

Privacy Complaints:

The National Financial Ombud Scheme (NFO) closed a total of 14 complaints that related to the disclosure of confidential information:

11 formal matters and 3 premature matters.

The matters were resolved with the following outcomes:

Category	Count of Reference Number
Privacy Complaints	14
Formal	11
In favour of Complainant	2
In favour of Participant	9
Premature	3
In favour of Complainant	3
Grand Total	14

The NFO currently has 5 open complaints classified under this category:

Privacy Complaints	5
Formal	4
Assessment	3
Waiting for Participant	1
Premature	1
Waiting for Participant	1
Grand Total	5

Analysis of Complaints

Matters Closed – Not in Favour of the Complainant

1. The complainant reported identity fraud involving the opening of accounts in their name without consent, allegedly facilitated by another bank sharing personal information. The complainant suffered financial and emotional distress and requested compensation. The bank denied the allegations, and no evidence was provided to substantiate the claim.
2. The complainant expressed disappointment that their privacy was compromised after the bank shared their loan information with third parties. The investigation found that the bank did not breach POPIA, as the complainant had signed a pension-backed loan agreement authorising the sharing of account information with the employer, fund, and fund administrator for managing obligations under the agreement. The employer later opted not to process new payroll



deductions, and the bank agreed to accept manual repayments until settlement. The bank acted in line with the terms of the agreement, and the matter was considered resolved.

3. The complainant alleged that a third party mistakenly transferred funds into their account and that personal details were disclosed by the bank in the process, leading to repeated contact and harassment. They sought damages and disciplinary action, but no evidence was provided to substantiate the alleged disclosure. Accordingly, the NFO concluded that no further action could be taken and closed the file.
4. The complainant raised concerns about mismanagement of their home loan account, including arrears growth, threats of repossession on the wrong property, breaches of confidentiality, and unprofessional conduct by the bank's representatives. They sought investigation, clarity on arrears and settlement terms, and compensation for emotional and financial distress. The bank explained that the complainant had defaulted on the mortgage, notices under the National Credit Act had been issued, and legal action was initiated to enforce the credit agreement. The NFO noted that the account fell into arrears, the bank acted in accordance with the credit agreement and applicable law, and the matter had already been subject to legal proceedings, which falls outside the NFO's jurisdiction. Issues relating to personal information or payment arrangements should be addressed directly with the bank or the Information Regulator, and claims for damages are more appropriately pursued through a court. Accordingly, the NFO concluded that no further assistance could be provided.
5. The complainant alleged that a bank consultant disclosed their personal information to third parties and the community, causing harassment and reputational and health harm, and sought compensation. The bank denied any unlawful processing or sharing of personal information and stated the matter was a civil dispute. The NFO found no evidence to support the allegation of disclosure, noted that claims for consequential damages are outside its jurisdiction, and advised that the Information Regulator or a court would be the appropriate avenues for such claims. Accordingly, the matter was closed, though the complainant may submit any new, substantial evidence for reconsideration.
6. The complainant alleged that a bank employee disclosed their name to a third party, resulting in reputational harm and loss of business. The bank acknowledged that the employee shared the complainant's name without approval, issued a formal apology, and took remedial steps, but there was no evidence of any other personal information being disclosed or of actual damages suffered. The NFO noted that claims for consequential losses, such as reputational harm or business loss, fall outside its jurisdiction and are better suited for a court of law. As such, the case was closed, with the option to submit any substantial new information for reconsideration.

Matters Closed – In Favour of the Complainant

1. The complainant alleged that accounts were fraudulently opened in their name without consent, resulting in emotional and financial distress. The bank confirmed the fraud occurred through impersonation using previously shared personal data, found no evidence of any internal data breach, closed the accounts, absorbed the losses, and corrected the complainant's credit profile.
2. The complainant, who is not a client of the bank, reported that the bank repeatedly contacted them about another person's debt despite requests to remove their number. The matter was resolved in the complainant's favour, and their number has since been removed from the bank's systems.
3. The complainant alleged that the bank disclosed confidential information regarding her mortgage bond to her mother during a collections call, and that she has since been harassed



about the arrears on her account. The bank confirmed that, during its collections process, an error occurred when staff contacted the complainant's mother and disclosed details about the arrears status of the home loan. The bank acknowledged this was a breach of confidentiality and contrary to its internal policies and the Protection of Personal Information Act 4 of 2013 (POPIA). The mother's contact details were subsequently removed from the system to prevent further contact. The bank also confirmed that the account had fallen into arrears but that an arrangement was made with the complainant to settle the arrears. The arrears were subsequently paid, and the account brought up to date. In recognition of the error and inconvenience caused, the bank contacted the complainant to apologise and offered a goodwill payment of R500.00 for the distress experienced.

Insights and Conclusions

- **Nature of Complaints:** The majority of complaints relate to unauthorised disclosure of personal information, often linked to identity theft or unwanted phone calls.
- **Outcomes:** A significant portion of formal matters were closed due to a lack of evidence of a POPIA breach. Premature matters were often resolved with the bank acknowledging errors and offering compensatory gestures.
- **Need for Evidence:** The lack of supporting documentation from complainants prevented further investigation in both formal and premature matters. Often, no proof of losses suffered was provided.
- **Regulatory Notification:** Where actual breaches by the bank occurred, consumers are advised to lodge complaints with the Information Regulator.
- **High Compensation Claims:** Consumers often claim millions from the bank in the event of a breach, resulting in matters being referred to court as consumers will have to prove and quantify damages.