for Mediators who specialise in financial disputes.

The FIDReC Accreditation of Mediators (specialised in financial disputes) Scheme ensures and recognises the high standards and quality of FIDReC's Mediators by setting requirements for, amongst other things, competence in mediation skills as well as actual experience in mediation and the successful resolution of financial disputes.

### **Professional Executive Training**

FIDReC conducts its own professional executive training programmes.

The FIDReC Training Programme for Mediators of Financial Disputes (FTPM) is a comprehensive and specially tailored training programme for mediators who specialise in financial disputes. The focus of the FTPM is on practical and actual real-life learning.

The FIDReC Advanced Seminar on Mediation and Alternative Dispute Resolution of Financial Disputes (FASM) is a comprehensive advanced training programme essential for all professionals and Mediators who deal with financial disputes. It offers advanced specialised training in Mediation and Alternative Dispute Resolution skills relating to financial disputes.

### **International standing and reputation**

FIDReC has built up a strong international reputation. The work of FIDReC has gained significant recognition on the international stage.

This is demonstrated by more than 600 claims which have been filed by Foreign complainants from 35 countries.

FIDReC has hosted and shared its expertise and experience with foreign government, industry and academic delegations from 15 countries as well as from the World Bank Group, ASEAN and the United Nations.

In June 2013, FIDReC received His Serene Highness Hereditary Prince Alois von und zu Liechtenstein, the Crown Prince of the Principality of Liechtenstein as well as Her Excellency Dr Aurelia Frick, the Minister for Foreign Affairs, Education and Culture of the Principality of Liechtenstein, together with the government delegation from Liechtenstein.

In June 2016, FIDReC hosted distinguished guests from the World Bank Group as well as senior policymakers of the Supreme People's Court of Vietnam, Ministry of Justice of Vietnam and the Vietnam International Arbitration Center (VIAC).



# Jurisdiction

## **The FIDReC Dispute Resolution Scheme**

The jurisdiction of FIDReC in adjudicating disputes between complainants and financial institutions is as follows:

- (1) For claims between insureds and insurance companies: up to S\$100,000;
- (2) For disputes between banks and consumers, capital market disputes and all other disputes (including third party claims and market conduct claims): up to S\$50,000.

At present, FIDReC's services are available to complainants who are individuals or sole-proprietors.

## **The FIDReC Non-Injury Motor Accident Scheme ("FIDReC-NIMA Scheme")**

Non-Injury Motor Accident claims below S\$3,000 would have to be first mediated and where necessary, adjudicated by FIDReC before court proceedings could be commenced, unless exempted by the Pre-action Protocol for Non-Injury Motor Accident Cases (Appendix C of the State Courts Practice Directions).

# The Board

The composition of the Board ensures FIDReC's independence.

FIDReC has a Board comprising directors with industry background, directors with non-industry background and an independent Chairman. The Chairman is a retired judge of the Supreme Court of Singapore.

## **RESPONSIBILITIES OF THE BOARD**

The Board is responsible for:

1. Ensuring the independence and impartiality of FIDReC;
2. Overseeing and monitoring the activities of FIDReC;
3. Appointing the Adjudicators;
4. Ensuring that the Adjudicators adhere to FIDReC's rules;
5. Approving FIDReC's annual budget;
6. Analysing and evaluating FIDReC's progress;
7. Setting the policies, direction and long term objectives of FIDReC.

## Profiles of Board Members and Management

### **GOH JOON SENG** FIDReC Chairman

Mr Goh is an Advocate and Solicitor. He was admitted to the roll of Advocates and Solicitors of the Supreme Court of Singapore on 1 April 1963 and to that of West Malaysia the following year. He practised at the Bar until his appointment as a Judicial Commissioner on 1 October 1990 and Judge of the Supreme Court on 15 November 1990. He retired from the Supreme Court Bench on 22 March 2000 and is currently a Consultant with Lee & Lee.

### **ELSIE FOH** FIDReC Director

Mrs Foh has more than 30 years of knowledge and in-depth management experience in the financial services industry.

She was formerly a Managing Director at DBS Bank and spent the last 5 years heading a transformation program across the region. Prior to this, she held senior management positions and was head of various client segments where she managed the operations of the consumer, private and enterprise banking businesses at different periods of her career.

As a former Chief Operating Officer of the consumer banking group, she oversaw the branch and electronic banking services, asset and liability management, risk management, among other responsibilities.

Within the DBSH group, Mrs Foh had served on the Boards of DBS Asset Management Ltd, previously the Insurance Corporation of Singapore and DBS Finance Ltd.

Mrs Foh was also a past Chairman and Director of the Network for Electronic Transfers (S) Pte Ltd. She had also been a member of the Public Education committee on Family.

Mrs Foh was an alternate council member of the Association of Banks in Singapore. She had also served as panel member of the previous Consumer Mediation Unit (CMU).

Mrs Foh is a Board member of The Community Foundation of Singapore, the Singapore Heart Foundation, the Tsao Foundation and also a non-resident Fellow of Eusoff Hall (NUS).

## Profiles of Board Members and Management

### **LIM BIOW CHUAN** FIDReC Director

Mr Lim is a practising lawyer. He has been in legal practice since 1989 and is the Managing Partner of his law firm.

He was elected as the Member of Parliament for Marine Parade GRC (Mountbatten) in 2006 and re-elected as the Member of Parliament for Mountbatten SMC in 2011 and again in 2015. He was elected as Deputy Speaker of Parliament in 2016.

He serves as the Chairman of the Marine Parade Town Council and sits as a member of the Government Parliamentary Committee (GPC) for Ministry of Transport and Ministry of Manpower.

Outside his Parliamentary work, he serves as President for the Consumers Association of Singapore (CASE) and Honorary Adviser to Amalgamated Union of Public Employees (AUPE), Singapore Engineering Merchants' Association, Singapore Pawnbrokers' Association and Singapore Lam Ann Association.

Mr Lim graduated from National University of Singapore in 1988 with a degree in law - LLB (Hons). He has been actively involved in community service since 1990 and had served for 16 years in Jalan Besar grassroots organizations prior to being elected as a Member of Parliament. He was awarded the Public Service Medal (PBM) in 2001 for community service.

### **TAN TIONG JIN CLIFTON** FIDReC Director, with effect from 8 April 2014

Mr Clifton Tan qualified with the Association of Chartered and Certified Accountants in 1980 (ACCA). He was subsequently conferred with the Fellowship from the Association of Chartered and Certified Accountants in 1986 (FCCA). He has been a member of ICPAS (or renamed Institute of Singapore Chartered Accountants) since 1985.

He began his career with the public accounting firms of Ernst and Young and Price Waterhouse and subsequently became the Group Finance Manager at Scott Paper Singapore for 3 years.

Mr Clifton Tan was headhunted to start up the Estee Lauder Companies in Singapore where he served in different capacities for 27 years eventually leading the organization as the Director - Finance & Administration and concurrently as the Regional Finance Director for the Asia Pacific Travel Retailing operations.

He was responsible for the development of the local logistics organization for Estee Lauder and the shared services hub in Singapore. He was also responsible for the regional distribution centre supporting Singapore, Malaysia, Vietnam, Philippines, Indonesia and China.

Mr Clifton Tan currently sits on the Board of the Health Sciences Authority of Singapore and is the Honorary Treasurer of the Chen Su Lan Methodist Children's Home amongst other appointments.

## Profiles of Board Members and Management

### **TAN HOCK LYE**

FIDReC Director, with effect from 1 March 2015

Tan Hock Lye had a career both in the public and private sector. He worked for 26 years in PSA serving 20 years as part of the senior management team. During that period, he had headed Staff and Training, was Corporate Secretary and also ran the Commercial Division. He was Director of various PSA joint ventures and was Chairman of some of them. Concurrent to his PSA appointments, he was also CEO of the Singapore Cable Car.

Tan joined Great Eastern Life in 1997 and served as Chief Corporate Officer and then as Managing Director (Operations). He spearheaded the obtaining of insurance licenses in China and Vietnam and was the President Commissioner of Great Eastern Indonesia. He retired at end 2008.

For his services to PSA, he was awarded the Public Administration Medal (Silver) in 1989. He has a Bachelor of Business Administration (2nd Upper Hons) from the University of Singapore and attended the Advanced Management Program in 1993 at Wharton Business School, University of Pennsylvania. Presently, he is on the Advisory Board of Singapore Human Resources Institute (SHRI) and is a Director of Singapore Professionals' and Executives' Co-operative (SPEC).

### **LIM CHEE HUA ANDREW**

FIDReC Director, with effect from 31 May 2015

Mr Andrew Lim joined The Overseas Assurance Corporation Limited as Head of General Insurance in August 2013. Previously he was Executive Director of MSIG Insurance (Singapore) Pte Ltd. He has 25 years of experience in the general insurance industry.

He was appointed as a Management Committee Member (MC) of General Insurance Association (GIA) and served as a Convenor of the Property and Marine Committee from April 2007 to July 2013. He was also a member of the Special Risks Pool Committee and represented GIA as a member of the National Fire & Civil Emergency Preparedness Council and Vice Chairman of the Singapore Maritime Foundation - Maritime Insurance Workgroup.

He is again appointed as a MC Member of GIA from April 2015 and serves as Chairman of the Agents' Registration Board as well as Committee Member of Special Risks Pool Committee and Nomination, Appointment and Remuneration Committee. He is representing GIA as a Member of the National Crime Prevention Council from June 2015.

## Profiles of Board Members and Management

### **PATRICK TEOW**

FIDReC Director, with effect from 11 January 2016

Mr Patrick Teow is the Chief Executive Officer of AIA Singapore responsible for overseeing and managing AIA's operations in the market from 1 September 2015. With a strong track record of transforming agency teams into strong contributors of business growth, his experience spans more than 30 years within the life insurance industry both locally and regionally, succeeding in key leadership roles throughout his career.

Since joining AIA in July 2013 as Chief Executive Officer of AIA Group Agency Distribution, Patrick has been driving the company's success across multiple markets by boosting productivity levels and creating a strong Premier Agency culture focused on quality and professionalism. In 2015, under his stewardship, AIA Group rose to become the top ranking company on the prestigious Million Dollar Round Table (MDRT) membership list, internationally recognised as the standard of excellence in the life insurance and financial services business. He was also the member of AIA Group's Operational Risk Committee.

Patrick spent close to 28 years at Prudential before making the move to AIA, having taken on the role of Regional Chief Agency Officer for Asia in his last year where he worked closely with the management teams of various markets to boost the company's overall performance, growth, productivity and profitability through a stronger agency force. He also served as the Financial Advisory Sub-committee Chair with the Life Insurance Association Singapore in 2012.

### **NG WEE JIN**

FIDReC Chief Executive Officer

Mr Ng Wee Jin is the Chief Executive Officer of the Financial Industry Disputes Resolution Centre Ltd (FIDReC) and was formerly the General Manager of the Insurance Disputes Resolution Organisation (IDRO). Prior to his appointment at IDRO, he practised as a litigation lawyer with the law firm Messrs Lee & Lee, specialising in commercial litigation and financial disputes including the Law of Insurance, the Law of Banking and Revenue Law. He was also involved in several cases of mergers and integration. His legal training and expertise is further enhanced by extensive experience in mediation, arbitration and other ADR (Alternative Dispute Resolution) processes.

Mr Ng is a FIDReC Accredited Mediator (specialised in financial disputes)-Distinction. He has more than 16 years of experience and expertise in mediation and alternative dispute resolution, including more than 11 years specialising in mediation of financial disputes.

An Honours Law graduate of the National University of Singapore, Mr Ng is a recipient of three Scholarships. He is a two time recipient of the Allen & Gledhill Scholarship and was also awarded the Kwa Geok Choo Scholarship. He is also the recipient of the Harvard Club of Singapore Book Prize for Most Outstanding first year student in Law, the Blackstone Prize, the Shook Lin & Bok Prize as well as the Law Society of Singapore Book Prizes for two years. He was also placed on the NUS Law Faculty Dean's List for three consecutive years. Mr Ng sat on the Resource Panel for Alternative Dispute Resolution as well as the Ministry of Law's Alternative Dispute Resolution Advisory Committee which was chaired by then Senior Minister of State for Law and Home Affairs Professor Ho Peng Kee.

He is also a FIDReC Adjudicator and has adjudicated many disputes between financial institutions and complainants, including the biggest claim filed at FIDReC for a sum of S\$729,000.00. Mr Ng had also been invited to speak and/or present at the 2nd Asia Pacific Mediation Conference, the ADR Awareness Programme 2003, the MAS Capital Markets Seminar, the 1st Asian Mediation Association Conference

## Profiles of Board Members and Management

2009 and the Asian Motor Insurance and Claims Management Conference 2009. He also conducted a training session for the International Association of Insurance Supervisors 4th Asian Directors' Seminar. At the Conference of Insurance & Reinsurance Dispute Settlement & Arbitration in Asia, he delivered the welcome address on the 2nd day and also presented a paper.

As Chief Trainer of more than 10 training seminars attended by senior finance professionals (including the FIDReC Advanced Seminar on Mediation and Alternative Dispute Resolution of Financial Disputes (FASM)), Mr Ng has extensive training experience and expertise. He has trained hundreds of finance professionals and had also been invited to conduct specialised and tailored in-house training workshops for several financial institutions.

Additionally, he had also provided consultation or shared his experience and expertise with many international regulatory, government, industry as well as academic delegations which included delegations from Indonesia, Thailand, Malaysia, South Korea, Japan, Saudi Arabia, Switzerland, the Independent State of Samoa, New Zealand, Kazakhstan, Hong Kong, Taiwan, Brunei and Australia as well as representatives from the World Bank Group, the Association of Southeast Asian Nations (ASEAN) and the United Nations (UN).

In 2013, Mr Ng hosted a Royal visit by His Serene Highness Hereditary Prince Alois, Crown Prince of the Principality of Liechtenstein together with Her Excellency Dr Aurelia Frick, Minister for Foreign Affairs, Education and Culture and the Government delegation of Liechtenstein.

# The 5 Founding Principles of FIDReC

## ACCESSIBILITY

This principle ensures that FIDReC is accessible to complainants and members of the public.

### 1. Extended operational hours

Twice weekly, FIDReC's operational hours are extended until 7:30 p.m. in the evenings (by prior appointment).

This is a value-added service by FIDReC to afford greater convenience and accessibility to complainants who have good reason(s) to only be able to meet with FIDReC's officers after regular working hours.

### 2. Public/Consumer education

The purpose of these measures is to inform consumers of their avenue of recourse through FIDReC when they are involved in disputes with financial institutions.

FIDReC maintains an official website with full contact and background information. Brochures are also available to consumers and to subscriber financial institutions upon request for placement at their offices/premises.

FIDReC also works with the MoneySENSE National Financial Education Programme so as to raise public awareness about FIDReC.

### 3. Working partnerships with other mediation/dispute resolution bodies and consumer groups

FIDReC has forged working partnerships and established referral systems with the Consumers Association of Singapore (CASE), the Automobile Association of Singapore (AA) and the Community Mediation Centres (CMCs), run by the Community Mediation Unit of the Ministry of Law.

On 18 July 2012, the Singapore Mediation Centre (SMC) and FIDReC signed a Memorandum of Understanding for, inter alia, FIDReC and SMC to jointly promote each other's dispute resolution services.

Cases have also been referred by members of the press, Members of Parliament, complainants themselves, the Singapore Police, lawyers, the Small Claims Tribunal and the Legal Aid Bureau.

Such working partnerships serve two important functions. Firstly, they ensure that consumers with financial disputes are provided access to FIDReC.

Secondly, they replace expensive mass media advertisements as the primary means of FIDReC's publicity efforts. This reduces FIDReC's operational costs, which will benefit both complainants and the financial institutions in the long term.

### 4. Streamlining and fine-tuning FIDReC's processes

Continuous efforts are made to streamline and fine-tune FIDReC's dispute resolution processes so as to ensure that they are transparent, fair and efficient.



## The 5 Founding Principles of FIDReC

### 5. Minimal cost to the complainant

Where a case is resolved by FIDReC through case management or mediation, FIDReC's services are free-of-charge to the complainant.

Where a case is not resolved through case management or mediation, the complainant can choose to proceed for adjudication before a FIDReC Adjudicator or Panel of Adjudicators. The complainant is required to pay a nominal administrative fee as follows:-

For claims falling within the FIDReC-NIMA Scheme:

- The complainant pays S\$250 per claim and the Financial Institution pays S\$500 per claim;
- A sum of S\$200 may be refunded to either the complainant or the Financial Institution after the adjudication of the case is completed. In determining whether any refund will be made and if so, to which party, the Adjudicator will take into account FIDReC's prevailing Refund Rules;
- FIDReC's prevailing Refund Rules may be obtained from FIDReC's website at [www.fidrec.com.sg](http://www.fidrec.com.sg). A copy will also be provided upon request.

For all other claims:

- The complainant pays a flat case fee of S\$50 per claim and the Financial Institution pays a flat case fee of S\$500 per claim. No rebate or refund will be given to the complainant or the Financial Institution.

(All amounts are subject to the prevailing GST)

## INDEPENDENCE

In order for any dispute resolution organisation to be credible and to enjoy the confidence of the public and the financial industry, it is crucial that it is independent and impartial. Borrowing from the oft quoted legal adage, "Justice must not only be done, it must be seen to be done", it follows that similarly, FIDReC must not only be independent, it must also be seen to be independent.

It is only when confidence is reposed by the public and the financial industry that FIDReC would be able to carry out its mandate effectively.

FIDReC is a company limited by guarantee. Its independence is ensured by the composition of the Board. FIDReC's Board is stringently selected and comprises directors with industry and non-industry background. The Board is chaired by retired Supreme Court Judge Mr Goh Joon Seng.

The paramount function of FIDReC's Board is to ensure the independence of FIDReC and its dispute resolution process.

# The 5 Founding Principles of FIDReC

## EFFECTIVENESS

Again, to borrow from another old and oft quoted legal adage "Justice delayed is justice denied", FIDReC accordingly places great emphasis on the effectiveness of its dispute resolution processes.

FIDReC seeks to resolve complaints as promptly as possible, and its processes and procedures are constantly examined and fine-tuned (where necessary) to reflect this principle.

FIDReC's case resolution turnaround times are monitored. However, drawing upon its rich experience and expertise, it recognises that some cases are by their nature, far more complex and complicated than others and necessarily require more time to handle. In such cases, discretion and flexibility are exercised to ensure that any prospects of an amicable and mutually beneficial settlement are not adversely affected as a result of undue haste. The primary objective of FIDReC is to facilitate an amicable settlement which is acceptable and beneficial to all parties. It seeks to avoid the imposition of artificial timelines on parties and cases unnecessarily.

## ACCOUNTABILITY

Regular management reports of FIDReC's progress and resolution of cases are furnished to the Board. This allows the Board to oversee and monitor the activities of FIDReC.

An Annual Report is also furnished to the Board yearly. The Annual Report is available to all subscriber financial institutions as well as the public.

## FAIRNESS

This principle ensures that FIDReC's processes as well as adjudication awards are fair to both the complainant and to the financial institution.

FIDReC's adjudication awards are based on law, tempered by considerations of fairness and equity. In arriving at their awards, FIDReC's Adjudicators assess each and every case on its own facts and merits, hearing both parties to the dispute and giving due consideration to all evidence.

FIDReC's Adjudicators are all highly qualified and credible individuals/professionals with the relevant experience and expertise. They include retired judges, lawyers with years of experience and retired industry professionals.

The Adjudication hearing is specially designed to ensure that the process is fair and transparent. Both parties are afforded an opportunity to be heard and to present their cases to the Adjudicator or Panel. This is an essential requirement of Natural Justice. The complainant is allowed to be accompanied by his/her nominee (where approved by the Adjudicator), who would assist him/her in the preparation and presentation of his/her case.

FIDReC's Mediation and Adjudication processes/procedures are also continuously and regularly reviewed and fine-tuned to ensure fairness to both the complainant and the financial institution. All feedback received from subscriber financial institutions and complainants are given due and careful consideration.

## The FIDReC-NIMA Scheme

The FIDReC Non-Injury Motor Accident Scheme ("FIDReC-NIMA Scheme") was launched on 14 May 2008 by the Honourable Judge of Appeal, Justice Chao Hick Tin, Vice-President of the Court of Appeal.

The launch of the FIDReC-NIMA Scheme represented another important milestone for FIDReC. In addition to being a major expansion of its operations, the Scheme signified that FIDReC had gained the trust and confidence of the Singapore Judiciary.

The FIDReC-NIMA Scheme was set up in collaboration with the State Courts of Singapore, the Monetary Authority of Singapore ("MAS") and the General Insurance Association of Singapore, in consultation with the Law Society of Singapore. It also received funding support from the Singapore Academy of Law.

FIDReC administers the Scheme in accordance with the "Pre-Action Protocol for Non-Injury Motor Accident Cases (Appendix C of the State Courts Practice Directions)" (the "FIDReC pre-action protocol") issued by the State Courts of Singapore.

At its inception, the Scheme required all Non-Injury Motor Accident claims ("NIMA claims") below S\$1,000 to be first mediated and where necessary, adjudicated by FIDReC before court proceedings can be commenced, unless exempted by the FIDReC pre-action protocol.

With effect from 1 September 2011, the Scheme has been extended to apply to NIMA claims below S\$3,000.

At present, the FIDReC-NIMA Scheme helps complainants resolve non-injury motor accident disputes with insurance companies in which the amount claimed is below S\$3,000. The FIDReC-NIMA Scheme covers claims by complainants against an insurance company which is not their own insurer. The current claim threshold value of S\$3,000 is subject to further review.

Accordingly, following the increase in the claim value threshold of the FIDReC-NIMA Scheme, NIMA claims below S\$3,000 would have to be first mediated and where necessary, adjudicated by FIDReC before court proceedings could be commenced, unless exempted by the FIDReC pre-action protocol.

### SOME KEY FEATURES OF THE SCHEME

Both the complainant and the insurance company present their own case and legal representation is not allowed. This is in keeping with the current practice of FIDReC where disputants in FIDReC cases present their own case. This practice serves to keep costs affordable at FIDReC for all parties.

At the Mediation stage, FIDReC case managers mediate the dispute with a view of facilitating a settlement of the dispute. The majority of cases are settled at the mediation stage. Where disputes are resolved by mediation, FIDReC's services are free-of-charge to the complainant.

If the complainant and the insurance company are unable to settle their dispute, FIDReC's Mediator will provide an indication as to whether an Award is likely to be made in favour of the complainant and if so, the likely monetary amount of the Award.

The Mediator will be guided by the Barometer of Liability developed by the State Courts of Singapore and adopted by FIDReC as the starting point in the apportionment of liability. The Barometer of Liability provides guidance on the degree of liability each driver should bear in the common accident scenarios listed therein.

## The FIDReC-NIMA Scheme

The Mediator's Indication is not binding on the complainant or the insurance company. Both the complainant and the insurance company are free to accept or to disagree with the Mediator's Indication. The dispute is settled if both the complainant and the insurance company accept the Mediator's Indication, otherwise the dispute will proceed for adjudication.

The adjudication awards of FIDReC have also been accorded judicial support under the FIDReC-NIMA Scheme. The award continues to be binding on the insurer but not on the complainant. The complainant may therefore choose not to accept the award and proceed to commence legal proceedings in court. However, the Court may impose cost sanctions on the complainant if he or she obtains a court judgment which is less favourable than FIDReC's adjudication award.

# The FIDReC Dispute Resolution Scheme

The dispute resolution process of FIDReC comprises:

- **MEDIATION (First Stage)**
- **ADJUDICATION (Second Stage)**

## **MEDIATION (First Stage)**

When a complaint is first received, it is case managed by FIDReC.

In appropriate cases, the Case Manager mediates the dispute between the parties. The complainant and the financial institution are encouraged to settle the claim/dispute in an amicable manner on terms acceptable to both parties.

By its nature, mediation is more conciliatory and the process takes place in an open and informal environment.

Where appropriate, mediation conferences are arranged to allow parties to communicate face-to-face.

To-date, the majority of FIDReC's complaints have been resolved by mediation.

As an independent party and drawing upon its extensive experience and expertise in the resolution of financial disputes, FIDReC is in a highly unique and advantageous position to bring both parties to the negotiating table to discuss their concerns and expectations in an open and objective manner.

Where complaints are resolved by mediation at the First Stage, FIDReC's services are free-of-charge to the complainant.

## **ADJUDICATION (Second Stage)**

Where the dispute is not settled by mediation, the case is heard and adjudicated by a FIDReC Adjudicator or a Panel of Adjudicators.

FIDReC's Adjudication process is developed and modeled after the true and tested model used by the Singapore Courts, with its inherent and established safeguards to ensure that justice and fairness are done. The principles of Natural Justice are adhered to strictly.

Both parties are afforded adequate opportunities to present their case to the Adjudicator or Panel. The complainant is allowed to be accompanied by his/her nominee (where approved by the Adjudicator), who would assist him/her in the preparation and presentation of his/her case.

Where an award in favour of the complainant is made by the Adjudicator or Panel, it is binding on the financial institution but not on the complainant. The complainant is free to choose whether or not to accept the award. Where the complainant chooses not to accept the award, he or she is free to pursue his or her claim through other avenues available to him or her such as commencing legal action.

## FIDReC Adjudicators

FIDReC's Panel of Adjudicators comprises highly qualified and credible professionals with relevant experience and expertise. All FIDReC Adjudicators are required to go through a stringent selection process before they are appointed.

Among FIDReC's Adjudicators are retired judges, lawyers with years of experience and retired industry professionals.

The profiles of FIDReC Adjudicators can be found on the FIDReC website at:

- 1) [www.fidrec.com.sg/website/adjudicators.html](http://www.fidrec.com.sg/website/adjudicators.html)
- 2) [www.fidrec.com.sg/website/adjust\\_structured.html](http://www.fidrec.com.sg/website/adjust_structured.html)

### **CRITERIA FOR APPOINTMENT AS A FIDReC ADJUDICATOR**

The Adjudicator has to be of sufficient stature and possess the experience and expertise to command the respect and confidence of the disputing parties. The Adjudicator has to be able and capable of carrying out the duties required of an Adjudicator of FIDReC. The said duties include the following:

- 1) The Adjudicator has to conduct the adjudication hearing attended by representatives of the Financial Institution ("FI"), complainants as well as nominees and witnesses of both parties and to listen to and evaluate written and oral evidence of both parties and their witnesses.
- 2) Matters of Procedure are determined by the Adjudicator (e.g. structure of hearing, whether cases against more than one FI should be joined together and heard at a single hearing, admission of evidence on day of hearing or exclusion of such evidence, admission of submissions on day of hearing or exclusion of such submissions, further orders and directions (e.g. production and exchange of further evidence, procuring attendance of or written statements from additional witnesses), considering applications by parties for adjournments, deciding whether to adjourn the adjudication hearing etc).
- 3) The Adjudicator has to handle all challenges and issues raised by parties during the hearing. The Adjudicator has to ensure that the procedure is fair to both parties and that the procedure set by the Adjudicator is suitable and appropriate taking into account the facts and nature of the particular case and evidence presented.
- 4) The Adjudicator has to address questions to both parties and their witnesses to elicit the relevant facts from the parties and witnesses. The Adjudicator also has to summon relevant documents so as to ensure the decision arrived at by the Adjudicator takes into account the relevant facts.
- 5) The Adjudicator has to ensure a level playing field and that no party is inappropriately disadvantaged.
- 6) The Adjudicator has the discretion to exclude and disallow questions which are irrelevant, provocative, repetitive, frivolous or improper etc.
- 7) The Adjudicator has to ensure that the principles of Natural Justice are adhered to (e.g. parties have to be afforded an adequate opportunity to be heard).
- 8) In some cases, where necessary, the Adjudicator has to decide whether to draw adverse inferences due to non-production of documents/evidence and/or witnesses after taking into account all relevant factors such as the reasons for such non-production as well as the impact/significance of the non-production etc.

## FIDReC Adjudicators

- 9) All preliminary objections and matters are determined by Adjudicator (e.g. applications to dismiss cases on grounds that case is vexatious or frivolous, objections to admission of FI representatives, complainant's nominees and witnesses of both parties including expert witnesses, assessing and determining whether to accept expert witnesses' credentials and admit the expert witnesses, deciding whether to convert witnesses to complainants, deciding whether to admit additional representatives etc).
- 10) Where the adjudication proceeds by way of documents only adjudication, the Adjudicator has to give the appropriate directions and orders.
- 11) The Adjudicator has to assess each case based on its facts and merits taking into account all relevant facts such as written submissions of parties, oral testimonies of the witnesses and complainants.
- 12) The Adjudicator has to assess and evaluate conflicting oral evidence and determine the credibility of witnesses and complainants as well as the evidence adduced by them.
- 13) The Adjudicator has to make appropriate findings of fact and determine the issues of law and equity relevant to the case.
- 14) The Adjudicator has to write the grounds of decision setting out his or her decision and the reasons for the decision.
- 15) In cases where an award is made in favour of the complainant, the Adjudicator has to approve the settlement agreement and ensure that the agreement reflects the award. The Adjudicator has to hear and decide on any dispute relating to the settlement agreement raised by the parties.
- 16) The Adjudicator has to observe and comply with the Adjudicator's Code of Conduct set out in Appendix C, Annex 4 of FIDReC's Terms of Reference.
- 17) The Adjudicator shall not provide any form of legal advice, financial advice and/or other professional advice to the parties. Where necessary, the Adjudicator may remind the parties to consult the appropriate professionals.
- 18) The Adjudicator has to give all necessary orders and/or directions to safeguard the integrity of the adjudication process, to ensure that the adjudication process complies with the rules of Natural Justice and/or to ensure that the adjudication process is fair and transparent.

## International Standing and Reputation

FIDReC has built up a strong international reputation.

### More than 600 claims by foreign complainants from 35 countries

More than 600 claims have been filed at FIDReC by foreign complainants from 35 countries.

- |                               |                 |                    |
|-------------------------------|-----------------|--------------------|
| 1) Australia                  | 13) Iran        | 25) Philippines    |
| 2) Brazil                     | 14) Ireland     | 26) Russia         |
| 3) The British Isles          | 15) Italy       | 27) South Africa   |
| 4) Brunei                     | 16) Japan       | 28) South Korea    |
| 5) Canada                     | 17) Malaysia    | 29) Spain          |
| 6) China                      | 18) Mexico      | 30) Sri Lanka      |
| 7) United Arab Emirates (UAE) | 19) Myanmar     | 31) Taiwan         |
| 8) France                     | 20) Netherlands | 32) Thailand       |
| 9) Germany                    | 21) New Zealand | 33) United Kingdom |
| 10) Hong Kong                 | 22) Norway      | 34) USA            |
| 11) India                     | 23) Oman        | 35) Vietnam        |
| 12) Indonesia                 | 24) Pakistan    |                    |

### Sharing experience and expertise with foreign government, industry and academic delegations from 15 countries, the World Bank Group, ASEAN and the United Nations

FIDReC has hosted and shared its expertise and experience with foreign government, industry and academic delegations from 15 countries as well as from the World Bank Group, ASEAN and the United Nations.

- |                                      |                        |
|--------------------------------------|------------------------|
| 1) Australia                         | 10) New Zealand        |
| 2) Brunei                            | 11) Saudi Arabia       |
| 3) Hong Kong                         | 12) South Korea        |
| 4) The Independent State of Samoa    | 13) Switzerland        |
| 5) Indonesia                         | 14) Taiwan             |
| 6) Japan                             | 15) Vietnam            |
| 7) The Republic of Kazakhstan        | 16) World Bank Group   |
| 8) The Principality of Liechtenstein | 17) ASEAN              |
| 9) Malaysia                          | 18) The United Nations |

In June 2013, FIDReC received His Serene Highness Hereditary Prince Alois von und zu Liechtenstein, the Crown Prince of the Principality of Liechtenstein as well as Her Excellency Dr Aurelia Frick, the Minister for Foreign Affairs, Education and Culture of the Principality of Liechtenstein, together with the government delegation from Liechtenstein.

In June 2016, FIDReC hosted distinguished guests from the World Bank Group as well as senior policymakers of the Supreme People's Court of Vietnam, Ministry of Justice of Vietnam and the Vietnam International Arbitration Center (VIAC).



## FIDReC Accreditation of Mediators (specialised in financial disputes)

The FIDReC Accreditation of Mediators (specialised in financial disputes) Scheme ensures and recognises the high standards and quality of FIDReC's Mediators by setting requirements for, amongst other things, competence in mediation skills as well as actual experience in mediation and the successful resolution of financial disputes.

All FIDReC Mediators have to successfully complete the FIDReC Training Programme for Mediators of Financial Disputes (FTPM) before they can be accredited as a FIDReC Accredited Mediator (specialised in financial disputes).

To encourage continuous learning and the achievement of higher levels of competence and expertise, Mediators who satisfy more stringent requirements will be awarded higher levels of Accreditation – Advanced, Merit and Distinction.

# FIDReC Accreditation of Mediators (specialised in financial disputes)

## LEVELS OF ACCREDITATION

### 1) FIDReC Accredited Mediator (specialised in financial disputes)\*

- i) Successful completion of FIDReC's Training Programme for Mediators of Financial Disputes (FTPM).

### 2) FIDReC Accredited Mediator (specialised in financial disputes) – Advanced\*

- i) Mediated at least 50 financial disputes.
- ii) Successfully resolved at least 38 financial disputes through mediation.
- iii) At least 3 years of experience in the mediation of financial disputes.
- iv) Competent in relevant skills such as persuasion, negotiation and diplomacy.
- v) General understanding of financial products and investments.
- vi) General understanding of legal issues relating to financial disputes.

### 3) FIDReC Accredited Mediator (specialised in financial disputes) - Merit\*

- i) Mediated at least 100 financial disputes.
- ii) Successfully resolved at least 75 financial disputes through mediation.
- iii) At least 6 years of experience in the mediation of financial disputes.
- iv) Competent in relevant skills such as persuasion, negotiation and diplomacy.
- v) General understanding of financial products and investments.
- vi) General understanding of legal issues relating to financial disputes.

### 4) FIDReC Accredited Mediator (specialised in financial disputes) - Distinction\*

- i) Mediated at least 200 financial disputes.
- ii) Successfully resolved at least 150 financial disputes through mediation.
- iii) Conducts professional training relating to mediation of financial disputes.
- iv) At least 12 years of experience in the mediation of financial disputes.
- v) High level of competence in relevant skills such as persuasion, negotiation and diplomacy.
- vi) Advanced understanding of financial products and investments.
- vii) Advanced understanding of legal issues relating to financial disputes.

\*A candidate may be awarded the relevant level of Accreditation where FIDReC, in its sole and absolute discretion, determines that the candidate's expertise and experience is generally equivalent to the requirements of that level of Accreditation.

## FIDReC Training Programme for Mediators of Financial Disputes (FTPM)

All FIDReC Mediators have to successfully complete the FTPM.

Graduates of the FTPM are accredited as a "FIDReC Accredited Mediator (specialised in financial disputes)".

The FTPM is a comprehensive and specially tailored training programme for mediators who specialise in financial disputes. It draws upon FIDReC's rich and extensive experience and expertise in managing and resolving more than 10,000 financial disputes between complainants and financial institutions.

Although it includes lectures on theory and hypothetical scenarios, the focus of the FTPM is on practical and actual real-life learning.

Among other requirements, to successfully complete the FTPM, candidates have to:

- 1) Mediate at least 10 financial disputes as the Presiding Mediator;
- 2) Successfully resolve (acting as the Presiding Mediator) at least 5 financial disputes through mediation;
- 3) Complete an 8-week or 40 working days attachment to FIDReC's Complaints Management Unit (CMU) so as to learn and gain practical hands-on experience in handling disputants at the first point of contact when they initially seek assistance;
- 4) Complete On-The-Job Training (OJT);
- 5) Successfully complete three formal assessments which includes a Practical Assessment:

The Practical Assessment takes the form of an actual mediation of an actual real-life financial dispute in an actual real-life setting.

# FIDReC Training Programme for Mediators of Financial Disputes (FTPM)

## Syllabus of the FTPM

- 1) To complete FIDReC's Induction Training.
- 2) To complete one calendar year of full-time employment with FIDReC with no disciplinary and/or non-compliance issues.
- 3) To complete OJT involving real-life actual financial disputes:
  - a. At least 5 financial disputes on observation;
  - b. At least 2 financial disputes on co-mediation; and
  - c. Where appropriate, consultative sessions with experienced supervisors/mediators will be held to consider feedback and work on areas for improvement.
- 4) To participate in at least 6 Mediators Sharing Sessions:
  - a. To share and present at least two real-life actual case studies which include:
    - i. Facts of the case;
    - ii. Nature of the dispute;
    - iii. Background of the disputants;
    - iv. Main issues involved in the dispute;
    - v. How the case was handled; and
    - vi. Outcome of the case.
  - b. Mediators are to participate actively in the Sessions, sharing their experience and knowledge.
  - c. Particular focus is to be given on difficult and challenging disputes/issues.
    - For example, Mediators should discuss and give their views on how to manage such disputes/issues and any demands, challenges and/or objections raised by the disputants.
- 5) To complete a 8-week or 40 working days attachment to FIDReC's CMU:
  - a. To learn and gain experience in handling disputants at the first point of contact when they seek assistance from FIDReC.
  - b. To complete at least five full interview statements taken from complainants and/or witnesses.
  - c. To attend to at least five complainants (who filed a Dispute Resolution Form at FIDReC) in person.
- 6) To complete the FIDReC Advanced Seminar on Mediation and Alternative Dispute Resolution of Financial Disputes (FASM).
- 7) To handle at least 10 Adjudication cases and write at least 10 case reports.
- 8) To demonstrate sufficient mediation experience and expertise:
  - a. To mediate at least 10 financial disputes as the Presiding Mediator.
  - b. To successfully resolve (acting as the Presiding Mediator) at least five financial disputes through mediation.
- 9) To complete the following Assessments:
  - a. Written Assessment (self-reflection).
  - b. Written Assessment (test).
  - c. Practical Assessment – mediation of actual real-life financial dispute in real-life setting.

## FIDReC Advanced Seminar on Mediation and Alternative Dispute Resolution of Financial Disputes (FASM)

The FIDReC Advanced Seminar on Mediation and Alternative Dispute Resolution of Financial Disputes (FASM) is a comprehensive advanced training programme essential for all professionals and Mediators who deal with financial disputes.

The FASM is founded upon FIDReC's extensive experience and expertise in mediating and/or adjudicating more than 10,000 financial disputes. It offers advanced specialised professional executive training in Mediation and Alternative Dispute Resolution skills relating to financial disputes.

The FASM covers crucial areas such as Misrepresentation, Mis-Selling, the Financial Advisers Act, Mediation skills, fundamental rules of evidence and affords the gaining of practical insights and experience through Case Study and Role-Play Workshops.

Following the Global Financial Crisis arising from the collapse of Lehman Brothers, Misrepresentation and Mis-Selling have become central to and feature prominently in many modern financial disputes.

Case Study and Role-play Workshops afford participants practical insights and experience in an engaging and interactive manner. The fictional case studies are crafted by drawing from FIDReC's rich experience in dealing with actual disputes. These Workshops will give participants a better understanding of common issues and challenges encountered in managing financial disputes.

## Progress of FIDReC

FY 2015/16 (1 JULY 2015 TO 30 JUNE 2016)

Cases and inquiries received by FIDReC	
Number of cases received by FIDReC (via email, post, fax and phone)*	1,161
Number of inquiries handled by FIDReC	2,757

Complaints received and handled by FIDReC	
Number of complaints lodged at FIDReC*	1,161
Number of complaints accepted (which were at the Pre-Acceptance Stage in the previous financial year)	6
Number of complaints handled by FIDReC*	1,162
Number of complaints referred back to FI ("Financial Institution")	2
Number of complaints outside jurisdiction	1
Number of complaints at Pre-Acceptance Stage	2

\* In the period from 1 July 2015 to 30 June 2016, FIDReC received 1,161 complaints. Out of these 1,161 complaints, 5 complaints were either referred back to FI, outside FIDReC's jurisdiction or were at the Pre-Acceptance Stage. In addition, FIDReC handled another 6 complaints which were at the Pre-Acceptance Stage in the previous financial year. Accordingly, a total of 1,162 complaints were handled by FIDReC.

Status	Status	
	Complaints*	Inquiries
Resolved by FIDReC	1,021	2,757
Pending (as at 30 June 2016)	480	-
Referred to FI	2	-
Out of jurisdiction	1	-
Pre-Acceptance Stage	2	-
<b>Total</b>	<b>1,506</b>	<b>2,757</b>

\* These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2015 to 30 June 2016.

## Progress of FIDReC

Turnaround time for complaints resolved by FIDReC	
Turnaround time	Complaints resolved by FIDReC
Within three months	48.29%
Within six months	98.14%
Within nine months	100%
More than nine months	-

Accordingly, 98.14% of complaints are resolved within six months, and 100% are resolved within nine months.

Outcome of complaints*	
Number of complaints resolved by mediation	713
Number of adjudicated cases where awards were made	53
Number of adjudicated cases where no awards were made	255
<b>Total number of adjudicated cases</b>	<b>308</b>

## Progress of FIDReC

### COMPLAINTS HANDLED: 1 JULY 2015 TO 30 JUNE 2016

Breakdown by Nature of Complaints

Block*	Financial Institutions' Practice/ Policies	Market Conduct	Service Standards	Others	Total	%	Number of complaints resolved by mediation	Number of adjudicated cases where awards were made	Number of adjudicated cases where no awards were made	Number of pending cases
A	185	214	41	2	442	38.04%	257	14	132	194
B	220	178	35	1	434	37.35%	248	-	77	207
C	213	4	1	-	218	18.76%	177	15	28	47
D	9	9	9	-	27	2.32%	15	4	12	11
E	2	39	0	-	41	3.53%	16	20	6	21
<b>Total</b>	<b>629</b>	<b>444</b>	<b>86</b>	<b>3</b>	<b>1,162</b>	<b>100.00%</b>	<b>713</b>	<b>53</b>	<b>255</b>	<b>480</b>
<b>%</b>	<b>54.13</b>	<b>38.21</b>	<b>7.40</b>	<b>0.26</b>	<b>100.00</b>					

\* Notes :

Block A – Banks and Finance Companies

Block B – Life and Composite Insurers

Block C – General and Composite Insurers

Block D – Capital Markets Services Licensees

Block E – Licensed Financial Advisers and Insurance Intermediaries



## Progress of FIDReC

### NO. OF INVESTIGATED COMPLAINTS OR COMPLAINTS HANDLED FROM 1 JULY 2015 TO 30 JUNE 2016

Breakdown by Nature of Complaints - Category A  
Banks and Finance Companies

Breakdown of Complaints	No. of claims	%	Number of complaints resolved by mediation	Number of complaints adjudicated where awards were made	Number of complaints adjudicated where no awards were made	Pending cases
<b>FINANCIAL INSTITUTIONS' PRACTICE / POLICIES</b>						
Debt restructuring	8	1.81	8	-	-	-
Disputes on liability	139	31.45	80	3	42	55
Non-renewal of services / underwriting	3	0.68	3	-	1	-
Other contractual matters	17	3.85	15	-	3	3
Policy values and investment returns	4	0.90	1	-	1	2
Pricing policies / premiums / interest rates / fees & charges	14	3.17	7	-	3	8
Rejection of new applications / underwriting decisions	-	-	-	-	-	-
<b>Sub-Total for : Financial Institutions' Practice / Policies</b>	<b>185</b>	<b>41.86</b>	<b>114</b>	<b>3</b>	<b>50</b>	<b>68</b>
<b>MARKET CONDUCT</b>						
Aggressive sales tactics	-	-	-	-	-	-
Inappropriate advice / misrepresentation / disclosure issues	204	46.15	97	11	62	109
Other misconduct	2	0.45	1	-	-	1
Unauthorized transactions / fraud / forgery	8	1.81	5	-	3	2
Unregulated / unlicensed activities	-	-	-	-	-	-
<b>Sub-Total for : Market Conduct</b>	<b>214</b>	<b>48.42</b>	<b>103</b>	<b>11</b>	<b>65</b>	<b>112</b>
<b>SERVICE STANDARDS</b>						
Delay / Failure in processes	16	3.62	16	-	15	11
Staff-related issues	25	5.66	24	-	2	1
<b>Sub-Total for : Service Standards</b>	<b>41</b>	<b>9.28</b>	<b>40</b>	<b>0</b>	<b>17</b>	<b>12</b>
<b>OTHERS</b>						
Product not suitable	1	0.23	-	-	-	1
Unfair judgement	1	0.23	-	-	-	1
<b>Sub-Total for : Others</b>	<b>2</b>	<b>0.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>
<b>Grand Total for All Nature of Complaints</b>	<b>442</b>	<b>100.00</b>	<b>257</b>	<b>14</b>	<b>132</b>	<b>194</b>

## Progress of FIDReC

### NO. OF INVESTIGATED COMPLAINTS OR COMPLAINTS HANDLED FROM 1 JULY 2015 TO 30 JUNE 2016

Breakdown by Nature of Complaints - Category B  
Life and Composite Insurers

Breakdown of Complaints	No. of claims	%	Number of complaints resolved by mediation	Number of complaints adjudicated where awards were made	Number of complaints adjudicated where no awards were made	Pending cases
<b>FINANCIAL INSTITUTIONS' PRACTICE / POLICIES</b>						
Disputes on claim amount awarded	8	1.84	6	-	1	3
Disputes on liability	99	22.81	60	-	18	39
General industry feedback	1	0.23	-	-	0	1
Non-renewal of services / underwriting	3	0.69	1	-	2	3
Other contractual matters	21	4.84	13	-	5	6
Policy values and investment returns	82	18.89	47	-	27	38
Pricing policies / premiums / interest rates / fees & charges	5	1.15	5	-	1	1
Rejection of new applications / underwriting decisions	1	0.23	1	-	-	-
<b>Sub-Total for : Financial Institutions' Practice / Policies</b>	<b>220</b>	<b>50.69</b>	<b>133</b>	<b>-</b>	<b>54</b>	<b>91</b>
<b>MARKET CONDUCT</b>						
Aggressive sales tactics	-	-	-	-	-	-
Inappropriate advice / misrepresentation / disclosure issues	176	40.55	94	-	18	95
Issues on fitness and propriety of licensees / regulated persons	-	-	-	-	1	-
Other misconduct	1	0.23	1	-	-	-
Unauthorized transactions / fraud / forgery	1	0.23	2	-	-	-
<b>Sub-Total for : Market Conduct</b>	<b>178</b>	<b>41.01</b>	<b>97</b>	<b>-</b>	<b>19</b>	<b>95</b>
<b>SERVICE STANDARDS</b>						
Delay / Failure in processes	34	7.83	17	-	3	20
Staff-related issues	1	0.23	1	-	1	-
<b>Sub-Total for : Service Standards</b>	<b>35</b>	<b>8.06</b>	<b>18</b>	<b>-</b>	<b>4</b>	<b>20</b>
<b>OTHERS</b>						
Administrative issues	1	0.23	-	-	-	1
<b>Sub-Total for : Others</b>	<b>1</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Grand Total for All Nature of Complaints</b>	<b>434</b>	<b>100.00</b>	<b>248</b>	<b>-</b>	<b>77</b>	<b>207</b>

## Progress of FIDReC

### NO. OF INVESTIGATED COMPLAINTS OR COMPLAINTS HANDLED FROM 1 JULY 2015 TO 30 JUNE 2016

Breakdown by Nature of Complaints - Category C  
General and Composite Insurers

Breakdown of Complaints	No. of claims	%	Number of complaints resolved by mediation	Number of complaints adjudicated where awards were made	Number of complaints adjudicated where no awards were made	Pending cases
<b>FINANCIAL INSTITUTIONS' PRACTICE / POLICIES</b>						
Disputes on claim amount awarded	27	12.39	34	1	1	7
Disputes on liability	180	82.57	138	14	24	34
Non-renewal of services / underwriting	-	-	-	-	-	-
Other contractual matters	4	1.83	3	-	2	-
Pricing policies / premiums / interest rates / fees & charges	2	0.92	1	-	-	2
<b>Sub-Total for : Financial Institutions' Practice / Policies</b>	<b>213</b>	<b>97.71</b>	<b>176</b>	<b>15</b>	<b>27</b>	<b>43</b>
<b>MARKET CONDUCT</b>						
Inappropriate advice / misrepresentation / disclosure issues	4	1.83	-	-	-	4
Unauthorized transactions / fraud / forgery	-	-	-	-	-	-
<b>Sub-Total for : Market Conduct</b>	<b>4</b>	<b>1.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>
<b>SERVICE STANDARDS</b>						
Delay / Failure in processes	1	0.46	1	-	1	-
<b>Sub-Total for : Service Standards</b>	<b>1</b>	<b>0.46</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>
<b>Grand Total for All Nature of Complaints</b>	<b>218</b>	<b>100.00</b>	<b>177</b>	<b>15</b>	<b>28</b>	<b>47</b>

## Progress of FIDReC

### NO. OF INVESTIGATED COMPLAINTS OR COMPLAINTS HANDLED FROM 1 JULY 2015 TO 30 JUNE 2016

Breakdown by Nature of Complaints - Category D  
Capital Markets Services Licensees

Breakdown of Complaints	No. of claims	%	Number of complaints resolved by mediation	Number of complaints adjudicated where awards were made	Number of complaints adjudicated where no awards were made	Pending cases
<b>FINANCIAL INSTITUTIONS' PRACTICE / POLICIES</b>						
Disputes on liability	3	11.11	-	-	1	2
Other contractual matters	4	14.81	2	3	3	1
Policy values and investment returns	-	-	-	-	-	-
Pricing policies / premiums / interest rates / fees & charges	2	7.14	3	-	-	-
<b>Sub-Total for : Financial Institutions' Practice / Policies</b>	<b>9</b>	<b>33.33</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>3</b>
<b>MARKET CONDUCT</b>						
Inappropriate advice / misrepresentation / disclosure issues	8	29.63	3	-	3	4
Other misconduct	1	3.70	-	-	-	1
Unauthorized transactions / fraud / forgery	-	-	1	-	-	-
<b>Sub-Total for : Market Conduct</b>	<b>9</b>	<b>33.33</b>	<b>4</b>	<b>-</b>	<b>3</b>	<b>5</b>
<b>SERVICE STANDARDS</b>						
Delay / Failure in processes	9	33.33	6	1	5	3
Staff-related issues	-	-	-	-	-	-
<b>Sub-Total for : Service Standards</b>	<b>9</b>	<b>33.33</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>3</b>
<b>Grand Total for All Nature of Complaints</b>	<b>27</b>	<b>100.00</b>	<b>15</b>	<b>4</b>	<b>12</b>	<b>11</b>

## Progress of FIDReC

### NO. OF INVESTIGATED COMPLAINTS OR COMPLAINTS HANDLED FROM 1 JULY 2015 TO 30 JUNE 2016

Breakdown by Nature of Complaints - Category E  
Licensed Financial Advisers and Insurance Intermediaries

Breakdown of Complaints	No. of claims	%	Number of complaints resolved by mediation	Number of complaints adjudicated where awards were made	Number of complaints adjudicated where no awards were made	Pending cases
<b>FINANCIAL INSTITUTIONS' PRACTICE / POLICIES</b>						
Disputes on liability	2	4.88	-	-	-	2
<b>Sub-Total for : Financial Institutions' Practice / Policies</b>	<b>2</b>	<b>4.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>
<b>MARKET CONDUCT</b>						
Inappropriate advice / misrepresentation / disclosure issues	38	92.68	16	20	5	19
Other misconduct	-	-	-	-	-	-
Unregulated / unlicensed activities	-	-	-	-	-	-
Unauthorized transactions/ fraud/ forgery	1	2.44	-	-	1	-
<b>Sub-Total for : Market Conduct</b>	<b>39</b>	<b>95.12</b>	<b>16</b>	<b>20</b>	<b>6</b>	<b>19</b>
<b>SERVICE STANDARDS</b>						
Delay / Failure in processes	-	-	-	-	-	-
Staff-related issues	-	-	-	-	-	-
<b>Sub-Total for : Service Standards</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total for All Nature of Complaints</b>	<b>41</b>	<b>100.00</b>	<b>16</b>	<b>20</b>	<b>6</b>	<b>21</b>

# Subscriber Financial Institutions of FIDReC

## BANKS AND FINANCE COMPANIES (as at 21 September 2016)

Abn Amro Bank N.V.	Citibank Singapore Limited
Abn Amro Clearing Bank N.V.	Citicorp Investment Bank (Singapore) Limited
Agricultural Bank Of China Limited	Clearstream Banking, Societe Anonyme
American Express International, Inc.	Commerzbank Aktiengesellschaft
Arab Bank Plc	Commonwealth Bank Of Australia
Australia & New Zealand Banking Group Limited	Credit Agricole Corporate And Investment Bank
Banco Bilbao Vizcaya Argentaria S.A.	Credit Industriel Et Commercial
Banco Santander, S.A.	Credit Suisse Ag
Bangkok Bank Public Company Limited	CTBC Bank Co., Ltd
Bank J.Safra Sarasin Ltd, Singapore Branch	DBS Bank Ltd
Bank Julius Baer & Co. Ltd, Singapore Branch	Deutsche Bank Ag
Bank Of America, National Association	Diners Club (Singapore) Pte Ltd
Bank Of Baroda	DNB Bank Asa Singapore Branch
Bank Of China Limited	DVB Bank SE Singapore Branch
Bank Of Communications Co.,Ltd	DZ Bank AG Deutsche Zentral -Genossenschaftsbank, Frankfurt AM Main
Bank Of East Asia Ltd, The	E.Sun Commercial Bank, Ltd.
Bank Of India	EFG Bank AG
Bank Of Montreal Singapore Branch	Emirates NBD PJSC
Bank Of Nova Scotia, The	Far Eastern Bank Ltd
Bank Of Singapore Limited	First Commercial Bank, Ltd
Bank Of Taiwan	First Gulf Bank Pjsc
Barclays Bank Plc	Habib Bank Ltd
BNP Paribas	Hang Seng Bank Limited
BNP Paribas Securities Services	HL Bank
BNP Paribas Wealth Management	Hong Leong Finance Limited
CA Indosuez (Switzerland) SA	Hongkong And Shanghai Banking Corporation Limited, The
Canadian Imperial Bank Of Commerce	HSBC Bank (Singapore) Limited
Cathay United Bank	HSH Nordbank AG Singapore Branch
Chang Hwa Commercial Bank Ltd	Hua Nan Commercial Bank, Ltd.
China Citic Bank International Limited Singapore Branch	ICBC Standard Bank PLC Singapore Branch
China Construction Bank Corporation	ICICI Bank Limited
China Merchants Bank Co Ltd	Indian Bank
Cimb Bank Berhad., Singapore Branch	
Citibank NA	

## Subscriber Financial Institutions of FIDReC

### BANKS AND FINANCE COMPANIES (as at 21 September 2016) (continued)

Indian Overseas Bank	RHB Bank Berhad
Industrial And Commercial Bank Of China Limited	Royal Bank Of Canada
Ing Bank N.V., Singapore Branch	Shinhan Bank
Intesa Sanpaolo S.P.A.	Sing Investments & Finance Limited
Jpmorgan Chase Bank, N.A.	Singapura Finance Ltd
KBC Bank N.V.	Skandinaviska Enskilda Banken Ab (Publ)
Keb Hana Bank	Societe Generale
Korea Development Bank, The	Standard Chartered Bank
Krung Thai Bank Public Company Limited	Standard Chartered Bank (Singapore) Limited
Land Bank Of Taiwan	State Bank Of India
Landesbank Baden-Wurtemberg	State Street Bank And Trust Company
Lloyds Bank PLC	Sumitomo Mitsui Banking Corporation
Macquarie Bank Limited Singapore Branch	Sumitomo Mitsui Trust Bank Limited, Singapore Branch
Malayan Banking Bhd	Svenska Handelsbanken Ab
Mega International Commercial Bank Co., Ltd., Singapore Branch	Taipei Fubon Commercial Bank Co Ltd Singapore Branch
Mitsubishi Ufj Trust & Banking Corporation	Taishin International Bank Co., Ltd. Singapore Branch
Mizuho Bank, Ltd	The Bank Of New York Mellon
Morgan Stanley Asia International Limited	The Bank Of Tokyo-Mitsubishi Ufj, Ltd. Singapore Branch
National Australia Bank Ltd	The Hokkoku Bank, Ltd. Singapore Branch
National Bank Of Kuwait S.A.K.P	The Royal Bank Of Scotland Plc
Natixis	The Shanghai Commercial & Savings Bank, Ltd - Singapore Branch
Norddeutsche Landesbank Girozentrale	The Siam Commercial Bank Public Company Limited, Singapore Branch
Nordea Bank Finland Plc	Toronto-Dominion Bank, The
Nordea Bank S. A. Singapore Branch	UBS Ag
Norinchukin Bank, The	UCO Bank
Northern Trust Company, The	Unicredit Bank AG
Oversea-Chinese Banking Corpn Ltd	Union De Banques Arabes Et Francaises
Philippine National Bank	United Overseas Bank Ltd
Pt Bank Mandiri (Persero) Tbk	Vtb Capital Plc Singapore Branch
Pt Bank Negara Indonesia (Persero) Tbk	Wells Fargo Bank, National Association
Pt Bank Rakyat Indonesia (Persero) Tbk Singapore Branch	Westpac Banking Corporation
Qatar National Bank Saq	Woori Bank
Rabobank	
Raiffeisen Bank International Ag	

## Subscriber Financial Institutions of FIDReC

### LIFE AND COMPOSITE INSURERS (as at 21 September 2016)

AIA Singapore Private Limited  
 Aviva Ltd  
 AXA Life Insurance Singapore Private Limited  
 China Life Insurance (Singapore) Pte. Ltd.  
 Etiqa Insurance Pte Ltd  
 Friends Provident International Limited (Singapore Branch)  
 Generali Worldwide Insurance Company Limited, Singapore Branch  
 Great Eastern Life Assurance Co Ltd, The  
 HSBC Insurance (Singapore) Pte. Limited  
 Life Insurance Corporation (Singapore) Pte Ltd  
 Manulife (Singapore) Pte Ltd  
 NTUC Income Insurance Co-Operative Ltd  
 Old Mutual International Isle Of Man Limited Singapore Branch  
 Overseas Assurance Corporation Ltd  
 Prudential Assurance Company Singapore (Pte) Limited  
 Raffles Health Insurance Pte Ltd  
 St. James's Place International Public Limited Company (Singapore Branch)  
 Swiss Life (Singapore) Pte. Ltd.  
 Tokio Marine Life Insurance Singapore Ltd  
 Transamerica Life Bermuda Ltd  
 Zurich International Life Limited (Singapore Branch)  
 Zurich Life Insurance (Singapore) Pte Ltd

### GENERAL AND COMPOSITE INSURERS (as at 21 September 2016)

Aetna Insurance (Singapore) Pte. Ltd.  
 Aetna Insurance Company Limited (Singapore Branch)  
 AIA Singapore Private Limited  
 AIG Asia Pacific Insurance Pte. Ltd.  
 Allianz Global Corporate & Specialty Se Singapore Branch  
 Allied World Assurance Company, Ltd  
 Aviva Ltd  
 AXA Insurance Singapore Pte Ltd  
 Axis Specialty Limited (Singapore Branch)  
 Berkshire Hathaway Specialty Insurance Company  
 Catlin Insurance Company Ltd. (Singapore Branch)  
 China Taiping Insurance (Singapore) Pte Ltd  
 Chubb Insurance Singapore Limited  
 Cigna Europe Insurance Company S.A.- N.V. Singapore Branch  
 Direct Asia Insurance Singapore Pte Ltd  
 Ecics Limited  
 EQ Insurance Company Limited  
 Ergo Insurance Pte. Ltd.  
 Etiqa Insurance Pte Ltd  
 Federal Insurance Company  
 First Capital Insurance Ltd  
 Fwd Singapore Pte. Ltd.  
 Great American Insurance Company  
 Groupama Sa, Singapore Branch  
 HL Assurance Pte. Ltd.  
 India International Insurance Pte Ltd  
 Liberty Insurance Pte Ltd  
 Lonpac Insurance Berhad  
 MSIG Insurance (Singapore) Pte Ltd  
 NTUC Income Insurance Co-Operative Ltd  
 Overseas Assurance Corporation Ltd  
 QBE Insurance (Singapore) Pte. Ltd.  
 Sampo Insurance Singapore Pte. Ltd.  
 Starr International Insurance (Singapore) Pte Ltd  
 Tokio Marine Insurance Singapore Ltd  
 United Overseas Insurance Ltd  
 XL Insurance Company Se Singapore Branch  
 Zurich Insurance Company Ltd (Singapore Branch)



## Subscriber Financial Institutions of FIDReC

### CAPITAL MARKETS SERVICES LICENSES (as at 21 September 2016)

Aberdeen Asset Management Asia Limited	BNP Paribas Trust Services Singapore Limited
ABN AMRO Clearing Singapore Pte Ltd	BNY Mellon Investment Management Singapore Pte. Limited
Acadian Asset Management (Singapore) Pte Ltd	BOC International (Singapore) Pte. Ltd.
ACG Management Pte, Ltd	Bowsprit Capital Corporation Limited
Admis Singapore Pte. Limited	Cambridge Associates Asia Pte Ltd
AGF Asset Management Asia Limited	Cambridge Industrial Trust Management Limited
Aims AMP Capital Industrial REIT Management Limited	Capital Advisors Partners Asia Pte Ltd
Alliancebernstein (Singapore) Ltd	Capital International, Inc
Allianz Global Investors Singapore Limited	Capitaland Commercial Trust Management Limited
Alpha Investment Partners Limited	Capitaland Mall Trust Management Limited
Amundi Singapore Limited	Capitaland Retail China Trust Management Limited
APS Asset Management Pte Ltd	CBRE Global Investment Partners Asia Pte. Ltd.
Aquarius Investment Advisors Pte Ltd.	Cenkos Securities Asia Pte Ltd
AR Capital Pte. Ltd.	Chartered Asset Management Pte Ltd
ARA Asset Management (Fortune) Limited	CIMB Securities (Singapore) Pte Ltd
ARA Trust Management (Suntec) Limited	CIMB-Principal Asset Management (S) Pte Ltd
ARA-CWT Trust Management (Cache) Limited	Citigroup Global Markets Singapore Pte Ltd
Archipelago Capital Partners Pte Ltd	Citigroup Global Markets Singapore Securities Pte Ltd
Ascendas Funds Management (S) Limited	CLSA Global Markets Pte Ltd
Ascendas Hospitality Fund Management Pte Ltd	CLSA Singapore Pte Ltd
Ascott Residence Trust Management Limited	CMC Markets Singapore Pte Ltd
Ashmore Investment Management (Singapore) Pte Ltd	Commerzbank Asset Management Asia Ltd
Atlas Asset Management Pte. Ltd.	Credit Suisse Securities (Singapore) Pte Limited
Aviva Investors Asia Pte Limited	CSAM Asset Management Pte. Ltd.
AXA Investment Managers Asia (Singapore) Ltd	Daewoo Securities (Singapore) Pte. Ltd.
B&I Capital Pte. Ltd.	Daiwa Asset Management (Singapore) Ltd
Barclays Capital Futures (Singapore) Pte Ltd	Daiwa Capital Markets Investment Services Pte Ltd
BHG Retail Trust Management Pte.Ltd.	Daiwa Sb Investments (Singapore) Ltd
Blackrock (Singapore) Limited	DBS Vickers Securities (Singapore) Pte Ltd
BNP Paribas Investment Partners Singapore Limited	
BNP Paribas Securities (Singapore) Pte. Ltd	

## Subscriber Financial Institutions of FIDReC

### CAPITAL MARKETS SERVICES LICENSES (as at 21 September 2016) (continued)

Deutsche Asset Management (Asia) Limited	li Fund Managers (Singapore) Pte Ltd
Deutsche Futures Singapore Pte Ltd	IL&FS Global Financial Services Pte Ltd.
Deutsche Securities Asia Limited	Intl FCStone Pte. Ltd.
DMG & Partners Securities Pte Ltd	Invesco Asset Management Singapore Ltd
Eastspring Investments (Singapore) Limited	iREIT Global Group Pte. Ltd.
Effissimo Capital Management Pte. Ltd.	J.P. Morgan Securities Asia Private Limited
Etrade Securities (Hong Kong) Limited, Singapore Branch	J.P. Morgan Securities Singapore Private Limited
Eurofin Investments Pte. Ltd.	JAFCO Investment (Asia Pacific) Ltd
Evercore Asia (Singapore) Pte. Ltd.	Janus Capital Singapore Private Limited
Feo Hospitality Asset Management Pte. Ltd.	Japan Residential Assets Manager Limited
FIL Investment Management (Singapore) Limited	Javelin Wealth Management Pte. Ltd.
First State Investments (Singapore)	JPMorgan Asset Management (Singapore) Limited
Foord Asset Management (Singapore) Pte. Limited	Keppel DC REIT Management Pte. Ltd.
Four Seasons Asia Investment Pte Ltd	Keppel Reit Management Limited
Frasers Centrepoint Asset Management (Commercial) Ltd	KGI Fraser Securities Pte. Ltd.
Frasers Centrepoint Asset Management Limited	KGI Ong Capital Pte. Ltd.
Frasers Hospitality Asset Management Pte. Ltd.	Kotak Mahindra (UK) Ltd (Singapore Branch)
Fullerton Fund Management Company Ltd	KV Asia Capital Pte Ltd
G.K. Goh Financial Services (S) Pte Ltd	Lazard Asia Limited
Gain Capital Singapore Pte. Ltd.	Lazard Asset Management (Singapore) Pte. Ltd.
Gmo Singapore Pte Limited	Legg Mason Asset Management Singapore Pte Limited
Goldman Sachs (Singapore) Pte	Lim & Tan Securities Pte Ltd
Goldman Sachs Asset Management (Singapore) Pte Ltd	Lion Global Investors Limited
Goldman Sachs Futures Private Limited	LMIRT Management Ltd
Greenfield Advisory Pte Ltd	Loomis Sayles Investments Asia Pte Ltd
Henderson Global Investors (Singapore) Limited	Lumen Capital Investors Pte Ltd
HSBC Global Asset Management (Singapore) Limited	M&C REIT Management Limited
HSBC Institutional Trust Services (Singapore) Limited	Macquarie Capital (Singapore) Pte Limited
HSBC Securities (Singapore) Pte Limited	Macquarie Capital Securities (Singapore) Pte. Limited
ICAP Financial Products Pte Ltd	Macquarie Infrastructure Management (Asia) Pty Limited
ICICI Securities Inc.	Manulife Asset Management (Singapore) Pte Ltd
IDFC Capital (Singapore) Pte Ltd.	Manulife US Real Estate Management Pte. Ltd.
ii Financial Pte. Ltd.	Mapletree Commercial Trust Management Ltd.
IG Asia Pte Ltd	Mapletree Greater China Commercial Trust Management Ltd.
IIFL Securities Pte Ltd	

## Subscriber Financial Institutions of FIDReC

### CAPITAL MARKETS SERVICES LICENSES (as at 21 September 2016) (continued)

Mapletree Industrial Trust Management Ltd.	Phillip Tokai Tokyo Investment Management Pte. Ltd.
Mapletree Logistics Trust Management Ltd.	Pictet Asset Management (Singapore) Pte Ltd
Marex Spectron Asia Pte Ltd	Pimco Asia Pte Ltd
Maybank Asset Management Singapore Pte Ltd	Pinebridge Investments Singapore Limited
Maybank Kim Eng Securities Pte. Ltd.	Pioneer Investment Management Limited
Maywood Asset Management Pte. Ltd.	Platinum Equity Advisors International Pte. Ltd.
Merrill Lynch (Singapore) Pte. Ltd.	Pramerica Investment Management (Singapore) Pte. Ltd.
MF Global Singapore Pte. Limited	PrimePartners Corporate Finance Pte Ltd
Mitsui Bussan Commodities (Singapore) Pte. Ltd.	Principal Global Investors (Singapore) Limited
Mizuho Securities (Singapore) Pte Ltd	RBC Investor Services Trust Singapore Limited
Morgan Stanley Asia (Singapore) Pte	RHB Asset Management Pte. Ltd.
Natixis Asset Management Asia Limited	RHB Research Institute Singapore Pte. Ltd.
Navigator Investment Services Limited	Sabana Real Estate Investment Management Pte. Ltd.
Neuberger Berman Singapore Pte. Limited	SAC Advisors Private Limited
Newedge Financial Singapore Pte. Ltd.	Santa Lucia Asset Management Pte Ltd
Nikko Asset Management Asia Limited	Saxo Capital Markets Pte. Ltd.
NN Investment Partners (Singapore) Ltd.	SB REIT Management Pte. Ltd.
Nomura Asset Management Singapore Limited	SBICAP (Singapore) Limited
Nomura Securities Singapore Pte Ltd	Schroder Investment Management (Singapore) Ltd
NS Global Management Pte. Ltd.	Schroder Investment Management North America Limited Singapore Branch
Oanda Asia Pacific Pte Ltd	SFP Asset Management Pte Ltd
OCBC Securities Private Limited	Singapore Consortium Investment Management Limited
One North Capital Pte Ltd	Singapore Unit Trusts Limited
Optionspress Singapore Pte Ltd	Smbc Nikko Securities (Singapore) Pte. Ltd.
OUE Commercial REIT Management Pte Ltd	Sofos Capital Management Pte Ltd
OUE Hospitality REIT Management Pte. Ltd.	SPH REIT Management Pte. Ltd.
OWW Capital Partners Pte. Ltd.	SSG Capital Management (Singapore) Pte. Ltd.
Parkway Trust Management Limited	ST Asset Management Ltd
Perpetual (Asia) Limited	Standard Chartered Securities (Singapore) Pte Limited
Pheim Asset Management (Asia) Pte Ltd	State Street Global Advisors Singapore Limited
Phillip Capital Management (S) Ltd	Stewart Asia Investment Singapore Pte Ltd
Phillip Financial Pte Ltd	
Phillip Futures Pte Ltd	
Phillip Securities Pte Ltd	

## Subscriber Financial Institutions of FIDReC

### CAPITAL MARKETS SERVICES LICENSES (as at 21 September 2016) (continued)

Stirling Coleman Capital Limited  
T. Rowe Price Singapore Private Ltd  
Target Asset Management Pte Ltd  
TD Ameritrade Asia Pte. Ltd.  
Templeton Asset Management Ltd  
Threadneedle Investments Singapore (Pte.) Limited  
Tiger Global Singapore Pte. Ltd.  
Tokio Marine Asset Management International Pte. Ltd.  
Trans-Pacific Credit Private Limited  
TRG Management Singapore Pte Ltd.  
Trident Trust Company (Singapore) Pte. Limited  
UBS Custody Singapore Pte. Ltd.  
UBS Futures Singapore Ltd  
UBS Global Asset Management (Singapore) Ltd  
UBS Securities Pte. Ltd.  
UOB Asset Management Ltd  
UOB Bullion And Futures Limited  
UOB Kay Hian Private Limited  
UOB Venture Management Pte Ltd  
UOB-SM Asset Management Pte. Ltd.  
UTI International (Singapore) Private Limited  
Vanguard Investments Singapore Pte. Ltd.  
VCG Partners Pte. Ltd.  
Viva Industrial Trust Management Pte Ltd  
Wealth Management Alliance Pte Ltd  
Wellington Management Singapore Pte Ltd  
Western Asset Management Company Pte Ltd  
WUBS Financial Services (Singapore) Pte. Ltd.  
Xandar Capital Pte. Ltd.  
YTL Starhill Global Reit Management Limited  
Yutaka Shoji Singapore Pte Ltd  
Zico Capital Pte. Ltd.

## Subscriber Financial Institutions of FIDReC

### LICENSED FINANCIAL ADVISERS AND INSURANCE INTERMEDIARIES (as at 21 September 2016)

AAM Advisory Pte. Ltd.  
 Abacare Singapore Pte Ltd  
 Able Insurance Brokers Pte Ltd  
 Acclaim Insurance Brokers Pte Ltd  
 Acorn International Network Pte Ltd  
 Aetna Insurance Brokers Pte Ltd  
 Affinity Financial Consulting Pte Ltd  
 Alco Insurance Brokers Pte. Ltd.  
 Ampex Insurance Brokers Pte Ltd  
 Anika Insurance Brokers & Consultants Pte Ltd  
 Aon Hewitt Wealth Management Pte Ltd  
 Aon Singapore (Broking Centre) Pte. Ltd.  
 Aon Singapore Pte. Ltd.  
 Arthur J. Gallagher (Singapore) Pte Ltd  
 Associated Insurance Brokers Pte Ltd  
 Au Group Singapore Pte Ltd  
 AVA Insurance Brokers Pte Ltd  
 Avallis Financial Pte. Ltd.  
 Aviva Financial Advisers Pte. Ltd.  
 AWG Insurance Brokers Pte Ltd  
 Banque Transatlantique Singapore Pte Ltd  
 Berry Palmer & Lyle Singapore Pte Ltd  
 Cambiaso Risso Asia Pte Ltd  
 Charles Monat Associates Pte. Ltd.  
 Chartwell Associates Pte. Ltd.  
 Cimb Research Pte Ltd  
 Comfortdelgro Insurance Brokers Pte Ltd  
 Cornerstone Planners Pte Ltd  
 Edge Insurance Brokers (Singapore) Pte. Ltd.  
 Elpis Financial Pte. Ltd.  
 Eternal Financial Advisory Pte Ltd  
 Expat Insurance Pte Ltd  
 Financial Alliance Pte Ltd  
 Finexis Advisory Pte Ltd  
 FPA Financial Corporation Pte. Ltd.  
 Frontier Wealth Management Pte. Ltd.  
 Galaxy Insurance Consultants Pte Ltd  
 Gates Insurance Brokers Pte Ltd  
 Genriver Financial Pte Ltd  
 Georg Duncker Insurance Brokers (Asia) Pte. Ltd.  
 Global Financial Consultants Pte Ltd  
 Globaleye Pte. Ltd.  
 Grandtag Financial Consultancy (Singapore) Pte Ltd  
 Great Eastern Financial Advisers Private Limited  
 GYC Financial Advisory Pte Ltd  
 H Team Insurance Brokers & Consultants Pte Ltd  
 HL Suntek Insurance Brokers Pte Ltd  
 Honan Insurance Group (Asia) Pte. Ltd.  
 Howden Insurance Brokers (S.) Pte. Limited  
 Ic Frith (Asia Pacific) Pte Ltd  
 iFAST Financial Pte. Ltd.  
 Informa Global Markets (Singapore) Private Limited  
 Inspro Insurance Brokers Pte Ltd  
 International Financial Services (S) Pte Ltd  
 IPG Financial Services Pte Ltd  
 IPP Financial Advisers Pte Ltd  
 Jardine Lloyd Thompson Pte Ltd  
 Jordan Huebner (Asia) Pte Ltd  
 Jpara Solutions Pte Ltd  
 Kib Insurance Brokers (S) Pte Ltd  
 Kyoritsu Insurance Brokers (Singapore) Pte. Ltd.  
 L.C.H. (S) Pte Ltd  
 LCH Lockton Pte. Ltd.  
 Leadenhall Insurance Brokers Pte Ltd  
 Legacy FA Pte Ltd  
 Life Planning Associates Pte Ltd

## Subscriber Financial Institutions of FIDReC

### LICENSED FINANCIAL ADVISERS AND INSURANCE INTERMEDIARIES (as at 21 September 2016) (continued)

Linden Group Associates Pte. Ltd.	Sime Darby Insurance Brokers (Singapore) Pte. Ltd.
Lockton Companies (Singapore) Pte Ltd	Singcapital Pte Ltd
Manulife Financial Advisers Pte Ltd	St. James's Place (Singapore) Private Limited
Marsh (Singapore) Pte Ltd	Sterling Knight (Pte) Ltd
Maybank Kim Eng Research Pte. Ltd.	Synergy Financial Advisers Pte. Ltd.
Mercer (Singapore) Pte. Ltd.	Tan Insurance Brokers Pte Ltd
Metropolitan Broking Services (Pte) Ltd	Texel Asia Pte. Limited
Meyado Private Wealth Management Singapore Pte. Ltd.	The Fry Group (Singapore) Pte Ltd
Nausch, Hogan & Murray (S'pore) Pte Ltd	The Motley Fool Singapore Pte Ltd
NCI Brokers (Asia) Pte Ltd	Tigermar Global Pte Limited
Newstate Stenhouse (S) Pte Ltd	Times Insurance Brokers Pte Ltd
Nga Benefits Singapore Pte. Ltd.	Towers Watson Insurance Brokers Singapore Pte. Ltd.
NRA Capital Pte. Ltd.	Unicorn Financial Solutions Pte. Limited
OCBC Investment Research Private Limited	Voyage Research Pte. Ltd.
OCW Insurance (Brokers) Pte Ltd	Willis (Singapore) Pte Ltd
Pacific Insurance Brokers Pte Ltd	Willy Insurance Brokers Pte Ltd
Pacific Prime Insurance Brokers Singapore Pte. Ltd.	Wynnes Financial Advisers Pte Ltd
Pan Resources Pte Ltd	
Pana Harrison (Asia) Pte Ltd	
Phillip Securities Research Pte Ltd	
PLA Masterlife Pte. Ltd.	
Portfolio Builders (S) Pte. Ltd	
PPLI Asia Pte. Ltd	
Professional Investment Advisory Services Pte Ltd	
Promiseland Independent Pte Ltd	
Providend Ltd	
Prudent Brokers Pte Ltd	
R.E. Lee International Asia, Llc	
Ray Alliance Financial Advisers Pte Ltd	
S&P Global Singapore Pte. Limited	
Sea And Land Insurance Brokers Pte Ltd	
Seabanc Insurance Brokers Pte Ltd	



# **Financial Industry Disputes Resolution Centre Limited**

**(Company Registration Number: 200502125D)**

**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

# Directors' Statement

For the Financial Year ended 30 June 2016

The directors present their statement to the members together with the audited financial statements of Financial Industry Disputes Resolution Centre Limited (the "Company") for the financial year ended 30 June 2016.

## 1. OPINION OF THE DIRECTORS

In the opinion of the directors:

- (i) the accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2016, and of the financial performance of the business, changes in accumulated fund and cash flows of the Company for the financial year ended on that date; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Goh Joon Seng  
Elsie Low  
Lim Biow Chuan  
Tan Tiong Jin Clifton  
Tan Hock Lye  
Andrew Lim Chee Hua  
Patrick Teow Foh Ken (Appointed with effect from 11 January 2016) (Alternate Director to Andrew Lim Chee Hwa)

## 3. SHARE CAPITAL AND OPTIONS AND DIRECTORS' INTEREST IN SHARES

As the Company is limited by guarantee, there is no information on share capital to be disclosed as required under the provisions of the Twelfth Schedule.



## Directors' Statement

For the Financial Year ended 30 June 2016

### 4. INDEPENDENT AUDITOR

The independent auditor, RT LLP has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors



---

Goh Joon Seng  
Director



---

Tan Hock Lye  
Director

Singapore, 30 September 2016

# Independent Auditor's Report

To The Members of Financial Industry Disputes Resolution Centre Limited  
For the Financial Year ended 30 June 2016



## Report on the Financial Statements

We have audited the accompanying financial statements of Financial Industry Disputes Resolution Centre Limited (the "Company"), which comprise the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated fund and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 30 June 2016, and the financial performance, changes in accumulated fund and cash flows of the Company for the financial year ended on that date.

# Independent Auditor's Report

To The Members of Financial Industry Disputes Resolution Centre Limited  
For the Financial Year ended 30 June 2016



## Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

A handwritten signature in black ink, consisting of a large, stylized initial 'R' followed by a long horizontal line that ends in a small flourish.

**RT LLP**  
Public Accountants and  
Chartered Accountants

Singapore, 30 September 2016

## Statement of Profit or Loss and Other Comprehensive Income

For the Financial Year ended 30 June 2016

	Note	2016 \$	2015 \$
<b>Revenue</b>	4	3,312,636	3,235,622
<b>Other operating income</b>	5	67,422	163,358
<b>Total income</b>		3,380,058	3,398,980
<b>Expenditures:</b>			
Adjudicator fees		(190,800)	(180,000)
Damage costs for water leakage		–	(28,681)
Depreciation of property, plant and equipment	11	(276,215)	(169,127)
Directors' remuneration	16	(83,726)	(82,000)
Employee benefit expense	6	(1,683,723)	(1,487,718)
Insurance		(25,892)	(25,362)
Office maintenance		(68,476)	(82,967)
Office rental expense	15	(743,727)	(482,988)
Property, plant and equipment written off		(81,365)	(363)
Restoration of office premise expense		(100,066)	–
Professional fees		(66,950)	(137,374)
Rental of office equipment		(6,000)	(6,000)
Security services		(44,160)	(35,300)
Training and courses		(2,756)	(38,799)
Other administrative expenses		(132,400)	(107,893)
<b>Total expenditures</b>		(3,506,256)	(2,864,572)
(Deficit)/Surplus before income tax		(126,198)	534,408
Income tax benefit	7	5,154	5,860
<b>Net (deficit)/surplus, representing total comprehensive (loss)/income for the financial year</b>		(121,044)	540,268

The accompanying notes form an integral part of these financial statements.

# Statement of Financial Position

As at 30 June 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	8	2,253,019	2,354,805
Trade receivables	9	49,700	56,162
Other receivables	10	199,432	273,865
Prepayment		16,809	64,659
Total current assets		2,518,960	2,749,491
<b>Non-current assets</b>			
Property, plant and equipment	11	563,112	272,294
Deferred income tax assets	12	11,014	17,160
Total non-current assets		574,126	289,454
<b>Total assets</b>		<b>3,093,086</b>	<b>3,038,945</b>
<b>LIABILITIES AND ACCUMULATED FUND</b>			
<b>Current liabilities</b>			
Other payables and accruals	13	526,935	505,450
Provision for restoration cost	14	165,000	-
Provision for taxation		-	11,300
Total current liabilities		691,935	516,750
<b>Total liabilities</b>		<b>691,935</b>	<b>516,750</b>
<b>Accumulated fund:</b>			
Accumulated surplus		2,401,151	2,522,195
<b>Total liabilities and accumulated fund</b>		<b>3,093,086</b>	<b>3,038,945</b>

The accompanying notes form an integral part of these financial statements.

## Statement of Changes in Accumulated Fund

For the Financial Year ended 30 June 2016

	<b>Accumulated surplus</b> \$
As at 1 July 2015	2,522,195
Total comprehensive loss for the financial year	(121,044)
<b>Balance as at 30 June 2016</b>	<b>2,401,151</b>
As at 1 July 2014	1,981,927
Total comprehensive income for the financial year	540,268
<b>Balance as at 30 June 2015</b>	<b>2,522,195</b>

The accompanying notes form an integral part of these financial statements.

# Statement of Cash Flows

For the Financial Year ended 30 June 2016

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
(Deficit)/Surplus before income tax	(126,198)	534,408
Adjustments for:		
Depreciation of property, plant and equipment	276,215	169,127
Property, plant and equipment written-off	81,365	363
Accrual for unutilised leave	14,282	(11,213)
Operating surplus before working capital changes	245,664	692,685
Trade receivables	6,462	(10,184)
Other receivables	122,283	(31,615)
Other payables and accruals	7,203	(285,917)
<b>Net cash generated by operating activities</b>	<b>381,612</b>	<b>364,969</b>
<b>Cash flows from investing activity</b>		
Purchase of property, plant and equipment (Note A)	(483,398)	(33,128)
<b>Net increase in cash and bank balances</b>	<b>(101,786)</b>	<b>331,841</b>
<b>Cash and bank balances at beginning of the financial year</b>	<b>2,354,805</b>	<b>2,022,964</b>
<b>Cash and bank balances at end of the financial year (Note 8)</b>	<b>2,253,019</b>	<b>2,354,805</b>

Note A:

During the financial year, the Company acquired property, plant and equipment with an aggregate cost of \$648,398 (2015: \$33,128) of which \$165,000 (2015: Nil) relate to the capitalisation of restoration cost (Note 11). A cash payment of \$483,398 (2015: \$33,128) was made to purchase property, plant and equipment.

The accompanying notes form an integral part of these financial statements.

# Notes to The Financial Statements

For the Financial Year ended 30 June 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. GENERAL

Financial Industry Disputes Resolution Centre Limited (the "Company") is incorporated and domiciled in the Republic of Singapore as a public company limited by guarantee. Each member's liability is limited to S\$1.

The Company's registered office and principal place of business is at 36 Robinson Road, #15-01 City House, Singapore 068877.

Its principal activities are to act as an independent and impartial institution specialising in the resolution of disputes between financial institutions and complainants.

The financial statements of the Company for the financial year ended 30 June 2016 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (I) Basis of preparation

#### (a) Basis of accounting

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements are expressed in Singapore dollar and prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the financial year, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

#### (b) Adoption of new and revised Singapore Financial Reporting Standards

On 1 July 2015, the Company adopted the new or amended FRS and Interpretations to FRS (INT FRS) that are mandatory for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in any substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current year or prior financial years.



## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (II) Summary of significant accounting policies

##### (a) Revenue recognition

Sales comprise the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Sales are presented net of goods and services tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activity is met. Revenue from both "levy and case fees from subscriber financial institutions and complainants" and "supplementary levy from financial institutions" are accounted for on an accrual basis, in accordance with the agreements signed between the Company and the financial institutions/complainants.

Accrued service revenue relates to services rendered but not billed to complainants. They will be billed at the following quarterly bill cycle and is presented under trade receivables in the statement of financial position.

##### (b) Property, plant and equipment

###### (i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

###### (ii) Depreciation

Depreciation on property, plant and equipment is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<b>Estimated useful lives</b>
Furniture and fittings	3 years
Office equipment	3 years
Computer and software	1-3 years

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (II) Summary of significant accounting policies (cont'd)

##### (b) Property, plant and equipment (cont'd)

###### (ii) Depreciation (cont'd)

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

###### (iii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

###### (iv) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

##### (c) Impairment of non-financial assets

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

# Notes to The Financial Statements

For the Financial Year ended 30 June 2016

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (II) Summary of significant accounting policies (cont'd)

#### (d) Financial assets

##### (i) Classification

Financial assets are classified into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the end of the reporting period which are presented as non-current assets. Loans and receivables are presented as "trade receivables", "other receivables" and "cash and bank balances" on the statement of financial position.

##### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

##### (iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

##### (iv) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (II) Summary of significant accounting policies (cont'd)

##### (d) Financial assets (cont'd)

##### (v) Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

##### Trade and other receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss. The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost, had no impairment been recognised in prior periods.

##### (e) Other payables and accruals

Other payables and accruals are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

##### (f) Fair value estimation of financial assets and liabilities

The carrying values of current financial assets and current financial liabilities approximate their fair values due to the short-term maturity of these instruments. Disclosures of fair value are not made when the carrying value is a reasonable approximation of fair value.

##### (g) Leases

The Company leases office premises under operating leases from non-related parties.

##### Lessee – Operating leases

Leases of office premises where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (II) Summary of significant accounting policies (cont'd)

##### (h) Income taxes

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in profit or loss.

##### (i) Functional currency

The Company conducts all its transactions in Singapore Dollars ("SGD"). Consequently, all the balances in the financial statements of the Company are denominated in SGD.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in SGD, which is the Company's functional and presentation currency.

##### (j) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (II) Summary of significant accounting policies (cont'd)

##### (k) Employee compensation

Employee benefits are recognised as an expense.

##### (i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

##### (ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

##### (l) Cash and bank balances

For the purpose of presentation in the statement of cash flows, cash and bank balances include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

##### (m) Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants relating to expenses are shown separately as other operating income in profit or loss.

### 3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### (i) Critical judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, which are described in Note 2, management is not aware of any judgements that have significant effect on the amounts recognised in the financial statements.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

#### (ii) Critical accounting estimates and assumptions

The Company does not have any material key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4. REVENUE

	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>\$</b>	<b>\$</b>
Levy and case fees from subscriber financial institutions and complainants	3,312,636	3,235,622

### 5. OTHER OPERATING INCOME

	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>\$</b>	<b>\$</b>
Government grants – Special Employment Credit (SEC)	371	1,264
Government grants – Wage Credit Scheme (WCS)	43,625	49,713
Government grants – Temporary Employment Credit (TEC)	7,802	–
Paternity/Maternity & childcare expenses reimbursed by government	810	9,974
Insurance claimed on water leakage	–	102,407
Settlement sum for Seminar and Employment	5,000	–
Fixed deposit interest	9,814	–
	<u>67,422</u>	<u>163,358</u>

The Special Employment Credit (SEC) was first introduced as a 2011 Budget Initiative and enhanced in 2012 to support employers as well as to raise the employability of older low-wage Singaporeans which are aged above 50 and earning up to \$4,000 a month.

The Temporary Employment Credit (TEC) was announced as a Budget 2014 initiative to help employers to adjust the 1 percentage point increase in Medisave contribution rates which took effect in January 2015.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 6. EMPLOYEE BENEFIT EXPENSE

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Wages, salaries and bonus	1,525,942	1,350,458
Employer's contribution to the Central Provident Fund	157,781	137,260
	<u>1,683,723</u>	<u>1,487,718</u>

### 7. INCOME TAX EXPENSE / (BENEFIT)

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Current income tax		
– current year	–	11,300
– overprovision in prior years	(11,300)	–
Deferred tax		
– movements in temporary differences (Note 12)	6,146	(17,160)
Income tax benefit	<u>(5,154)</u>	<u>(5,860)</u>

The income tax benefit varied from the amount of income tax benefit determined by applying the Singapore statutory income tax rate of 17% (2015: 17%) to surplus/(deficit) before income tax as a result of the following differences:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
(Deficit)/Surplus before income tax	<u>(126,198)</u>	<u>534,408</u>
Income tax (benefit)/expense at statutory rate of 17%	(21,454)	90,849
Tax effect on non-deductible items	55,537	5,634
Tax effect on non-taxable items	–	(55,392)
Tax effect on enhanced allowance	–	(10,500)
Tax effect of utilisation of capital allowance previously not recognised	(27,937)	(36,451)
Overprovision of current tax in prior years	(11,300)	–
Income tax benefit	<u>(5,154)</u>	<u>(5,860)</u>

The Company has unrecognised capital allowance of Nil (2015: \$206,575) as at the end of the reporting period which can be carried forward and used to offset against future taxable income subject to the agreement of the Comptroller of Income Tax and compliance with certain provisions of the Singapore Income Tax Act. The potential deferred income tax asset arising from unrecognised capital allowances was not recognised in the previous financial year due to uncertainty of its utilisation against future taxable profits then.



## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 8. CASH AND BANK BALANCES

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Fixed deposit at bank	1,100,000	–
Cash at bank	1,152,519	2,354,331
Cash on hand	500	474
Cash and cash equivalents	<u>2,253,019</u>	<u>2,354,805</u>

### 9. TRADE RECEIVABLES

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Trade receivables from non-related parties	–	12,412
Unbilled account receivables (Accrued service revenue)	49,700	43,750
	<u>49,700</u>	<u>56,162</u>

The average credit period on trade receivables is 30 days (2015: 30 days).

### 10. OTHER RECEIVABLES

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Refundable deposits	198,629	273,865
Other receivables	803	–
	<u>199,432</u>	<u>273,865</u>

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 11. PROPERTY, PLANT AND EQUIPMENT

	<b>Furniture and fittings</b>	<b>Office equipment</b>	<b>Computer and software</b>	<b>Total</b>
	\$	\$	\$	\$
Cost:				
As at 1 July 2014	1,361,673	219,970	258,383	1,840,026
Reclassification	–	(108,731)	108,731	–
Additions	8,743	4,530	19,855	33,128
Write-off	(285,840)	(9,632)	(38,440)	(333,912)
As at 30 June 2015	1,084,576	106,137	348,529	1,539,242
Additions	616,666	29,154	2,578	648,398
Write-off	(971,777)	–	–	(971,777)
As at 30 June 2016	729,465	135,291	351,107	1,215,863
Accumulated depreciation:				
As at 1 July 2014	1,041,330	197,846	192,194	1,431,370
Reclassification	–	(96,071)	96,071	–
Depreciation charge	112,832	5,430	50,865	169,127
Write-off	(285,840)	(9,269)	(38,440)	(333,549)
As at 30 June 2015	868,322	97,936	300,690	1,266,948
Depreciation charge	230,833	9,734	35,648	276,215
Write-off	(890,412)	–	–	(890,412)
As at 30 June 2016	208,743	107,670	336,338	652,751
Carrying amount:				
As at 30 June 2016	520,722	27,621	14,769	563,112
As at 30 June 2015	216,254	8,201	47,839	272,294

Included in additions of furniture and fittings is an amount of \$165,000 pertaining to provision for restoration costs to restore the new office premise to its original condition when the Company vacates the new office premise at 36 Robinson Road, #15-01 City House, Singapore 068877, upon the expiry of the lease term.

During the financial year, the Company had written off furniture and fittings with carrying amount of \$81,365 whose costs amounted to \$971,777. According to management, this write off of \$81,365 is approved by a Board's resolution dated 28 September 2016.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 12. DEFERRED INCOME TAX ASSETS

The movements in the amount of deferred income tax assets shown on the statement of financial position are as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of financial year	17,160	–
Credited to statement of profit or loss and other comprehensive income	(6,146)	17,160
Balance at end of financial year	<u>11,014</u>	<u>17,160</u>

### 13. OTHER PAYABLES AND ACCRUALS

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Accrued operating expenses	185,430	202,610
Accrual for unutilised leave	29,330	43,612
Accrued salary cost	280,732	224,500
Other	31,443	34,728
	<u>526,935</u>	<u>505,450</u>

The general credit period granted to the Company to settle payables is about 30 days (2015: 30 days).

### 14. PROVISION FOR RESTORATION COST

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Provision for restoration of office premise (Note 11)	<u>165,000</u>	–

During the financial year, the Company shifted into a new office. In accordance to the lease agreement dated 11 June 2015, the Company will need to restore the new office premise to its original condition when the Company vacates the new office premise upon expiry of the lease term which will end on 31 December 2018. Accordingly, the Company capitalised a provision for restoration costs pursuant to its legal obligation as stated in the lease agreement. This provision is based on management's best estimate of the restoration costs required to be incurred at the end of the lease term.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 15. OPERATING LEASE COMMITMENTS

The Company leases office premises from non-related parties under non-cancellable operating lease agreements. These leases have an average tenure of three years with renewal option for further three years. The Company is restricted from subleasing the leased office premises to third parties.

The future minimum lease payables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as liabilities, are as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Payable:		
Not later than one year	760,574	743,727
Later than one year and not later than five years	901,908	1,662,482

Rental expense for the current year charged to profit or loss was \$743,727 (2015: \$482,988).

### 16. RELATED PARTY TRANSACTIONS

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling activities of the Company. The directors and executive officers of the Company are considered as key management personnel of the Company.

Key management personnel compensation:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Salaries and bonuses and honorariums	1,223,793	1,064,035
Employer's contribution to Central Provident Fund	119,154	72,004
	<u>1,342,947</u>	<u>1,136,039</u>

Included in the above was total compensation to directors of the Company amounting to \$83,726 (2015: \$82,000).

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 17. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks. The Company's overall business strategies, tolerance of risk and general risk management philosophy are determined by directors in accordance with prevailing economic and operating conditions.

#### (a) Credit risk

Credit risk is the risk that companies and other parties will be unable to meet their obligations to the Company resulting in financial loss to the Company. The Company's trade receivables comprise 2 debtors (2015: 2 debtors) that collectively represented 65% (2015: 22%) of trade receivables. The Company manages such risks by assessing and evaluating the customer's credit reliability and monitoring of collections. The Company normally collects its revenues in advance. The Company places its cash and bank balances with creditworthy institutions.

#### (i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Other receivables that are neither past due nor impaired are mainly rental deposits. Trade receivables that are neither past due nor impaired are substantially companies with a good track record with the Company.

#### (ii) Financial assets that are past due and/or impaired

There are no financial assets that are past due and/or impaired.

#### (b) Interest rate risk

The Company has no external financing; hence its interest risk exposures are insignificant.

The financial assets and liabilities of the Company are non-interest bearing except for cash and bank balances, which are not expected to have a significant impact on the financial statements.

#### (c) Liquidity risk

Management believes that the Company's liquidity risk is minimal as they have sufficient cash flows generated from operations as well as cash deposited with reputable financial institutions to contain such risk.

All the financial liabilities at the end of the reporting period have contracted undiscounted cash flows from the end of the reporting period to the contractual maturity date which equal the carrying amounts.

#### (d) Currency risk

All of the Company's transactions are transacted and settled in Singapore Dollar. In the opinion of the directors, the Company would therefore not have foreign currency risk exposure.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 17. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (e) Fair value measurements

The Company does not have any financial instruments measured at fair value at the end of the reporting period.

The carrying value of trade receivables, other receivables, deposits, other payables and accruals, and provisions are assumed to approximate their fair values due to the relatively short-term maturity of these financial instruments.

#### (f) Financial instruments by categories

The carrying amount of the different categories of financial instruments is as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
Loans and receivables	2,502,151	2,684,832
Financial liabilities at amortised costs	<u>526,935</u>	<u>505,450</u>

### 18. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to support its business. In order to maintain or achieve an optimal capital structure, the Company obtains general levy and supplementary levy from financial institutions.

The Company regards the accumulated surplus as its capital.

The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the years ended 30 June 2016 and 30 June 2015.

## Notes to The Financial Statements

For the Financial Year ended 30 June 2016

### 19. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 July 2015 and which the Company has not early adopted:

- FRS 115 - Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018)
- FRS 109 - Financial Instruments (effective for annual periods beginning on or after 1 January 2018)
- Amendments to FRS 7 - Statement of Cash Flows: Disclosure Initiatives (effective for annual periods beginning on or after 1 January 2017)
- Amendments to FRS 12 - Recognition of Deferred Tax Assets for Unrealised Losses (effective for annual periods beginning on or after 1 January 2017)
- Amendments to FRS 116 - Leases (effective for annual periods beginning on or after 1 January 2019)

The directors expect that the adoption of these standards will not have a significant effect on the financial statements of the Company during the period of their initial adoption except for FRS 109 where management is currently evaluating the potential impact of the application of FRS 109 on the financial statements of the Company in the period of their initial application.

---

End of audited financial statements

---