

ANNEX 2 to the Public Report of 26 April 2013

Factsheet continued

The Scheme

The tables below show the progress which has been made with respect to each part of the compensation scheme as at 22-04-2013. All customers applying for compensation under the Scheme qualify for review of their claims for compensation for mis-selling of insurance. Some customers may also be able to apply for compensation on grounds of excessive lending. So far, 25,634 customers have applied for the Scheme and they are all having their claims for compensation under that part of the Scheme dealing with mis-selling of insurance reviewed. Out of these customers, 16,127 have also applied for compensation under that part of the Scheme dealing with excessive lending.

Compensation for mis-selling of insurance

All customers applying for compensation under the Scheme qualify for review of their claims for compensation for mis-selling of insurance. The figures shown for compensation for mis-selling of insurance therefore relate to the total number of customers registered for the Scheme.

Phase 1 compensation for mis-selling of insurance	Direct complaints and Stakeholder Organisations	Online applications	Total
1. Total number of customers with complaints*	10,048	15,586	25,634
2. Proposal letters sent out			
Proposal letter sent - customer qualifies for compensation	8,056	11,069	19,125
Proposal letter sent - customer does not qualify for compensation	1,376	1,006	2,382
3. Customer responses			
Customers accepting proposal	6,420	8,929	15,349
- Of which, agreement - offer of financial settlement	6,154	8,803	14,957
- Of which, agreement - no offer of financial settlement	266	126	392
Customers requesting combined proposal	2,754	70	2,824
Customers requesting reassessment	397	151	548
Customers rejecting proposal	0	0	0
4. Proposals settled and processed			
- Of which, proposals settled with offer	6,285	8,395	14,680
	6,018	8,273	14,291

*) The number of customers registered for insurance mis-selling compensation includes the number of customers in receipt of compensation connected with HWS products in addition to insurance mis-selling compensation.

Excessive lending

Some customers may also be able to apply for compensation on grounds of excessive lending. Customers whose Phase 1 compensation for mis-selling of insurance has already been processed will receive a letter stating the result of the review of their excessive-lending claim. Customers who have registered for a combined proposal of compensation for both insurance mis-selling and excessive lending will receive a proposal letter containing a total assessment. The claims of these customers are being reviewed for both insurance mis-selling and excessive lending and are therefore included in both the statement of compensation for mis-selling of insurance and the statement for excessive lending presented below.

The assessment of excessive-lending claims requires additional documentation. Customers will accordingly receive a 'documentation request letter' stating precisely what documents they need to submit. Customers who no longer have a loan from DSB Bank do not qualify for excessive-lending compensation. In such cases, customers will receive a rejection letter instead of a documentation request letter.

Phase 2 compensation for excessive lending	Direct complaints and Stakeholder Organisations	Online applications	Total
1. Total number of cases registered for excessive lending compensation	6,209	9,918	16,127
2. Rejection letters sent – customer does not have an existing loan and therefore does not qualify for excessive lending compensation.	540	1,052	1,592
3. Documentation request letters sent out	5,500	8,959	14,459
4. Responses to document request letters			
Claim dropped	211	323	534
Complete documentation submitted on time	2,716	3,168	5,884
5. Proposal letters sent with details of excessive-lending compensation assessment			
Offer - customer gets excessive-lending compensation	574	455	1,029
Rejection - customer does not get excessive-lending compensation (but is still included in excessive-lending compensation figures)	1,499	1,516	3,015
6. Customer responses to proposal letter			
Customers accepting proposal with offer of compensation for excessive lending	436	354	790

Customers rejecting proposal	0	0	0
Customers requesting reassessment	122	54	176
7. Proposals settled and processed	407	312	719