

How to resolve a small business complaint



The Australian Financial Complaints Authority (AFCA) is an independent, not-for-profit, non-government organisation.

We help individuals and small businesses resolve complaints about financial products and services.

Our service is fair, free and independent.

Our values

- fair and independent – we make balanced decisions, and we ensure that everyone is properly heard
- transparent and accountable – we will explain the reason for the actions that we take
- honest and respectful – we are professional and treat everyone with dignity
- proactive and customer focused – our services are accessible to everyone.

Who can lodge a complaint with AFCA?

Anyone with an unresolved complaint with a financial firm who is an AFCA member. Including:

- sole traders
- partnerships, if the partnership has less than 100 employees
- an incorporated entity if it operates a small business, if that entity has less than 100 employees
- an incorporated entity that does not operate a small business but is a trustee of a self-managed superannuation fund or family trust, if that entity is part of a group of companies and the group has less than 100 employees

- not-for-profit organisations or clubs that carry on a business, they must either have less than 100 employees or be a charity registered with the Australian Charities and Not-for-profits Commission
- not-for-profit organisations or clubs that do not carry on a business regardless of how many people are employed and whether they carry on a business.

The financial firm must be an AFCA member

For AFCA to consider your complaint, the financial firm must be a member of our organisation.

Most financial firms have a mandatory licensing requirement for AFCA membership. For others, it forms part of an agreed Code of Practice, or an industry association membership requirement.

AFCA membership is voluntary for some financial firms. For example, fintech businesses and financial firms providing financial services solely to small businesses may not be AFCA members.

Check if the financial firm you are considering doing business with is an AFCA member in case you need our dispute resolution service in the future.

We have over 37,000 members, so there's a good chance we can help.

Check here: afca.org.au/afca/find-a-financial-firm

Our Rules explain the complaints we can and cannot consider.

Read our Rules for more information about our complaint resolution process.

afca.org.au/rules

What types of small business complaints can we consider?

We can consider a broad range of financial problems including:

- errors in banking transactions and credit listings
- difficulty repaying loans, credit cards and short-term finance where your financial position has changed
- mistakes in guarantor arrangements
- errors in leasing contracts
- inappropriate provision of credit
- denial of an insurance claim (such as car, building and travel)
- mistaken internet payments
- inappropriate investment advice.

Threshold limits and compensation caps

From 1 January 2024¹

Type of claim	Compensation limit per claim	Monetary restriction on AFCA's jurisdiction
Credit facility	\$1,263,500 for small businesses	Must not exceed \$6,317,000
	\$2,526,500 for primary producers	Must not exceed \$6,317,000
Most other claims (excluding Superannuation)	\$631,500	Must not exceed \$1,263,000

Review the types of outcomes AFCA provides:

afca.org.au/outcomes

¹ Refer to Rule D.4 for complaints lodged prior to this date (**afca.org.au/rules**)

What is the best way of resolving a complaint?

Step one: contact your financial firm

Many complaints can be fixed by contacting your financial firm directly. Most businesses have a complaints department you can email, call or send a letter to.

We recommend you contact the financial firm before lodging a complaint.

There are set timeframes for the financial firm to respond:

- 45 days for superannuation or traditional trustee complaints
- 21 days for complaints involving financial difficulty, or
- 30 days for all other complaints.

Contact us if you don't receive a reply to your complaint within the set timeframe, or you are not happy with the reply you have received.

When a complaint is lodged at AFCA, the financial firm must halt all enforcement action.

Step two: lodge a complaint with AFCA

If you have contacted the financial firm directly and the complaint was not resolved, you can proceed to lodge a complaint with AFCA, first checking that the financial firm is one of our members.

Check here: afca.org.au/find-a-financial-firm.

Making a complaint is easy. You can use our online form or contact us by any of the methods described in the Contact us section of this brochure.

Step three: reaching an outcome

When we receive your complaint, we work with you and the financial firm to resolve it.

We may try to resolve your complaint through negotiation or conciliation.

If this is not successful, we may investigate further and decide on a course of action.

We make decisions based on what is fair in the circumstances, considering relevant laws, codes of practice and information provided.

Any decision accepted by you is binding on the financial firm.

Decisions about superannuation complaints have some important differences. You can find out more by contacting us.

We can assist you in resolving your complaint but we do not provide legal or financial advice.

Checklist

Steps to consider before you lodge a complaint with us:

- Have you complained to your financial firm directly?
- Have you given the financial firm the appropriate time to respond?
- Is the financial firm a member of AFCA? Check here: **afca.org.au/find-a-financial-firm**.
- Have you received a Statement of Claim or some other court document from your financial firm advising they have commenced legal proceedings? If yes, lodge your complaint immediately.



Useful information

Will you need help lodging your complaint?

Our service is free to the public and you do not need to pay someone to help you lodge a complaint with AFCA.

If you would like help to manage your debts, there are free and confidential financial counselling services you can contact. Get started by calling the **Small Business Debt Helpline** on **1800 413 828**. Find out more at **sbdh.org.au**.

Farmers, fishers, foresters and other rural businesses who are experiencing, or at risk of, financial difficulty can talk to a rural financial counsellor. Find your nearest **Rural Financial Counselling Service** by calling **1300 771 741**.

Time limits

There are time limits for lodging a complaint with AFCA. In most cases you have two years to lodge a complaint with us after you have received a final response from your financial firm. If you have not complained to your financial firm, in most cases you have six years from when you first became aware of your loss to lodge a complaint.

If we believe special circumstances apply, we may still consider some complaints lodged after the relevant time limit.

What if we can't help with your complaint?

If we can't deal with your complaint, we can often suggest other organisations that may be able to help. You can also call **ASIC** on **1300 300 630** or visit **moneysmart.gov.au** for tips and guidance.

Additional assistance

Information is available on the AFCA website in a range of languages. We can also arrange access to a free interpreter service, including Auslan.

Interpreter service

Call the free interpreter service on **131 450** or call us on **1800 931 678** (9am to 5pm Melbourne time from Monday to Friday) and we will organise an interpreter for you.

National Relay Service

If you are deaf or have a hearing or speech impairment, contact us through the National Relay Service.

Voice Relay: **1300 555 727**

TTY: **133 677**

SMS Relay: **0423 677 767**

Go to the National Relay Service website **nrchat.nrscall.gov.au**.





afca

Australian Financial
Complaints Authority

Contact us

**Australian Financial
Complaints Authority**

1800 931 678 (free call)

(9am to 5pm from Monday to Friday)

(03) 9613 6399 (fax)

info@afca.org.au (email)

afca.org.au/complaints (complaint form)

GPO Box 3 Melbourne VIC 3001

www.afca.org.au