

# Agreement on the Norwegian Financial Services Complaints Board,

between

the Norwegian Consumer Council, Finance Norway, the Association of Norwegian Finance Houses, the Norwegian Fund and Asset Management Association, FoodDrinkNorway and the Federation of Norwegian Enterprise (Virke)

*In force from 28 March  
2023*

The Norwegian Consumer Council, Finance Norway, the Association of Norwegian Finance Houses, the Norwegian Fund and Asset Management Association, FoodDrinkNorway and the Federation of Norwegian Enterprise (Virke), hereinafter referred to as the Parties to the Agreement, have updated the agreement on the operation of the Norwegian Financial Services Complaints Board – the complaints boards for insurance, banking, finance, securities funds and debt collection.

The Agreement, supplemented by Statutes for the Norwegian Financial Services Complaints Board, cf. Appendix 1, and the Rules of Procedure for the complaints boards, Appendix 2, replaces the previous agreement between the Parties to the Agreement of 28 January 2022. The Norwegian Financial Services Complaints Board will continue its activities with the changes set out in the present Agreement and the amendments to the complaints board's statutes. The Norwegian Financial Services Complaints Board is an industry-based extrajudicial dispute resolution body whose main purpose is to consider legal disputes between finance companies and their customers within the following areas: insurance, banking, finance, securities funds and debt collection.

## 1. Background

The Norwegian Financial Services Complaints Board (FinKN) is tasked with organising and running the complaints boards that are affiliated to the organisation at all times. FinKN currently comprises a secretariat and six complaints boards:

FinKN Banking,

FinKN Accident and Health Insurance,

FinKN General Insurance,

FinKN Change of Ownership Insurance, and

FinKN Debt Collection. Under FinKN General Insurance, a dedicated complaints board has been established for TFF (Norwegian Motor Insurers' Bureau) Penalty Charges.

The complaints boards function as independent, extrajudicial dispute resolution bodies.

The Parties to the Agreement have assumed that establishing a joint secretariat for the above-mentioned complaints boards will result in economies of scale, financial synergies and potential cost savings in the longer term.

A joint secretariat gives users a better overview of and access to relevant extrajudicial complaints boards in the field of finance. Uniform marketing, an informative website and the same case processing procedures and communications tools, as well as a joint system for publishing decisions by the boards, all help to strengthen the industry's reputation for dealing with complaints from consumers.

## **2. Statutes, governance structure and organisation plan**

The Parties to the Agreement adopt Statutes for the Norwegian Financial Services Complaints Board (FinKN). The Statutes must be approved by the Ministry of Children and Families, cf. Section 3 of the Act relating to Authorisation of Alternative Dispute Resolution Entities in Consumer Matters (the ADR Entities Act) and Section 1 first paragraph letter g) of the pertaining regulations.

The Parties to the Agreement authorise the Board of FinKN to draft and adopt rules of procedure for the secretariat and the complaints boards that are in accordance with the Statutes.

FinKN shall have a Board. The Parties to the Agreement decide how many members the Board shall have and its composition. There are currently nine members and the same number of personal deputies. The Parties to the Agreement from the supplier side have six board members, while the Parties to the Agreement from the consumer side have three. Appointments to the Board take place based on the following allocation of members between the Parties to the Agreement:

- Finance Norway, three members
- The Norwegian Consumer Council, two members
- FoodDrinkNorway, one member
- The Association of Norwegian Finance Houses, one member
- The Norwegian Fund and Asset Management Association, one member
- The Federation of Norwegian Enterprise (Virke), one member

The Parties to the Agreement agree that FinKN's organisational structure shall reflect the different complaints boards.

The Statutes shall regulate the division of competence between the Parties to the Agreement, FinKN's Board, the managing director/secretariat and the boards organised by FinKN.

The Parties to the Agreement shall help to make FinKN known to the public.

## **3. Overarching provisions and rules of procedure**

FinKN shall carry out its activities in accordance with the provisions of the ADR Entities Act, the Insurance Contracts Act Section 22-2, the Financial Contracts Act Section 3-54, the Debt Collection Act Section 22, other framework conditions set out in public law, and FinKN's Statutes.

The following overarching principles apply to FinKN's activities and the case processing of the affiliated complaints boards:

- a) All types of institutions with a right to offer insurance services and financial services in Norway within the boards' competence (area of responsibility) are entitled to be affiliated to the relevant complaints board with the rights and obligations this entails.

The same applies if it is decided in laws or regulations that institutions shall be affiliated to FinKN.

FinKN shall be affiliated to the cross-border network within the EEA for extrajudicial complaints from consumers concerning financial services (FIN-NET).



- b) FinKN's premises shall be separate from the Parties to the Agreement.
- c) FinKN shall be staffed by persons with legal and other necessary expertise that is satisfactorily adapted to the complaints boards' areas of responsibility and adequate in relation to the case load at all times. FinKN's Board decides whether it is necessary to establish new complaints boards or discontinue existing boards.
- d) FinKN's website shall provide easy access to the decisions reached by the complaints boards. It shall be clear from the published and searchable decisions which service provider has been complained against and been a party to the dispute. The website shall publish contact information and information about case processing procedures and the different steps in the decision-making process.

The website shall provide guidance about how a complaint can be submitted, including specific information about who a complainant can contact for more detailed information about the complaint procedure. Among other things, FinKN shall facilitate the submission of complaints by electronic means.

The website shall also provide information about statutory or contractual requirements for coverage of a complainant's necessary costs in connection with a subsequent judicial hearing of a dispute in cases where a financial institution does not comply with a decision by FinKN.

- e) In addition to making decisions in individual cases, FinKN shall help finance companies and the public by providing general guidance and information about previous decisions by the complaints boards.
- f) FinKN shall adopt open, easily accessible rules for which cases the different complaints boards shall and can consider (scope), including conditions for the rejection of complaints. The complaints boards shall not accept cases for consideration that have been decided by the courts of law or that naturally fall under other complaints mechanisms or supervisory authorities.
- g) Guidelines will be adopted in accordance with the ADR Entities Act and pertaining regulations relating to case processing, and information must be provided about how long case preparations by the secretariat and consideration by the complaints board can be expected to take. Rules shall be adopted concerning the duty of secrecy and impartiality in accordance with the law. Cases will be considered by the boards in writing. The parties must always be given an opportunity to state their views. The rules of procedure must be worded in an easily understandable manner.

- h) Before a complaint case is taken under consideration by FinKN, the complainant in question must have raised the legal problem with the service provider (formally complained) or raised objections without the matter having been resolved. All written queries will nonetheless always be registered by FinKN upon receipt.

Each complaints board is chaired by a neutral, highly qualified lawyer. More than one chair may be appointed for each complaints board. The board chairs are appointed by unanimous decision of FinKN's Board.

- i) The consumer side and the financial services industry shall be represented on each complaints board. Unless otherwise decided, each complaints board shall have one representative from each side. The business side shall be represented on complaints boards that consider cases where the complainant is a business.
- j) FinKN's Board adopts more detailed case processing rules, including rules concerning what constitutes a quorum and rules concerning voting in the event of absences.
- k) The complaints boards' decisions are advisory. A reasonable deadline shall be set for the institution against which a complaint has been lodged to submit a reasoned response to the secretariat if the decision will not be complied with. At the same time, the complainant shall be informed that the financial undertaking has a statutory or contractual obligation to cover the complainant's necessary costs in the event of a subsequent court hearing of the dispute.

The Parties to the Agreement understand and accept that changes to public law and industry-decided framework conditions could result in a change to the complaints boards' remit, rules of procedure and composition.

#### **4. Financing of activities**

Complainants will not be charged for the secretariat's costs in connection with cases.

FinKN's Board may decide that complainants will be required to pay a fee for consideration of a case by a complaints board if the consumer customer does not accept a decision the secretariat has made under the delegated authority of a complaints board.

FinKN's current operating expenses shall largely be financed by the service providers based on the number of written cases. Financial undertakings that are not affiliated to one of the Parties to the Agreement (industry association), but against whom a complaint can be submitted to FinKN, shall also contribute to financing FinKN's costs.

## 5. Termination of and amendments to the Agreement

Each of the parties to the Agreement may give notice of termination. The Agreement expires in the calendar year after notice of termination is given. The Parties may raise the question of amending or supplementing the Agreement at any time. A decision on the dissolution of FinKN requires the support of all the Parties to Agreement, cf. section 10.3 of the Statutes.

---oOo---

Six originals of the Agreement have been drawn up, one for each of the Parties to the Agreement. A copy of the signed Agreement will be sent to FinKN and the Ministry of Children and Families.

Oslo, 28.3.2023