

Guidance Note on Rule 5 (Excepted Complaints)

For Excepted Complaints, we have set out some guiding principles as follow:

<p>i) Commercial Decisions;</p>	<p>Commercial Decisions refer to any decision that (a) an FI has the discretion to exercise and (b) where the FI properly exercises this discretion for its own business or commercial considerations.</p> <p>Examples of Commercial Decisions are:</p> <ul style="list-style-type: none"> • Assessment of risks including cases of lending, taking security and insurance underwriting. • Assessment of financial and commercial criteria of a customer. • Assessment of the character of a customer, including in deciding whether to onboard a customer or to terminate a customer relationship. • Declaration of Bonus Rates and other non-guaranteed interest rates. • Any contractually permissible modifications to a financial product or service. • Decisions relating to the withdrawal or discontinuation of a product or a service. <p>Where the dispute involves other types of issues such as failure to adhere to contractually established procedures, it will not fall under this exception.</p>
<p>ii) pricing policies and other policies such as interest rates and fees;</p>	<p>Such disputes involve complaints relating to the setting or revision of interest rates, fees or pricing that are applicable on financial products or services.</p> <p>These revisions must be contractually permitted. Additionally, where the dispute involves other types of issues such as service lapse or market conduct, it will not fall under this exception.</p>
<p>iii) cases relating solely to investment performance of a financial product;</p>	<p>Such disputes involve complaints solely relating to how a financial product has performed. Where the dispute involves other types of issues such as service lapse or market conduct, it will not fall under this exception.</p>

<p>iv) cases under investigation by any law enforcement agency, including cases where allegations of fraud or criminal activity have been made, and where the matter has been referred to the police for investigation</p>	<p>The definition of 'law enforcement agency' will be based on the definition found in the Criminal Procedure Code which is 'any authority or person charged with the duty of investigating offences or charging offenders under any written law.'</p> <p>Where the dispute involves allegations of fraud or criminal activity conducted by the FI or its employees, FIDReC will not handle the dispute pending the conclusion of investigations.</p>
<p>v) disputes between an FI and its officers and employees relating to agency or employment issues</p>	<p>FIDReC does not handle any disputes arising out of agency relationships or contracts of employment between an FI and its employees.</p>
<p>vi) Complaints that are more than six months old after the FI's final reply;</p>	<p>FIDReC does not handle complaints that are filed at FIDReC more than six months after the receipt of the FI's final reply.</p> <p>The Complainant and the FI should take note of the requirements of the final reply found in Rule 13(2). If a final reply does not meet the requirements in Rule 13(2), this exception will not apply.</p>
<p>vii) Complaints arising under a Former Scheme and which have been considered by or resolved under that Scheme;</p>	<p>FIDReC does not handle claims that have been considered or resolved by the Insurance Disputes Resolution Organisation and the Consumer Mediation Unit of the Association of Banks of Singapore. These were schemes that operated previously but whose functions have been subsumed under FIDReC.</p>
<p>viii) Complaints that have been dealt with by or resolved by FIDReC unless there is new material information that was not reasonably available at the time the previous complaint had been filed;</p>	<p>A dispute will generally be considered as having been dealt with if the Complainant had previously lodged a complaint involving the same product with similar issues.</p> <p>As to what constitutes 'material,' the ordinary meaning will apply of whether the information relates to a matter that would influence a reasonable person's decision.</p> <p>To have a complaint that had been dealt with previously re-visited, the Complainant must show that the new material information was not reasonably available at the time of the previous complaint.</p>

<p>ix) Complaints that have been settled privately or otherwise between the Eligible Complainant and the FI; and</p>	<p>FIDReC will not handle any dispute where the parties have already reached a private settlement.</p> <p>If an FI wishes to rely on this clause, the FI must produce evidence of the settlement that had reached between the parties.</p>
<p>x) cases which have been subjected to a court hearing and for which a court judgment and / or order has been passed.</p>	<p>This clause should be interpreted as it is worded where both criteria must be fulfilled: (i) the case must have been subjected to a court hearing; and (ii) a court judgment and / or order had been passed pursuant to the court hearing.</p>

Please note that under Rule 1 of the Terms of Reference, the interpretation accorded to the Terms of Reference by FIDReC shall be final and conclusive.