

October 6th 2016
To Whom it May Concern

EDR Review

My experiences with EDR's have been completely unsatisfactory. It became apparent to me that the EDR schemes are there to meet the wishes of the banks, not the needs of the consumers. I have lodged several complaints with EDR's, mainly FOS, and each time, after the required 'review' my case was closed.

FOS, one of the two ASIC approved dispute resolutions schemes operating in Australia, claim to 'help people resolve financial services problems'. In reality, it is a very biased scheme run by people who wine and dine with bankers, and is practically useless for all but the few 'window dressing' cases they resolve so they can appear to be doing their job.

In fact, the BFCSA with NO government funding is doing a far more effective job to help consumers than ASIC with it's ridiculous and indulgent annual budget.

- * The current EDR's are ineffective in handling consumer complaints regarding financial institutions.
- * EDR's such as FOS get money from the banks so can't be trusted to deal fairly. They operate with a conflict of interest - and money speaks louder than the appeals of consumers.
- * Too many people who work at an EDR centre have also worked for banks and the decisions to date indicate they prefer to protect the banks' reputations rather than help the consumer obtain a fair outcome.
- * The few 'window dressing' cases FOS has been involved in have resulted in totally inadequate compensation for the consumer.
- * FOS made a lame attempt to get the bank to hand over my complete LAF, and though the bank wouldn't provide it all, FOS closed the file.
- * FOS closed each of my complaints even though I have been financially damaged because of actions by the bank.

Our Experience with FOS - in Brief

* The bank provided a so-called 'loan' to me that has all the hall-marks of being predatory, and was therefore designed to fail within 5 years.

FOS didn't care.

* The alleged 'loan' was based on the value of my land AND house - meaning they considered my house 'legal' at the time of the 2004 'loan' and the 2006 'loan' extension, yet the bank advertised and sold my property for 'land value only', claiming the 16 year old 40 square double storey home was 'illegal'.

FOS didn't care.

* The bank damaged some of my personal belongings, deliberately destroyed others, and hid all my goods and chattels away from me for 3+ weeks.

FOS didn't care.

FOS went through the motions of 'investigating' my complaint then tell me they would be closing the file. Any objection to their decision was headed off by 'there is no substance to your objection'.

It became clear that FOS don't even read the complaints properly. It would appear to me that they gloss over them and *presume* to know the substance. Their decision for one of our complaints was based *entirely* on presumption on their part:

1. They *presumed* the issue had previously been dealt with by a court. It hadn't.
2. They *presumed* they were being asked to overturn a court decision. They weren't.

3. They *presumed* that a previous court judgement was in dispute. It wasn't.
4. They *presumed* that legal proceedings re the previous court judgement weren't complete. They were.
5. They *presumed* this previous court judgement had not been enforced yet. It had been.

Their presumptions proved that they had NOT given my complaint due consideration, and even when I wrote to FOS to correct their presumptions, their next reply still contained error. Unbelievable. In response to a previous complaint, FOS had said they couldn't do anything for us without us showing a financial loss. Our next complaint involved substantial financial loss as a result of wrong actions by the bank, but FOS avoided any need to address this by basing their decision on the above mentioned presumptions and ignoring our appeal for redress regarding the financial loss.

Suggestions

- * Get rid of the current EDR system.
- * Eliminate the prevailing conflict of interest by replacing the current EDR's with a system that is not financially benefitted by banks, and that is not run by/influenced by bankers/ex bankers.
- * Have a Royal Commission into Banking - one that is NOT run by, scrutinised by, directed by bankers/ex bankers or any one with a conflict of interest.
- * Ensure refunds on unused LMI.
- * RE-open all FOS cases.
- * Create an Independent Panel, NOT related to ASIC or it's 'approved' dispute resolution schemes, to review the re-opened cases, with special attention on those cases where the wrong presumption 'the broker is agent of the borrower' (when the broker is actually agent for the bank) was erroneously used against the borrower, and where the Bankers' Code of Conduct s25.1 re Affordability has been violated/ignored.

Thankyou,
Susan Field