

Independent Evaluation of the Canadian Ombudsman for Banking Services and Investments Released

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OBSI receives recommendations for improvement and recognition of organization's high standards and accomplishments

Today, the Ombudsman for Banking Services and Investments (OBSI) released the results of an independent evaluation of its operations and practices for investment-related complaints.

Deborah Battell, former New Zealand Banking Ombudsman, led the evaluation and presented her findings separately to OBSI's Board of Directors and to the Joint Regulators Committee, which includes representatives from the Canadian Securities Administrators (CSA), the Investment Industry Regulatory Organization of Canada, and the Mutual Fund Dealers Association of Canada.

Fernand Bélisle, OBSI Board Chair, welcomed the report which commended the organization on its fair and impartial approach to investments industry complaints, but also recommended changes for the organization moving forward.

The report finds that OBSI continues to fulfill its obligations to its stakeholders. Among its key conclusions were:

- OBSI meets the requirements of the Memorandum of Understanding with the CSA and has performed well within its current mandate: its decisions are fair and consistent with those made internationally; and with its loss calculation tools, its ability to determine fair amounts of compensation is world leading.
- OBSI has made exceptional progress since the previous independent review – the main improvements have been in governance, obtaining regulators' confidence to expand its mandate, and eliminating the backlog of complaints.
- OBSI is unlike other comparable international financial sector ombudsmen in that it does not have the authority to bind firms to comply with its compensation recommendations. This drives its operating model and prevents it from fulfilling the fundamental role of an ombudsman, securing redress for all consumers who have been wronged.
- OBSI should be enabled to secure redress for consumers.
- OBSI should adopt a strategic approach to ombudsmanship, incentivizing staff to use the intelligence gained from cases to help avoid and reduce the incidence of complaints.

"We want to thank Ms. Battell for her efforts and expertise in leading this independent evaluation process. We look forward to working collaboratively with consumer and investor groups, participating firms, industry associations, and regulators on opportunities for improvement," said Mr. Bélisle. "We have successfully fulfilled our public interest mandate as the Ombudsman for investments complaints and we will continue to evolve to meet the needs of investors and the industry."

The Memorandum of Understanding concerning oversight of the Ombudsman for Banking Services and Investments with the CSA requires OBSI to be independently evaluated every five years.

To read the report, [click here](#).

OBSI is Canada's trusted independent dispute resolution service for consumers and small businesses with a complaint they can't resolve with their banking services or investment firms. As a free alternative to the legal system, OBSI works informally and confidentially to find fair outcomes to

disputes about banking and investment products and services. This year marks OBSI's twentieth year of operations.

OBSI looks into complaints about most banking and investment matters including: mutual funds; bonds and GICs; stocks, exchange traded funds, income trusts and other securities; investment advice; unauthorized trading; fraud; debit and credit cards; mortgages; loans and credit; fees and rates; transaction errors; misrepresentation; and accounts sent to collections. Where a complaint has merit, OBSI may recommend compensation up to a maximum of \$350,000.

For more information, contact:

Mark Wright

Director, Communications and Stakeholder Relations

416-287-2877 ext.2225

publicaffairs@obsi.ca