OBSI OMBUDSMAN FOR BANKING SERVICES AND INVESTMENTS
OSBI OMBUDSMAN DES SERVICES BANCAIRES ET D'INVESTISSEMENT

Q3 reflects continued strong consumer demand with high inquiry and complaint volumes

The third quarter reflected continued high consumer inquiry and complaint volumes. Consumer inquiries totalled 6,531 in Q3, up 4% from Q2, and up 63% year over year, led by banking related inquiries. Cases opened in the quarter totalled 1,585, down 4% from Q2 but up 88% year over year.

In Q3, banking cases opened decreased 5% to 1,412 but increased 112% year over year, reflecting the impact of our expanded mandate as Canada's sole external complaints body for all federally regulated banks starting in Q1. Credit card and e-Transfer products led much of this volume, as complaints related to both credit cards and mortgages reached eight-quarter highs. Fraud continued to be a primary issue for banking consumers while service issue complaints rose steadily toward an eight-quarter high in the third quarter. E-transfer fraud remained the leading combined product-issue complaint among banking consumers while complaints related to personal transaction account service issues, credit card fraud and credit card service issues all reached an eight-quarter high.

Investment cases increased 5% quarter over quarter to 173 but decreased 3% year over year. Common shares and mutual funds were the most common product complaints. Service was the most complained-about issue, however, it was closely followed by transfer delays and instructions not followed which both reached eight-quarter highs. Investment suitability complaints remained at relatively low levels over the past eight quarters. Mutual funds transfer delays led combined product-issue complaints among investors while complaints related to crypto asset fraud continued to decline.

Last eight-quarter statistics

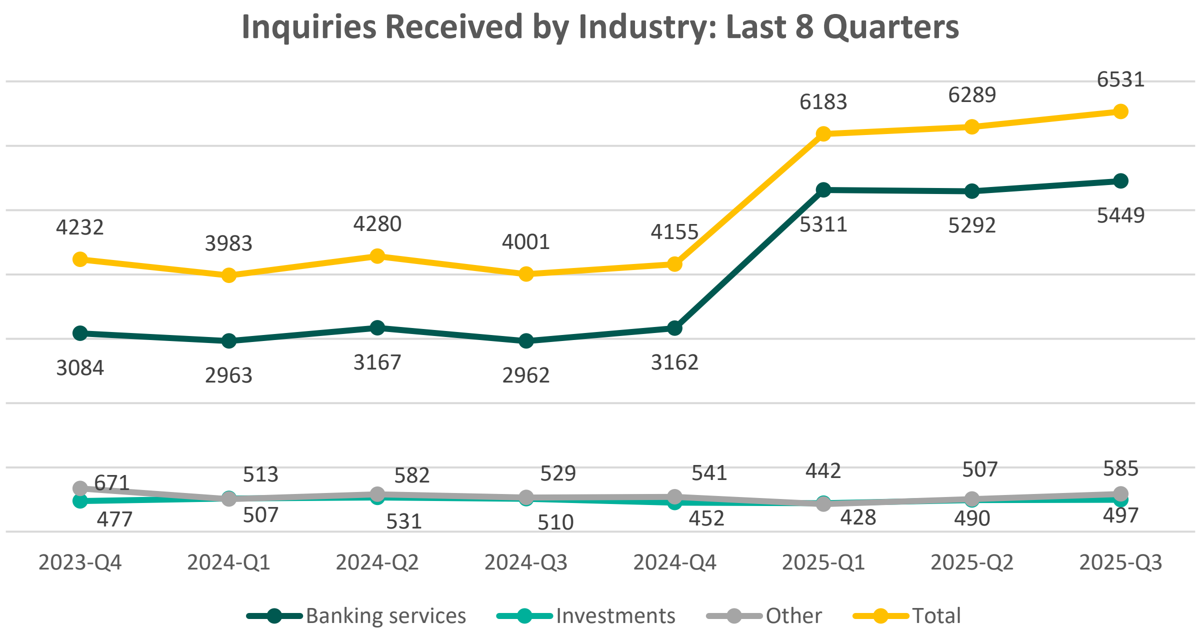
In this report, we present preliminary data from Q3 2025 (May 1, 2025 to July 31, 2025) alongside data over the last eight quarters for historical context. We have added new charts for both the banking and investment sectors that showcase volumes by combining product and issue categories. All figures are preliminary and subject to change. This report includes:

- Inquiries received by industry
- Inquiries received by investment sector
- Total cases opened
- Cases opened by investment sector
- Cases opened by region
- Top 5 banking products
- Top 5 banking issues
- Top 5 combined banking products and issues – introduced in Q2 newsletter
- Top 5 investment products

- Top 5 investment issues
- Top 5 combined banking products and issues – introduced in Q2 newsletter

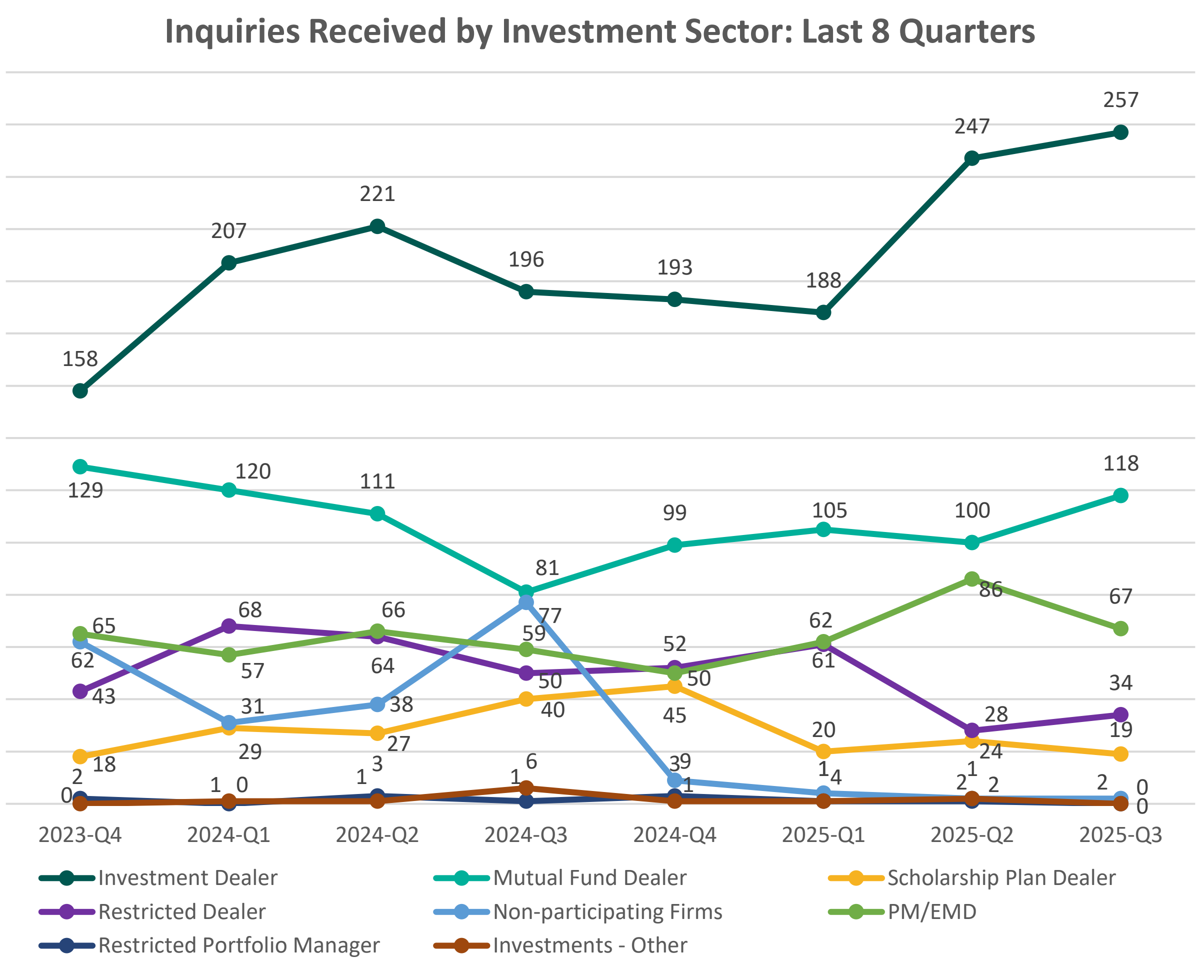
About OBSI inquiries

When consumers contact OBSI with a complaint or question about a financial services problem they are having, we record interactions as inquiries. Assisting consumers with complaint inquiries is an important part of OBSI's work. In addition to helping people file a complaint with OBSI when it falls within our mandate, our intake staff are trained to provide information and assistance to consumers when we are not the appropriate place to help them. This often includes informing them of regulations which apply to their complaint, explaining what steps need to be taken to resolve their issue and directing them to the right contact within their firm or to the appropriate regulator. Inquiry volumes are a leading indicator of future case volumes.



In Q3, the **total number of consumer inquiries** slightly increased quarter over quarter, following a significant increase in banking-related inquiries in Q1 2024. Banking accounted for 84% of all inquiries.

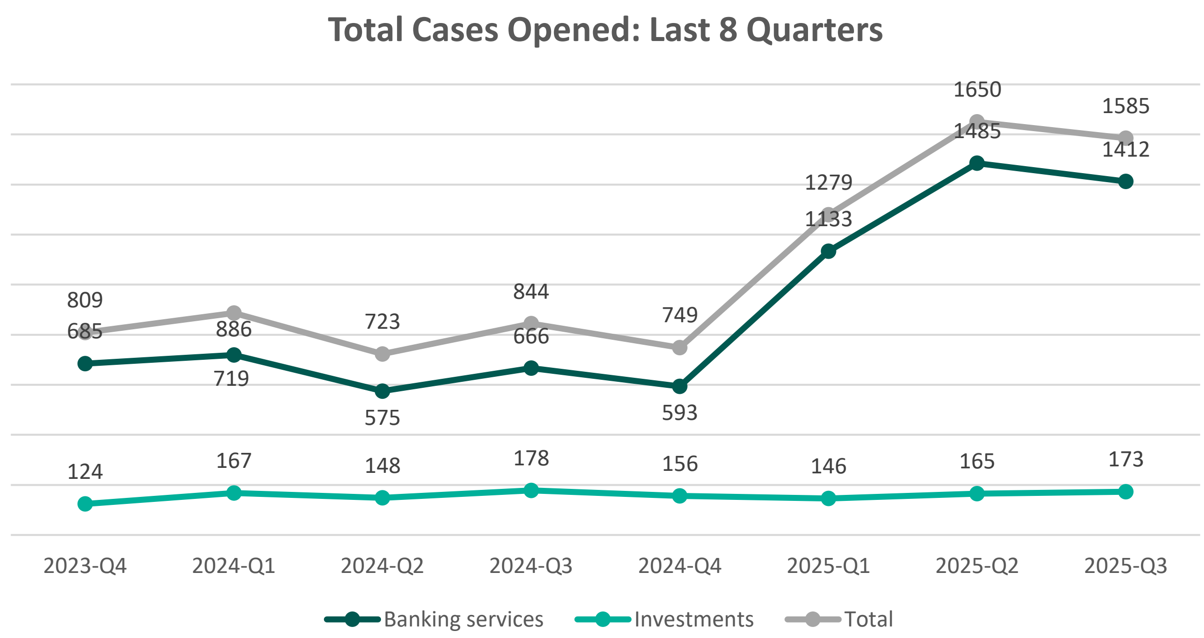
- **Total** inquiries were up 4% quarter over quarter, and up 63% year over year.
- **Banking-related** inquiries grew 3% quarter over quarter and increased 84% year over year.
- **Investment-related** inquiries remained relatively flat compared to the previous quarter and declined by 3% year over year.
- **Other** inquiries were up 15% quarter over quarter and 11% year over year. The Other category includes inquiries from the consumers of non-participating firms.



In the third quarter, total **investment-related** inquiries remained flat compared to the previous quarter and declined slightly year over year.

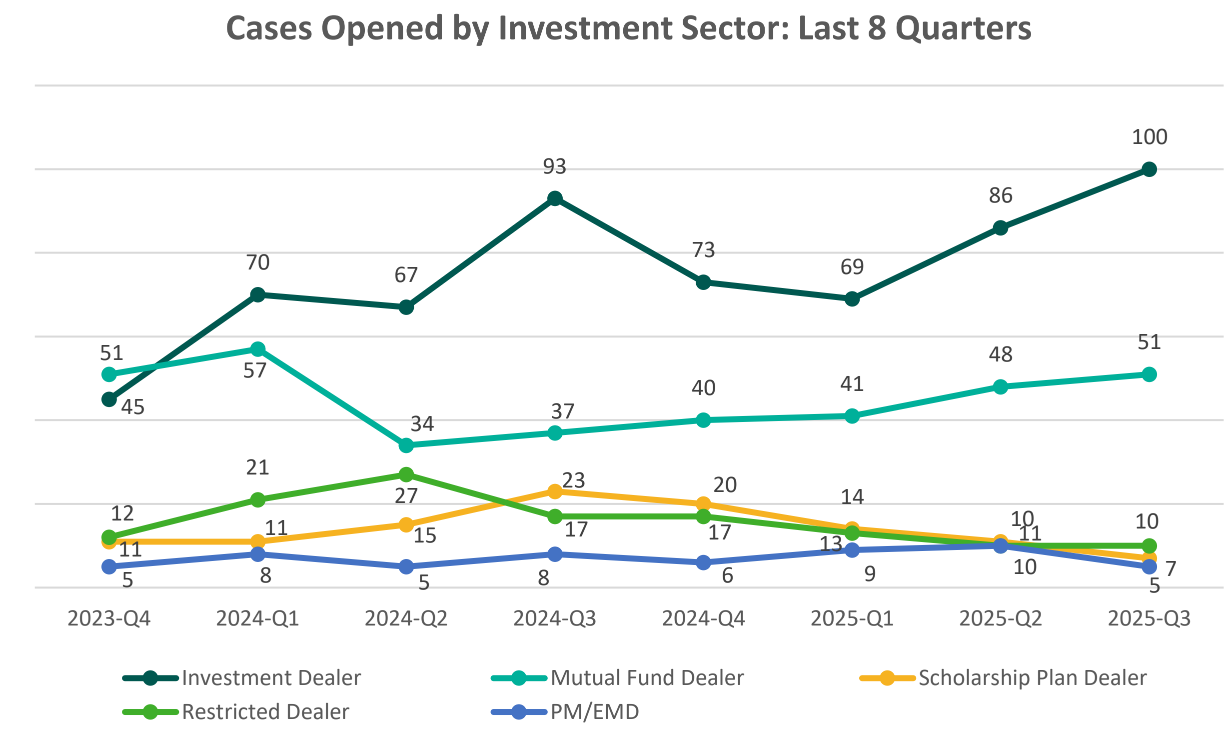
- **Investment dealer** inquiries increased 4% quarter over quarter and 31% year over year.
- **Mutual fund dealer** inquiries grew 18% from the previous quarter and 46% from the previous year.
- **Portfolio manager/exempt market dealer** inquiries decreased 22% compared to last quarter and increased 14% compared to the same period last year.
- **Restricted dealer** inquiries rose by 21% from the last quarter's eight-quarter low but were down 32% year over year.
- **Scholarship plan dealer** inquiries increased 21% from the prior quarter but decreased by more than half from the prior year.

- Inquiries from **non-participating firms (NPFs)** remained at the same eight-quarter low as the previous quarter and declined 97% year over year. **NPF inquiries** are related to investment firms not subject to provincial securities regulations requiring them to provide access to OBSI services.



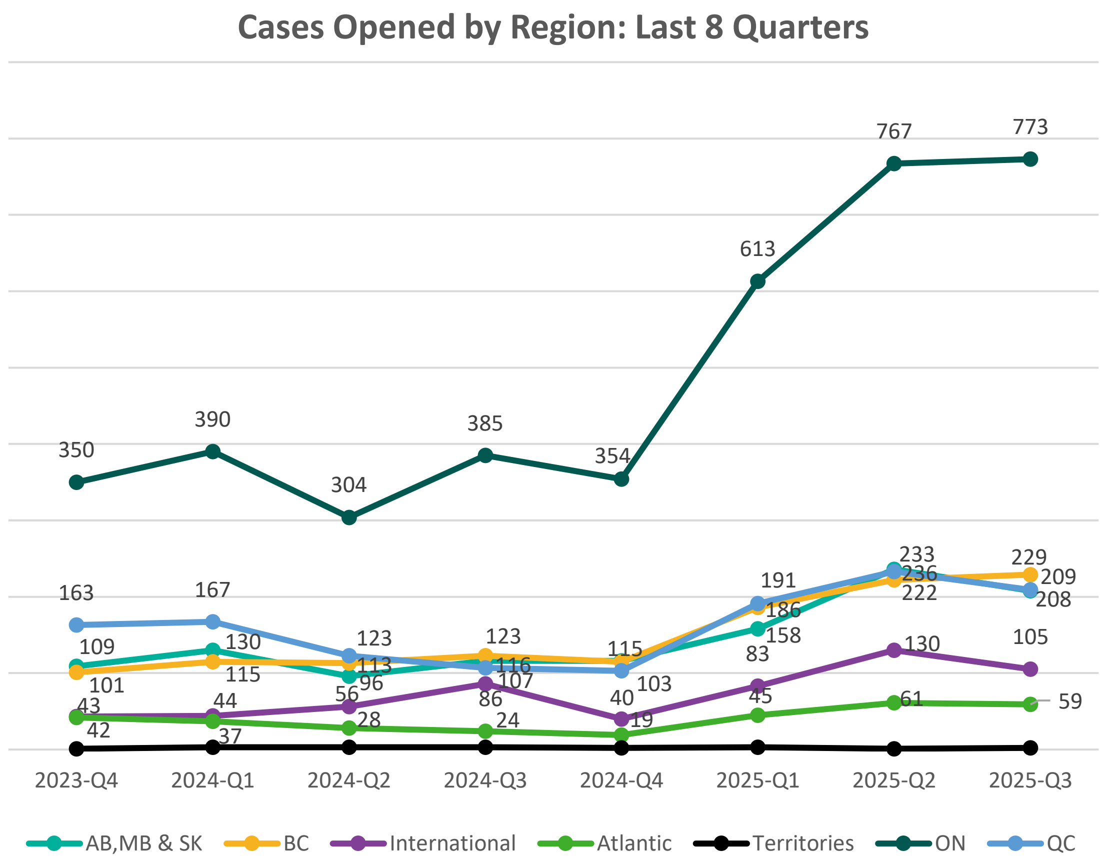
In Q3, **total cases opened were down 4% quarter over quarter but increased 88% year over year.**

- **Banking cases** opened decreased 5% quarter over quarter but increased 112% year over year.
- **Investment cases** opened increased 5% quarter over quarter and decreased 3% year over year.



In the third quarter, **total investment cases** opened increased 5% quarter over quarter and decreased 3% year over year.

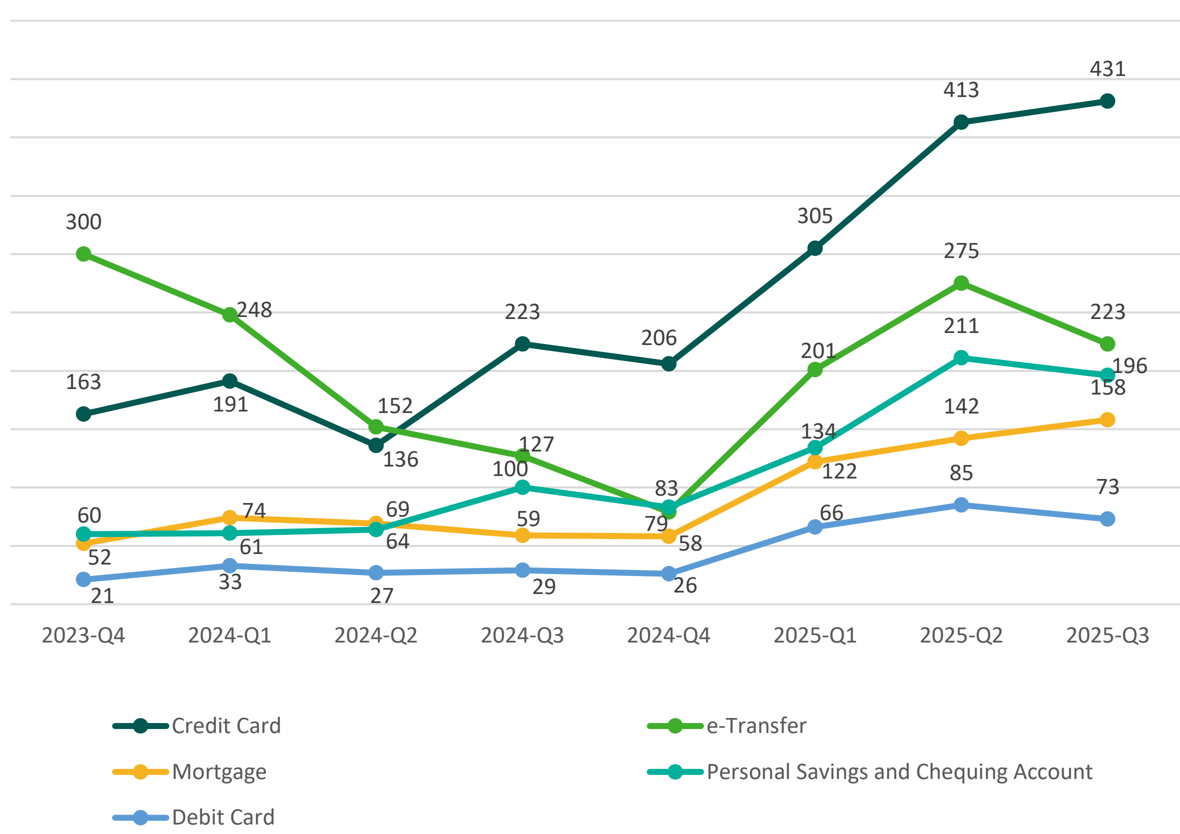
- **Investment dealer** cases reached an eight-quarter high, up 16% from last quarter and 8% from last year.
- **Mutual fund dealer** cases increased 6% quarter over quarter and increased 38% year over year.
- **Restricted dealer** maintained an eight-quarter low from previous quarter and decreased 41% year over year.
- **Portfolio manager/exempt market dealer** cases decreased by half and declined compared to the previous year.
- **Scholarship plan dealer** cases reached an eight-quarter low, down from last quarter and the eight-quarter high last year.



In the third quarter, case volumes declined in most regions except Ontario, British Columbia, and the Territories, where they remained relatively flat.

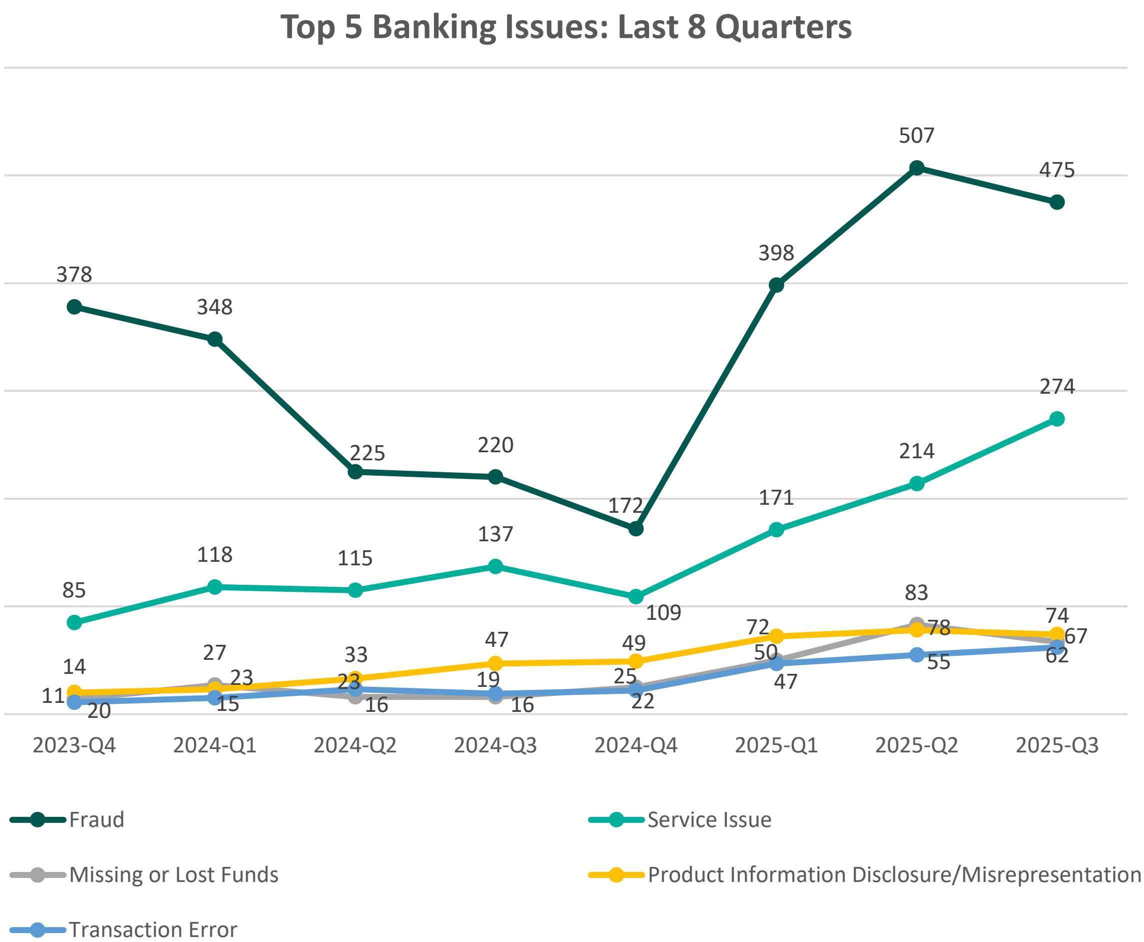
- **Ontario** cases were flat quarter over quarter while but more than doubled year over year.
- **Quebec** cases decreased 10% quarter over quarter but doubled year over year.
- Cases in the **Prairie provinces** decreased 12% quarter over quarter but increased 79% year over year.
- **British Columbia** cases rose 3% quarter over quarter and 86% year over year.
- **International** cases decreased 19% quarter over quarter but increased 22% year over year.
- In the **Atlantic provinces**, cases decreased 3% from quarter over quarter but more than doubled year over year.
- Cases in the **Territories** remained at low levels with little change over the past eight quarters.

Top 5 Banking Products: Last 8 Quarters



In Q3, **credit cards** remained the leading banking product for cases opened. The top five product complaint categories were unchanged from the previous quarter.

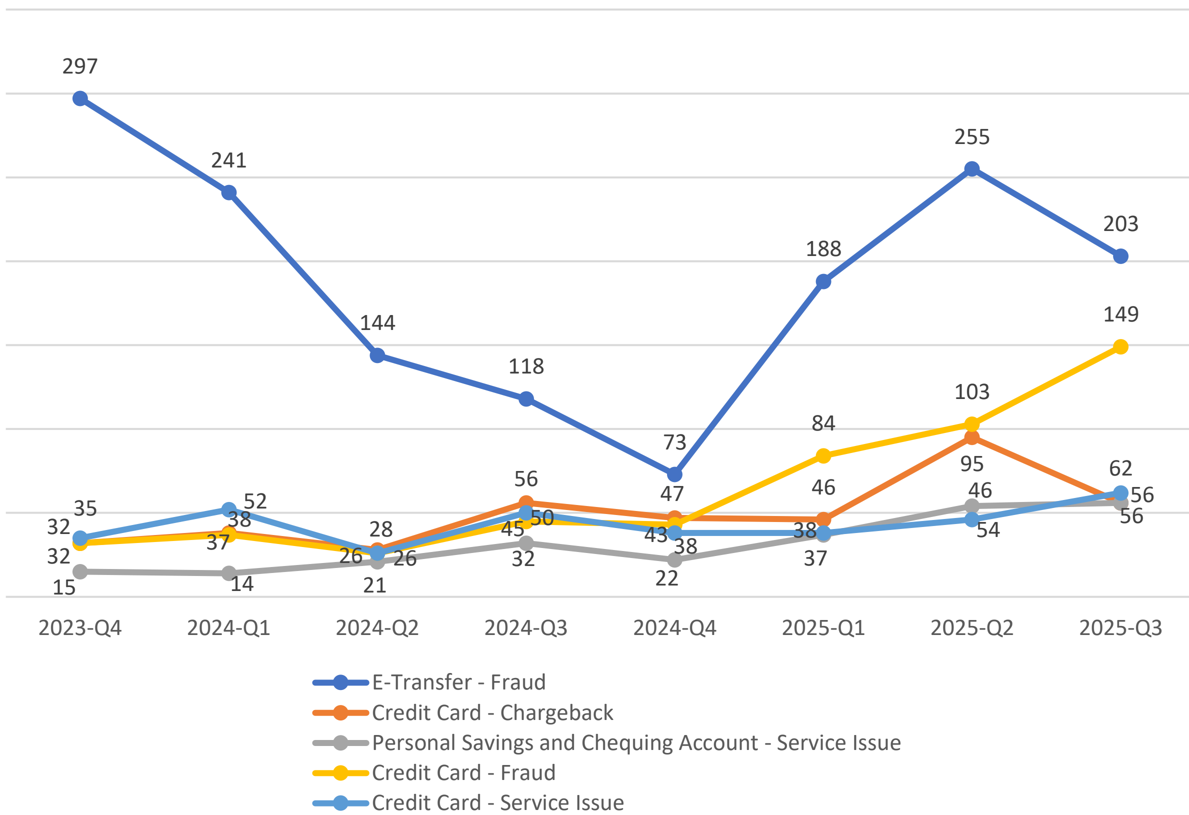
- **Credit card** complaints rose 4% from the previous quarter, continuing an upward trend and marking an eight-quarter high, and a 93% year over year increase.
- **E-transfer** complaints decreased 19% quarter over quarter but were up 76% year over year.
- Complaints related to **personal transaction accounts** decreased 7% quarter over quarter and nearly doubled the case volumes seen last year.
- **Mortgage** complaints increased 11% quarter over quarter, reaching an eight-quarter high, and more than doubled year over year.
- **Debit card** complaints decreased 14% quarter over quarter but increased 152% year over year.



In Q3**, fraud** remained the most frequent concern while **service issues** continued their upward trend and reached an eight-quarter high. The top three banking issues were unchanged from the prior quarter, however, transaction error and product information disclosure replaced chargebacks and fee disclosure in the top five.

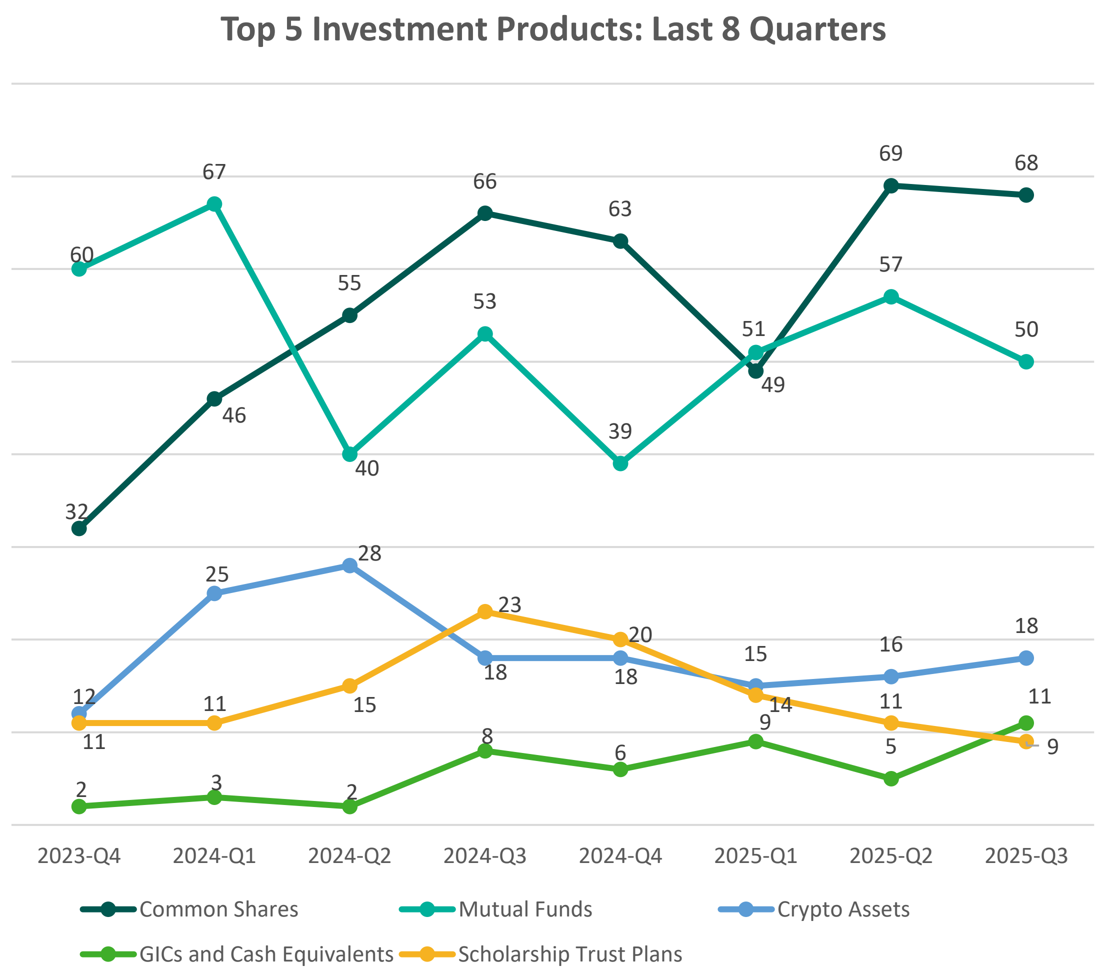
- **Fraud** complaints decreased 6% quarter over quarter but more than doubled year over year.
- **Service issue** complaints rose by 28% from the previous quarter and doubled the previous year.
- **Product information disclosure** complaints decreased 5% from the previous quarter but increased 57% year over year.
- Complaints related to **missing or lost funds** decreased 19% quarter over quarter but increased 319% year over year.
- **Transaction error** complaints increased 13% from the previous quarter and increased 226% year over year.

Top 5 Combined Banking Products and Issues: Last 8 Quarters



In Q3, **e-transfer fraud** remained the leading combined product-issue complaint among banking consumers while complaints related to **credit card fraud**, **credit card service issues** and **personal savings and chequing account service issues** all reached an eight-quarter high.

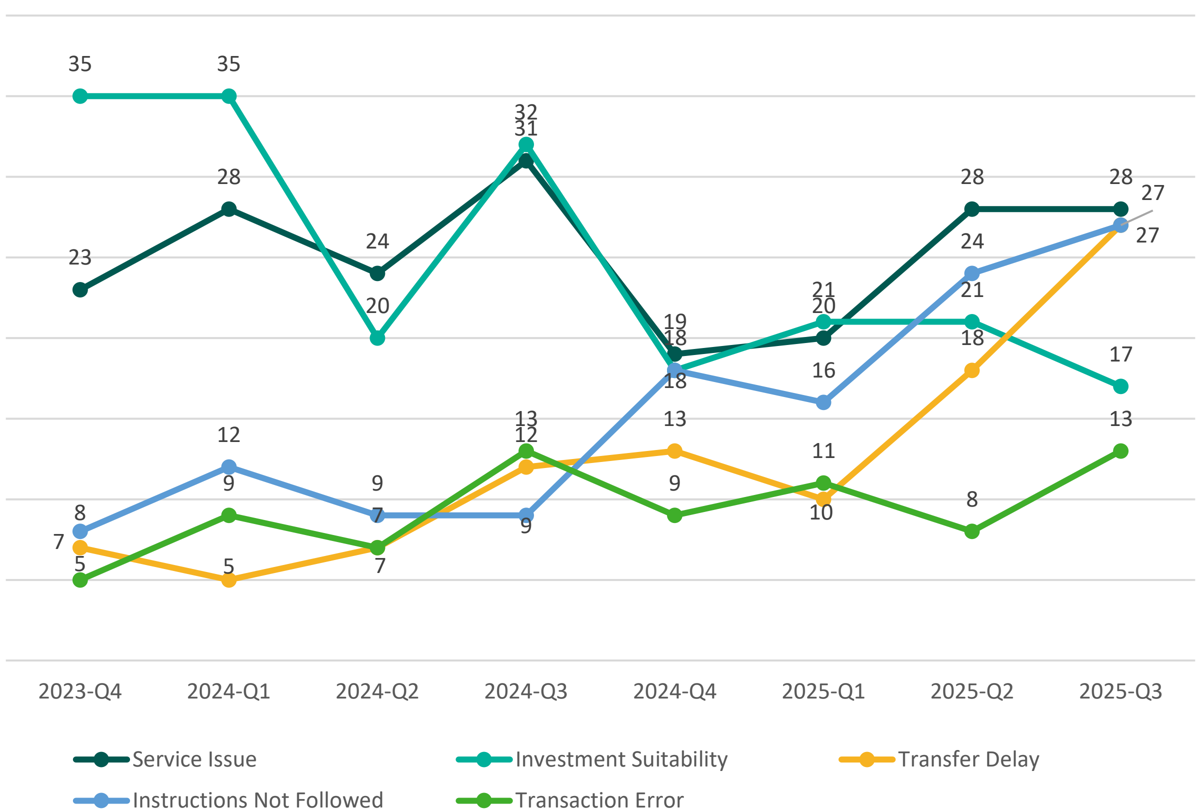
- Complaints related to **e-transfer fraud** decreased 20% quarter over quarter but increased 72% year over year.
- **Credit card fraud** complaints reached an eight-quarter high, up 45% from the previous quarter and 231% from the previous year.
- **Credit card service issue** complaints also reached an eight-quarter high, up 35% quarter over quarter and 24% year over year.
- Complaints related to **personal savings and chequing account service issues** increased 4% quarter over quarter 75% year over year.
- Complaints related to **credit card chargebacks** decreased 41% from the last quarter and were flat year over year.



In Q3, **common shares** continued to lead investor concerns about investment products.

- **Common share** complaints decreased slightly from last quarter's eight-quarter high and increased 3% year over year.
- **Mutual fund** complaints decreased 12% quarter over quarter and 6% from year over year.
- **Crypto asset** complaints increased 13% quarter over quarter and were unchanged year over year.
- Complaints related to **GICs and cash equivalents** more than doubled quarter over quarter, reaching an eight-quarter high and increased 38% year over year.
- **Scholarship trust plan** complaints decreased slightly quarter over quarter and 61% year over year – a downward trend that began in Q4 2024.

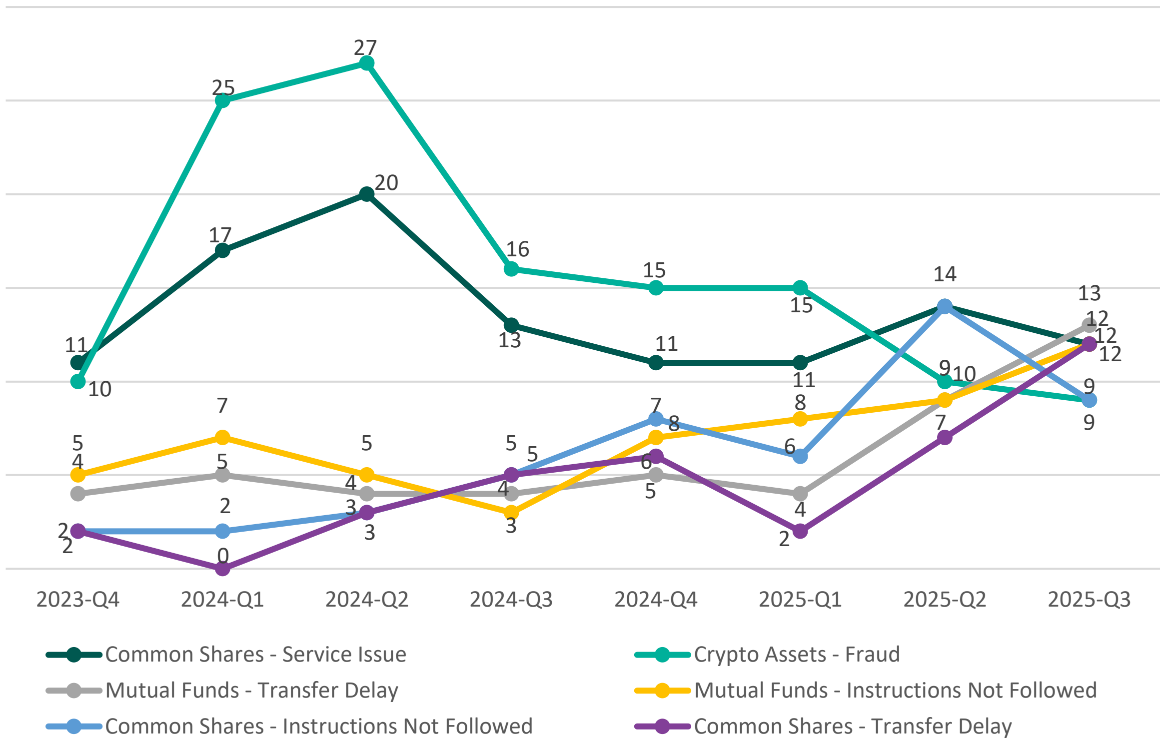
Top 5 Investment Issues: Last 8 Quarters



In the third quarter, although **service** was the most complained-about issue, **transfer delays** and **instruction not followed** both reached eight-quarter highs.

- **Service issue** cases remained flat quarter over quarter and declined 10% year over year.
- **Transfer delay** cases increased 50% from quarter over quarter, and more than doubled year over year.
- **Investment suitability** cases decreased 19% from the previous quarter and 47% from the previous year.
- Cases related to **instructions not followed** increased slightly quarter over quarter and tripled year over year.
- Cases related to **transaction errors** reached an eight-quarter high quarter over quarter and remained flat year over year.

**Top 5 Combined Investment Products and Issues:
Last 8 Quarters**



In the third quarter, **mutual funds transfer delay** was the leading combined product-issue complaint among investors.

- Complaints about **mutual funds transfer delays** remained at low levels, with cases rising from last quarter to reach an eight-quarter high and tripled from last year.
- Complaints related to **common shares service issues** declined from the previous quarter and remained relatively flat year over year.
- Complaints about **common shares transfer delays** also remained at low levels but reached an eight-quarter high compared to the prior quarter and more than doubled year over year.
- **Crypto assets fraud** complaints declined slightly compared to the previous quarter and 44% year over year, extending a downward trend that started during the same period last year.
- Complaints related to **common shares instructions not followed** declined from the eight-quarter high of the previous quarter but increased from last year.
- Complaints related to **mutual funds instructions not followed** remained at low levels and increased from last quarter, but quadrupled year over year.