



**Embargoed until 29 November 2023**

## **FIDReC completed 1,172 claims in FY2022/2023; nearly a third were related to scams**

- *Reflecting the rise in scams, FIDReC handled 509 scam-related claims in FY2022/2023, completing 364 during the financial period.*
- The median amount claimed by consumers in such cases was \$5,154.

**SINGAPORE – 29 November 2023** – The Financial Industry Disputes Resolution Centre (“**FIDReC**” or the “**Centre**”) has released its Annual Report 2022/2023 for its financial period 1 July 2022 to 30 June 2023 (“**FY2022/2023**”). During this period, the Centre received a record number of 7,724 enquiries and 2,188 claims, which were, respectively, 18% and 92% higher than what it received in the previous corresponding period (“**FY2021/2022**”).

Despite the heavier caseload, the Centre achieved greater efficiency in its handling of claims during the year, largely boosted by upgrades to its digital portal management system that was first implemented in FY2021/2022. The upgrades made the online filing of complaints more secure and user-friendly.

As a result, the Centre was able to complete the handling of 1,172 claims or 21% more claims than in FY2021/2022. Despite the higher volume of claims handled and completed, FIDReC achieved a marked improvement in the number of claims that were completed within six months – 93%, as compared to 86% in the previous period.

In another service enhancement, FIDReC partnered with the Law Society of Singapore for qualified lawyers with at least 7 years of experience to provide non-binding neutral evaluation to the parties as part of FIDReC’s Mediator’s Indication (MI) process. The MI process was first introduced for all FIDReC claims in April 2022 and further enhanced in April 2023. Through the MI, FIDReC was able to promote legal awareness and amicable resolution, and in FY2022/2023, the Centre completed 82% of claims at mediation, with only 18% proceeding to adjudication, of which 15% were awarded claims.

The number of complaints received rose across all age groups with most complaints coming from consumers aged 50 and below (56%). In terms of value of monetary claims, the largest claim amount was \$2.77 million. The median claim amount was \$5,912 as compared to \$7,810 in the previous year.

### **Breakdown of claims by category of financial institutions**

Complaints against banks, finance companies and credit bureaus continued to form the bulk of claims handled in FY2022/2023. They accounted for 67% (or 998) of the total claims handled in FY2022/2023. This is more than double the 473 handled in FY2021/2022. Of note is the considerably higher number



of fraud and scam-related claims. More than half of the claims against this group, or 509 claims, were related to fraud and scam – a 95% rise as compared to the 261 received in the previous year.

The types of scam-related claims handled in FY2022/2023 included impersonation (129 claims), compromised credentials (123 claims), phishing (37 claims), investment (23 claims) and others<sup>1</sup> (52 claims). Of these, 84% were concluded at mediation — FIDReC was successful in helping 66% of consumers accept an offer from a financial institution at mediation, while 18% decided not to pursue their claim further after mediation. The rest of the 16% of cases went further to adjudication — in 14% of cases there was no favourable outcome to the consumers, while 2% of the cases had an award in favour of the consumers. The median amount claimed by consumers was \$5,154.

The second and third largest number of claims handled in FY2022/2023 were against general insurers (15%) and life insurers (13%) respectively. Complaints against life insurers mostly involved disputes on liability (30%) and disputes on inappropriate advice, misrepresentation or disclosure issues (26%), whereas complaints against general insurers mostly involved disputes on liability (59%). Capital markets and services licensees (3%) and licensed financial advisors and insurance brokers (2%) made up the remaining claims handled, with inappropriate advice, misrepresentation and disclosure issues being the main reason behind the complaints.

See table in Annex A for more detailed case breakdown.

**FIDReC's Chief Executive Officer, Ms Eunice Chua**, said: *"FY2022/2023 was a busy year for FIDReC. With the proliferation of scams, our mandate to provide access to justice and to promote financial awareness among consumers has become even more important. Our public outreach efforts reached more than 1,100 persons in FY2022/2023 and we hope to do even more going forward. We want to remind all consumers to remain vigilant against scams and avoid clicking on unsolicited links, downloading any unofficial apps, or sharing their account information or passwords with anyone."*

In FY2022/2023, FIDReC received a 90% satisfaction rating from consumers in its early-stage customer satisfaction survey, up from 82% in the previous period. Meanwhile, the mediator's feedback survey had a 96% satisfaction rating, an uptick from 94% achieved in FY2021/2022. The average rating for overall experience at FIDReC increased from 4.4 to 4.7 out of a total score of 5.0.

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<sup>1</sup> Including claims relating to job scams, love scams, online purchases, and lost cards.



### **About FIDReC**

Launched on 31 August 2005, the Financial Industry Disputes Resolution Centre Ltd (FIDReC) is a not-for-profit company limited by guarantee. We specialise in the resolution of consumer financial disputes through mediation and adjudication.

At present, FIDReC's services are available to consumers who are individuals or sole proprietors. Consumers may come to FIDReC when they cannot resolve their issues with their financial institutions. Financial institutions include banks, finance companies, life insurers, general insurers, capital markets services licensees, licensed financial advisers, and insurance brokers.

### ***Issued on behalf of FIDReC by August Consulting:***

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## Breakdown by Nature of Claims (1 July 2022 to 30 June 2023)

Block*	No. of Claims Handled						No. of Claims Completed <sup>#</sup>			No. of Claims pending as at 30 June 2023 <sup>@</sup>
	Financial Institutions' Practice / Policies	Market Conduct	Service Standards	Fraud/Scam (combined)	Total	% <sup>^</sup>	By Mediation	By Adjudication (awards made)	By Adjudication (no awards made)	
A	140	232	117	509	998	67	571	16	119	485
B	125	52	14	0	191	13	156	3	31	78
C	188	0	41	0	229	15	174	9	7	87
D	6	7	26	0	39	3	33	2	7	19
E	6	29	3	0	38	2	32	2	10	15
<b>Total</b>	<b>465</b>	<b>320</b>	<b>201</b>	<b>509</b>	<b>1495</b>		<b>966</b>	<b>32</b>	<b>174</b>	<b>684</b>
%	31.10	21.40	13.45	34.05	100.00					

A further breakdown of the types of complaints for each category of financial institution can be found in the *FIDReC Annual Report 2022/2023*, which is available at [www.fidrec.com.sg](http://www.fidrec.com.sg).

\* Block A: Banks and finance companies and credit bureaus

B: Life and composite insurers

C: General and composite insurers

D: Capital markets services licensees

E: Licensed financial advisors and insurance brokers

<sup>^</sup> Figures may not add up to 100% due to rounding

<sup>#</sup> Figures include claims lodged in the preceding periods which were completed in the period 1 July 2022 to 30 June 2023

<sup>@</sup> These figures include claims lodged in the preceding periods, which were pending as at 30 June 2023.