

## **PRESS RELEASE**

### **Securities and Financial Ombudsman**

### **142 million Euros returned to savers' pockets**

### **65% of rulings favourable to claimants**

### **President Barbuzzi sums up the first six years of activity**

One hundred and forty-two million Euros returned to savers' pockets, 10,000 appeals, 9,300 rulings, 65% of decisions in favour of claimants with an application rate by intermediaries close to 100%.

These are the key figures presented today by Gianpaolo Barbuzzi, President of the Securities and Financial Ombudsman (*Arbitro per le controversie finanziarie - ACF*), the body for out-of-court settlement of disputes between savers and intermediaries, who summed up the first six years of activity on the occasion of the 2022 Report.

Savers who turned to the ACF to assert their rights were awarded 19 million Euros in compensation last year, for a per capita average of around 30,000 Euros. Fifty-seven per cent of the claims were upheld by the body. For the first time, in 2022, the ACF examined a dispute over non-compliance with the Crowdfunding Regulation by a portal operator. More than 98% of the decisions by the ACF were implemented by intermediaries (compared to 96% in the 2017-2022 aggregate average), despite the fact that the rulings are not binding. For those who wish to turn to the ACF, the procedure is free of charge and does not require legal assistance.

The Annual Report shows a downward trend in the number of appeals filed by savers - 1,116 in 2022 (concerning 220 intermediaries) compared to 1,582 appeals in 2021 and 1,772 in 2020 - thanks to the gradual disappearance of 'serial litigation', inherited from the banking crises of late 2015 and mid-2017.

"These data lead me to say," commented Barbuzzi, "that the institution of the ACF has filled a protection gap and that the activity carried out in these six years has been effective, considering that its main purpose is to resolve disputes by avoiding both parties, savers and intermediaries, to wait for the still long times of civil justice.

The backlog that had been accumulating in the first three years of activity (2017 - 2019), again due to 'serial litigation', has fallen by more than 40%: compared to the 1,116 incoming appeals, in 2022 the ACF concluded 1,635 proceedings. "The goal, announced a year ago, of clearing the backlog by the end of 2023 is more within our reach than ever," said Barbuzzi, as the action to bring the ACF's deadline for closing proceedings within the six-month standard continues successfully.

The ACF President then marked some crucial points in the savers-intermediaries relationship:

- Providing 'more information' by the intermediary is not the same as providing 'better information'. The information set must be 'fine tuned', drawing the client's attention to that information, among many others, that generates genuine awareness of the characteristics and implications, in terms of risk, of the investment.

- The profiling questionnaire (MiFID questionnaire) must be the saver's identity card, reflecting today's image and tomorrow's expectations: intermediaries must not limit themselves to uncritically accepting the information provided by the client, but they have to promote dialogue and open discussion so as to remove any inconsistencies and incompleteness.
- With the acceleration of banking and financial services carried out *online*, the number of disputes arising from investments made on *online trading* systems is also growing, where pitfalls for savers are often hidden due to the immediate and direct accessibility of financial instruments. The recommendation to intermediaries is to provide financial product disclosures that are as visible as possible on the website, so as to offer the broadest guarantees of protection to customers.
- Any disputes involving crypto currencies of a financial nature and relating to the provision of investment services by authorised intermediaries can already be submitted to the ACF for consideration.
- As savers' interest in sustainable investments grows, the ACF will pay particular attention to disputes over the offer of these products, where there is the possibility of high conflict. Intermediaries should detect clients' sustainability preferences in terms of not only formal but effective knowledge of sustainable products, avoiding opportunistic logics in the placement of financial products.

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