

# 1<sup>st</sup> Asian Mediation Association Conference

*FIDReC as a Specialised Alternative Dispute Resolution Institution  
for Financial Disputes*

**FIDReC**

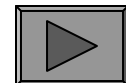
Financial Industry Disputes Resolution Centre Ltd

Presented by : Ng Wee Jin, CEO



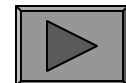
# Mission Statement

To provide an affordable alternative dispute resolution scheme which 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.



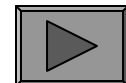
# About FIDReC

- An independent and impartial institution specialising in handling disputes between consumers and financial institutions (e.g. banks, finance companies, insurance companies, capital market services licensees, licensed financial advisers)
- Streamlines the dispute resolution process across the entire financial sector.
- Public company limited by guarantee



# Jurisdiction of FIDReC

- (1) For claims between insureds and insurance companies: up to S\$100,000
- (2) For disputes between banks and consumers, capital market disputes and all other disputes (including third party claims and market conduct claims): up to S\$50,000
- Voluntary Submission : highest claim adjudicated S\$729,000
- At present, FIDReC's services are available to all consumers who are individuals or sole-proprietors.



# Governance of FIDReC

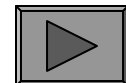
- 7 Board of Directors :
  - 3 industry representatives
  - 3 consumer representative
  - 1 independent Chairman who is a retired Supreme Court judge.
- Manned by full time staff reporting to the CEO who is legally trained. The CEO also sits as adjudicator in appropriate cases
- Adjudicators are volunteers who are paid a nominal honorarium to adjudicate on cases



# Cases Handled

As at 30 June 2008 (34 months of operations) :-

- Number of cases handled : 4,348
- Number of cases resolved by case management : 677
- Number of cases lodged as formal complaints : 1,387
- Number of complaints resolved : 1,169



# Processes of FIDReC

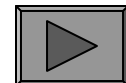
## 1. Investigation

## 2. Mediation

- An impartial third party facilitating an amicable resolution of the dispute agreeable to both parties

## 3. Adjudication

- Both parties present their case at an adjudication hearing
- An independent and impartial adjudicator will decide on the dispute based on the facts and merits of each case.



# Binding Effect of FIDReC's Awards

- The Adjudicator's decision is binding on the financial institution but not on the consumer
- The consumer is free to pursue his or her case through other avenues if he or she disagrees with the Adjudicator's decision

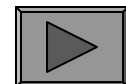




# Adjudicators of FIDReC

FIDReC's Adjudicators include judges, lawyers including senior counsel, and retired industry professionals.

Their profiles can be found at FIDReC website @ [www.fidrec.com.sg](http://www.fidrec.com.sg)



# FIDReC-NIMA Scheme

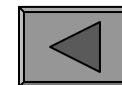
## Protocol for FIDReC-NIMA scheme

- Effective 17 Mar 2008.
- Non-injury motor accident claims < \$1000
- First lodged at FIDReC before court proceedings can be commenced.
- The Adjudicator's decision continues to be binding on the financial institution but not on the consumer. The consumer 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 consumer if he or she obtains a court judgment which is less favourable than FIDReC's award.

# Handling Structured Products disputes

## Initiatives of FIDReC

- FIDReC Complaints Centre (FCC)
- FIDReC e-Complaints Filing System (eCFS)
- 40 more dedicated Adjudicators
- Structured Products Clarification and Reference Board



# Thank You

**FIDReC**

Financial Industry Disputes Resolution Centre

