
Financial Ombudsman's Office To Protect Customers Of Armenian Banking System

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The Office of the RA Financial Ombudsman is aimed to protect the rights and interest of customers of the Armenian banking system, promptly consider their demands free of charge thereby building up the public confidence in the Armenian financial system, RA Financial Ombudsman Piruz Sargsyan told reporters.

The Office is to launch its activities in Armenia on January 24. P. Sargsyan pointed out that she was elected as a result of a unanimous decision by the Board of Trustees of the Financial Ombudsman Office Fund at its maiden sitting on December 22, 2008. Since 1995, P. Sargsyan had worked at the Department for Legal Affairs of the Central Bank of Armenia (CBA). P. Sargsyan said that the Office will follow the international principles of impartiality, transparency, efficiency and justice.

In this context she pointed out that the information on the order of accepting and considering the complaints will be available on the Ombudsman's official website. The information on annual reports, budget execution and results of the consideration of complaints will be available as well.

"People can also get in touch with the Ombudsman's Office by the telephone number (010) 59 26 97 or by means of its e-main address hashtarar@yahoo.com," she said.

P. Sargsyan pointed out that complaints can be filed against banks, credit institutions, insurance companies and brokers, investment companies, pawnshops, broker-dealers, and money transmitters.

She said that the Office will consider only individual complaints.

"An individual person's complaint will be considered if the actions or omissions it is based on took place after the relevant law took effect, namely, after August 2, 2008; if the complaint was first lodged with the financial institution but was rejected; if the complaint is lodged within six months after the customer receives a final answer from the financial institution; if the customer does not receive an answer from the financial organizations ten days after a complaint was lodged; if the claim of ownership is not worth over 10mln AMD or an equivalent," P. Sargsyan said.

She also said that the RA Financial Ombudsman has the right to decline a complaint if a verdict has been returned by court or by arbitration tribunal, if court or arbitration tribunal consider a relevant case, if a complaint contains libels or if the complainant resorts to unfair practices.

Grigor Konjeyan, Chairman of the Board of Trustees, Financial Ombudsman Office Fund, pointed out that the Board is obliged to facilitate the normal performance of the Office.

He pointed out that the Board is not entitled to interfere in the consideration of complaints and applications by the RA Financial Ombudsman or in the decision-making process.

The Financial Ombudsman's Office was founded in Armenia in conformity with the RA Law "On financial ombudsman". The RA Parliament adopted amendments to the law on September 30, 2008.

Under the amendments, banks are to effect compulsory payments to the office equal to 0.01% of their assets for the previous year instead of 0.001%. For credit institutions the rate is 0.07% instead of 0.007%.
