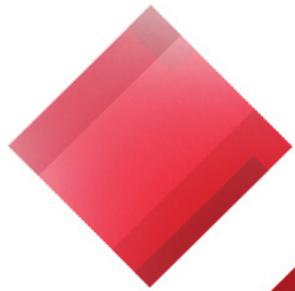


# FIDReC

Financial Industry Disputes Resolution Centre Ltd  
Company Reg No. 200502125D

**INDEPENDENT | IMPARTIAL | EFFECTIVE**

**PAVING THE WAY FOR AMICABLE RESOLUTIONS**



**ANNUAL REPORT 2017/ 2018**



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## CHAIRMAN'S MESSAGE

The financial year under review was a busy year for FIDReC.

FIDReC received 1,266 complaints, an increase from the 953 cases received in the last financial year. It also received 3,764 inquiries, as compared to 2,385 inquiries in the last financial year. In January 2017, the jurisdiction of FIDReC increased from \$50,000 to \$100,000. However, there were only 34 complaints involving amounts between \$50,000 to \$100,000 received. This is a smaller number than expected.

33% of the complaints received were against banks and finance companies, 47% against life insurers, and 14% against the general insurers.

For the complaints against the banks and finance companies, 45% involved disputes on inappropriate advice, misrepresentation or disclosure issues, and 23% involved credit cards. For complaints against life insurers, 53% were on contractual matters while 15% were over inappropriate advice or misrepresentation or disclosures. For general insurers, the vast number of complaints, at 82%, were related to disputes on liability.

945 complaints were successfully resolved. Of these, 96% were resolved within 6 months and 99% were resolved within 9 months. The number of pending cases increased to 637 as at the end of the financial year due to a substantial number of complaints filed within the last few months of the financial year.

Of the cases resolved, 72% were resolved through mediation with the balance through adjudication. Of the cases adjudicated, 94% received no award from the adjudicators.

In July 2017, the wide-ranging statutory review by an independent reviewer was completed. The reviewer found that FIDReC had generally fulfilled its objective of operating an accessible, independent and fair dispute resolution scheme. As compared to the last review in 2013, FIDReC has maintained and made improvements in its performance as an independent dispute resolution institution.

FIDReC has an important role to play in providing an affordable and accessible avenue for complainants to resolve their disputes with financial institutions. It must keep improving its service level, keep up with the advancement in information technology, continue to engage actively with stakeholders and benchmark with best practices internationally.

I thank the management and staff of FIDReC for the work they have done in the financial year under review. I also thank our stakeholders for their support and the board members for their contributions.

Koh Juat Jong  
Chairman, FIDReC

## REPORT FROM THE CHIEF EXECUTIVE OFFICER

Since its launch back in August 2005, the Financial Industry Disputes Resolution Centre Ltd (FIDReC) has cemented itself as the primary ADR (Alternative Dispute Resolution) institution in Singapore specialising in financial disputes between consumers and financial institutions.

In all, FIDReC has resolved more than 11,000 financial disputes.

In financial year 2017/2018, FIDReC resolved a total of 945 complaints. 685 (72.5%) of these complaints were resolved through mediation by FIDReC.

In fact, FIDReC's mediation success rate of 72.5% compares very favourably with the mediation rates of other ADR centres for financial disputes in other jurisdictions.

FIDReC has also gained significant recognition on the international stage.

More than 1,000 complaints have been filed at FIDReC by foreign complainants from 36 countries.

We have also shared our experience and expertise with foreign government, industry and academic delegations from 15 countries as well as consultants and representatives from the World Bank Group, ASEAN and the United Nations.

In this year itself, FIDReC further enhanced its international reputation and footprint.

In October 2017, FIDReC hosted a delegation from Indonesia, which included representatives from the Australia Indonesia Partnership for Economic Governance (AIPEG), the Financial Services Authority of Indonesia (Otoritas Jasa Keuangan or OJK) as well as industry representatives.

We also played host to a study visit from a representative of Nippon Life Insurance Company, the largest Japanese life insurance company by revenue.

In May 2018, we met up with representatives from Malaysia's Securities Industry Dispute Resolution Centre (SIDREC) and Malaysia's Ombudsman for Financial Services (OFS). This was, incidentally, the Malaysians' second study visit to FIDReC within the space of a few years.

Additionally, we did a presentation on the mediation of financial disputes at the 2nd MAS-CSRC (China Securities Regulatory Commission) Supervisory Roundtable. The Roundtable is one of the key outcomes of President Xi Jinping's State Visit to Singapore in 2015, which called for securities regulators from both sides to hold regular high-level dialogue sessions.

As always, we have to recognise and are grateful to the Adjudicators of FIDReC for lending their valuable time and expertise to adjudicating cases.

In preparing for the continued success of FIDReC in the years ahead, I would like to thank the Board for its guidance and inputs, as well as the public and financial institutions for the confidence reposed in us.

The success which is FIDReC also could not have been possible without FIDReC's officers and managers, a team of highly dedicated and committed professionals who truly and passionately believe in the good work we are doing, and genuinely care about the disputants who come before us.

Again, I find myself genuinely humbled and thankful to have been given the privilege of leading and working with my fellow colleagues.

Together, we will continue to strive to better the lives of the people, to bolster confidence in our financial sector and to do our part for our country and home, Singapore.

Ng Wee Jin  
Chief Executive Officer

## 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.

## 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 not-for-profit public 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 and accessible 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.

### 13 Years of specialised financial disputes resolution – more than 10,000 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 13 years since the launch of its operations, FIDReC has resolved more than 10,000 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 on 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, which of course is another convenience for the disputants.

### Two concurrent Schemes

FIDReC operates two concurrent Schemes

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. FIDReC's jurisdiction at adjudication is up to S\$100,000 for each claim.

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.

### 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.

More than 1,000 claims by foreign complainants from 36 countries have been filed at FIDReC.

Also, since its formation, FIDReC has hosted and shared its expertise and experience with foreign governments, 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).

In this financial year (2017/2018), FIDReC hosted visits by three separate groups of foreign delegates on three different occasions. They came from Japan, Indonesia and Malaysia respectively.

## JURISDICTION

### **The FIDReC Dispute Resolution Scheme**

The jurisdiction of FIDReC in adjudicating disputes between complainants and financial institutions is up to S\$100,000 per claim for all claims.

However, there are no monetary limits at the mediation stage.

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 \$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.

Our board members are non-executive, and so they do not engage directly in the day-to-day management and operations of the organisation.

### **RESPONSIBILITIES OF THE BOARD**

The Board is responsible for:-

- i. Ensuring the independence and impartiality of FIDReC;
- ii. Overseeing the activities of FIDReC;
- iii. Appointing the Adjudicators;
- iv. Ensuring that the Adjudicators adhere to FIDReC's rules;
- v. Approving FIDReC's annual budget;
- vi. Evaluating FIDReC's progress;
- vii. Setting the long term policies, direction and objectives of FIDReC.



## MANAGEMENT AND BOARD

FIDReC is an independent organisation with a Board chaired by Former Solicitor-General Mrs Koh Juat Jong which includes directors with industry backgrounds and directors with non-industry backgrounds.

The composition of the Board ensures FIDReC's independence, fairness, accessibility and transparency.

### **KOH JUAT JONG** (FIDReC CHAIRMAN)

Mrs Koh Juat Jong had an illustrious career in the public service for over 30 years.

She was trained in both economics and law with an economics degree from University College London, an LLB from National University of Singapore and an LLM from Harvard University.

In the early part of her career, she was involved in public policy work in the Ministry of Finance in the area of taxation and personnel policies. Subsequently, she took up a legal career. She had many years of experience as a judge, presiding over civil cases in the Subordinate Courts and heading the Family Court. She was Registrar of the Supreme Court from 2003 to 2008 and then Solicitor-General in the Attorney-General's Chambers from 2008 to 2014.

For her outstanding contributions to the public service, she was awarded the National Day Public Administration Gold Medal in 2005 and Public Administration Gold Bar Medal in 2011.

As a Principal Mediator of the Singapore Mediation Centre, Mrs Koh currently mediates regularly in commercial, shareholders and matrimonial disputes.

### **ELSIE FOH** (FIDReC DIRECTOR)

Mrs Elsie 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).

**LIM BIOW CHUAN**  
(FIDReC DIRECTOR)

Mr Lim Biow Chuan 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.

**TANTIONG JIN CLIFTON**  
(FIDReC DIRECTOR)

Mr 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 PwC (formerly Price Waterhouse) and subsequently became the Group Finance Manager at Scott Paper Singapore for 3 years.

Mr Tan was headhunted to start up the Estee Lauder Companies in Singapore where he served in different capacities for 27 years eventually leading the organisation 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 organisation 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 Tan previously sat on the Board of the Health Sciences Authority of Singapore and is currently the Vice-Chairman of the Chen Su Lan Methodist Children's Home amongst other appointments.

## MANAGEMENT AND BOARD

### TAN HOCK LYE (FIDReC DIRECTOR)

Mr 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.

Mr 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)

Mr Andrew Lim joined The Overseas Assurance Corporation Limited (renamed as Great Eastern General Insurance Ltd in July 2017) 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 represented GIA as a Member of the National Crime Prevention Council from June 2015 to July 2018.

**PATRICK TEOW**  
(FIDReC DIRECTOR)

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, Mr Teow 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.

Mr Teow 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.

## MANAGEMENT AND BOARD

### 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 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.

### i. 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 be only able to meet up with FIDReC's officers after regular working hours.

### ii. 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.

### iii. 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 is to the benefit of both complainants and the financial institutions in the long term.

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

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

### v. 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, it proceeds for adjudication before a FIDReC Adjudicator or Panel of Adjudicators. The complainant is required to pay a nominal administrative fee as follows:-

*With effect from 1 September 2011, 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 are set out in FIDReC's website at [www.fidrec.com.sg](http://www.fidrec.com.sg). A copy will also be provided upon request.

*With effect from 1 September 2011, 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)

## THE 5 FOUNDING PRINCIPLES OF FIDReC

### 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 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 comprises directors with industry and non-industry background. The Board is chaired by Mrs Koh Juat Jong.

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

### 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 our rich experience and expertise, we recognize 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. We seek 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 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. In our Annual Reports, we explain clearly the work that we have done. Appropriate statistics about the disputes that we have handled are also given.

### 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 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 case 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 then 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.

### **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 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

## PROCESSES OF FIDReC

**The dispute resolution process of FIDReC comprises of two stages:**

- **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 at FIDReC to allow parties to communicate face-to-face.

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 tried 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 opportunity 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 qualified and credible professionals with relevant experience and expertise. All FIDReC Adjudicators are required to go through a selection process before they are appointed.

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

More details of FIDReC Adjudicators as well as their profiles can be found on the FIDReC website at

- <http://fidrec.com.sg/website/adjudicators.html>; and
- [http://fidrec.com.sg/website/adjust\\_structured.html](http://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 1 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 that decision arrived at by 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 since it was launched in August 2005.**

**More than 1,000 claims by foreign complainants from 36 countries**

More than 1,000 claims have been filed at FIDReC by foreign complainants from 36 countries:-

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

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

FIDReC hosted and shared its expertise and experience with foreign governments, industry and academic delegations as well as consultants from:-

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

## INTERNATIONAL STANDING AND REPUTATION

For the financial year under review (2017/2018), representatives from three countries came to FIDReC for three study-visits, as follows:-

In October 2017, FIDReC hosted a visit by a 10-member delegation from Indonesia. They consisted of representatives from the Australia Indonesia Partnership for Economic Governance (AIPEG), the Financial Services Authority of Indonesia (Otoritas Jasa Keuangan or OJK) as well as industry representatives from the finance external dispute resolution agencies of Indonesia. The Indonesians were here to study FIDReC's approaches to and best practices in resolving financial disputes between financial institutions and their customers. They were also interested to learn about the organizational structure of FIDReC.

Also in that same month, an assistant manager from Nippon Life Insurance Company, the largest Japanese life insurance company by revenue, also conducted a study visit at FIDReC. She visited us to pick up some tips from FIDReC on ways and means to enhance the professionalism of workers in the insurance industry.

In May 2018, another foreign delegation visited FIDReC. A 5-member team comprising representatives from Malaysia's Securities Industry Dispute Resolution Centre (SIDREC) and also Malaysia's Ombudsman for Financial Services (OFS) visited FIDReC to study FIDReC's organizational structure, work processes, operations and procedure.

# 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.

They have to undergo training, both theory and practical, over a period of time, and demonstrate their knowledge of and competency in mediation. Such training includes mediating in real-life cases, and be assessed accordingly. These two assessment methods – theory as well as practical – have been designed to complement each other, and to give a better and broader picture of the candidate's ability in mediation.

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 greater levels of competence and expertise, Mediators who satisfy more stringent requirements will be awarded higher levels of Accreditation – Advanced, Merit and Distinction.

## 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 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 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 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 a 12 week or 60 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 3 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.

### Syllabus of the FTPM

1. To complete FIDReC’s Induction Training.
2. To complete 1 calendar year full-time employment with FIDReC with no disciplinary and/or non-compliance issues.
3. To complete On-The-Job Training (OJT) involving real-life actual financial disputes:-
  - a. At least 5 financial disputes on observation;
  - b. At least 2 financial disputes on co-mediation;
  - 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 2 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 12 week or 60 working days attachment to FIDReC’s Complaints Management Unit (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 5 full interview statements taken from complainants and/or witnesses;
  - c. To attend to at least 5 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 5 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 on 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 & role-play workshops.

Following the Global Financial Crisis of 2008 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 2017/18 (1 July 2017 to 30 June 2018)**

<b>CASES AND INQUIRIES RECEIVED BY FIDREC</b>	
Number of cases received by FIDReC (via email, post, fax and phone)*	1,266
Number of inquiries handled by FIDReC	3,764

<b>Complaints received and handled by FIDReC</b>	
Number of complaints received by FIDReC*	1,266
Number of complaints accepted (which were at the Pre-Acceptance Stage in the previous financial year)**	3
Number of complaints handled by FIDReC*	1,251
Number of complaints outside jurisdiction	14
Number of complaints at Pre-Acceptance Stage	4

\* In the period from 1 July 2017 to 30 June 2018, FIDReC received 1,266 complaints. Out of these 1,266 complaints, 18 complaints were either outside FIDReC jurisdiction or at the Pre-Acceptance Stage. In addition, FIDReC handled another 3 complaints which were at the Pre-Acceptance Stage in the previous financial year. Accordingly, a total of 1,251 complaints were handled by FIDReC.

\*\* These complaints were lodged in the preceding periods.

<b>STATUS</b>		
Status	Complaints*	Inquiries
Resolved by FIDReC	945	3,764
Pending (as at 30 June 2017)	637	-
Out of jurisdiction	14	-
Pre-Acceptance Stage	4	-
<b>Total</b>	<b>1,600</b>	<b>3,764</b>

\* These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2017 to 30 June 2018.

## PROGRESS OF FIDReC

### Turnaround time for complaints resolved by FIDReC

Turnaround time	Complaints resolved by FIDReC
Within three months	50.9%
Within six months	96.1%
Within nine months	99.4%
More than nine months	0.6 %

Of the complaints received, **96.1%** of them were resolved within six months, and **99.4%** were resolved within nine months.

Outcome of complaints	
Number of complaints resolved by mediation	685
Number of adjudicated cases where awards were made	16
Number of adjudicated cases where no awards were made	244
Total number of adjudicated cases	260

# PROGRESS OF FIDReC

**Period: 1 July 2017 to 30 June 2018**

## Breakdown by Nature of Complaints

Block*	Complaints Handled						Complaints Resolved#			Number of pending cases as at 30 June 2018
	Financial Institutions' Practice/ Policies	Market Conduct	Service Standards	Others	Total	%	Number of complaints resolved by mediation	Number of complaints adjudicated where awards were made	Number of complaints adjudicated where no awards were made	
A	74	188	56	96	414	33.09%	265	6	105	155
B	477	95	11	0	583	46.60%	245	0	78	406
C	169	0	7	0	176	14.07%	125	9	30	61
D	2	4	39	0	45	3.60%	25	0	21	10
E	1	30	2	0	33	2.64%	25	1	10	5
<b>Total</b>	<b>723</b>	<b>317</b>	<b>115</b>	<b>96</b>	<b>1,251</b>	<b>100.00%</b>	<b>685</b>	<b>16</b>	<b>244</b>	<b>637</b>
<b>%</b>	<b>57.80%</b>	<b>25.34%</b>	<b>9.19%</b>	<b>7.67%</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

# These figures include complaints lodged in the preceeding periods which were resolved in the period 1 July 2017 to 30 June 2018

# PROGRESS OF FIDReC

Period: 01 July 2017 to 30 June 2018

(Breakdown by Nature of Complaints) – Category A

Breakdown of Complaints	Complaints Handled		Complaints Resolved#			
	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	Number of pending cases as at 30 June 2018
<b>FINANCIAL INSTITUTIONS' PRACTICE/POLICIES</b>						
Debt restructuring	0	0.000%	0	0	0	0
Disputes on liability	16	3.865%	15	3	7	7
Non-renewal of services/ underwriting	6	1.449%	3	0	2	1
Other contractual matters	10	2.415%	7	0	1	2
Policy values and investment returns	2	0.483%	1	0	0	1
Pricing policies/premiums/ interest rates/fees & charges	40	9.662%	28	0	5	17
Rejection of new applications/ underwriting decisions	0	0.000%	0	0	0	0
<b>Sub-Total for: Financial Institutions' Practice/Policies</b>	<b>74</b>	<b>17.874%</b>	<b>54</b>	<b>3</b>	<b>15</b>	<b>28</b>
<b>MARKET CONDUCT</b>						
Aggressive sales tactics	0	0.000%	0	0	0	0
Inappropriate advice/ misrepresentation/disclosure issues	186	44.928%	102	2	58	80
Other misconduct	0	0.000%	0	0	0	0
Unauthorized transactions/fraud/ forgery	2	0.483%	0	1	1	2
Unregulated/unlicensed activities	0	0.000%	0	0	0	0
<b>Sub-Total for: Market Conduct</b>	<b>188</b>	<b>45.411%</b>	<b>102</b>	<b>3</b>	<b>59</b>	<b>82</b>
<b>SERVICE STANDARDS</b>						
Delay/Failure in processes	41	9.903%	21	0	12	16
Staff-related issues	15	3.623%	21	0	1	1
<b>Sub-Total for: Service Standards</b>	<b>56</b>	<b>13.527%</b>	<b>42</b>	<b>0</b>	<b>13</b>	<b>17</b>
<b>OTHERS</b>						
Others	96	23.188%	67	0	18	28
<b>Sub-Total for: Others</b>	<b>96</b>	<b>23.188%</b>	<b>67</b>	<b>0</b>	<b>18</b>	<b>28</b>
<b>Grand Total for All Nature of Complaints</b>	<b>414</b>	<b>100.000%</b>	<b>265</b>	<b>6</b>	<b>105</b>	<b>155</b>

# These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2017 to 30 June 2018

## PROGRESS OF FIDReC

Period: 01 July 2017 to 30 June 2018

(Breakdown by Nature of Complaints) – Category B

Breakdown of Complaints	Complaints Handled		Complaints Resolved#			Number of pending cases as at 30 June 2018
	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	
<b>FINANCIAL INSTITUTIONS' PRACTICE/POLICIES</b>						
Disputes on claim amount awarded	6	1.029%	6	0	3	5
Disputes on liability	64	10.978%	64	0	21	23
General industry feedback	0	0.000%	0	0	0	0
Non-renewal of services/underwriting	9	1.544%	8	0	0	1
Other contractual matters	309	53.002%	13	0	0	297
Policy values and investment returns	77	13.208%	48	0	34	26
Pricing policies/premiums/interest rates/fees & charges	5	0.858%	4	0	2	1
Rejection of new applications/underwriting decisions	7	1.201%	2	0	1	4
<b>Sub-Total for: Financial Institutions' Practice/Policies</b>	<b>477</b>	<b>81.818%</b>	<b>145</b>	<b>0</b>	<b>61</b>	<b>357</b>
<b>MARKET CONDUCT</b>						
Aggressive sales tactics	0	0.000%	0	0	0	0
Inappropriate advice/misrepresentation/disclosure issues	90	15.437%	92	0	17	35
Issues on fitness and propriety of licensees/regulated persons	0	0.000%	0	0	0	0
Other misconduct	0	0.000%	0	0	0	0
Unauthorized transactions/fraud/forgery	5	0.858%	0	0	0	5
<b>Sub-Total for: Market Conduct</b>	<b>95</b>	<b>16.295%</b>	<b>92</b>	<b>0</b>	<b>17</b>	<b>40</b>
<b>SERVICE STANDARDS</b>						
Delay/Failure in processes	10	1.715%	7	0	0	6
Staff-related issues	1	0.172%	1	0	0	3
<b>Sub-Total for: Service Standards</b>	<b>11</b>	<b>1.887%</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>9</b>
<b>OTHERS</b>						
Others	0	0.000%	0	0	0	0
<b>Sub-Total for: Others</b>	<b>0</b>	<b>0.000%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total for All Nature of Complaints</b>	<b>583</b>	<b>100.000%</b>	<b>245</b>	<b>0</b>	<b>78</b>	<b>406</b>

# These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2017 to 30 June 2018

# PROGRESS OF FIDReC

Period: 01 July 2017 to 30 June 2018

(Breakdown by Nature of Complaints) – Category C

Breakdown of Complaints	Complaints Handled		Complaints Resolved#			Number of pending cases as at 30 June 2018
	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	
<b>FINANCIAL INSTITUTIONS' PRACTICE/POLICIES</b>						
Disputes on claim amount awarded	15	8.523%	3	0	1	11
Disputes on liability	145	82.386%	110	9	29	46
Non-renewal of services/underwriting	7	3.977%	7	0	0	0
Other contractual matters	1	0.568%	0	0	0	1
Pricing policies/premiums/interest rates/fees & charges	0	0.000%	0	0	0	0
Rejection of new applications/underwriting decisions	1	0.568%	1	0	0	0
<b>Sub-Total for: Financial Institutions' Practice/Policies</b>	<b>169</b>	<b>96.023%</b>	<b>121</b>	<b>9</b>	<b>30</b>	<b>58</b>
<b>MARKET CONDUCT</b>						
Inappropriate advice/misrepresentation/disclosure issues	0	0.000%	0	0	0	0
Unauthorized transactions/fraud/forgery	0	0.000%	0	0	0	0
<b>Sub-Total for: Market Conduct</b>	<b>0</b>	<b>0.000%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SERVICE STANDARDS</b>						
Delay/Failure in processes	7	3.977%	4	0	0	3
<b>Sub-Total for: Service Standards</b>	<b>7</b>	<b>3.977%</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Grand Total for All Nature of Complaints</b>	<b>176</b>	<b>100.000%</b>	<b>125</b>	<b>9</b>	<b>30</b>	<b>61</b>

# These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2017 to 30 June 2018

## PROGRESS OF FIDReC

Period: 01 July 2017 to 30 June 2018

(Breakdown by Nature of Complaints) – Category D

Breakdown of Complaints	Complaints Handled		Complaints Resolved#			Number of pending cases as at 30 June 2018
	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	
<b>FINANCIAL INSTITUTIONS' PRACTICE/POLICIES</b>						
Disputes on liability	0	0.000%	1	0	1	0
Non-renewal of services/ underwriting	1	2.222%	2	0	0	0
Other contractual matters	0	0.000%	0	0	0	0
Policy values and investment returns	1	2.222%	1	0	0	0
<b>Sub-Total for: Financial Institutions' Practice/Policies</b>	<b>2</b>	<b>4.444%</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>MARKET CONDUCT</b>						
Inappropriate advice/ misrepresentation/disclosure issues	3	6.667%	2	0	0	2
Other misconduct	0	0.000%	0	0	0	0
Unauthorized transactions/fraud/ forgery	1	2.222%	1	0	0	0
<b>Sub-Total for: Market Conduct</b>	<b>4</b>	<b>8.889%</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>SERVICE STANDARDS</b>						
Delay/Failure in processes	39	86.667%	18	0	20	8
Staff-related issues	0	0.000%	0	0	0	0
<b>Sub-Total for: Service Standards</b>	<b>39</b>	<b>86.667%</b>	<b>18</b>	<b>0</b>	<b>20</b>	<b>8</b>
<b>OTHERS</b>						
Others	0	0.000%	0	0	0	0
<b>Sub-Total for: Others</b>	<b>0</b>	<b>0.000%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total for All Nature of Complaints</b>	<b>45</b>	<b>100.000%</b>	<b>25</b>	<b>0</b>	<b>21</b>	<b>10</b>

# These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2017 to 30 June 2018

# PROGRESS OF FIDReC

Period: 01 July 2017 to 30 June 2018

(Breakdown by Nature of Complaints) – Category E

Breakdown of Complaints	Complaints Handled		Complaints Resolved#			
	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	Number of pending cases as at 30 June 2018
<b>FINANCIAL INSTITUTIONS' PRACTICE/POLICIES</b>						
Disputes on liability	1	3.030%	1	0	0	0
<b>Sub-Total for: Financial Institutions' Practice/Policies</b>	<b>1</b>	<b>3.030%</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Market Conduct</b>						
Inappropriate advice/misrepresentation/disclosure issues	30	90.909%	23	1	10	4
Other misconduct	0	0.000%	0	0	0	0
Unregulated/unlicensed activities	0	0.000%	0	0	0	0
Unauthorized transactions/fraud/forgery	0	0.000%	0	0	0	0
<b>Sub-Total for: Market Conduct</b>	<b>30</b>	<b>90.909%</b>	<b>23</b>	<b>1</b>	<b>10</b>	<b>4</b>
<b>SERVICE STANDARDS</b>						
Delay/Failure in processes	1	3.030%	0	0	0	1
Staff-related issues	1	3.030%	1	0	0	0
<b>Sub-Total for: Service Standards</b>	<b>2</b>	<b>6.061%</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Grand Total for All Nature of Complaints</b>	<b>33</b>	<b>100.000%</b>	<b>25</b>	<b>1</b>	<b>10</b>	<b>5</b>

# These figures include complaints lodged in the preceding periods which were resolved in the period 1 July 2017 to 30 June 2018

## CATEGORISATION OF COMPLAINTS

NATURE OF DISPUTE	DEFINITIONS / EXAMPLES
<b>SERVICE STANDARDS</b>	
Staff-related issues	Dissatisfaction with FI's standard of service (e.g. rude or incompetent staff); Mistake or oversight by staff.
Delay / failure in processes	Delay or inability of FI to perform certain services due to system problems or inflexible procedures. Delays in processing and settlement of insurance claims should be included here.
General industry feedback	General feedback on service standards of the financial services industry, not targeted at any particular FI.
<b>FINANCIAL INSTITUTIONS PRACTICE / POLICIES</b>	
Pricing policies / premiums / interest rates / fees & charges	Disputes over interest rates on credit facilities, savings accounts and other banking facilities; insurance premiums; and fees & charges of investment products and services (e.g. subscription fees, fees and charges for opening of accounts etc.).
Policy values & investment returns	Lower policy values (including bonus cuts, dividends etc); Poor investment returns (not relating to misrepresentation by adviser).
Disputes on liability	FI has repudiated liability but complainant argues that it is a valid claim.
Disputes on claim amount awarded	Complainant is unhappy with the claim amount awarded.
Other contractual matters	Disputes relating to the terms & conditions of contractual agreements (except pricing matters, which should be classified under "Pricing Policies").
Rejection of new applications / underwriting decisions (new applications)	Disputes over FI's assessment / underwriting decisions leading to a rejection of new applications for credit cards, loans, insurance policies and other financial products and services.
Non-renewal of services / underwriting decisions (renewal)	Disputes over FI's assessment / underwriting decisions leading to FI's refusal to renew existing insurance policies or other financial products or services, or inclusion by FI of additional costs or exclusion clauses in view of higher claims / higher risks assumed (except matters on pricing / premiums, which should be classified under "Pricing Policies").
Debt Restructuring	Appeals to have debts restructured due to complainants' inability to service their debts.
General industry feedback	General feedback on commercial practices and business decisions of the financial services industry, not targeted at any particular FI.

NATURE OF DISPUTE	DEFINITIONS / EXAMPLES
<b>MARKET CONDUCT</b>	
Unauthorised transactions / fraud / forgery	Allegations of unauthorised / dishonest transactions by FIs / FI's staff and cases of cheating & fraud.
Inappropriate advice / misrepresentation / disclosure issues	Making recommendations without due consideration to the client's financial objectives, financial situation and particular needs (insufficient explanation of product features / risks or insufficient fact-find analysis); Making deceptive, false and misleading statements; Not making full and / or adequate disclosure of all facts for clients to make an informed decision.
Unregulated / unlicensed activities	Unlicensed persons carrying on licensable activities; Regulated entities carrying on activities without proper licence / authorization.
Issues on fitness and propriety of licensees / regulated persons	Complaints about the integrity / fitness and propriety of licensees / persons providing financial advisory services.
Aggressive sales tactics	Aggressive product pushing and marketing of financial products and services; Nuisance calls and hard selling by advisers.
Other misconduct	Misconduct other than those described above. Examples of such misconduct include 'pooling' (Agent A submits a new application under Agent B in order to help Agent B reach his quota), 'financing' (Agent is subsidising the payment of premiums for policyholder in order to close sales and achieve production quota), 'phantom policy' (Agent submits proposal using fictitious policyholder name in order to achieve production quota) and 'replacement of policy'.
General industry feedback	General feedback on market conduct issues relevant to the financial services industry including unfair / unethical practices undertaken by industry as a whole (e.g. cartel pricing).
Enquiries	General enquiries on procedures for filing a dispute, when to file a dispute, operating hours etc.
Others	Other types of disputes not listed above.

## SUBSCRIBER FINANCIAL INSTITUTIONS OF FIDReC

Under the Monetary Authority of Singapore (Dispute Resolution Schemes) Regulations 2007, every financial institution that is described in Part 1 of the Second Schedule of the Regulations is required to be a subscriber of FIDReC.

There are over 500 such financial institutions, comprised from the following:

### A. Banks and Finance Companies (as at 18/10/2018)

- ABN AMRO BANK N.V.
- ABN AMRO CLEARING BANK N.V.
- AGRICULTURAL BANK OF CHINA LIMITED
- AMERICAN EXPRESS INTERNATIONAL, INC.
- ARAB BANK PLC
- ARAB BANKING CORPORATION (B.S.C.), SINGAPORE BRANCH
- AUSTRALIA & NEW ZEALAND BANKING GROUP LIMITED
- BANCO BILBAO VIZCAYA ARGENTARIA S.A.
- BANCO SANTANDER, S.A.
- BANGKOK BANK PUBLIC COMPANY LIMITED
- BANK J.SAFRA SARASIN LTD, SINGAPORE BRANCH
- BANK JULIUS BAER & CO. LTD, SINGAPORE BRANCH
- BANK OF AMERICA, NATIONAL ASSOCIATION
- BANK OF BARODA
- BANK OF CHINA LIMITED
- BANK OF COMMUNICATIONS CO., LTD
- BANK OF EAST ASIA LTD, THE
- BANK OF INDIA
- BANK OF MONTREAL SINGAPORE BRANCH
- BANK OF NOVA SCOTIA, THE
- BANK OF SINGAPORE LIMITED
- BANK OF TAIWAN
- BANK PICTET & CIE (ASIA) LTD
- BARCLAYS BANK PLC
- BNP PARIBAS
- BNP PARIBAS SECURITIES SERVICES
- CA INDOSUEZ (SWITZERLAND) SA
- CANADIAN IMPERIAL BANK OF COMMERCE
- CATHAY UNITED BANK
- CHANG HWA COMMERCIAL BANK LTD
- CHINA CITIC BANK INTERNATIONAL LIMITED SINGAPORE BRANCH
- CHINA CONSTRUCTION BANK CORPORATION
- CHINA MERCHANTS BANK CO LTD
- CIMB BANK BERHAD, SINGAPORE BRANCH
- CITIBANK NA
- CITIBANK SINGAPORE LIMITED
- CITICORP INVESTMENT BANK (SINGAPORE) LIMITED
- CLEARSTREAM BANKING, SOCIETE ANONYME
- COMMERZBANK AKTIENGESELLSCHAFT
- COMMONWEALTH BANK OF AUSTRALIA
- CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
- CREDIT INDUSTRIEL ET COMMERCIAL
- CREDIT SUISSE AG
- CTBC BANK CO., LTD
- DBS BANK LTD
- DEUTSCHE BANK AG
- DINERS CLUB (SINGAPORE) PTE LTD
- DNB BANK ASA SINGAPORE BRANCH
- DVB BANK SE SINGAPORE BRANCH
- DZ BANK AG DEUTSCHE ZENTRAL-GENOSSENSCHAFTSBANK, FRANKFURT AM MAIN
- E.SUN COMMERCIAL BANK, LTD.
- EFG BANK AG
- EMIRATES NBD PJSC
- FIRST ABU DHABI BANK P.J.S.C. SINGAPORE BRANCH
- FIRST COMMERCIAL BANK, LTD
- HABIB BANK LTD
- HANG SENG BANK LIMITED
- HL BANK
- HONG LEONG FINANCE LIMITED
- HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, THE
- HSBC BANK (SINGAPORE) LIMITED
- HSH NORDBANK AG SINGAPORE BRANCH
- HUA NAN COMMERCIAL BANK, LTD.
- ICBC STANDARD BANK PLC SINGAPORE BRANCH
- ICICI BANK LIMITED
- INDIAN BANK
- INDIAN OVERSEAS BANK
- INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
- ING BANK N.V., SINGAPORE BRANCH
- INTESA SANPAOLO S.P.A.
- JPMORGAN CHASE BANK, N.A.
- KBC BANK N.V.

**A. Banks and Finance Companies (as at 18/10/2018) (continued)**

- KEB HANA BANK
- KOREA DEVELOPMENT BANK, THE
- KRUNG THAI BANK PUBLIC COMPANY LIMITED
- LAND BANK OF TAIWAN
- LANDESBANK BADEN-WURTTENBERG
- LLOYDS BANK CORPORATE MARKETS PLC
- LLOYDS BANK PLC
- MACQUARIE BANK LIMITED SINGAPORE BRANCH
- MALAYAN BANKING BHD
- MAYBANK SINGAPORE LIMITED
- MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD., SINGAPORE BRANCH
- MITSUBISHI UFJ TRUST & BANKING CORPORATION
- MIZUHO BANK, LTD
- MORGAN STANLEY ASIA INTERNATIONAL LIMITED
- MUFG BANK, LTD. SINGAPORE BRANCH
- NATIONAL AUSTRALIA BANK LTD
- NATIONAL BANK OF KUWAIT S.A.K.P
- NATIXIS
- NATWEST MARKETS PLC
- NORDDEUTSCHE LANDESBANK GIROZENTRALE
- NORDEA BANK AB SINGAPORE BRANCH
- NORDEA BANK ABP SINGAPORE BRANCH
- NORDEA BANK S. A. SINGAPORE BRANCH
- NORINCHUKIN BANK, THE
- OVERSEA-CHINESE BANKING CORPN LTD
- PHILIPPINE NATIONAL BANK
- PT BANK MANDIRI (PERSERO) TBK
- PT BANK NEGARA INDONESIA (PERSERO) TBK
- PT BANK RAKYAT INDONESIA (PERSERO) TBK SINGAPORE BRANCH
- QATAR NATIONAL BANK (Q.P.S.C.)
- RABOBANK
- RAIFFEISEN BANK INTERNATIONAL AG
- RHB BANK BERHAD
- ROYAL BANK OF CANADA
- SHANGHAI PUDONG DEVELOPMENT BANK CO., LTD. SINGAPORE BRANCH
- SHINHAN BANK
- SING INVESTMENTS & FINANCE LIMITED
- SINGAPURA FINANCE LTD
- SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)
- SOCIETE GENERALE
- STANDARD CHARTERED BANK
- STANDARD CHARTERED BANK (SINGAPORE) LIMITED
- STATE BANK OF INDIA
- STATE STREET BANK AND TRUST COMPANY
- SUMITOMO MITSUI BANKING CORPORATION
- SUMITOMO MITSUI TRUST BANK, LIMITED SINGAPORE BRANCH
- SVENSKA HANDELSBANKEN AB
- TAIPEI FUBON COMMERCIAL BANK CO LTD SINGAPORE BRANCH
- TAISHIN INTERNATIONAL BANK CO., LTD. SINGAPORE BRANCH
- THE BANK OF NEW YORK MELLON
- THE HOKKOKU BANK, LTD. SINGAPORE BRANCH
- THE IYO BANK, LTD. SINGAPORE BRANCH
- THE NORTHERN TRUST COMPANY
- THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD – SINGAPORE BRANCH
- THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED, SINGAPORE BRANCH
- THE TORONTO-DOMINION BANK
- UBS AG
- UCO BANK
- UNICREDIT BANK AG
- UNION DE BANQUES ARABES ET FRANCAISES
- UNITED OVERSEAS BANK LTD
- VP BANK LTD SINGAPORE BRANCH
- VTB CAPITAL PLC SINGAPORE BRANCH
- WELLS FARGO BANK, NATIONAL ASSOCIATION
- WESTPAC BANKING CORPORATION
- WOORI BANK

## SUBSCRIBER FINANCIAL INSTITUTIONS OF FIDReC

### B. Life and Composite Insurers (as at 18/10/2018)

- AIA SINGAPORE PRIVATE LIMITED
- AVIVA LTD
- AXA INSURANCE PTE. LTD.
- CHINA LIFE INSURANCE (SINGAPORE) PTE. LTD.
- ETIQA INSURANCE PTE LTD
- FRIENDS PROVIDENT INTERNATIONAL LIMITED (SINGAPORE BRANCH)
- FWD SINGAPORE PTE LTD
- GENERALI WORLDWIDE INSURANCE COMPANY LIMITED, SINGAPORE BRANCH
- GREAT EASTERN GENERAL INSURANCE LIMITED
- 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
- PRUDENTIAL ASSURANCE COMPANY SINGAPORE (PTE) LIMITED
- RAFFLES HEALTH INSURANCE PTE LTD
- SINGAPORE LIFE 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)
- 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
- FWD SINGAPORE PTE. LTD.
- GREAT AMERICAN INSURANCE COMPANY
- GREAT EASTERN GENERAL INSURANCE LIMITED
- HL ASSURANCE PTE. LTD.
- INDIA INTERNATIONAL INSURANCE PTE LTD
- LIBERTY INSURANCE PTE LTD
- LONPAC INSURANCE BERHAD
- MS FIRST CAPITAL INSURANCE LIMITED
- MSIG INSURANCE (SINGAPORE) PTE LTD
- NTUC INCOME INSURANCE CO-OPERATIVE LTD
- QBE INSURANCE (SINGAPORE) PTE. LTD.
- SOMPO 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)

### C. General and Composite Insurers (as at 18/10/2018)

- 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
- AUTO & GENERAL INSURANCE (SINGAPORE) PTE. LIMITED
- AVIVA LTD
- AXA INSURANCE PTE LTD
- AXIS SPECIALTY LIMITED (SINGAPORE BRANCH)
- BERKSHIRE HATHAWAY SPECIALTY INSURANCE COMPANY
- CHINA TAIPING INSURANCE (SINGAPORE) PTE LTD
- CHUBB INSURANCE SINGAPORE LIMITED

### D. Capital Markets Services Licensees (as at 18/10/2018)

- ABBPE CAPITAL MANAGEMENT PTE. LTD.
- ABERDEEN ASSET MANAGEMENT ASIA LIMITED
- ABN AMRO CLEARING SINGAPORE PTE LTD
- ACADIAN ASSET MANAGEMENT (SINGAPORE) PTE LTD
- ACG MANAGEMENT PTE, LTD
- ADMIS SINGAPORE PTE. LIMITED
- AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED
- ALLIANCEBERNSTEIN (SINGAPORE) LTD
- ALLIANZ GLOBAL INVESTORS SINGAPORE LIMITED
- ALPHA INVESTMENT PARTNERS LIMITED
- AMUNDI SINGAPORE LIMITED
- APS ASSET MANAGEMENT PTE LTD
- AQUARIUS INVESTMENT ADVISORS PTE LTD.
- AR CAPITAL PTE. LTD.
- ARA ASSET MANAGEMENT (FORTUNE) LIMITED
- ARA TRUST MANAGEMENT (SUNTEC) LIMITED
- ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED
- ARCHIPELAGO CAPITAL PARTNERS PTE LTD

#### D. Capital Markets Services Licensees (as at 18/10/2018) (continued)

- ASCENDAS FUNDS MANAGEMENT (S) LIMITED
- ASCENDAS HOSPITALITY FUND MANAGEMENT PTE LTD
- ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED
- ASHMORE INVESTMENT MANAGEMENT (SINGAPORE) PTE LTD
- ASIA WEALTH PLATFORM PTE LTD
- ATLAS ASSET MANAGEMENT PTE. LTD.
- AVIVA INVESTORS ASIA PTE LIMITED
- AXA INVESTMENT MANAGERS ASIA (SINGAPORE) LTD
- B&I CAPITAL PTE. LTD.
- BARCLAYS CAPITAL FUTURES (SINGAPORE) PTE LTD
- BHG RETAIL TRUST MANAGEMENT PTE.LTD.
- BLACKROCK (SINGAPORE) LIMITED
- BNP PARIBAS ASSET MANAGEMENT SINGAPORE LIMITED
- BNP PARIBAS SECURITIES (SINGAPORE) PTE. LTD
- BNP PARIBAS TRUST SERVICES SINGAPORE LIMITED
- BNY MELLON INVESTMENT MANAGEMENT SINGAPORE PTE. LIMITED
- BOARDROOM EXECUTIVE SERVICES PTE. LTD
- BOC INTERNATIONAL (SINGAPORE) PTE. LTD.
- BOWSPRIT CAPITAL CORPORATION LIMITED
- BRAIN-TOO-FREE VENTURES PTE LTD
- BREVAN HOWARD PRIVATE LIMITED
- CABER PARTNERS PTE. LTD.
- CAMBRIDGE ASSOCIATES ASIA PTE LTD
- CAPARI ASSET MANAGEMENT PTE LTD
- CAPITAL ADVISORS PARTNERS ASIA PTE LTD
- CAPITAL INTERNATIONAL, INC
- CAPITALAND COMMERCIAL TRUST MANAGEMENT LIMITED
- CAPITALAND FUND MANAGEMENT PTE. LTD.
- CAPITALAND MALL TRUST MANAGEMENT LIMITED
- CAPITALAND RETAIL CHINA TRUST MANAGEMENT LIMITED
- CBRE GLOBAL INVESTORS (ASIA PACIFIC) PTE. LTD.
- CCB INTERNATIONAL (SINGAPORE) PTE LTD
- CENKOS SECURITIES ASIA PTE LTD
- CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.
- CHARLES SCHWAB SINGAPORE PTE. LTD.
- CHARTERED ASSET MANAGEMENT PTE LTD
- CIMB-PRINCIPAL ASSET MANAGEMENT (S) PTE LTD
- CITIGROUP GLOBAL MARKETS SINGAPORE PTE LTD
- CITIGROUP GLOBAL MARKETS SINGAPORE SECURITIES PTE LTD
- CLSA GLOBAL MARKETS PTE LTD
- CLSA SINGAPORE PTE LTD
- CMC MARKETS SINGAPORE PTE LTD
- COMMERZBANK ASSET MANAGEMENT ASIA LTD
- COPPER BASIN CAPITAL PTE. LTD.
- CREDIT SUISSE SECURITIES (SINGAPORE) PTE LIMITED
- CREDITEASE ASSET MANAGEMENT (SINGAPORE) PTE. LTD.
- CROMWELL EREIT MANAGEMENT PTE. LTD.
- CSAM ASSET MANAGEMENT PTE. LTD.
- DAIWA ASSET MANAGEMENT (SINGAPORE) LTD
- DAIWA CAPITAL MARKETS INVESTMENT SERVICES PTE LTD
- DAIWA SB INVESTMENTS (SINGAPORE) LTD
- DBS VICKERS SECURITIES (SINGAPORE) PTE LTD
- DEUTSCHE ASSET MANAGEMENT (ASIA) LIMITED
- DEUTSCHE SECURITIES ASIA LIMITED
- EASTSPRING INVESTMENTS (SINGAPORE) LIMITED
- EFFISSIMO CAPITAL MANAGEMENT PTE. LTD.
- ESR FUNDS MANAGEMENT (S) LIMITED
- EUROFIN INVESTMENTS PTE. LTD.
- EVERCORE ASIA (SINGAPORE) PTE. LTD.
- FEO HOSPITALITY ASSET MANAGEMENT PTE. LTD.
- FIL INVESTMENT MANAGEMENT (SINGAPORE) LIMITED
- FIRST STATE INVESTMENTS (SINGAPORE)
- FOORD ASSET MANAGEMENT (SINGAPORE) PTE. LIMITED
- FOUR SEASONS ASIA INVESTMENT PTE LTD
- FRASERS CENTREPOINT ASSET MANAGEMENT LIMITED
- FRASERS COMMERCIAL ASSET MANAGEMENT LTD
- FRASERS HOSPITALITY ASSET MANAGEMENT PTE. LTD.
- FRASERS LOGISTICS & INDUSTRIAL ASSET MANAGEMENT PTE. LTD.
- FULLERTON FUND MANAGEMENT COMPANY LTD
- FUND SINGAPORE PTE LTD
- FUNDING SOCIETIES PTE. LTD.
- GAIN CAPITAL SINGAPORE PTE. LTD.
- GMO SINGAPORE PTE LIMITED
- GOLDMAN SACHS (SINGAPORE) PTE
- GOLDMAN SACHS ASSET MANAGEMENT (SINGAPORE) PTE LTD
- GOLDMAN SACHS FUTURES PRIVATE LIMITED
- GREENFIELD ADVISORY PTE LTD
- HAITONG INTERNATIONAL FINANCIAL SERVICES (SINGAPORE) PTE. LTD.
- HENDERSON GLOBAL INVESTORS (SINGAPORE) LIMITED
- HGNI INTERNATIONAL FINANCIAL (SINGAPORE) PTE. LTD.
- HSBC GLOBAL ASSET MANAGEMENT (SINGAPORE) LIMITED
- HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

## SUBSCRIBER FINANCIAL INSTITUTIONS OF FIDReC

### D. Capital Markets Services Licensees (as at 18/10/2018) (continued)

- HSBC SECURITIES (SINGAPORE) PTE LIMITED
- ICAP FINANCIAL PRODUCTS PTE LTD
- ICICI SECURITIES INC.
- IDFC CAPITAL (SINGAPORE) PTE LTD.
- IFAST FINANCIAL PTE. LTD.
- IG ASIA PTE LTD
- IIFL SECURITIES PTE LTD
- IIML FUND MANAGERS (SINGAPORE) PTE LTD
- IL&FS GLOBAL FINANCIAL SERVICES PTE LTD.
- INSITOR PARTNERS PTE. LTD.
- INTL FCSTONE PTE. LTD.
- INVESCO ASSET MANAGEMENT SINGAPORE LTD
- IREIT GLOBAL GROUP PTE. LTD.
- ITUS ASSET MANAGEMENT PTE. LTD
- J.P. MORGAN SECURITIES ASIA PRIVATE LIMITED
- J.P. MORGAN SECURITIES SINGAPORE PRIVATE LIMITED
- JACHIN CAPITAL PTE LTD
- JAFCO INVESTMENT (ASIA PACIFIC) LTD
- JAVELIN WEALTH MANAGEMENT PTE. LTD.
- JPMORGAN ASSET MANAGEMENT (SINGAPORE) LIMITED
- KEPPEL DC REIT MANAGEMENT PTE. LTD.
- KEPPEL REIT MANAGEMENT LIMITED
- KEPPEL-KBS US REIT MANAGEMENT PTE. LTD.
- KGI SECURITIES (SINGAPORE) PTE. LTD.
- KOTAK MAHINDRA (UK) LTD (SINGAPORE BRANCH)
- KOTAK MAHINDRA ASSET MANAGEMENT (SINGAPORE) PTE. LTD.
- KRISTAL ADVISORS (SG) PTE LTD
- KV ASIA CAPITAL PTE LTD
- LAZARD ASIA LIMITED
- LAZARD ASSET MANAGEMENT (SINGAPORE) PTE. LTD.
- LEGG MASON ASSET MANAGEMENT SINGAPORE PTE LIMITED
- LIGHTHOUSE CANTON PTE LTD
- LIM & TAN SECURITIES PTE LTD
- LION GLOBAL INVESTORS LIMITED
- LMIRT MANAGEMENT LTD
- LOGOS SE ASIA (FUNDS MANAGEMENT) PTE LTD
- LOOMIS SAYLES INVESTMENTS ASIA PTE LTD
- LUCERNE ASSET MANAGEMENT PTE LTD
- LUMEN CAPITAL INVESTORS PTE LTD
- M&C REIT MANAGEMENT LIMITED
- MACQUARIE CAPITAL (SINGAPORE) PTE LIMITED
- MACQUARIE CAPITAL SECURITIES (SINGAPORE) PTE. LIMITED
- MACQUARIE FUTURES (SINGAPORE) PTE. LIMITED
- MACQUARIE INFRASTRUCTURE MANAGEMENT (ASIA) PTY LIMITED
- MANULIFE ASSET MANAGEMENT (SINGAPORE) PTE LTD
- MANULIFE US REAL ESTATE MANAGEMENT PTE. LTD.
- MAPLETREE COMMERCIAL TRUST MANAGEMENT LTD.
- MAPLETREE GREATER CHINA COMMERCIAL TRUST MANAGEMENT LTD.
- MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.
- MAPLETREE LOGISTICS TRUST MANAGEMENT LTD.
- MAREX SPECTRON ASIA PTE LTD
- MAYBANK ASSET MANAGEMENT SINGAPORE PTE LTD
- MAYBANK KIM ENG SECURITIES PTE. LTD.
- MAYWOOD ASSET MANAGEMENT PTE. LTD.
- MERRILL LYNCH (SINGAPORE) PTE. LTD.
- MF GLOBAL SINGAPORE PTE. LIMITED
- MINTEREST PRIVATE LIMITED
- MIRAE ASSET SECURITIES (SINGAPORE) PTE. LTD.
- MITSUI BUSSAN COMMODITIES (SINGAPORE) PTE. LTD.
- MIZUHO ASIA PARTNERS PTE. LTD.
- MIZUHO SECURITIES (SINGAPORE) PTE LTD
- MOOLAHSENSE PRIVATE LIMITED
- MORGAN STANLEY ASIA (SINGAPORE) PTE
- NAVIGATOR INVESTMENT SERVICES LIMITED
- NEUBERGER BERMAN SINGAPORE PTE. LIMITED
- NIKKO ASSET MANAGEMENT ASIA LIMITED
- NN INVESTMENT PARTNERS (SINGAPORE) LTD.
- NOMURA ASSET MANAGEMENT SINGAPORE LIMITED
- NOMURA SECURITIES SINGAPORE PTE LTD
- OANDA ASIA PACIFIC PTE LTD
- OCBC SECURITIES PRIVATE LIMITED
- ONE NORTH CAPITAL PTE LTD
- OSTRUM ASSET MANAGEMENT ASIA LIMITED
- QUE COMMERCIAL REIT MANAGEMENT PTE LTD
- QUE HOSPITALITY REIT MANAGEMENT PTE. LTD.
- OWW CAPITAL PARTNERS PTE. LTD.
- PARKWAY TRUST MANAGEMENT LIMITED
- PERPETUAL (ASIA) LIMITED
- PGIM (SINGAPORE) PTE. LTD.
- PHEIM ASSET MANAGEMENT (ASIA) PTE LTD
- PHILLIP CAPITAL MANAGEMENT (S) LTD
- PHILLIP FINANCIAL PTE LTD
- PHILLIP FUTURES PTE LTD
- PHILLIP SECURITIES PTE LTD

#### D. Capital Markets Services Licensees (as at 18/10/2018) (continued)

- PHILLIP TOKAI TOKYO INVESTMENT MANAGEMENT PTE. LTD.
- PICTET ASSET MANAGEMENT (SINGAPORE) PTE LTD
- PIMCO ASIA PTE LTD
- PINEBRIDGE INVESTMENTS SINGAPORE LIMITED
- PIONEER INVESTMENT MANAGEMENT LIMITED
- PLATINUM EQUITY ADVISORS INTERNATIONAL PTE. LTD.
- PLUS500SG PTE LTD
- PRIMEPARTNERS CORPORATE FINANCE PTE LTD
- PRINCIPAL GLOBAL INVESTORS (SINGAPORE) LIMITED
- RBC INVESTOR SERVICES TRUST SINGAPORE LIMITED
- RHB ASSET MANAGEMENT PTE. LTD.
- RHB RESEARCH INSTITUTE SINGAPORE PTE. LTD.
- RHB SECURITIES SINGAPORE PTE LTD
- SABANA REAL ESTATE INVESTMENT MANAGEMENT PTE. LTD.
- SAC ADVISORS PRIVATE LIMITED
- SAND AIRE (SINGAPORE) (PTE.) LTD.
- SANTA LUCIA ASSET MANAGEMENT PTE LTD
- SAXO CAPITAL MARKETS PTE. LTD.
- SB REIT MANAGEMENT PTE. LTD.
- SBICAP (SINGAPORE) LIMITED
- SCHRODER INVESTMENT MANAGEMENT (SINGAPORE) LTD
- SCHRODER INVESTMENT MANAGEMENT NORTH AMERICA LIMITED SINGAPORE BRANCH
- SFP ASSET MANAGEMENT PTE LTD
- SG SECURITIES (SINGAPORE) PTE. LTD.
- SINGAPORE CONSORTIUM INVESTMENT MANAGEMENT LIMITED
- SINGAPORE UNIT TRUSTS LIMITED
- SMBC NIKKO SECURITIES (SINGAPORE) PTE. LTD.
- SOFOS CAPITAL MANAGEMENT PTE LTD
- SOOCHOW CSSD CAPITAL MARKETS (ASIA) PTE.LTD.
- SPH REIT MANAGEMENT PTE. LTD.
- SSG CAPITAL MANAGEMENT (SINGAPORE) PTE. LTD.
- ST ASSET MANAGEMENT LTD
- STANDARD CHARTERED SECURITIES (SINGAPORE) PTE LIMITED
- STATE STREET GLOBAL ADVISORS SINGAPORE LIMITED
- STEWART ASIA INVESTMENT SINGAPORE PTE LTD
- 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.
- TIH INVESTMENT MANAGEMENT PTE. LTD.
- TOKIO MARINE ASSET MANAGEMENT INTERNATIONAL PTE. LTD.
- TOWER CAPITAL ASIA PTE LTD
- TRANS-PACIFIC CREDIT PRIVATE LIMITED
- TRG MANAGEMENT SINGAPORE PTE LTD.
- TRIDENT TRUST COMPANY (SINGAPORE) PTE. LIMITED
- UBS ASSET MANAGEMENT (SINGAPORE) LTD
- UBS CUSTODY SERVICES SINGAPORE PTE LTD
- UBS FUTURES 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
- VAHOCA PTE. LTD.
- VALIDUS CAPITAL PTE LTD
- VALUE PARTNERS ASSET MANAGEMENT SINGAPORE PTE. LTD.
- 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
- ZHONGTAI INTERNATIONAL ASSET MANAGEMENT (SINGAPORE) PTE. LTD.
- ZHONGTAI INTERNATIONAL SECURITIES (SINGAPORE) PTE. LTD.
- ZICO CAPITAL PTE. LTD.

## SUBSCRIBER FINANCIAL INSTITUTIONS OF FIDReC

### E. Licensed Financial Advisers and Insurance Intermediaries (as at 18/10/2018)

- 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
- AIA FINANCIAL ADVISERS PRIVATE LIMITED
- ALCO INSURANCE BROKERS PTE. LTD.
- AMSPEX 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
- AUTOWEALTH PRIVATE LIMITED
- AVA INSURANCE BROKERS PTE LTD
- AVALLIS FINANCIAL PTE. LTD.
- AVIVA FINANCIAL ADVISERS PTE. LTD.
- AWG INSURANCE BROKERS PTE LTD
- BERRY PALMER & LYLE SINGAPORE PTE LTD
- CAMBIASO RISSO ASIA PTE LTD
- CGS-CIMB RESEARCH PTE. LTD.
- CHARLES MONAT ASSOCIATES PTE. LTD.
- CHARTWELL ASSOCIATES PTE. LTD.
- COMFORTDELGRO INSURANCE BROKERS PTE LTD
- CORNERSTONE PLANNERS PTE LTD
- EDGE INSURANCE BROKERS (SINGAPORE) PTE. LTD.
- EL-MANDATE ADVISORY 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.
- GRANDIOSE PTE LTD
- GRANDTAG FINANCIAL CONSULTANCY (SINGAPORE) PTE LTD
- GREAT EASTERN FINANCIAL ADVISERS PRIVATE LIMITED
- GYC FINANCIAL ADVISORY PTE LTD
- HL SUNTEK INSURANCE BROKERS PTE LTD
- HONAN BENEFITS PTE. LTD.
- HONAN INSURANCE GROUP (ASIA) PTE. LTD.
- HOWDEN INSURANCE BROKERS (S.) PTE. LIMITED
- IFAST FINANCIAL PTE. LTD.
- INFORMA GLOBAL MARKETS (SINGAPORE) PRIVATE LIMITED
- INSPRO INSURANCE BROKERS PTE LTD
- INSURANCE MARKET PTE LTD
- INSUREDIIY 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
- LINDEN GROUP ASSOCIATES PTE. LTD.
- LOCKTON COMPANIES (SINGAPORE) PTE LTD
- MANULIFE FINANCIAL ADVISERS PTE LTD
- MARNIX REINSURANCE BROKERS PTE LTD
- MARSH (SINGAPORE) PTE LTD
- MAYBANK KIM ENG RESEARCH PTE. LTD.
- MERCER HEALTH & BENEFITS (SINGAPORE) PTE. LTD.
- METROPOLITAN BROKING SERVICES (PTE) LTD
- MEYADO PRIVATE WEALTH MANAGEMENT SINGAPORE PTE. LTD.
- MORNINGSTAR INVESTMENT ADVISER SINGAPORE PTE. LIMITED
- NAUSCH, HOGAN & MURRAY (S'PORE) PTE LTD
- NCI BROKERS (ASIA) PTE LTD
- NEWSTATE STENHOUSE (S) PTE LTD
- NRA CAPITAL PTE. LTD.

**E. Licensed Financial Advisers and Insurance Intermediaries (as at 18/10/2018) (continued)**

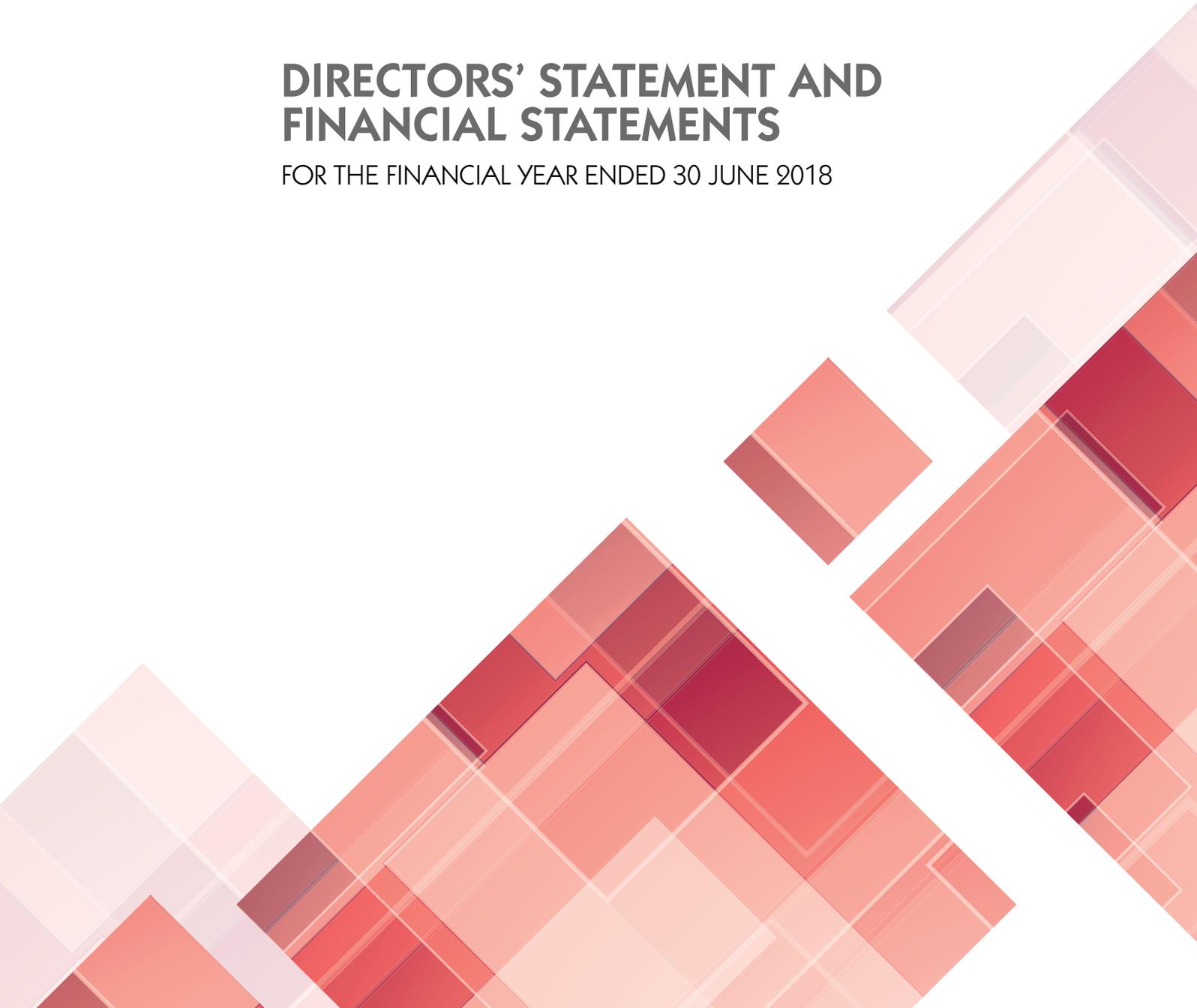
- OCBC INVESTMENT RESEARCH PRIVATE LIMITED
- OCW INSURANCE (BROKERS) PTE LTD
- PACIFIC INSURANCE BROKERS PTE LTD
- PACIFIC PRIME INSURANCE BROKERS SINGAPORE PTE. LTD.
- PAN RESOURCES PTE LTD
- PANA HARRISON (ASIA) PTE LTD
- PC FINANCIAL (SG) PTE LTD
- PHILLIP SECURITIES RESEARCH PTE LTD
- PLA MASTERLIFE PTE. LTD.
- POLICYPAL SINGAPORE 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
- SEA AND LAND INSURANCE BROKERS PTE LTD
- SEABANC INSURANCE BROKERS PTE LTD
- SIME DARBY INSURANCE BROKERS (SINGAPORE) PTE. LTD.
- SINGCAPITAL PTE LTD
- ST. JAMES'S PLACE (SINGAPORE) PRIVATE LIMITED
- STERLING KNIGHT (PTE) LTD
- SYNERGY FINANCIAL ADVISERS PTE. LTD.
- TAN INSURANCE BROKERS PTE LTD
- TEXEL ASIA PTE. LIMITED
- THE FRY GROUP (SINGAPORE) PTE LTD
- THE MOTLEY FOOL SINGAPORE PTE LTD
- TIGERMAR GLOBAL PTE LIMITED
- TIMES INSURANCE BROKERS PTE LTD
- TOWERS WATSON INSURANCE BROKERS SINGAPORE PTE. LTD.
- UNICORN FINANCIAL SOLUTIONS PTE. LIMITED
- WILLIS TOWERS WATSON BROKERS (SINGAPORE) PTE. LTD.
- WILLY INSURANCE BROKERS PTE LTD
- WYNNES FINANCIAL ADVISERS PTE LTD

# **FINANCIAL INDUSTRY DISPUTES RESOLUTION CENTRE LIMITED**

(COMPANY REGISTRATION NUMBER: 200502125D)

## **DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018



# DIRECTORS' STATEMENT

For the Financial Year ended 30 June 2018

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 2018.

## 1. OPINION OF THE DIRECTORS

In the opinion of the directors:

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2018 and the financial performance, changes in accumulated fund and cash flows of the Company for the year ended; 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:

Han Juat Jong (Chairman)  
 Elsie Low  
 Lim Biow Chuan  
 Tan Tiong Jin Clifton  
 Tan Hock Lye  
 Andrew Lim Chee Hua  
 Patrick Teow Foh Ken (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.

## 4. INDEPENDENT AUDITOR

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

On behalf of the Board of Directors

Han Juat Jong  
 Director

Tan Hock Lye  
 Director

Singapore, 1 October 2018

# INDEPENDENT AUDITOR'S REPORT

To the Members of Financial Industry Disputes Resolution Centre Limited  
For the Financial Year ended 30 June 2018

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Financial Industry Disputes Resolution Centre Limited (the "Company"), which comprise the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 30 June 2018 and of the financial performance, changes in accumulated fund and cash flows of the Company for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises only the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information (apart from the Directors' Statement) in the annual report which we expect to receive in November 2018. Accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Directors 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 Act and FRSs, 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.

# INDEPENDENT AUDITOR'S REPORT

To the Members of Financial Industry Disputes Resolution Centre Limited  
For the Financial Year ended 30 June 2018

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# INDEPENDENT AUDITOR'S REPORT

To the Members of Financial Industry Disputes Resolution Centre Limited  
For the Financial Year ended 30 June 2018

## **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.

### **RT LLP**

Public Accountants and  
Chartered Accountants

Singapore, 1 October 2018

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Revenue</b>	4	<b>3,418,730</b>	3,485,885
<b>Other operating income</b>	5	<b>44,229</b>	78,620
<b>Total income</b>		<b>3,462,959</b>	3,564,505
<b>Expenditures:</b>			
Adjudicator fees		<b>(158,500)</b>	(214,500)
Depreciation of property, plant and equipment	11	<b>(244,563)</b>	(231,807)
Directors' remuneration/honorarium	17	<b>(86,000)</b>	(87,617)
Employee benefits expense	6	<b>(1,930,030)</b>	(1,950,241)
Hire purchase interest		<b>(339)</b>	–
Insurance		<b>(24,822)</b>	(25,165)
Office maintenance		<b>(97,702)</b>	(71,760)
Office rental expense	16	<b>(601,272)</b>	(760,574)
Property, plant and equipment written off		–	(34,467)
Restoration of office premise expense		–	(11,118)
Professional fees		<b>(190,069)</b>	(116,166)
Rental of office equipment		<b>(3,600)</b>	(6,000)
Security services		<b>(42,900)</b>	(43,200)
Training and courses		<b>(26,245)</b>	(2,001)
Other administrative expenses		<b>(134,433)</b>	(155,316)
<b>Total expenditures</b>		<b>(3,540,475)</b>	(3,709,932)
Deficit before income tax		<b>(77,516)</b>	(145,427)
Income tax expense	7	<b>–</b>	(11,014)
<b>Net deficit, representing total comprehensive loss for the financial year</b>		<b>(77,516)</b>	(156,441)

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

# STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	8	<b>2,488,817</b>	2,328,369
Trade receivables	9	<b>40,143</b>	33,100
Other receivables	10	<b>155,496</b>	199,466
Prepayment		<b>18,035</b>	31,719
Total current assets		<b>2,702,491</b>	2,592,654
<b>Non-current assets</b>			
Property, plant and equipment	11	<b>160,464</b>	351,965
Deferred income tax assets	12	<b>–</b>	–
Total non-current assets		<b>160,464</b>	351,965
<b>Total assets</b>		<b>2,862,955</b>	2,944,619
<b>LIABILITIES AND ACCUMULATED FUND</b>			
<b>Current liabilities</b>			
Other payables and accruals	13	<b>517,042</b>	534,909
Finance lease liabilities	15	<b>2,712</b>	–
Total current liabilities		<b>519,754</b>	534,909
<b>Non-current liability</b>			
Provision for restoration cost	14	<b>165,000</b>	165,000
Finance lease liabilities	15	<b>11,007</b>	–
Total non-current liabilities		<b>176,007</b>	165,000
<b>Total liabilities</b>		<b>695,761</b>	699,909
<b>Accumulated fund:</b>			
Accumulated surplus		<b>2,167,194</b>	2,244,710
<b>Total liabilities and accumulated fund</b>		<b>2,862,955</b>	2,944,619

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

# STATEMENT OF CHANGES IN ACCUMULATED FUND

For the Financial Year ended 30 June 2018

	Accumulated surplus \$
As at 1 July 2017	2,244,710
Net deficit, representing total comprehensive loss for the financial year	<u>(77,516)</u>
<b>Balance as at 30 June 2018</b>	<b><u>2,167,194</u></b>
As at 1 July 2016	2,401,151
Net deficit, representing total comprehensive loss for the financial year	<u>(156,441)</u>
<b>Balance as at 30 June 2017</b>	<b><u>2,244,710</u></b>

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

# STATEMENT OF CASH FLOWS

For the Financial Year ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Deficit before income tax		(77,516)	(145,427)
Adjustments for:			
Depreciation of property, plant and equipment	11	244,563	231,807
Property, plant and equipment written-off		–	34,467
Accrual for unutilised leave		94,892	66,005
Reversal of accrual for water leakage damage		–	(36,334)
Interest expense		339	–
Operating surplus before working capital changes		262,278	150,518
Trade receivables		(7,043)	16,600
Other receivables		43,970	(34)
Prepayment		13,684	(14,910)
Other payables and accruals		(112,759)	(21,697)
<b>Net cash generated from operating activities</b>		<b>200,130</b>	<b>130,477</b>
<b>Cash flows from investing activity</b>			
Purchase of property, plant and equipment (Note A)		(38,260)	(55,127)
<b>Net cash used in investing activity</b>		<b>(38,260)</b>	<b>(55,127)</b>
<b>Cash flows from financing activities</b>			
Repayment of finance lease liabilities		(1,083)	–
Interest paid		(339)	–
<b>Net cash used in financing activities</b>		<b>(1,422)</b>	<b>–</b>
<b>Net increase in cash and bank balances</b>		<b>160,448</b>	<b>75,350</b>
<b>Cash and cash equivalents at beginning of the financial year</b>		<b>2,328,369</b>	<b>2,253,019</b>
<b>Cash and cash equivalents at end of the financial year (Note 8)</b>		<b>2,488,817</b>	<b>2,328,369</b>

## Note A:

During the financial year, the Company acquired property, plant and equipment with an aggregate costs of \$53,062 (2017: \$55,127) of which \$14,802 was acquired under finance leases. A cash payment of \$38,260 (2017: \$55,127) was made to purchase property, plant and equipment.

## Reconciliation of liabilities arising from financing activities

	1 July 2017	Principal and interest	Non-cash changes		30 June 2018
	\$	\$	Acquisition of property, plant and equipment	Interest expense	\$
Finance lease liabilities	–	(1,422)	14,802	339	13,719

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

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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 2018 were authorised for issue in accordance with a resolution of the directors on the date of the Directors’ Statement.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

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.

### 2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 July 2017. The adoption of these standards did not have any material effect on the financial statements.

### 2.3 Standards issued but not yet effective

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 2017 and which the Company has not early adopted:

Description	Effective for annual periods beginning on or after
FRS 109 Financial Instruments	1 Jan 2018
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 116 Leases	1 Jan 2019
Improvements to FRSs (December 2016)	1 Jan 2018
Improvements to FRSs (March 2018)	1 Jan 2019

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.3 Standards issued but not yet effective (Cont'd)

Management anticipates that the adoption of the above standards in the future periods will not have a material impact to the Company's accounting policies but will require more disclosure in the financial statements in the period of their initial adoption except for FRS 109, FRS 115 and FRS 116. Management is currently evaluating the potential impact of the application of FRS 109, FRS 115 and FRS 116 on the financial statements of the Company in the period of their initial application.

#### **FRS 109 – Financial Instruments**

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cashflow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening accumulated surplus.

The Company has performed a preliminary impact assessment of adopting FRS 109 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Company adopts FRS 109 for the financial year ending 30 June 2019.

#### **FRS 115 – Revenue from Contracts with Customers**

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers and introduces new contract cost guidance. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Key issues for the Company include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

The new standard will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

#### **FRS 116 – Leases**

FRS 116 requires lessees to recognise most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of 'low value' assets and short-term leases which do not contain any purchase options. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Company is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Company expects the adoption of the new standard to result in an increase in total assets and total liabilities, earnings before interest, taxes, depreciation and amortisation (EBITDA) and gearing ratio.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.4 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 financial institutions and complainants. They will be billed at the following quarterly bill cycle and is presented under trade receivables in the statement of financial position.

### 2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line basis to write off the cost of property, plant and equipment over the estimated useful lives of the assets as follows:

	<u>Estimated useful lives</u>
Furniture and fittings	3 years
Office equipment	3 years
Computer and software	3 years

Fully depreciated property, plant and equipment still in use are retained in the financial statement.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the assets' recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

### 2.7 Financial instruments

#### (a) Financial assets

##### 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.

##### Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

##### Subsequent measurement

##### Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise trade and other receivables and cash and bank balances.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.7 Financial instruments (Cont'd)

#### (a) Financial assets (Cont'd)

##### De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

#### (b) Financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

Such financial liabilities comprise amount due to other payables and accruals and finance lease liabilities.

##### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as exchange or medication is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### 2.8 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

#### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairments exists individually for financial assets that are individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.8 Impairment of financial assets (Cont'd)

#### Financial assets carried at amortised cost (Cont'd)

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

### 2.9 Leases

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.10 Income taxes

#### a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax asset is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.10 Income taxes (Cont'd)

#### c) Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

### 2.11 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.

### 2.12 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.

### 2.13 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.

### 2.14 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

### 2.15 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. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 3.1 Judgments made in applying accounting policies

Management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities (apart from those involving estimations, which is dealt with below) within the next financial year.

### 3.2 Key sources of estimates uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Provision for restoration cost

In accordance with a lease agreement dated 11 June 2015 (which was subsequently replaced by a new lease agreement dated 10 August 2018), the Company will need to restore the new office premise to its original condition when the Company vacates the office premise upon expiry of the lease term which will end on 31 December 2021 (based on superseded lease agreement dated 11 June 2015, the expiry date was previously on 31 December 2018). Accordingly, the Company capitalised a provision for restoration costs pursuant to its legal obligation as stated in the lease agreement. Significant assumptions are required to estimate the provision for restoration costs. In determining the provision for restoration costs, management has relied on past experience, performed research on the various costs quoted by various contractors to arrive at management's best estimate made on 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 2018

### 4. REVENUE

	2018	2017
	\$	\$
Levy from subscriber financial institutions	<b>3,238,780</b>	3,250,435
Case fees from subscriber financial institutions and complainants	<b>179,950</b>	235,450
	<b><u>3,418,730</u></b>	<u>3,485,885</u>

### 5. OTHER OPERATING INCOME

	2018	2017
	\$	\$
Government grants – Special Employment Credit (SEC)	<b>300</b>	737
Government grants – Wage Credit Scheme (WCS)	<b>26,382</b>	16,780
Government grants – Temporary Employment Credit (TEC)	<b>5,457</b>	10,229
Paternity/Maternity & childcare expenses reimbursed by government	–	514
Settlement sum for Seminar and Employment	–	3,000
Fixed deposit interest	<b>12,090</b>	11,026
Reversal of accrual for water leakage damage	–	36,334
	<b><u>44,229</u></b>	<u>78,620</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 Wage Credit Scheme (WCS) is a scheme where the Government co-funds the wage increases that are given to Singaporean employees from 2013-2017. Over the period of 2016 to 2017, the government will co-fund 20% (2013-2015: 40%) of wage increases given to Singaporean employees earning a gross monthly wage of \$4,000 and below.

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.

### 6. EMPLOYEE BENEFITS EXPENSE

	2018	2017
	\$	\$
Wages, salaries and bonus	<b>1,702,882</b>	1,763,218
Employer's contribution to the Central Provident Fund	<b>227,148</b>	187,023
	<b><u>1,930,030</u></b>	<u>1,950,241</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

## 7. INCOME TAX EXPENSE

	2018	2017
	\$	\$
Current income tax	-	-
Deferred tax		
– movements in temporary difference (Note 12)	-	11,014
Income tax expense	<u>-</u>	<u>11,014</u>

The income tax expense varied from the amount of income tax expense determined by applying the Singapore statutory income tax rate of 17% (2017: 17%) to deficit before income tax as a result of the following differences:

	2018	2017
	\$	\$
Deficit before income tax	<u>(77,516)</u>	<u>(145,427)</u>
Income tax benefit at statutory rate of 17%	<b>(13,178)</b>	(24,723)
Tax effect on non-deductible items	<b>28,207</b>	17,263
Tax Incentive	-	(42,109)
Deferred tax assets not recognised	<u>(15,029)</u>	<u>60,583</u>
Income tax expense	<u>-</u>	<u>11,014</u>

As at 30 June 2018, deferred tax assets amounting to \$45,584 are not recognised in the financial statements due to future surplus streams not being probable.

These deferred tax assets relate to the following:

	2018	2017
	\$	\$
Unrecognised capital allowance	<b>388,570</b>	470,871
Excess of carrying amount of property, plant and equipment over tax written down value	<u>(120,431)</u>	<u>(114,326)</u>
	<u><b>268,139</b></u>	<u>356,545</u>

The realisation of the future income tax benefits from temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law.

## 8. CASH AND BANK BALANCES

	2018	2017
	\$	\$
Fixed deposit at bank	<b>1,200,000</b>	1,200,000
Cash at bank	<b>1,288,474</b>	1,127,904
Cash on hand	<b>343</b>	465
Cash and cash equivalents as per statement of cash flows	<u><b>2,488,817</b></u>	<u>2,328,369</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

### 9. TRADE RECEIVABLES

	2018	2017
	\$	\$
Trade receivables	43	–
Unbilled account receivables (Accrued service revenue)	40,100	33,100
	<b>40,143</b>	<b>33,100</b>

The average credit period on trade receivables is 30 days (2017: 30 days).

Accrued service revenue relates to services rendered but not billed to financial institutions and complainants.

### 10. OTHER RECEIVABLES

	2018	2017
	\$	\$
Refundable deposits	154,183	198,629
Other receivables	1,313	837
	<b>155,496</b>	<b>199,466</b>

### 11. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fittings	Office equipment	Computer and software	Total
	\$	\$	\$	\$
Cost:				
As at 1 July 2016	729,465	135,291	351,107	1,215,863
Additions	10,166	2,161	42,800	55,127
Write-off	(112,800)	–	–	(112,800)
As at 30 June 2017	626,831	137,452	393,907	1,158,190
Additions	–	26,117	26,945	53,062
As at 30 June 2018	626,831	163,569	420,852	1,211,252
Accumulated depreciation:				
As at 1 July 2016	208,743	107,670	336,338	652,751
Depreciation charge	206,905	12,201	12,701	231,807
Write-off	(78,333)	–	–	(78,333)
As at 30 June 2017	337,315	119,871	349,039	806,225
Depreciation charge	208,944	16,317	19,302	244,563
As at 30 June 2018	546,259	136,188	368,341	1,050,788
Carrying amount:				
As at 30 June 2018	80,572	27,381	52,511	160,464
As at 30 June 2017	289,516	17,581	44,868	351,965

During the financial year, the Company acquired office equipment with an aggregate cost of \$14,802 by means of finance leases.

As at 30 Jun 2018, the Company has office equipment partially acquired under finance lease with a carrying amount of \$12,746 (2017: \$Nil).

Leased assets are pledged as security for the related finance lease liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

## 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:

	2018	2017
	\$	\$
Balance at beginning of financial year	–	11,014
Recognised in statement of profit or loss and other comprehensive income (Note 7)	–	(11,014)
Balance at end of financial year	<u>–</u>	<u>–</u>

## 13. OTHER PAYABLES AND ACCRUALS

	2018	2017
	\$	\$
Accrued operating expenses	<b>190,656</b>	161,243
Accrual for unutilised leave	<b>94,892</b>	95,335
Accrued salary cost	<b>195,389</b>	247,301
Goods and services tax payable (net)	<b>36,105</b>	31,030
	<u><b>517,042</b></u>	<u>534,909</u>

The general credit period granted to the Company to settle payables is about 30 days (2017: 30 days).

## 14. PROVISION FOR RESTORATION COST

	2018	2017
	\$	\$
As at 1 July and 30 June	<u><b>165,000</b></u>	<u>165,000</u>

In financial year ended 30 June 2016 (“FY 2016”), the Company shifted into a new office. In accordance with a lease agreement dated 11 June 2015 (which was subsequently replaced by a new lease agreement dated 10 August 2018), 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 2021 (based on superseded lease agreement dated 11 June 2015, the expiry date was previously on 31 December 2018). Accordingly, the Company capitalised a provision for restoration costs under furniture and fittings in property, plant and equipment in FY2016 (Note 11) 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. As management does not expect to shift office until the end of the lease term, the entire provision for restoration cost has been classified as non-current.

## NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

### 15. FINANCE LEASE LIABILITIES

	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	2018	2018	2017	2017
	\$	\$	\$	\$
Within one year	3,406	2,712	–	–
After one year but not more than five years	12,112	11,007	–	–
Total minimum lease payments	15,518	13,719	–	–
Less: Amounts representing finance charges	(1,799)	–	–	–
Present value of minimum lease payments	13,719	13,719	–	–

The Company leases certain items of office equipment (Note 11) from non-related parties under finance lease. The lease has no escalation clauses. There is no restriction placed upon the Company entering the lease. The lease is on a fixed repayment basis. The obligations under finance leases are secured by the lessor's charge over the leased assets.

### 16. 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:

	2018	2017
	\$	\$
Payable:		
Not later than one year	609,862	601,272
Later than one year and not later than five years	1,546,128	300,636

Rental expense for the current year charged to profit or loss was \$601,272 (2017: \$760,574).

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

## 17. 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:

	2018	2017
	\$	\$
Salaries and bonuses and honorariums	1,444,897	1,254,083
Employer's contribution to Central Provident Fund	126,328	103,422
	<u>1,571,225</u>	<u>1,357,505</u>

Included in the above was total compensation to directors and alternate director of the Company amounting to \$86,000 (2017: \$87,617).

## 18. 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 does not have any major concentration of credit risk related to any individual customer or counterparty. 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 which are refundable. 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

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from finance leases.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 30 June 2018

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

(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.

(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, other payables and accruals 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:

	2018	2017
	\$	\$
Loans and receivables	<b>2,684,456</b>	2,560,935
Financial liabilities at amortised costs	<b>494,656</b>	503,879

## 19. 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 needs to ensure profitability by consciously obtaining 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. The Company's overall strategy remains unchanged since the last financial year ended 30 June 2017. No changes were made in the objectives, policies or processes during the years ended 30 June 2018 and 30 June 2017.

**FINANCIAL INDUSTRY DISPUTES  
RESOLUTION CENTRE LIMITED**

(Company Registration Number: 200502125D)

**THE ACCOMPANYING SUPPLEMENTARY  
STATEMENT OF COMPREHENSIVE INCOME**

**HAS BEEN PREPARED FOR MANAGEMENT  
PURPOSES ONLY**

**AND DOES NOT FORM PART OF  
THE AUDITED FINANCIAL STATEMENTS**

## DETAILED PROFIT AND LOSS STATEMENT

For the Financial Year ended 30 June 2018

	2018	2017
	\$	\$
Revenue	<b>3,418,730</b>	3,485,885
Other operating income	<b>44,229</b>	78,620
	<b>3,462,959</b>	3,564,505
Expenditure:		
Depreciation of property, plant and equipment	<b>(244,563)</b>	(231,807)
Directors' remuneration/honorarium	<b>(86,000)</b>	(87,617)
Office rental expense	<b>(601,272)</b>	(760,574)
Professional fees	<b>(190,069)</b>	(116,166)
Restoration of office premise expense	-	(11,118)
Employee benefits expense	<b>(1,930,030)</b>	(1,950,241)
Hire purchase interest	<b>(339)</b>	-
Other administrative expenses ( <i>Appendix 2</i> )	<b>(488,202)</b>	(552,409)
Total expenditures	<b>(3,540,475)</b>	(3,709,932)
Deficit before income tax	<b>(77,516)</b>	(145,427)

*Does not form part of the audited financial statements*

## DETAILED OTHER ADMINISTRATIVE EXPENSES

For the Financial Year ended 30 June 2018

	2018	2017
	\$	\$
Adjudicator fees	158,500	214,500
Property, plant and equipment written off	–	34,467
Bank charges	1,578	1,184
Company activities & retreat	13,531	25,146
Gifts and floral, books and periodical	1,395	1,104
Insurance	24,822	25,165
Luncheon (Board of directors and adjudicators)	4,074	3,617
Meals	3,029	3,216
Mediators' Honorarium	1,400	1,500
Medical	10,027	16,158
Miscellaneous	6,500	10,322
Newspapers	728	702
Office cleaning	14,203	14,300
Office maintenance	97,702	71,760
Postage and courier	3,785	4,038
Recruitment	13,236	17,981
Refreshments	4,674	4,802
Rental of office equipment	3,600	6,000
Security services	42,900	43,200
Stationery	27,795	26,715
Storages	4,509	3,583
Subscription	2,115	1,253
Telephone	11,709	10,560
Training and courses	26,245	2,001
Transportation	4,774	4,520
Utilities	5,371	4,615
	<u>488,202</u>	<u>552,409</u>

## KEY STRATEGIC INITIATIVES IN 2017/2018

During the financial year 2017/2018, we embarked on several initiatives, all with a view to the furtherance of our mission. Some of these initiatives are:-

1. Mediation was clearly in focus in the last financial year. Our CEO had brought this topic up at several training sessions of FIDReC's case managers. The whys and wherefores of mediation were extensively discussed and debated, as were the various tools and techniques of mediation. After those sessions, gone are the days when our mediators merely performed a facilitating function at mediation conferences held between complainants and financial institutions. This bore fruit:- for this financial year, the number of resolved cases from 1st July 2017 to 30th June 2018 was 942. Out of this, 684 cases were resolved by mediation, and the remaining 258 by adjudication. Thus, the percentage of cases successfully resolved by mediation at FIDReC was a rather impressive 72.61%.
2. The fact that mediation is an important tool of dispute resolution nowadays was also brought home clearly to the financial institutions (FIs) by FIDReC. During this financial year, we had organized two induction courses, held at our office, for representatives from several FIs. The response from the FIs to attend these induction courses was overwhelming. But due to constraints of space, we could only accommodate 78 representatives coming from 45 financial institutions to attend our two courses. At these courses, our dispute resolution processes (both mediation and adjudication) were discussed in depth, either as a refresher to experienced FI representatives, or as a primer to their newer staff. From the feedback gathered subsequently, these induction courses were positive, described by participants as "informative", "helpful", "insightful" etc.
3. On the other end of the spectrum, FIDReC also helped educate the members of the public on financial literacy. In collaboration with the Monetary Authority of Singapore MoneySENSE team, FIDReC came up with six fictitious but realistic adjudication case studies on three areas often encountered at FIDReC – bancassurance (the selling of insurance products by banking institutions), travel insurance, and credit cards. These were prominently published in the Sunday Times newspapers over three Sundays.
4. During the financial year under review, FIDReC also did a presentation on the mediation of financial disputes at the 2nd MAS-CSRC (China Securities Regulatory Commission) Supervisory Roundtable. The Roundtable is one of the key outcomes of President Xi Jinping's State Visit to Singapore in 2015, which called for securities regulators from both sides to hold regular high-level dialogue sessions.

## INDEPENDENT AUDIT

Under Regulation 12 of the Monetary Authority of Singapore (Dispute Resolution Schemes) Regulations 2007, the Financial Industry Disputes Resolution Centre shall, at least once every 3 financial years, commission a review of its administration of the scheme by an independent party with the relevant expertise to conduct a review.

In our latest wide-ranging audit carried out in depth over a period of a few months in 2017, our external auditors were tasked to critically examine FIDReC's performance as an operator of a dispute resolution scheme, at the operational level, and from an overarching perspective, taking into account its governance, risk management and external accountability. In particular, the auditors investigated the accessibility of FIDReC's Dispute Resolution Scheme, the independence of FIDReC, fairness in the conduct of the dispute resolution process, its accountability to stakeholders, the efficiency and effectiveness of its dispute resolution processes, and the training of FIDReC's mediators.

Upon completion of the audit on 31st July 2017, these external auditors concluded that overall, they were satisfied that FIDReC had been accountable, effective and efficient in its operation of the Dispute Resolution Scheme, in line with its stated mission and objectives.

## How to contact us:–

- Walk in and talk to us:–  
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- Email us:–  
[info@fidrec.com.sg](mailto:info@fidrec.com.sg)
- Look at our website:–  
[www.fidrec.com.sg](http://www.fidrec.com.sg)

The logo for FIDReC, where 'FID' is in grey, 'Re' is in red, and 'C' is in grey. The background of the entire page features a light grey grid pattern and large, overlapping red and dark red geometric shapes, primarily triangles and squares, in the bottom right and bottom left corners.

**FIDReC**

Financial Industry Disputes Resolution Centre Ltd

Company Reg No. 200502125D