

**REPORT ON THE OPERATIONS OF THE  
FINANCIAL SERVICES CONSUMER CENTRE  
January–March 2011**

## I. INTRODUCTION

From January to March 2011, the Financial Services Consumer Centre received:

- **273 complaints regarding operations of financial institutions,**
- **125 early complaints,**
- **137 queries,** and
- **5,082 telephone calls** via Call Centre.

In the same period, **75 mediations** were scheduled.

## II. CONSUMER COMPLAINTS AND EARLY COMPLAINTS

In the period under review, the Financial Services Consumer Centre received **398 complaints** regarding the operations of financial institutions. Of the total, **31% were early complaints**, and all were referred to financial institutions for further handling.

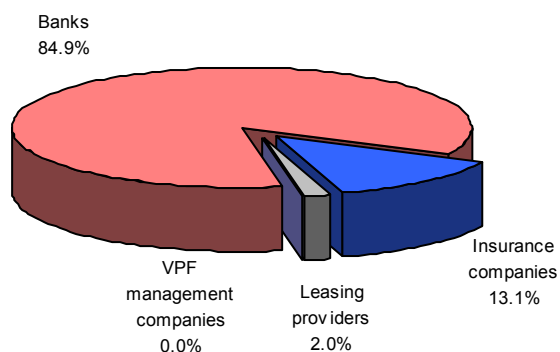
**Overview of complaints and early complaints by type of financial services provider,  
January-March 2011**

<b>Financial services provider</b>	<b>Complaints</b>	<b>Early complaints</b>	<b>Total</b>	<b>in %</b>
Banks	213	125	<b>338</b>	<b>84.9%</b>
Insurance companies	52	0	<b>52</b>	<b>13.1%</b>
Leasing providers	8	0	<b>8</b>	<b>2.0%</b>
VPF management companies	0	0	<b>0</b>	<b>0.0%</b>
<b>TOTAL</b>	<b>273</b>	<b>125</b>	<b>398</b>	<b>100%</b>

Source: National Bank of Serbia.

As consumers mostly use banking services, the majority of complaints (**85%**) related to bank operations.

**Structure of complaints and early complaints by type of financial services provider, January-March 2011**



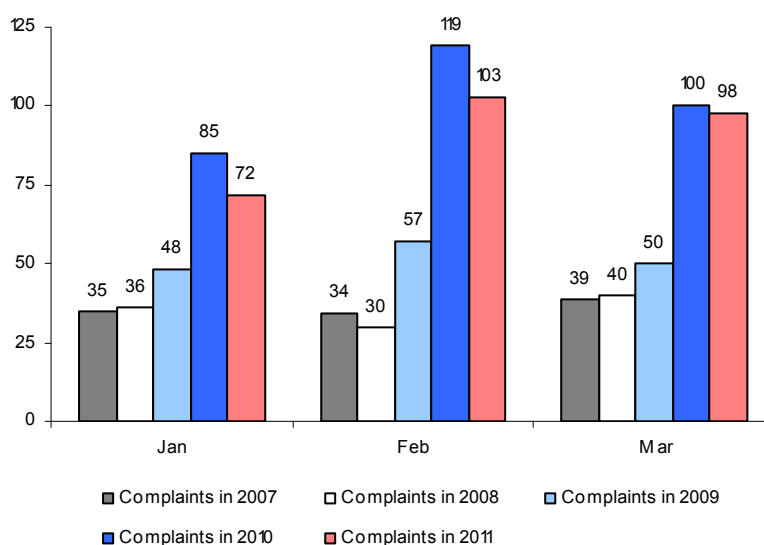
## 1. Consumer complaints

The Centre received **273 complaints** regarding the operations of financial institutions in the first quarter, which is 10.19% less than in the same period a year earlier. Of the total number of complaints received, **78% related to banks**.

**Complaints by type of financial services provider, January-March 2011**

Financial services provider	Jan	Feb	Mar	Total	in %
Banks	58	81	74	213	78%
Insurance companies	11	18	23	52	19%
Leasing providers	3	4	1	8	3%
VPF management companies	0	0	0	0	0%
Exchange offices	0	0	0	0	0%
<b>TOTAL</b>	<b>72</b>	<b>103</b>	<b>98</b>	<b>273</b>	<b>100%</b>

Source: National Bank of Serbia.



Of all complaints received, **58% were processed**, of which **47%** were assessed as **unfounded** and **53%** as **founded**.

**Number of complaints by type of financial services provider, January-March 2011**

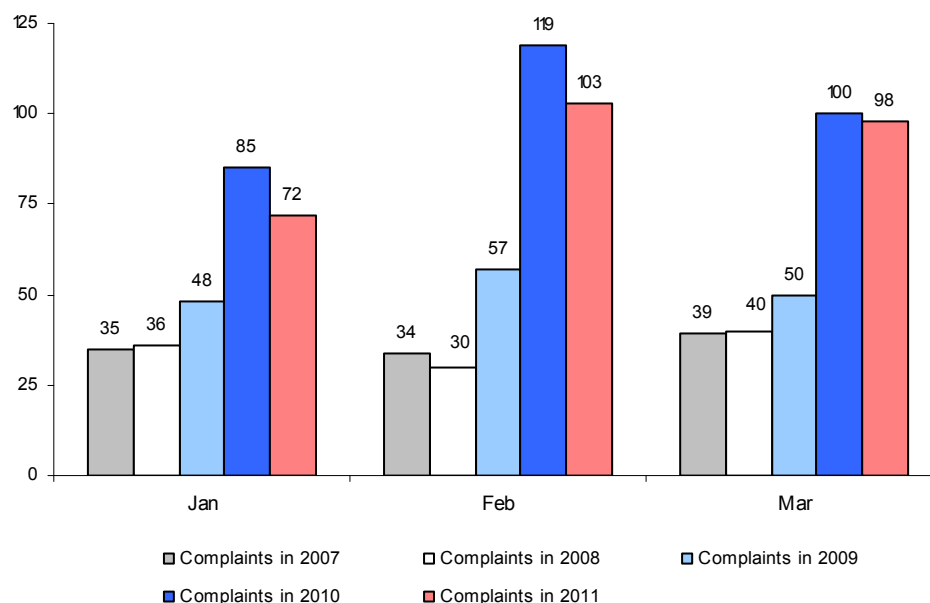
Financial services provider	Unfounded complaints	Unfounded complaints - denied	Unfounded complaints - granted	Founded complaints	Founded complaints - denied	Founded complaints - granted	In progress	Total
Banks	61	47	14	68	44	24	84	<b>213</b>
Insurance companies	12	12	0	14	12	2	26	<b>52</b>
Leasing providers	2	2	0	2	2	0	4	<b>8</b>
VPF management companies	0	0	0	0	0	0	0	<b>0</b>
<b>TOTAL</b>	<b>75</b>	<b>61</b>	<b>14</b>	<b>84</b>	<b>58</b>	<b>26</b>	<b>114</b>	<b>273</b>
<b>TOTAL in %</b>	<b>27%</b>			<b>31%</b>			<b>42%</b>	<b>100%</b>

Source: National Bank of Serbia.

Of all founded complaints, **31%** were **granted**.

**1.1. Banks**

The number of complaints against banks amounted to **213**.

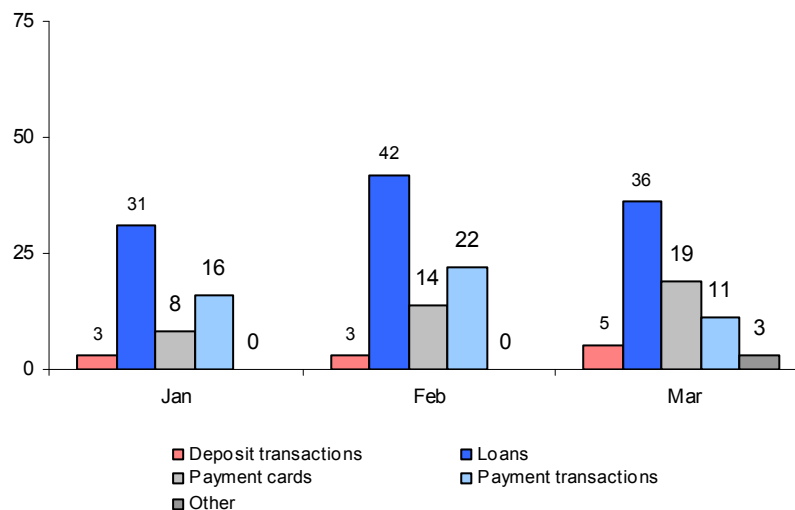


The majority of complaints related to loans (51%), current accounts (21%) and payment cards (19%).

**Overview of complaints by type,  
January-March 2011**

Complaints relating to	Jan	Feb	Mar	Total	in %
Foreign currency savings	3	3	4	10	4.7%
Dinar savings	0	0	1	1	0.5%
Other	0	0	0	0	0.0%
<b>Deposit transactions</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>11</b>	<b>5.2%</b>
Cash loans	6	3	11	20	9.4%
Other loans	7	14	12	33	15.5%
Consumer loans	5	3	2	10	4.7%
Housing loans	13	22	11	46	21.6%
<b>Loans</b>	<b>31</b>	<b>42</b>	<b>36</b>	<b>109</b>	<b>51.2%</b>
Debit cards	2	2	4	8	3.8%
Credit cards	6	12	15	33	15.5%
<b>Payment cards</b>	<b>8</b>	<b>14</b>	<b>19</b>	<b>41</b>	<b>19.2%</b>
Escrow accounts	0	0	0	0	0%
Payment transactions	1	2	1	4	2%
Current accounts	15	20	10	45	21.1%
<b>Payment transactions</b>	<b>16</b>	<b>22</b>	<b>11</b>	<b>49</b>	<b>23.0%</b>
Exchange transactions	0	0	0	0	0.0%
Other	0	0	3	3	1.4%
<b>Other</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>1.4%</b>
<b>TOTAL</b>	<b>58</b>	<b>81</b>	<b>74</b>	<b>213</b>	<b>100%</b>

Source: National Bank of Serbia



Of the total number of complaints received in the first quarter, 59% related to the operations of six banks. Two of those banks accounted for 28% of complaints.

Consumers mostly complained about:

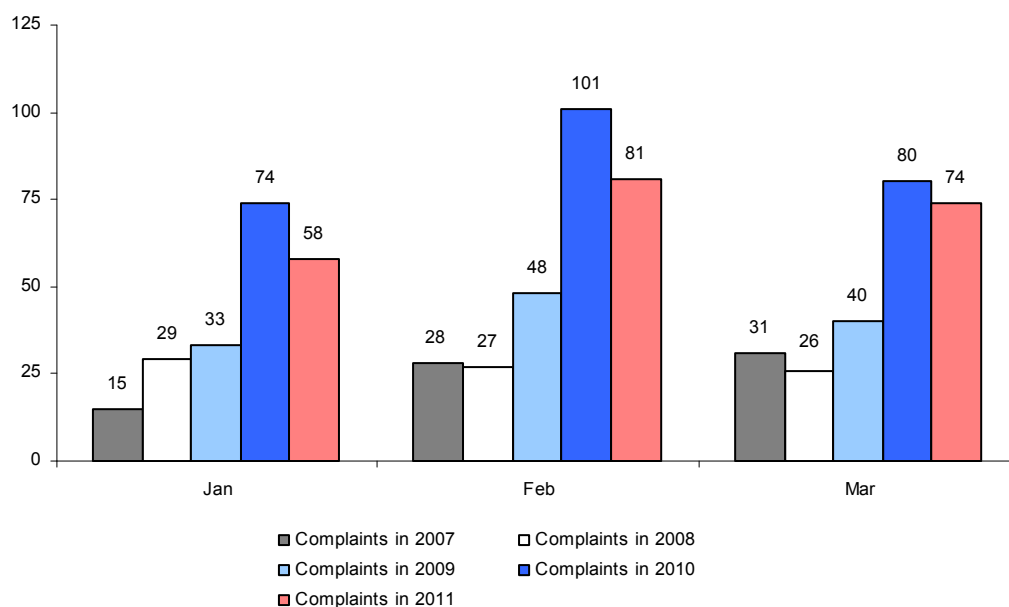
- changes in interest rates on housing loans in repayment status, and lack of notification or incomplete notification about the reasons for the change,
- untimely notification of co-signers about the borrower's default on obligations and not being able to change co-signers,

- not being able to refinance loans and problems faced in early loan repayment,
- calculation of interest on credit card debt, and
- lack of notification about the account management fee and charging of the said fee in case of inactive accounts.

### 1.2. Insurance companies

The Financial Services Consumer Centre received 52 complaints against insurance companies, which is 24% more than in the same period a year earlier.

The majority of complaints related to automobile liability (60%) and accident insurance (8%).



The insureds mostly complained about:

- the amount of damages offered,
- untimely payment of damages and
- non-payment of the undisputed amount of damages.

### 1.3. Other providers of financial services

In the first quarter, the Centre received 8 complaints against other providers of financial services, which makes 3% of the total number of complaints received.

## 2. Early complaints

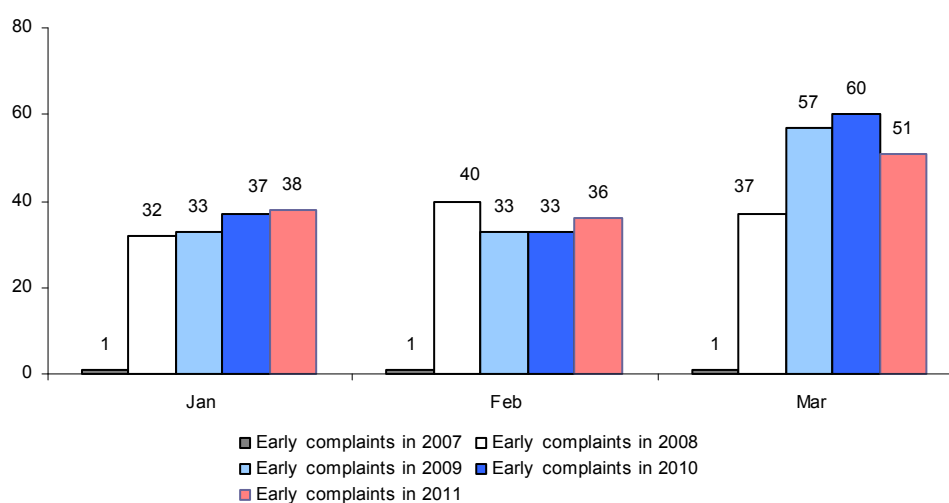
In the period under review, the Centre received **125 early complaints**, i.e. complaints sent directly to the Centre instead of being first addressed to the relevant financial institution.

In line with the complaints procedure, the National Bank of Serbia forwarded all these complaints to relevant financial institutions.

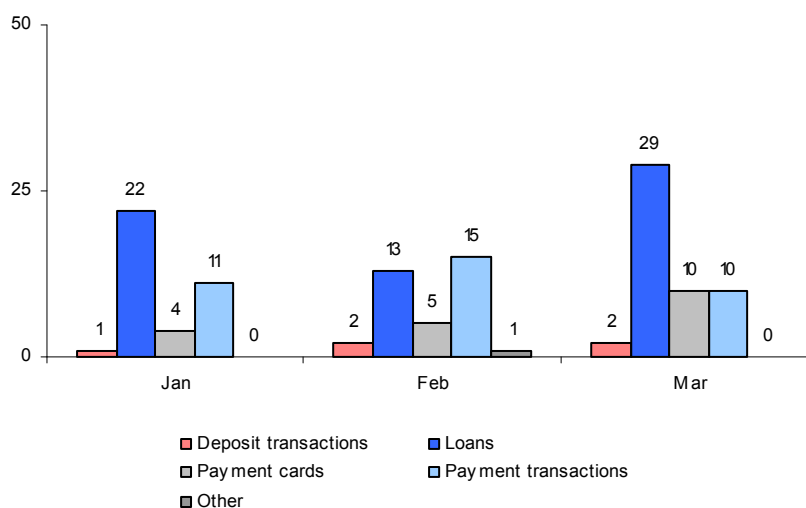
**Number of early complaints by financial services provider, January-March 2011**

Financial services provider	Jan	Feb	Mar	Total	in %
Banks	38	36	51	125	100%
Insurance companies	0	0	0	0	0%
<b>TOTAL</b>	<b>38</b>	<b>36</b>	<b>51</b>	<b>125</b>	<b>100%</b>

Source: National Bank of Serbia.



The number of early complaints was 4% lower than in the same period last year.



All early complaints referred to the operations of banks, of which 51% were in relation to loans, 27% to current accounts and 15% to payment cards.

### III. MEDIATION

A total of **75 mediations** were held in the first quarter, which is **2.3 times more** than in the same period a year earlier.

#### Mediations by month, January-March 2011

Financial services provider	Jan	Feb	Mar	Total	in %
Banks	12	45	10	<b>67</b>	<b>89%</b>
Insurance companies	1	3	4	<b>8</b>	<b>11%</b>
Leasing providers	0	0	0	<b>0</b>	<b>0%</b>
VPF management companies	0	0	0	<b>0</b>	<b>0%</b>
<b>TOTAL</b>	<b>13</b>	<b>48</b>	<b>14</b>	<b>75</b>	<b>100%</b>

Source: National Bank of Serbia.

Of the total number of mediations, 59% related to the operations of one bank.

Of the total number of mediations held, 30 were concluded. Around **40%** of those concluded **ended in settlement** between financial institutions and their clients.

#### Number of mediations by type of financial services provider, January-March 2011

Financial services provider	In progress	Settlement	Suspension	Abandonment	Total	in %
Banks	40	11	15	1	<b>67</b>	<b>89%</b>
Insurance companies	5	1	2	0	<b>8</b>	<b>11%</b>
Leasing providers	0	0	0	0	<b>0</b>	<b>0%</b>
VPF management companies	0	0	0	0	<b>0</b>	<b>0%</b>
<b>TOTAL</b>	<b>45</b>	<b>12</b>	<b>17</b>	<b>1</b>	<b>75</b>	<b>100%</b>

Source: National Bank of Serbia.

Most mediation procedures related to complaints regarding loans (81%), automobile liability (7%) and current accounts (5%).

### IV. CONSUMER INFORMATION AND EDUCATION

#### 1. Consumer information

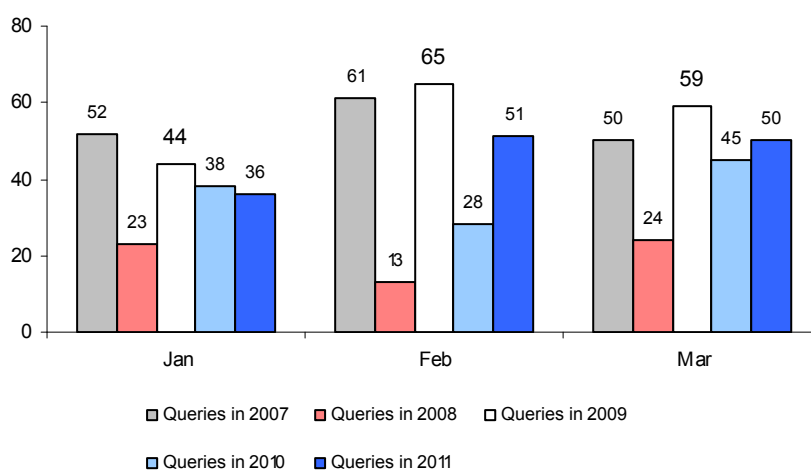
##### 1.1. Queries

In the first quarter of 2011, the Centre received **137 queries** regarding financial products and services and consumer rights, which is **23% more** than in the same period last year.

**Number of queries by type of financial services provider,  
January-March 2011**

Financial services provider	Jan	Feb	Mar	Total	in %
Banks	25	42	39	<b>106</b>	<b>77%</b>
Insurance companies	8	3	5	<b>16</b>	<b>12%</b>
Leasing providers	2	0	2	<b>4</b>	<b>3%</b>
VPF management companies	0	0	0	<b>0</b>	<b>0%</b>
Exchange offices	0	1	1	<b>2</b>	<b>1%</b>
Other	1	5	3	<b>9</b>	<b>7%</b>
<b>TOTAL</b>	<b>36</b>	<b>51</b>	<b>50</b>	<b>137</b>	<b>100%</b>

Source: National Bank of Serbia.



Most queries (77%) related to bank operations – loans (51%), current accounts (14%), and credit cards (10%).

**1.2. Calls received by the Call Centre**

The Call Centre received **5,082 calls** in the period under review.

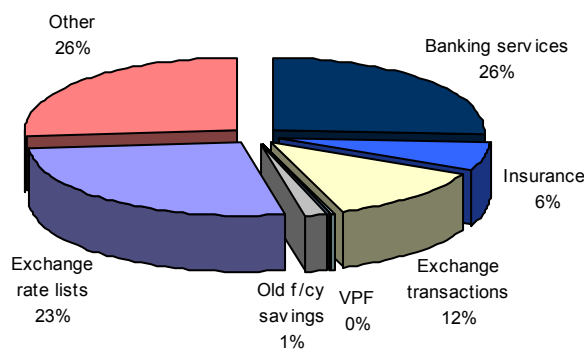
**Overview of queries,  
January-March 2011**

Area	Jan	Feb	Mar	Total	in %
Banking services	365	430	518	1,313	26%
Insurance	80	87	137	304	6%
Exchange transactions	215	186	234	635	12%
Leasing	5	6	9	20	0%
VPF	6	2	6	14	0%
Savings bills	0	2	2	4	0%
Old f/cy savings	23	23	30	76	1%
Exchange rate lists	444	428	517	1,389	27%
Other	323	467	537	1,327	26%
<b>TOTAL</b>	<b>1,461</b>	<b>1,631</b>	<b>1,990</b>	<b>5,082</b>	<b>100%</b>

Source: National Bank of Serbia.

Excluding service information, these calls related mainly to banking services, exchange transactions and insurance.

**Calls received by the Call Centre,  
January-March 2011**



The Centre also received **282 queries** in electronic format regarding the complaints procedure, level of the exchange rate, banknote replacement, enforced collection of claims, payment transactions, etc. All queries were answered in time.

## 2. Consumer financial education

As part of regular educational activities, the NBS continued providing consumer information in its regional financial education offices. In the first quarter of 2011, these offices were visited by **292 citizens**.

**Citizen queries,  
January-March 2011**

<b>Area</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Total</b>	<b>in %</b>
Banking	38	46	63	<b>147</b>	<b>50%</b>
Insurance	0	2	7	<b>9</b>	<b>3%</b>
Leasing	1	2	3	<b>6</b>	<b>2%</b>
Exchange trans.	2	1	0	<b>3</b>	<b>1%</b>
Pensions	1	2	0	<b>3</b>	<b>1%</b>
Other	41	36	47	<b>124</b>	<b>42%</b>
<b>TOTAL</b>	<b>83</b>	<b>89</b>	<b>120</b>	<b>292</b>	<b>100%</b>

Source: National Bank of Serbia.

Most citizen queries related to banking services (50%), notably loan refinancing, manner of calculating monthly loan instalments, savings, account closing, and other.