How mediation works

How does the mediation procedure work?
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The Ombudsman handles complaints and mediation requests in accordance with law and equity, issuing recommendations in order to reach out-of-court settlement and avoid legal proceedings. The mediation procedure is set down in a charter and takes place in several stages.

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Before requesting mediation
Before requesting mediation, you must first write to the investment services provider or company that you have a dispute with. If you do not receive an answer within two months or if the response is unsatisfactory, you can apply to the AMF Ombudsman by letter or using the form downloadable under the “How to contact the Ombudsman?” section of the website. Your case will then be taken up.

Preparing a mediation request
To facilitate the handling of your case, you must prepare a written complaint that is both clear and precise. You should give:
- a full description of your case, together with a timeline, and the initiatives you have already taken
- details of the amicable settlement you wish to reach (cancellation, execution, compensation). In the case of compensation, provide an estimate of the damages you feel you have suffered.

When submitting your complaint, you should include copies of any items that may be useful to the Ombudsman when examining the case, notably your correspondence with the person responsible for the damages you consider you have suffered, as well as all supporting documents.

The evidence to be submitted to the Ombudsman varies depending on the nature of your complaint. The table below lists the documents that will be useful for dealing with your case. The list is indicative only, and you may send any other document you think relevant. Likewise, when examining your case, the Ombudsman may ask more additional materials.

<table>
<thead>
<tr>
<th>Your complaint</th>
<th>Information / documents to provide</th>
</tr>
</thead>
<tbody>
<tr>
<td>A buy/sell order for a financial instrument is not executed properly.</td>
<td>ISIN code of the financial instrument (2 letters and 10 digits, shown on your execution advice or portfolio statements) security account agreement your instructions (screen dumps, fax, post code) execution advice and/or portfolio statements showing the disputed transactions</td>
</tr>
<tr>
<td>You have a complaint about the Deferred Settlement Service, SRD (margin/rollover/purchase)</td>
<td>security account agreement email/letter/telegram from the financial intermediary with a margin call account statements your rollover instructions</td>
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<tr>
<td>A trade is cancelled</td>
<td>security account agreement transaction notes and/or portfolio statements generated by the cancellation cancellation request, screen dumps</td>
</tr>
<tr>
<td>A request to buy or redeem fund units or shares is not executed properly.</td>
<td>ISIN code of the financial instrument your purchase/redemption instructions transaction notes and/or portfolio statements</td>
</tr>
<tr>
<td>Your request to redeem fund shares/units is denied.</td>
<td>ISIN code of the financial instrument your instructions</td>
</tr>
<tr>
<td>You are not provided with information about a material change in the characteristics of a fund you have invested in.</td>
<td>ISIN code of the financial instrument, details about the change that led to the dispute</td>
</tr>
<tr>
<td>You receive a personal recommendation about a financial instrument transaction or an investment service that does not comply with your aims, financial situation and experience in the field of finance.</td>
<td>client questionnaire filled in by you (if not, any evidence that the firm/entity in question had information about your aims, financial situation and experience in the field of finance)</td>
</tr>
</tbody>
</table>
The financial instruments you invested in on the advice of your usual financial intermediary or a direct seller have fallen in value.

- documentation received along with the recommendation, subscription form
- client questionnaire filled in by you (if not, any evidence that the firm/entity in question had information about your aims, financial situation and experience in the field of finance)
- documentation you received prior to the investment, subscription form, signed contracts

You are charged fees that do not match the general terms and conditions of business you received.

- general terms and conditions of business of the firm/entity in question
- security account agreement, management agreement (if any)

When a financial product (structured fund, EMTN, etc.) matures, you receive an amount that is inconsistent with what was shown in the documentation supplied when you invested.

- ISIN code of the financial instrument
- documentation provided when you invested
- subscription form
- account statement showing the disputed entry

Your request to transfer or close your security account or personal equity plan is not executed on time.

- your transfer/closing instructions
- security account agreement

You are not informed beforehand about a corporate action (eg share contribution/exchange in a tender offer, exercise or sale of pre-emptive rights in a capital increase).

- security account agreement
- portfolio statement showing the securities concerned by the corporate action

The instructions you gave about a corporate action are not executed properly.

- security account agreement
- your instructions
- corporate action notice received beforehand
- transaction report and/or account statements

Financial instruments, or cash from the sale of them, are delivered late.

- ISIN code
- your instructions
- account statements showing the disputed transactions

Buy/sell entries are recorded on your security account with no prior instructions from you.

- portfolio statements showing the disputed transactions

An asset manager carries out a transaction that does not comply with the investment objective in the mandate.

- investment mandate
- portfolio statements showing the disputed transactions

How the case is dealt with?
Once the complaint and appended documents have been examined, the Ombudsman may ask the financial intermediary or listed company for its comments and any supporting documents. The Ombudsman examines the evidence and compares the arguments from both sides before examining the merits or each party’s position in light of regulatory requirements and fairness.
If deemed necessary, the Ombudsman can pursue the examination through meetings or phone conversations with the parties involved.
Once the examination is complete, the Ombudsman issues a recommendation.
Both parties have to remain proactive throughout the mediation procedure, which is never binding. The Ombudsman can make suggestions but cannot impose them.

Suspension of the limitation period
The mediation procedure suspends the limitation period for applying to the court.

Ombudsman's recommendation
After examining your case, the Ombudsman issues an opinion in accordance with law and equity.
As far as you are concerned, the recommendation may be:
- favourable
- partially favourable
- unfavourable.

The Ombudsman sends this opinion to both parties.
In the event of an unfavourable recommendation, the Ombudsman’s task is complete and the case is closed.
If the Ombudsman issues a favourable or partially favourable recommendation, the parties decide whether or not to follow it.
If the parties decide to follow the recommendation, they may formalise their agreement in a written memorandum of understanding. The Ombudsman can help them draft the MoU and will ensure as far as necessary that it is properly executed.

Either party may apply to the court at any time. In this case, neither the correspondence that took place during the mediation procedure nor the Ombudsman’s recommendation may be submitted or referred to in court without both parties’ consent.