

Chapter 2

Jurisdiction of the Financial Ombudsman Service

2.5 To which activities does the Voluntary Jurisdiction apply?

2.5.1

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The *Ombudsman* can consider a *complaint* under the *Voluntary Jurisdiction* if:

- (1) it is not covered by the *Compulsory Jurisdiction*; and
- (2) it relates to an act or omission by a *VJ participant* in carrying on one or more of the following activities:
 - (a) an activity (other than *auction regulation bidding* and *administering a benchmark, meeting of repayment claims* and *managing dormant asset funds (including the investment of such funds)*) carried on after 28 April 1988 which:
 - (i) was not a *regulated activity* at the time of the act or omission, but
 - (ii) was a *regulated activity* when the *VJ participant* joined the *Voluntary Jurisdiction* (or became an *authorised person*, if later);
 - (b) a financial services activity carried on after *commencement* by a *VJ participant* which was covered in respect of that activity by a *former scheme* immediately before the *commencement day*;
 - (c) activities, other than *regulated claims management activities*, activities ancillary to *regulated claims management activities*, *meeting of repayment claims* and *managing dormant asset funds (including the investment of such funds)*, which (at 1 August 2022) would be covered by the *Compulsory Jurisdiction*, if they were carried on from an establishment in the *United Kingdom* (these activities are listed in ■ DISP 2 Annex 1G);
 - (ca) an activity which would be a *regulated claims management activity* and would be covered by the *Compulsory Jurisdiction* if it were carried on in *Great Britain* (see ■ PERG 2.4A);
 - (cb) an activity which would be a *regulated funeral plan activity* and would be covered by the *Compulsory Jurisdiction* if it were carried on in relation to a funeral in the *United Kingdom*.
 - (d) [deleted]
 - (e) lending *money* secured by a charge on land;
 - (f) lending *money* (excluding *restricted credit* where that is not a *credit-related regulated activity*);
 - (g) paying *money* by a *plastic card* (excluding a *store card* where that is not a *credit-related regulated activity*);

- (h) providing ancillary banking services;
- (i) acting as an intermediary for a loan secured by a charge over land;
- (j) acting as an intermediary for *general insurance business* or *long-term insurance business*;
- (k) National Savings and Investments' business;
- (l) offering and/or issuing of *investments* by *ISPVs*;
- (m) [deleted]

or any ancillary activities, including advice, carried on by the *VJ participant* in connection with them.

2.5.2 **G** The scope of the *Voluntary Jurisdiction* is wider than that of the *Compulsory Jurisdiction*, and so some activities are referred to in both jurisdictions.

2.5.3 **G** ■ DISP 2.5.1R (2)(a) is for those that are subject to the *Compulsory Jurisdiction* for *regulated activities* but are not covered by any of the following:

- (a) the *Ombudsman Transitional Order*,
- (b) the *Mortgage and General Insurance Complaints Transitional Order*,
- (c) the *Claims Management Order*, or
- (d) the *Funeral Plans Order*.

It enables the *Financial Ombudsman Scheme* to cover *complaints* about earlier events relating to those activities before they became *regulated activities*.

2.5.4 **G** ■ DISP 2.5.1R (2)(b) is for those that were members of one of the *former schemes* replaced by the *Financial Ombudsman Service* immediately before *commencement*. It enables the *Financial Ombudsman Service* to cover *complaints* that arise out of acts or omissions occurring after *commencement* for any activities which are not covered by the *Compulsory Jurisdiction* but that would have been covered by the relevant *former scheme*.

2.5.4A **G** ■ DISP 2.5.1R(2)(c) includes *complaints* about the *EEA* end of 'one leg' *payment services* transactions, i.e. services provided from *EEA* establishments that are subject to the territorial jurisdiction of the *Voluntary Jurisdiction* (see ■ DISP 2.6.4R (2)) that also involve a payment service provider located outside the *EEA*. It also includes *complaints* about *payment services* irrespective of the currency of the transaction.

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The *Voluntary Jurisdiction* covers an act or omission that occurred before the *VJ participant* was participating in the *Voluntary Jurisdiction*, and whether the act or omission occurred before or after *commencement*, either:

- (1) if the *complaint* could have been dealt with under a *former scheme*;
or
- (2) under the agreement by the *VJ participant* in the *Standard Terms*.