



Annual report
2014



Hellenic Ombudsman
for Banking-Investment Services

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We can help...

If you have a complaint about banking or investment services, because:

- we have the necessary knowledge and expertise
- we mediate effectively to resolve problems
- our service is free of charge

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The year in summary

Overall we received

9,750

telephone calls and visits to
our office

1,821

written complaints

11,571

complaints

We examined

1,941

written cases

35

days is the average time of written
complaints examination (reduced
33.96% in comparison to 2013)

98

cross-border disputes in the
context of FIN-NET

70.56%

of the disputes were re-
solved amicably by the
parties

24,393

visits to our new H.O.B.I.S.
website, www.hobis.gr

Foreword of the Ombudsman for Banking-Investment Services



In 2014 the scheme of the Ombudsman for Banking-Investment Services (H.O.B.I.S.) completed sixteen years of operation. During this time we received a total of 22,403 written complaints and 137,759 phone calls and visits to our offices.

The Hellenic Ombudsman for Banking-Investment Services is a private non-profit legal entity that examines impartially, discreetly and with transparent procedures, differences arising from the transactions of clients with banks and investment companies who seek an extrajudicial settlement.

The Hellenic Ombudsman for Banking-Investment Services is addressed to consumers, professionals and small businesses (with an annual turnover of up to 1.000.000 €, as well as investors who deal with investment companies, as long as their transactions do not involve professional activities.

H.O.B.I.S. is receptive to the client's problem, the consultant who will try to find the solution to that problem that troubles them. Simply put, the establishment of this scheme ensures the client has a trustworthy person within the bank or investment company who ensures his or her interests.

Our work is characterized by three words: trust, prevention, treatment.

When we say trust we mean that we want to build a solid basis in the relationship of our mutual trust with the customer.

* The acquisition of trust is achieved by providing the necessary information to the customer, by being their advisor.

* We act with authority on their behalf and seek solutions to their problems, as their assistant, so to speak.

* And we operate as connected rings between the client and the bank or investment company trying to find the best mutually accepted solution.

As far as prevention is concerned, we try to pinpoint possible issues that could create friction between the bank and its clients and resolve them. In dealing with treatment, we receive tens of thousands of requests, of which 2 out of 3 satisfy the customer.

H.O.B.I.S. aims to minimize the friction points in the relationship between the customer and the bank by being a part of the wide range of Alternative Dispute Resolution systems, developed in Europe over the last 20 years, as a companion to the judicial procedures, aiming to increase consumer confidence in the single market.



H.O.B.I.S. by being a specialized ADR mediation scheme, encourages the expression of voluntary compliance of the providers of financial services and their voluntary self commitment.

H.O.B.I.S. participates in the International Ombudsman Association and is a founding member of the Financial Dispute Resolution Network (FIN-NET), set up by the European Commission, which currently has 58 members from 27 countries. In the context of FIN-NET we examine disputes arising from cross-border transactions. Furthermore, we examine complaints made by non-E.U. residents (USA, Australia, Canada).

We deal transparently, fairly and impartially with differences that arise from banking transactions (deposits, loans, cards) and investment services (shares, mutual funds, bonds) from banks or investment companies to consumers, professionals and small businesses who seek an amicable solution. We also examine complaints concerning cross-border transactions, within the framework of our participation in the European network of FIN-NET.

In this way our consultants are able to offer responsible, alternative and non-mandatory solutions on behalf of the customer to the bank and vice versa, to tackle the problem that has arisen.

Our expertise allows us to operate on, within and beyond the system's shortcomings, offering the possibility of requests examination that cannot be resolved by following the statutory procedures, like in cases that have not been instructed by law or cases in which there is social and other criteria that impose them with particular sensitivity.

A large proportion of the cases that concern our office are people looking for simple guidance on various matters related to their transaction with the bank and did not know who to contact, while some just had the need to discuss the issue with someone without wishing to submit a formal request, complaint or denunciation.

At the same time, de facto, a large and equally important part of our activity is to update the customers on their rights, provide clarifications and directives on how to handle their complaints, for the way in which the Ombudsman has handled similar cases, and often provide direct mediation and dispute resolution on the spot. The subjects addressed by H.O.B.I.S. concern either systemic problems resolved overall, e.g. by a change in policy of banks, or personalized complaints. Although the banking activity has been reduced, there has been a major increase of operations in 2014 in our office. The written requests – complaints increased by 20.75% while special topics that are being monitored by the Bank of Greece showed a particularly large increase of 42.9%.

One of last year's most positive achievements should be the average resolution time of complaints which is 35 days, improved by 33.96%, compared to the respective period of 2013.

In 2014 we received a total of 9,750 phone calls and visits to our office, including 8,596 which concerned consumer transactions, 754 were about professionals and small businesses and 400 which dealt with investment transactions. We also received 1,821 written complaints. 1,511 of which were filled by consumers, 231 by



professionals and 79 by investors. Overall, in 2014 we resolved 1.941 written cases conclude. Also, we had about 24,000 hits on our website (www.hobis.gr).

In general, the topics that we addressed were:

- * Issues that arose due to mergers and acquisitions of credit institutions, such as law's 3869/2010 delay of debt's status for regulating the debt of heavily indebted individuals, the increase of mortgage instalment amount in housing loans due to the method of calculating the diversification, the modification of the conditions of insurance, the cessation of credit with preferential interest rate on outstanding amounts (due to balance transfer), the termination of term deposits without interruption notice, the charge of new fees, etc.
- * Problems in adapting to the new regulatory framework, such as delay or incorrect request rejection to the inclusion in law 4161/2013 integration for on time borrowers, non-receipt of statements of law 4224/2013 for suspending the auction of the main residence, non-observance of the provisions relating to unseizability deposit requirements (law 4161/2013), non-compliance to the temporary orders and court decisions given under law 3869/2010 for settling heavily indebted individuals etc.
- * Numerous individual and business debt adjustment requests, rejecting proposals from borrowers, breach of oral agreement etc.
- * Any kind of delay, such as, the reply to a request to a heirs configure update, a credit card subscription refund, the remission of adverse information, loan disbursement co-financed by E.T.E.AN, deposit account release rather than removing the attachment from the I.R.S., grant of loan payment and withdrawal of mortgaging, etc.
- * The update, after the elapse of a long time, for debt that originated from retention of the borrowers payroll.
- * The calculation of change in the mortgage interest rate.
- * Disputed charges after stolen credit cards or deposit books.
- * The lack of information in promoting investment products.

By 2014, H.O.B.I.S. cooperated with various authorities such as the General Secretariat for Consumer Affairs, the independent authority of the Hellenic Consumer's Ombudsman, consumer associations, as well as with representatives from banks and investment companies.

The Hellenic Ombudsman for Banking-Investment Services under the auspices of the Hellenic Bank Association, organized on 5 June 2014 in Athens, the biannual plenary FIN-NET meeting. During the conference, the current developments in the European banking industry were analyzed, and particularly the progress of integration of the Banking Union towards a European banking landscape with a single set of rules for all credit institutions and a single supervisor for the largest of them.



In this activities report of the Hellenic Ombudsman for Banking-Investment Services we present the main customer problems (private individuals, entrepreneurs, investors, cross-border), we provide statistics and examples of cases, as well as detailed statistics on the activity of our scheme.

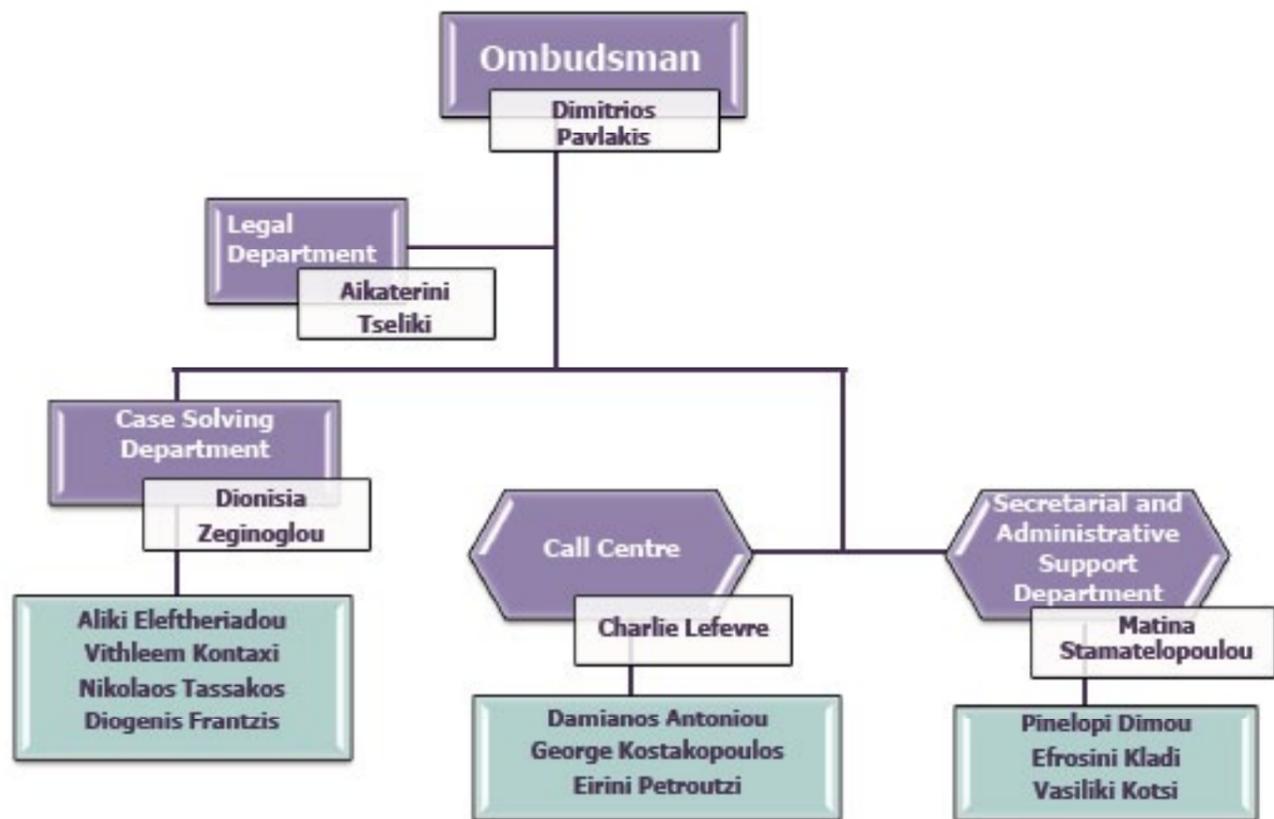
Until today H.O.B.I.S. responded fully to its objectives. Gathered and processed a large number of complaints, while giving emphasis to the quality of its work. In this way we became prominent in the minds of consumers and were recognized by the State as a credible institution of alternative dispute resolution (law 3606/2007 «Financial Instruments Markets and other provisions», law 3862/2010 «Payment Services», law 3869/2010 «Debt Adjustment of heavily indebted individuals and other provisions», law 4099/2012 «OSEKA and AEDAK» K.Y.A. Z1-699/2010 concerning consumer credit contracts, K.Y.A. Z1-111/2012 and Y.A. Z1-569/2013 «Register of Out-of-court disputes settlement Schemes»).

In full awareness of the criticality of the current conditions, our work has gained a strong social dimension. The support of our founding organizations and their members, the collaborative effort of our staff and the recognition of our work both in Greece and abroad, allows us to operate efficiently and with the same zeal for the consumer's protection. We owe many thanks to the staff of the customer services of all the banks and investment companies for their effective cooperation with our scheme, as well as the staff of H.O.B.I.S for their dedication and systematic work, without which it we could not meet our quality objectives and the increased volume of work.

Dimitris Pavlakis

Hellenic Ombudsman
for Banking - Investment Services

Organizational Chart



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Complaints



11

	Consumers			Entrepreneurs			Investors			Total		
	2013	2014	change %	2013	2014	change %	2013	2014	change %	2013	2014	change %
Telephone Calls												
According to the Bank of Greece Table	2.947	5.753	95,2	368	569	54,6	498	362	-27,3	3.813	6.684	75,3
Out of the Bank of Greece Table	4.792	2.151	-55,1	109	145	-33	0	0	0	4.901	2.296	-53,2
Miscellaneous	718	692	-3,6	86	40	-53,5	87	38	-56,3	891	770	-13,6
Written Complaints												
According to the Bank of Greece Table	720	1.110	54,2	126	164	30,2	87	69	-20,7	933	1.343	43,9
Out of the Bank of Greece Table	341	295	-13,5	29	43	48,3	0	0	0	370	338	-8,6
Miscellaneous	153	106	-30,7	28	24	-14,3	24	10	-58,3	205	140	-31,7
Total Complaints												
According to the Bank of Greece Table	3.667	6.863	87,2	494	733	48,4	585	431	-26,3	4.746	8.027	69,1
Out of the Bank of Greece Table	5.133	2.446	-52,3	138	188	36,2	0	0	0	5.271	2.634	-50
Miscellaneous	871	798	-8,4	114	64	-43,9	111	48	-56,8	1.096	910	-17
TOTAL	9.671	10.107	4,5	746	985	32	696	479	-31,2	11.113	11.571	4,1

* More detailed information regarding the setup of the statistics can be found in the legend of the annex (p. 28).

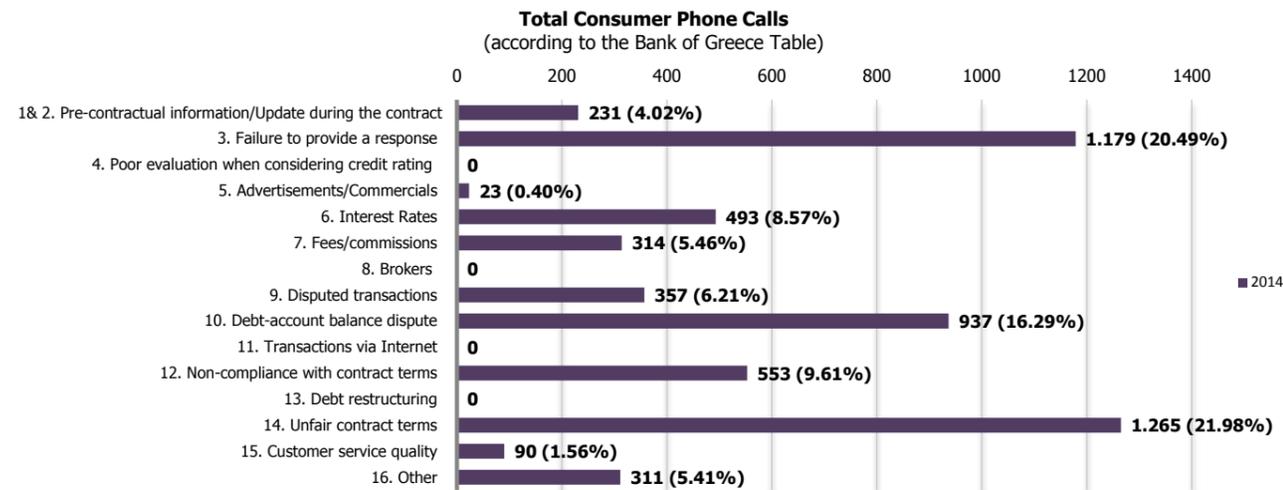
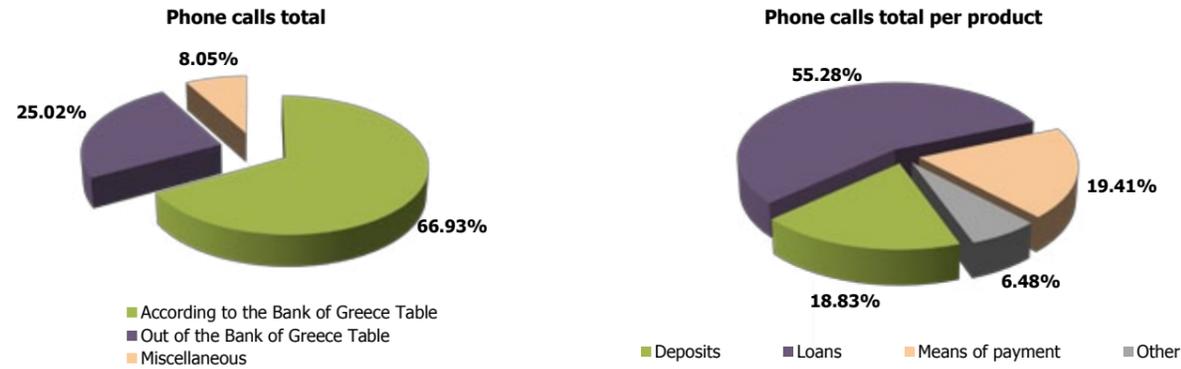


Analysis of telephone and written complaints by sector of activity

I. Consumers

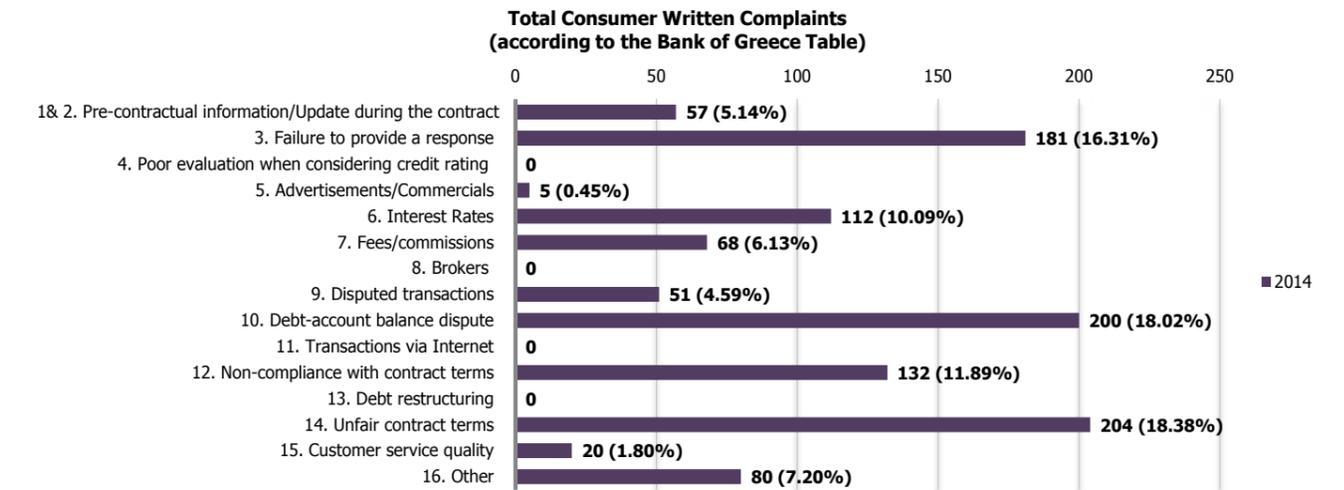
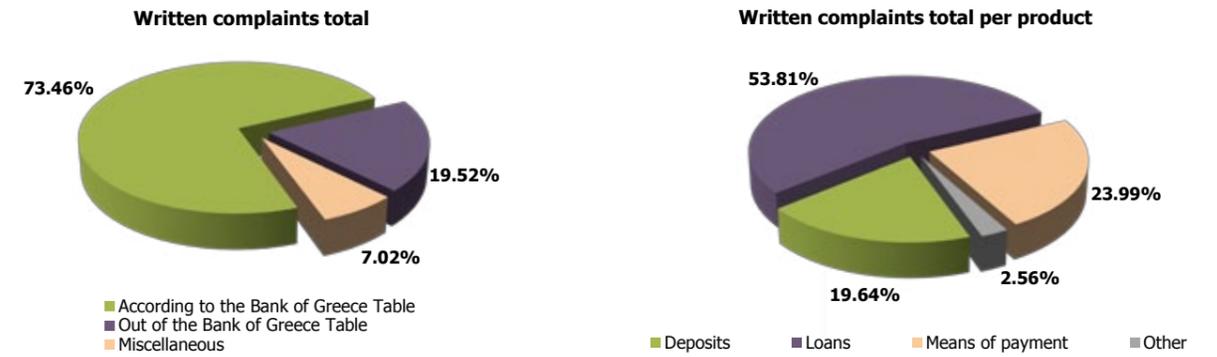
Phone Calls

In 2014 phone calls and visits for complaints, clarifications and information totalled 8,596, compared to 8,457 in 2013, and have increased 1.64%. 7,904 (91.95%) of those concerned matters which fell within the competence of H.O.B.I.S.



Written Complaints

In 2014, 1,511 written complaints were submitted compared to 1,214 in 2013 indicating a 24.46% increase. 1,405 (92.98%) of those concerned disputes which fell within the competence of H.O.B.I.S.



Resolved Cases

In 2014 we examined 1,600 written complaints compared to 1,545 in 2013, showing a 3.56% increase. The degree of satisfaction, expressed as the sum of the percentages of full satisfaction and settlement, amounted to 69.97%.

Deposits

Selected cases

171/2014 – Minor savings account

When changing her deposit account passbook, due to the banks succession, the beneficiary became aware of a 1,972 € transfer in 2012, from the joint account with first beneficiary her underage daughter. The bank replied that the transfer was because of her unpaid debt. Our mediation resulted in the return of this amount in their account, because that particular account was intended for minors.

1292/2014 - Clearing due to summing up of debt

The customer kept a savings account in a bank with her daughter as a co-beneficiary, without her (the daughter) being aware or sign any documents for this matter. When the bank merged with another, the account balance summed up with her daughter's loan debt from the other bank. With our mediation, the bank returned of the abovementioned amount, in full satisfaction of the customer.

Loans

Selected cases

850/2014 –“Lump sum” reservation as a guarantee

The complainer is working for OTE and has received a consumer loan, which was paid through his service with retention of each installment from his payroll account. He requested from his department to collect the amount lump sum and he found out that the bank is claiming the 3/4 of that amount to his outstanding loan. The bank, after the intervention of our Office, informed the complainer that the lump sum amount had been released, resulting in his full satisfaction.

1396/2014 - Change of payment method

The customer had a pre-approved loan that was paid through her pension. Starting March of 2014 the State General Accounting Office stopped the procedure above, without informing her. This resulted in an outstanding loan, the bank to terminate their contract and her losing her preferential interest rate. The bank informed in writing that the customer had been informed on time for her debt. To restore the above predicament, she was given the possibility to regulate her debt efficiently.

Means of payment

Selected cases

301/2014 – Fine deleted

The complainer visited the bank to pay her vehicle's registration fee of 2013. The clerk entered the wrong code so instead of crediting the money for the registration fee they credited vehicle license fees. As a result, she was charged with a fine of unpaid dues of the year 2013. After our Office's intervention, the issue was settled and the fine was deleted.

1107/2014 – Incorrect capital interest delete

The customer received a text - message on her cell phone from the bank, stating that for one month they wouldn't charge interest on the credit cards of punctual customers. After paying 1/2 of her installment she found out she had been charged with capital interest. She believes that this constitutes deceptive advertising. After our mediation, the bank satisfied her claim and deleted the interest.

Other

Selected cases

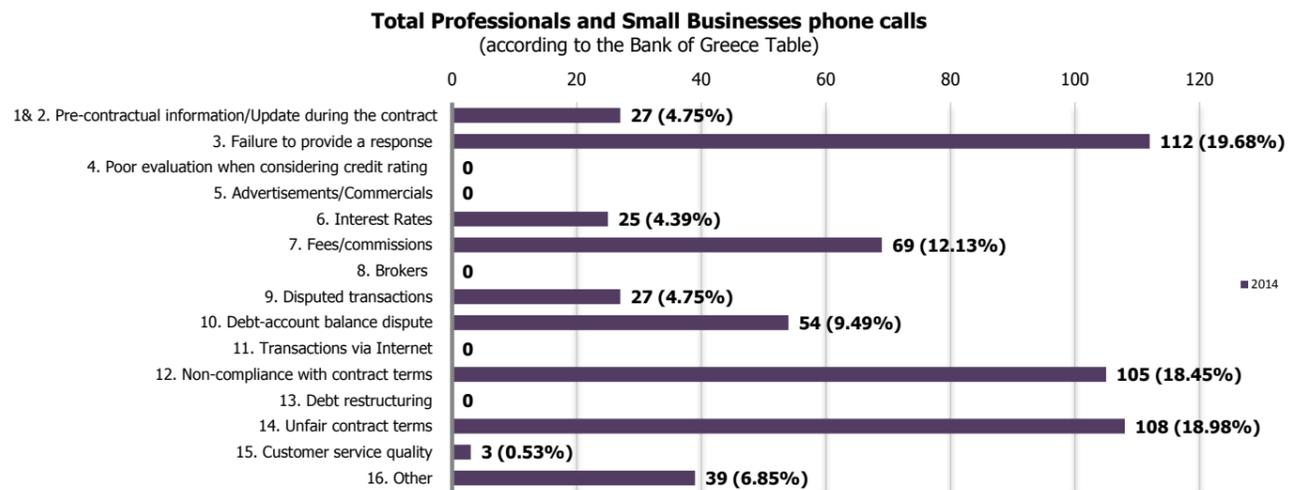
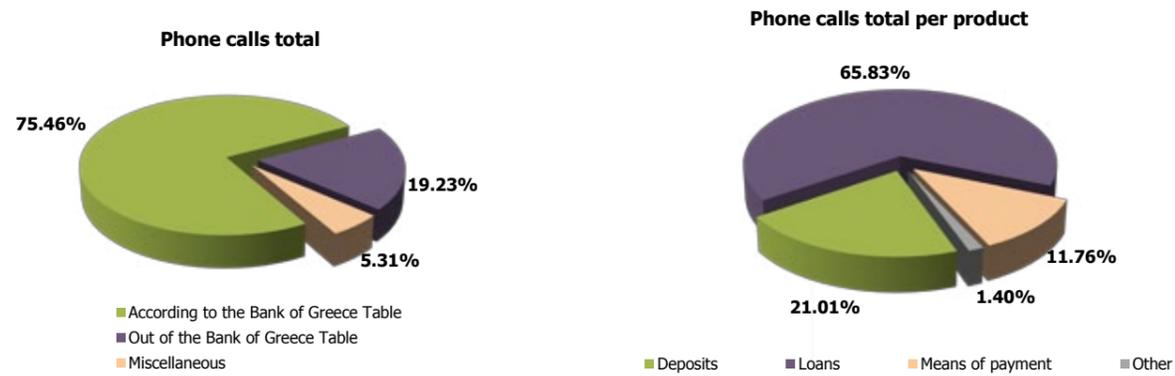
218/2014 – Reversing locker costs

The complainer had forgotten the existence of a locker box he had rented 25 years ago. The bank informed him that the store that kept it had closed and that he needed to transfer it's contents to another and charged him for the corresponding expenses for the storage costs of all previous years. After the intervention of H.O.B.I.S., the bank informed him that he would be charged expenses for the last 5 years, in partial satisfaction of his request.

II. Professionals and small business

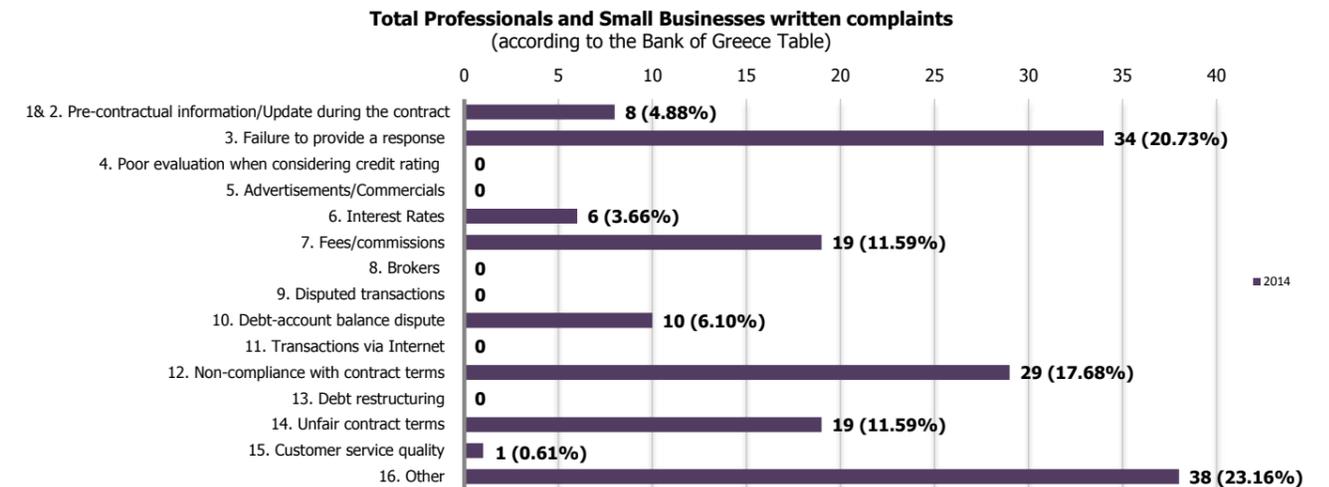
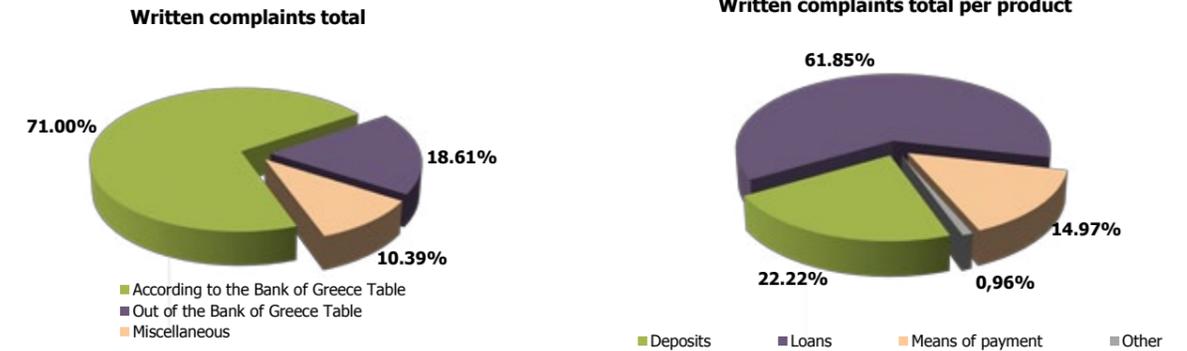
Phone Calls

In 2014, phone calls and visits for complaints, clarifications and information amounted to 754, compared to 563 in 2013, showing a 33.93% increase. Of those, 714 (94.69%) pertained to matters which fell within the H.O.B.I.S. competence.



Written Complaints

In 2014, 231 written complaints were submitted compared to 183 in 2013 indicating a 26.23% increase. 207 (89.61%) of those concerned disputes which fell within the competence of H.O.B.I.S.



Resolved Cases

In 2014 we examined 251 written complaints compared to 201 in 2013, showing a 24.88% increase. The degree of satisfaction, expressed as the sum of the percentages of full satisfaction and settlement, amounted to 77.31%.

Selected cases

17/2014 – Credit limit renewal and reduction of supply loan renewal

The complainer is complaining because the bank raised the interest rate of his business loan by 3 percentage points. Also, he called for renewal of credit limit and reduction of his supply loan renewal. The bank, after our intervention, satisfied his demands for credit limit renewal and reduction of his supply loan renewal.

53/2014 – Non-release of accounts

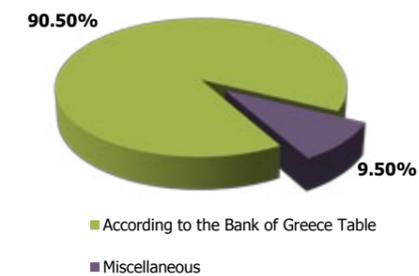
The Bank delayed the release the accounts of a General Partnership Company and its partners. Our mediation led to the satisfaction of their request.

III. Investors

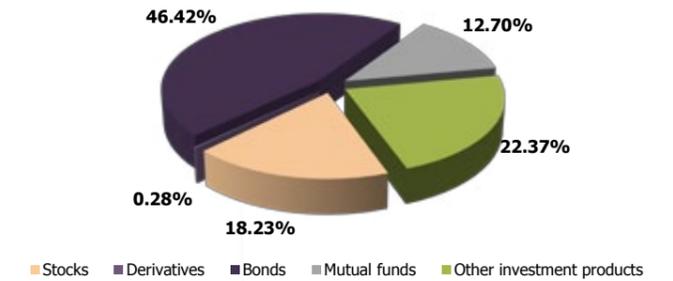
Phone Calls

In 2014, phone calls and visits for complaints, clarifications and information amounted to 400 compared to 585 in 2013 and have decreased 31.62%. Of these, 362 (90.50%) pertained to matters which fell within the H.O.B.I.S. competence.

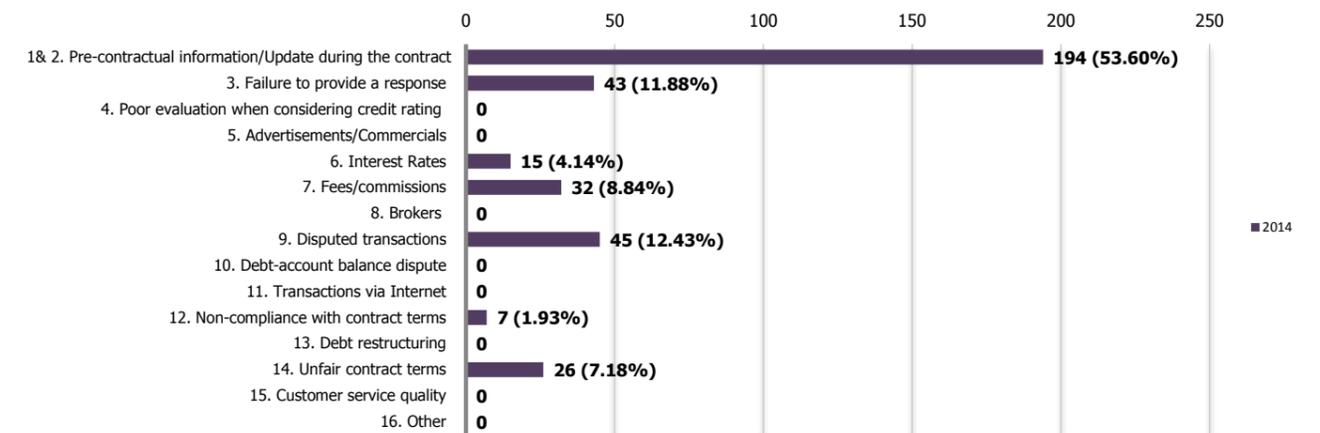
Phone calls total



Phone calls total per product

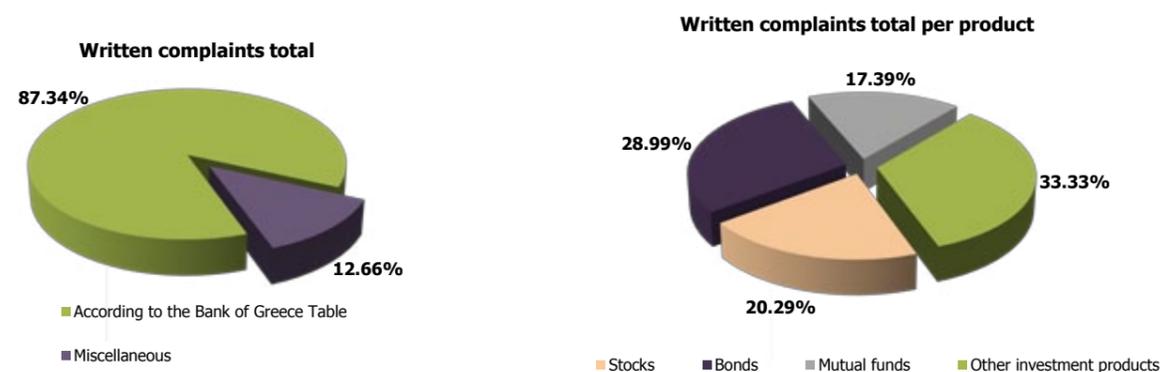


Total investor phone calls per cause (according to the Bank of Greece Table)

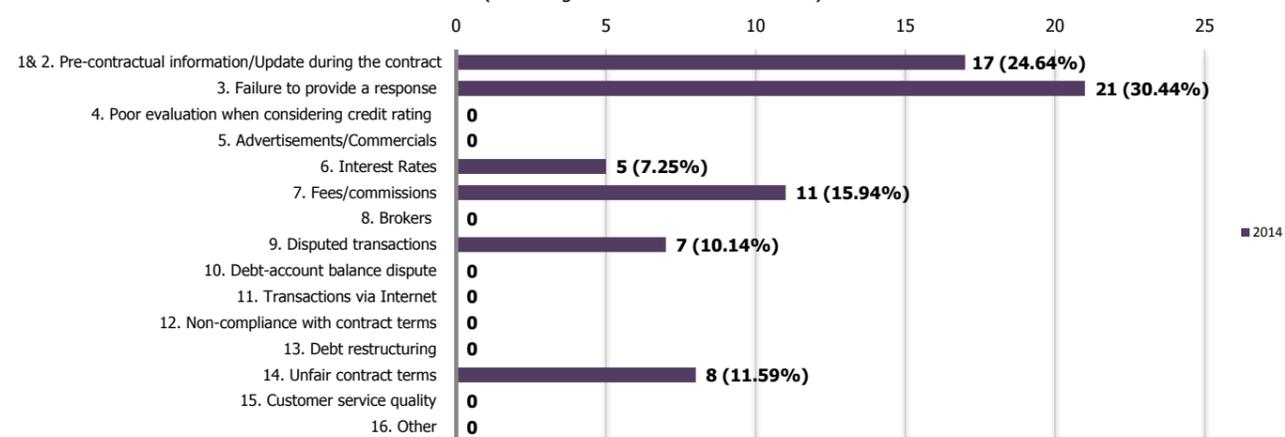


Written Complaints

In 2014, 79 written complaints were submitted compared to 111 in 2013 indicating a 28.83% decrease. 69 (87.34%) of those concerned disputes which fell within the competence of H.O.B.I.S.



Total investor written complaints per cause
(according to the Bank of Greece Table)



Resolved Cases

In 2014 we examined 90 written complaints compared to 148 in 2013, showing a 39.19% decrease. The degree of satisfaction, expressed as the sum of the percentages of full satisfaction and settlement, amounted to 65.22%.

Selected cases

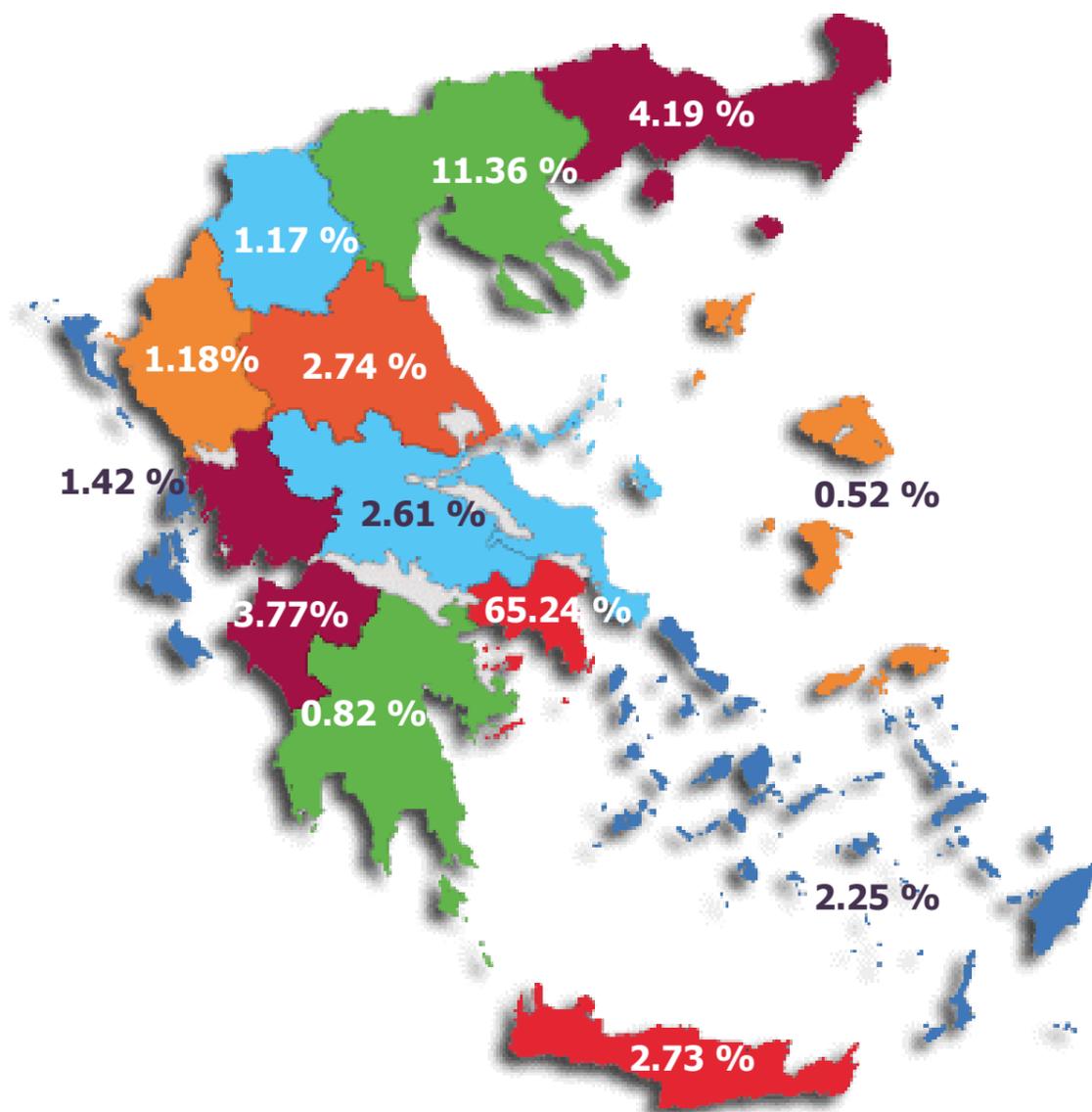
13/2014 – Questionable custody fee billing

The complaint is about the billing of the portfolio maintenance fee. The shares of the complainer's portfolio are of zero value as the aforementioned shares of that company no longer trade. After our mediation, the bank in their letter of reply informs him that they reversed the disputed custody fee costs, in full satisfaction of his claim.

78/2014 - Withholding tax on bond interest

The complainer kept his portfolio in a specific bank and requested the transfer of his bonds to another operator. He complains because he found out that his account was charged with the corresponding tax by both banks. Our examination showed that one of the banks properly withheld the tax while the other proceeded to the refund of the tax amount, which resulted in his full satisfaction.

Geographical distribution of complaints



Most complaints received come from the Attica region (65.24%), followed by the region of Macedonia-Thrace (16.72%) and Western Greece (3.77%).

IV. Cross-border disputes

Cross-border disputes are the complaints received by H.O.B.I.S. under its participation in the Cross-Border Out-of-Court Complaints Network for Financial Services (FIN-NET). The FIN-NET connects the national extra-judicial dispute settlement schemes of the European Union (EU) and the European Economic Area (EEA).

H.O.B.I.S. examines, as the competent scheme, within the framework of its competence, complaints filed by EU and EEA residents in relation with the transactions with its member banks and investment companies.

In addition, H.O.B.I.S. becomes recipient of domestic residents complaints arising in their dealings with financial institutions in the EU and the EEA. In this case, acting as the nearest scheme, provides information and refers interested parties to the competent scheme abroad.

The table below shows that in the year 2014, in 61 cases H.O.B.I.S. acted as the competent scheme and in 37 cases as the nearest scheme.

H.O.B.I.S. examined and settled, as a competent scheme, 61 cases. In 23 of these the complainant was vindicated while in 12 cases the bank and 26 was out of H.O.B.I.S. competence.

Also, in a total of 37 complaints received by H.O.B.I.S. as the nearest scheme, the complainants were instructed to address to the competent scheme abroad.

	COMPETENT SCHEME	NEAREST SCHEME
A. GEOGRAPHIC REGION	61	37
- EU & EEA	60	34
- non FIN-NET	1	3
B. SETTLED	61	-
C. PENDING	-	-
D. SETTLEMENT METHOD/ RESULT		
- In favour of the consumer	23	-
- In favour of the bank	12	-
- Out of competence	26	-
- Referred abroad	-	37

Selected cases

1157/2014 – Refund delay

The complainer, who resides abroad, rented a car from Rhodes and a certain amount of money was withheld from his credit card relating to the car insurance. When he returned the car, he was assured that the money will be refunded. He discovered that the company has sent the money back but the bank stalls. After our intervention, they returned the money in full satisfaction of the customer.

Legent



Legend

According to the Bank of Greece
1. & 2. Pre-contractual information/Update during the contract
3. Failure to provide an answer
4. Poor evaluation when considering credit rating
5. Advertisements
6. Interest rates
7. Fee/commissions
8. Brokers
9. Disputed transactions
10. Disputed debt - account balance
11. Transactions via Internet
12. Non-compliance with contract terms
13. Debt restructuring
14. Unfair contract terms
15. Customer service quality
16. Other
Out of the Bank of Greece Table
1. Over-indebtedness
2. Debt adjustment
3. Personal data protection
4. Clarifications
Other Topics
Out of H.O.B.IS. competence