

## MEDIA RELEASE

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### **CASE URGES FINANCIAL INSTITUTIONS TO EXPEDITE SETTLEMENT OFFERS**

We are pleased that the Monetary Authority of Singapore (MAS) is tracking closely the Financial Institutions' (FIs) handling of complaints by consumers who have invested in the Lehman Minibond Programme notes and other similar products. We certainly like to see that all affected consumers are treated fairly. We are in constant contact with MAS, FIs and the relevant institutions working on resolutions of claims through the Financial Industry Dispute Resolution Centre (FIDReC) to ensure that concerns of consumers are properly considered and addressed.

We understand that many consumers who have lodged their claims are waiting for settlement offers to be made by FIs.

We urge FIs to communicate outcomes to these consumers as soon as possible, while at the same time giving consumers sufficient time to consider any settlement offer. Even where a FI is proposing to communicate face-to-face, we urge FIs to expedite contacting the customer to enable an appointment to be set up quickly. In fact we expect FIs to put in the fullest resources to ensure that there is no further delay in addressing the concerns of the consumers.

Consumers who have lost money investing in high risk products are naturally anxious about their losses and speedy and fair settlement offers is to be expected from the FIs so as to allay their concerns. Any further delay would aggravate the matter and erode confidence in FIs.

While we understand the anxiety to seek resolution, we advise consumers to consider any offer of settlement carefully before reaching a decision. We advise consumers who are not satisfied with the settlement offers made by the FIs to lodge their complaints with FIDReC. FIDReC is an independent and impartial dispute resolution institution which specialises in the resolution of financial disputes between consumers and financial institutions. The President of CASE is a Board member of FIDReC.

Any consumer who requires assistance to file their claims with FIDReC may approach CASE for help. Consumers who are uncertain about offers made by the FIs may also approach CASE for assistance. We can be contacted at our hotline at telephone 6463 1811.

Moving forward, we believe that there is a need to examine more closely the way investment products are marketed to consumers. CASE had previously advocated for the conduct of FIs to be brought under the Consumer Protection (Fair Trading) Act. However, as can be seen from this crisis, more can be done. CASE on our own is reviewing the fall out and has taken steps to set up an internal task force to evaluate the various possible measures that we can take to help consumers. A key area is to review the public educational efforts and whether there are new ways to raise the awareness of consumers on financial matters including investments. We shall work closely with the various stakeholders in the MoneySENSE initiative on this. We are glad that the MAS has reaffirmed that it will continue to work with various stakeholder groups in its public and investor education efforts.

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President  
CASE