



**AUSTRALIAN TIMESHARE**  
HOLIDAY OWNERSHIP COUNCIL

**ANNUAL INDUSTRY REPORT TO ASIC**

**For the Calendar Year 2015**

**Submitted, August 2016**

## **1. PERFORMANCE AS A SUPERVISOR (8.1.5)**

Following the election of Directors/ Office Bearers following the September 2015 AGM the, Code Administrative Committee elected by the Board for 2015 to 2016 are:

- Enzo Daquino (Independent Chair)
- Ivan Hill (Board Member)
- Tiffany Rose (Alternate Board Director- Wyndham Vacation Resorts) with Kate Roth, (Accor Vacation Club- Alternate Board Director) as an alternate to Tiffany Rose on the Code Administrative Committee

ATHOC has the ability to discipline Members who breach ATHOC's Constitution, Code of Practice or the ATHOC Agreement.

The Board of ATHOC is committed to undertaking disciplinary action should the need ever arise.

## **2. SUMMARY OF MAJOR ISSUES BEING ADDRESSED**

All Members have been asked to identify emerging issues which are both specific to their operation and to the Australian timeshare industry. The Board of ATHOC will consider all emerging and ongoing issues.

- **Sold Out Schemes** – as previously mentioned we have had much discussion with ASIC on the issue of finding delinquent owners. This is still ongoing. We have tried many avenues with different State Governments with no success so far.
- **RG160-** Awaiting the consultation paper that is looking at the sunseting clauses and other recommendations discussed with ASIC.

## **OTHER ISSUES ADDRESSED OR CONSIDERED**

- The main discussion was in regard potential changes to RG160 with the sunseting period as well as some other areas of the RG160 that ATHOC felt needed some consideration, that have also been discussed with ASIC. This is ongoing.

## **ONGOING UNRESOLVED PROBLEMS**

- **Splitting of Shares and Titles** – This is ongoing with some sold out Resorts
- **Rogue operators and alleged timeshare resellers** – No incidents reported this year.
- **Licensing of resellers within the industry** – ATHOC raised this issue with ASIC in 2006 and continues to do so each year. We notice that Red Season are still operating as a reseller without a Financial Services License and without being granted the relevant relief in accordance with Regulatory Guide 160.73-77. Even sold out resorts have to seek

relief from ASIC to sell a maximum of 5% of their weeks. As you know ATHOC has written to ASIC again in relation to this issue.

ATHOC is still of a belief that this needs to be addressed by ASIC.

### **3. COMPLAINTS REFERRED TO ATHOC**

#### **Complaints from Members against other Members**

Under the Code of Practice, written complaints by Members against other Members must be referred to the Board.

- During the last year no formal complaints were received.

#### **3.1 Complaints from consumers/owners against Members**

As the Complaints Resolution Committee was dissolved by ASIC due to changes to the PS160 from September 30, 2007, all Resort based complaints are dealt with directly by the Resorts and reported to ATHOC on an annual basis. Any calls received by ATHOC are sent to the relevant Regulatory Body if they are unable to come to an agreement with the Resort.

All complaints concerning the Financial Services Licence holders are dealt with by the Financial Ombudsman Service ("FOS"), and as of June 2011 also with the Credit Investments Ombudsman ("CIO", formerly Credit Ombudsman Service Limited).

Any queries received by ATHOC are either directed to the relevant regulatory body in that State or directly to FOS/CIO dependant on whom the complaint is about.

The office of ATHOC continues to work with State and Federal Regulatory bodies and the consumer protectorate area of ASIC as necessary in providing information and assistance to consumers, and also in reporting inappropriate activity by companies outside of our membership.

Consumers are referred to ATHOC by these bodies to verify membership of the organisation, information about ATHOC'S Code of Practice and Ethics and follow-through with any matters relating to Members.

**ATHOC will continue to require that all members complete a complaints log annually.**

### **4. Change in ATHOC Membership**

No Changes in the past year.

**Appendix 1** lists the number of complaints received by members and the time frame that they are dealt with.

**Appendix 2** lists the number of complaints received by FOS and their determinations.

**Appendix 3** lists the number of complaints received by CIO and their determinations.

**APPENDIX 1**

**Australian Timeshare & Holiday Ownership Council Ltd**

**Complaints Report 01/01/2015 to 31/12/2015**

It is important to note that the complaints contained within this list also include all complaints made within the member Resorts and could be as simple as a cleaning issue.

<b>Number of Complaints</b>	<b>:</b>	<b>667</b>
<b>Number Resolved Internally</b>	<b>:</b>	<b>624</b>
<b>No. resolved within 1 month</b>	<b>:</b>	<b>573</b>
<b>No. resolved 1-2 months</b>	<b>:</b>	<b>41</b>
<b>No. resolved 2-3 months</b>	<b>:</b>	<b>9</b>
<b>No. resolved in 3+ months</b>	<b>:</b>	<b>1</b>
<b>Number Referred Elsewhere</b>	<b>:</b>	<b>29</b>

## APPENDIX 2 – Disputes Registered with FOS

### FOS Timeshare Disputes Received and Closed during January to December 2015

Number of Timeshare Complaints and Disputes Received	<b>36</b>
Number of Timeshare Complaints and Disputes closed	<b>39</b>

<b>Disputes closed by Outcomes</b>		
Outside Terms of Reference	19	49%
Resolved by FSP	6	15%
Negotiation	5	13%
Decision in Favour of FSP	4	10%
Discontinued	2	5%
Preliminary View in Favour of Applicant	2	5%
Conciliation	1	3%
<b>Grand Total</b>	<b>39</b>	<b>100%</b>

#### **Notes:**

1. Data captured Timeshare scheme disputes only.
2. Data captured as at 1 July 2016.
3. Data variation may occur due to reopens, entered in errors or case actions being back dated.

**APPENDIX 3 – Disputes Registered with CIO**

	<b>Timeshare</b>	<b>Finance for timeshare</b>	<b>Total</b>
<b>Number of complaints received</b>	67	51	<b>118</b>
<b>Number of complaints closed</b>	47	41	<b>88</b>

<b>Closed case outcomes</b>	<b>Timeshare</b>	<b>Finance for timeshare</b>	<b>Total</b>
Settled	34	28	<b>62</b>
Decision in favour of Member	8	5	<b>13</b>
Resolved at IDR	3	4	<b>7</b>
Out of jurisdiction	0	1	<b>1</b>
Complaint withdrawn	2	3	<b>5</b>
Decision in favour of consumer	0	0	<b>0</b>
<b>Grand total</b>	<b>47</b>	<b>41</b>	<b>88</b>