

## PRESS RELEASE

### *ACF: increased compensations to savers and appeals accepted.*

#### *“Plus” sign in the activity budget in 2020.*

Decisions in favour of savers are increasing, the volume of compensation almost doubled, the number of appeals is increasing: these are some of the main data **of the activity of the Alternative Financial Dispute Resolution Scheme (ACF) in 2020**, the year of the health emergency from Covid, which saw a further consolidation of the role of ACF, the out-of-court resolution body for disputes between small investors and intermediaries, operating at Consob since 2017.

**1,772** appeals received by the ACF last year (+5.6% compared to 1,678 in 2019). This brings the total number of appeals transmitted by savers in the first four years of activity to **7,113** (2017/2020).

The South was also confirmed in 2020 as the area of origin of the highest number of appeals (**42.8%**), followed by the Centre (**32.4%**) and the North (**24.8%**) of the country.

More than **100 million euro**, the total value of the compensation claimed in 2020, ranging from a minimum of 94.66 to a maximum of 500,000 euro, corresponding to the limit of competence for the value of the ACF. The average value of individual disputes was just under 60,000 euro, in line with what was recorded in previous years. At the end of 2020, the total value of the compensation claimed in the four-year period exceeded the threshold of 400 million euro.

In 2020, **1,514** proceedings were concluded, an increase of 13.2% compared to 1,337 in 2019; on the other hand, **5,267** rulings in the four-year period 2017/2020.

The Board held **53** meetings (46 in 2019), making **1,060** decisions (853 in 2019), **65%** of which were granted appeals, a 10% jump compared to the 2019 figure, when 55% of the appeals examined had been granted. The total value of the compensation awarded to savers almost doubled (+**81.5%**): **28.5 million euro** in 2020 compared to 15.7 million euro recorded in 2019. This brings the total amount of compensation awarded from 2017 to date to **84.4 million**, with an average per capita of about 40,000 euro.

There were **212** measures to settle disputes taken by the President in 2020 following a settlement agreement concluded directly between the parties. The figure, up **9.2%** compared to 194 extinctions in 2019, confirms that the ACF is progressively establishing itself also as a reference point in the

relations between savers and intermediaries, such as to favour the spontaneous resolution of disputes even before the Ombudsman decides. The four-year total of appeals terminated early thus rises to **676**.

Cases of unacceptability/inadmissibility of appeals for detected and non-remediable irregularities are declining positively: **242** were the measures taken by the President in the last year (-16.5% from 290 in 2019), for a total of **1,298** in the four-year period. The progressive decrease in the situations of ascertained irregularities is a sign of a better knowledge of the ACF instrument by savers and its more suitable use.

At the same time, the number of savers who prefer to be assisted by a lawyer continues to grow (over **73%** of the total in 2020, compared to 69% in 2019), despite the possibility of submitting the appeal to the ACF directly, without assistance and free of charge. The economic significance of financial disputes and the difficulties many savers still face in personally protecting their rights are contributing factors to this trend.

The intermediaries involved in the proceedings initiated before the Consob Ombudsman in 2020 were **89** (93 in 2019); **183** in total were the intermediaries receiving at least one appeal from January 2017 to date, compared to the approximately 1,100 intermediaries authorised to provide investment services currently participating in the ACF system.

The most critical areas found in the relations between savers and intermediaries proved to be, even in the year just ended, those relating to the information made available to clients at the time of the investment and to the illiquidity situations of securities widely placed in recent years among retail investors, which have made it impossible for many savers to dispose of the investments held, also often characterized by a significant decrease in value compared to the initial investment.

More than **3,200** decisions so far published and freely available on the institutional website ([www.acf.consob.it](http://www.acf.consob.it)), of which 1,200 published in 2020 alone, provide a varied and detailed picture of the most critical aspects that have emerged.

In this regard, it is desirable to align intermediaries' operating practices more closely with the ACF guidelines, as this, in addition to allowing the appropriate treatment of client's complaints, can nullify situations of potential conflict at birth, thus helping to strengthen the relationship of trust between the parties, an essential prerequisite to foster increasingly efficient and protected processes for the use of private savings.

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