

## CNMV PUBLISHES THE ANNUAL REPORT ON INVESTORS' COMPLAINTS AND ENQUIRIES DEALT WITH IN 2017

Madrid, 13 September 2018

- Investors filed 998 complaints with CNMV (17.18% fewer than in the previous year) and made 11,199 enquiries (28.32% more than in 2016)
- Entities accepted the Commission's criteria in 58.3% of cases
- The report includes details of CNMV's actions for the purposes of detection and warning of financial boiler rooms.
- CNMV's Complaints Service has adapted its operation and procedure to the new legislation on the alternative resolution of consumer disputes

The Spanish National Securities Market Commission (CNMV) has today made public the [Annual Report on Investors' Complaints and Enquiries for 2017](#). This report covers the activity carried out by the supervisor in resolving claims and complaints from investors about the entities and products with which they operate, and in dealing with doubts and enquiries in general.

### Complaints

In 2017, investors filed 998 **complaints** with CNMV, 17.18% fewer than in the previous year. Of these, 95% were submitted by natural persons and only 5% by legal persons. As for the origin of those affected, Madrid leads the ranking (223), followed by Catalonia (125), Andalusia (116), and the Valencian Community (108).

The main **reason for complaints** was problems arising from the information provided on financial products both before (20.3%) and after (21.7% of the total) they were purchased.

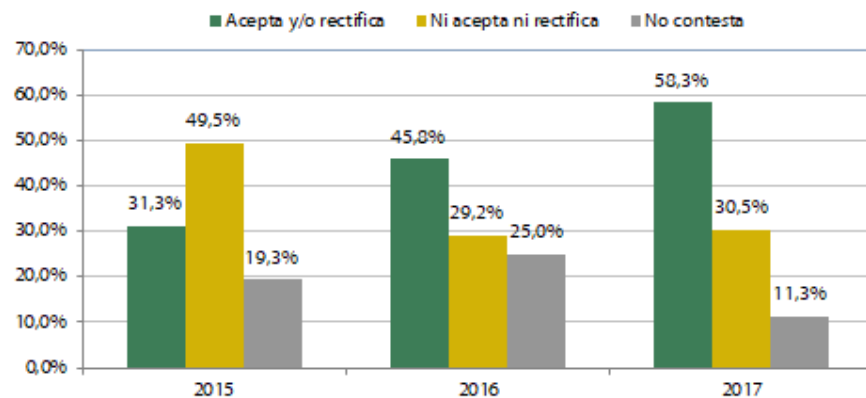
The entities that received the greatest number of complaints were banks, with 84.9% of the total, which can be explained by taking into account the relative weight of these entities in the channelling of savings in Spain. Foreign credit institutions received 4.6% of the complaints.

2% of the complaints were made to investment firms (IFs) – 1.4% to securities firms and 0.6% to securities agencies – while Spanish collective investment scheme management companies accounted for 0.7%. For their part, 5.3% were complaints related to services provided by foreign investment firms.

With respect to the final result of the processing of complaints, 83.7% were closed with a **final reasoned report**. Of these, 54.2% were **favourable** for the complainant, while the remaining 45.8% were unfavourable. It should be noted that the percentage of cases in which the favourable report means that the **entities accepted CNMV's criteria** or rectified their actions continued to increase. Thus, in 2017 the supervisor's criteria were adhered to in 58.3% of cases, 13 percentage points more than in 2016, a figure which is four times the number of acceptances recorded in 2013.

**Evolución de las actuaciones posteriores**

GRÁFICO 22



Fuente: CNMV

### Investor enquiries

In 2017, investors submitted 11,199 **enquiries** to CNMV in relation to the securities markets and how they function, which represents a 28.32% increase on the previous year. Once again, the channel most frequently used to contact the agency was the Investor Assistance Office telephone number (88.5%), followed by the electronic office (8%) and ordinary mail or submission of enquiries through the general registry (3.6%).

The main matters subject to consultation were issues related to the resolution of Banco Popular Español, S.A. in June 2017; requests for information on the purchase prices of securities listed on the stock exchange; issues relating to Abengoa, S.A., and queries related to the obligation to have the LEI (Legal Entity Identifier) Code, among others.

### **Unauthorised entities**

One of the new features of this year's report is the inclusion of actions and data on **unregistered entities** that have been the subject of a warning by CNMV, the publication of "other warnings" on other types of entities, as well as other activities carried out by the body.

In 2017, a total of 500 warnings were issued about unregistered entities, known as financial boiler rooms (5% more than in 2016). Of these, 53 were issued by CNMV and 447 corresponded to communications from other supervisory bodies of other EU member states.

In order to carry out these warnings, CNMV obtains information from various sources: measures adopted by CNMV itself, sources external to CNMV and investor enquiries. From the information obtained through these channels, CNMV launched 83 inquiries in 2017 that gave rise to warnings on 53 websites and trademarks, as well as natural and legal persons associated with them.

### **CNMV's action criteria**

For the second consecutive year, the Report includes the criteria followed by CNMV to resolve complaints. These criteria refer to the analysis of the adaptation of the product to the customer's investor profile in cases of mere order execution, the provision of advisory services and portfolio management, information on the product to be provided before and after purchasing, the execution of orders and wills, fees, ownership of securities and the operation of the Customer Service Department (CSD).

With the inclusion of this information, the report, in addition to serving as an instrument providing transparency on the institution's activity, constitutes a detailed, systematic, practical and updated guide to the guidelines followed by the Complaints Service in its resolutions. Moreover, by detailing the criteria applied to complaints resolved both with a favourable and an unfavourable report for the complainant, it is possible to identify not only the bad practices carried out by the entities against which complaints have been made but also the actions that are considered correct.

### **Changes in complaint handling**

On 4 November 2017, Law 7/2017, of 2 November, was published in the Official State Gazette (BOE), which incorporated Directive 2013/11/EU on the alternative resolution of consumer disputes into Spanish law. For this reason, CNMV's Complaints Service has **adapted its operation** to the provisions of this law. The most notable new features that have been included in the procedure are as follows:

- Complaint processing time has been reduced from four months to 90 calendar days.
- The new complaint procedure also applies to natural persons acting for purposes outside their commercial or business activity, trade or profession and to legal persons and entities without legal personality operating on a non-profit basis in a field outside their commercial or business activity.
- The complaint will not be admitted if less than one month (previously two months) has elapsed since the submission of the previous complaint to the entity's Customer Service Department (CSD) and it has not been resolved, or if more than one year has elapsed since the entity's CSD was contacted.
- Finally, the complaint will be inadmissible if more than five years have elapsed between the occurrence of the facts to which the complaint relates and the date on which the complaint was filed with the CSD.

For further information:  
CNMV Communications Office  
Tel.: 91 5851530  
[www.cnmv.es](http://www.cnmv.es)  
[comunicación@cnmv.es](mailto:comunicación@cnmv.es)