



Accomplish

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For comments or queries, please contact the Executive Manager, Damian Paull:

dpaul@fos.org.au *

New Compliance Analyst:

Iris Goh

A message from the Executive Manager (EM)

The Code Compliance team within the Financial Ombudsman Service (FOS) has been working hard to implement guidelines and procedures for efficient and effective monitoring of the Mutual Banking Code of Practice (Code).

At the last meeting (May) of the Code Compliance Committee (CCC) the Committee members acknowledged the work done so far by the team and endorsed the work being planned for 2010.

Our current activities include:

- Establishing a regular teleconference forum in which Mutuals can discuss current issues with the CCC;
- Scoping a review of all terms and conditions documents to ensure that they reflect the adoption of the Code;
- Developing the Annual Compliance Statement (ACS) and obtaining feedback from a number of Mutuals in relation to the format and structure. This has been a positive process and the feedback has been very constructive. We will distribute the ACS in the next few weeks and the results will form part of the CCC Annual Report;
- Attendance at the Abacus Convention 16-20 October in Adelaide;
- Establishing a Code Compliance Advisory Committee to help develop and provide important industry feedback on the compliance program.

Pursuant to the Code, the CCC undertakes reviews or “own motion compliance inquiries” and we publish the results.

We have recently concluded our first review and released our report into web-based disclosure of the Code, internal dispute resolution services (IDR) and the process for accessing an external dispute resolution service (EDR) such as the Credit Ombudsman Service Limited (COSL) or the Financial Ombudsman Service (FOS).

There is a short note in this update regarding the review, and the report is available from our website, www.cccmutuals.org.au.

I am also pleased to advise that Iris Goh has joined the team as our Compliance Analyst. Iris will be assisting our Compliance Manager with the delivery of the compliance program.

If you have any questions or concerns please feel free to email me or contact our Compliance Manager – Daniela Kirchlinde at ccc@fos.org.au *.

Regards

Damian Paull
Executive Manager, Code Compliance

Committee members:

- Jeff Whalan
(independent chairperson)
- Patricia Langham
(industry representative)
- Gail Pearson
(consumer representative)

Next CCC meeting on 25 August 2010.

Meet the CCC at the Abacus Convention from 17-20 October in Adelaide.

Contact the CCC by email to

ccc@fos.org.au *

A message from the CCC

The CCC is keen to ensure that, in its compliance role, it can assist the Credit Unions and Building Societies (the Mutuals) to maintain and further improve their high standard of professionalism and care towards members.

The most important work done over the last period has been the review of websites to check the extent to which Mutuals have provided their members with easily accessible information about the Code and about access to both internal dispute resolution and external dispute resolution services.

The results of this first review varied widely and this will now allow us to work with those Mutuals who have not yet provided this information on their websites to ensure that they do so.

The next review that we will undertake is to look at the terms and conditions documents of all Mutuals to ensure that these documents include reference to the Code.

The CCC and a number of the Compliance team will attend the Abacus Conference (www.abacusconvention.com.au) in Adelaide from 17-20 October and we hope to meet as many of you as possible.

In the meantime, if you wish to forward any ideas or comments to the CCC please email to ccc@fos.org.au *.

Jeff Whalan AO
Chairperson

Visibility and Accessibility Report

We have finalised our review on Mutuals' websites to check the extent to which members have provided their customers with easily accessible information about the Code and about access to both internal dispute resolution (IDR) and external dispute resolution services (EDR).

The final report is available via our [website](#) and we have forwarded a copy via email to each Code subscriber. The report identifies why we conducted the review, our methodology, details of the findings and our recommendations.

We urge all Mutual Code subscribers to read this report and ensure that your website meets the requirements of the Code. Please feel free to contact us to discuss any of the issues raised in the report.

Some of the key findings of concern to the CCC were as follows:

- 43 per cent of the websites did not meet basic standards regarding visibility and accessibility;
- Only 67 per cent of the websites had Code information accessible;
- Only 60 per cent of the websites had satisfactory information about IDR
- Only 54 per cent of the website had satisfactory information about EDR

Future activities of the CCC will focus on these concerns.

Look out for the report on the review of Mutuals' websites:

43% did not meet basic standards regarding visibility and accessibility of Code, IDR and EDR information

Current Projects

Meeting the Mutuals

We are currently taking the opportunity to meet with Mutual Code subscribers as a means of introducing our Compliance Manager Daniela Kirchlinde. Daniela and Iris are seeking to understand how the Code has been implemented, what areas have proven to be difficult and how the CCC can prioritise its work to provide assistance.

In addition, we are endeavouring to gain a better understanding of the individual mutual businesses and what the Code means to your organisation and members. We also appreciate that this is a very busy period and we would like to thank you in advance for your time.

You might receive a telephone call or email from Daniela or Iris to arrange an opportunity to meet.

Desktop Review: Terms and Conditions

Our next desktop review will focus on the status of your Terms and Conditions as published on your website, in particular the requirement set out in Part B of the Code, which states:

“Commitment to comply with the Code: We will incorporate this Code by reference in your written Terms and Conditions for products and facilities to which the Code applies.”

We will publish our findings and recommendations upon completion of the review.

Annual Compliance Statement

Part E, clause 18 of the Code requires Mutual Code subscribers to complete an annual compliance report within three months of the end of the annual reporting period (30 June).

We have been working on the report referred to as the Annual Compliance Statement (ACS) and have been developing the ACS in consultation with a number of Mutual Code subscribers.

As this is the first time that Mutuals will be required to complete the ACS, we formed a working group from interested Mutual representatives. Their feedback and suggestions have been an important part of settling the questions and designing the Statement.

We would like to thank the group for their participation and the constructive manner in which they engaged. Based on the success of the working group we are considering establishing a Code Compliance Advisory Group to work with the Compliance team as the program evolves. If you are interested in participating, please let us know via our email address, ccc@fos.org.au *.

We expect that Mutual Code subscribers will receive the Annual Compliance Statement (ACS) in July 2010, with an expected completion date of 30 September 2010.

Current projects:

- Meeting the Mutuals
- Desktop review: Terms and Conditions
- Annual compliance report

Annual compliance report:

- Information and reporting form will be sent to you by July 2010
- Form is to be completed and returned to the CCC by 30th September 2010

Annual Compliance Statement (cont.)

The purpose of the information requested in the ACS is to give the CCC a picture of how credit unions and mutual building societies (Mutuals) are implementing the obligations under the 10 key promises of the Code.

This information, together with our reviews and any investigations we conduct, will assist the CCC in gaining a better understanding about the level of compliance with the Code. In addition, we will use the information to identify any potential gaps that may need further attention.

If you have any queries in regards to the ACS or if you have trouble in completing it, please do not hesitate to contact our office on 1300 780 808* or email ccc@fos.org.au *.

Website and Brochures

Thank you for your continued feedback about our website.

If you haven't checked it out, our website, www.cccmutuals.org.au contains lots of useful information about the CCC and the Code and includes our [online complaint form](#).

We welcome any feedback or comments in regards to the contents and layout.

As a result of feedback received, and following our own review of Mutuals websites, we have included an option to increase the font size on the web pages. We hope that this improves the accessibility and provides a more user-friendly experience.

Also, check out our brochures in the 'About Us' and '[Our brochures](#)' link:

- CCC information brochure
- CCC privacy brochure

If you have a particular need for the brochures in a different format, please let us know. In addition, please feel free to include the CCC information brochure in your new member information kits.

Check out our website
at

www.cccmutuals.org.au

Contacting the CCC:

If you have a complaint?

If you believe that a Mutual has breached the Mutual Banking Code of Practice, and they have subscribed to the Code, then you can:

1. Telephone CCC General Enquiries on 1300 780 808 *
2. Write to the CCC, care of:
Executive Manager
Code Compliance Committee
PO Box 14240
Melbourne VIC 8001
3. Lodge a complaint via our online complaint form at www.cccmutuals.org.au

If you have a general enquiry?

You can contact us directly using the postal address and telephone details above.

You can also email your enquiry to us at ccc@fos.org.au *

If you want to pass on some feedback?

You can call us on 1300 780 808* between 9am and 5pm (Melbourne time) or use our email address ccc@fos.org.au *

If you want to know more about the Mutual Banking Code of Practice?

If you would like to know more about the Code, you can see it on our website or alternatively have a look at the Abacus Australian Mutuals website at www.abacus.org.au

If you have a media enquiry?

Any media inquiries regarding the Committee's work should be referred to the Executive Manager, Damian Paull, at dpaul@fos.org.au *, or by telephone on 1300 780 808*.

General information about our work will soon be available via our website www.cccmutuals.org.au.

* CCC has appointed the Financial Ombudsman Service (FOS) as its compliance manager to carry out its day to day functions.