



Mr. Tyler Fleming
Director, Stakeholder Relations and Communication
Ombudsman for Banking Services and Investments
publicaffairs@obsi.ca

Re: Request for Comments on Proposed Amendments to OBSI's Terms of Reference

Queensbury Group was formed in 1987. Queensbury Strategies Inc. (Queensbury") is our Mutual Fund Dealership. We are a Level 4 dealer with 42 mutual fund representatives and 260M of AUM.

Queensbury is writing to provide comments with respect to the above captioned Consultation on Proposed amendments.

We agree with several others who have commented; we do not believe that any changes to the Terms of Reference ("TOR") should be made until the Canadian Securities Administrators ("CSA") has completed its deliberations regarding its proposals involving the OBSI, and the CSA has not yet implemented an Accountability Framework and oversight protocols over OBSI.

Firm Responsibility for Action of their Representatives

The OBSI is "reinforcing the concept that firms, not their representatives, are responsible for paying complainants the compensation that OBSI recommends." Not only does this concept not reflect the realities of the industry including regulation, insurance, vicarious liability etc., there are business and legal realities that the OBSI should not ignore; to do so may in fact disadvantage the investing public they are providing a service to. More consideration should be given to this section

Third Party Evaluation

We disagree with the proposal to extend the current three year review to five years. We do not think that a five year review would be in the best interests of all stakeholders.

Escalation Process

In the event a participating firm disagrees with and consequently refuses to abide by a recommendation made by the OBSI, the OBSI may publish facts regarding the complainant's case as well as the OBSI's findings; however we note that the participating firm is not provided with the same arena for their facts to be expressed. This appears to conflict with the 'fairness' mandate.

We appreciate that the publication of findings is meant to motivate the participating firm to accept the OBSI's recommendation, however we would maintain that with the firm unable to publish their response to the complainant, the opposite is achieved if the participating firm's account of the issue in dispute is not told.

With the mandate of being independent and impartial, then there should be no objection for all sides of the issue being made public. We also question as to why there are no privacy concerns regarding the OBSI publishing the complainant's case and the OBSI's

findings, yet the OBSI sites privacy concerns in not allowing the firm to publish their facts. Although the firm may respond publicly, they may only refer to the facts that have been released by the OBSI. This is selective and detrimental to the firm's case and potentially their reputation. The OBSI's published information may not reflect compelling information supporting the firm's position. We believe that if the 'name and shame' is to be fair to all parties, then all parties' information should be available in a public domain. We believe there must be solution found that would protect the complainant's privacy yet allow the firm to air their facts.

As noted, before announcing a compensation refusal publicly, OBSI's management will first escalate the matter to the Board. We would suggest that a participating firm be allowed to appear before the OBSI's Board or a committee of the Board in cases where the firm disagrees with the recommendations made by the OBSI; or the Board should be empowered to invite a firm to come before it as part of the final review process prior to publishing. This '2nd tier' of review would work towards the OBSI fulfilling its mandate of making decisions that are just, unbiased, equitable and in accordance with its TOR.

We would like to thank the OBSI for the opportunity to comment.

Regards,

Queensbury Strategies Inc.



Betty Jo Royce
President