

Dear Sir,

I agree with the statements in 'Overview' that "Effective complaint handling helps ensure that the financial system works efficiently and fairly, thereby enhancing consumer confidence in the system. When consumers can resolve their concerns quickly, they are more likely to have trust and confidence in obtaining financial products and services."

However, I do believe that the complaint handling system in Canada should be strong, clear, applied uniformly and in a transparent manner. For this purpose, the bank based complaint handling system is not appropriate and resembles the self-regulating and self-policing procedures in other professions. There is no way to ensure that the internal process would not hide favoritism or intimidation of the complainant. For these reasons I favor having only an EXTERNAL complaint handling system and not an internal system. The internal systems would enable the irregularities to remain hidden inside the banks. There is a need for transparency and exposure.

There should be only ONE body and not several External Complaints Bodies (ECBs). This ONE body would be the Ombudsman for Banking Services and Investments (OBSI).

Question 1. Are the principles appropriate?

The principles are appropriate but we prefer no ECBs but the single centralized OBSI.

Question 2. What ECB system structure would best address the deficiencies in the FCAC Report?

Given the deficiencies in the FCAC Report, the multiple ECBs structure is not appropriate for handling the complaints.

Question 3. To what extent does the profit structure of an ECB have a real or perceived impact on the impartiality and independence of an ECB?

Indeed, the profit structure of an ECB compromises the real or perceived impartiality and independence of the ECB.

Question 4. To what extent could an ECB assessment formula impact the real or perceived impartiality and independence of the ECB?

Definitely, the ECB assessment formula impacts the real or perceived impartiality and independence of the ECB.

Question 5. What are the benefits to consumers from a banking ECB that provides non-bank dispute resolution services?

I don't think that the ECB can do more than what the centralized OBSI can do.

Question 6. Should an ECB be required to provide complainant assistance?

In my model, there are no ECBs, they would only mudd the waters. The path to solving a complaint should be clear, simple, and follow the legal principles.

Question 7. Should the decisions of an ECB be binding or non-binding on banks?

The ECB model is not strong enough, the ECBs could be too friendly to the banks and provide them with a pseudo-judgement to produce the appearance of justice, while not helping the complainant. By

contrast, the OBSI that operates contrally and legally would have the jurisdiction and obligation to enforce the decisions on the banks.

Question 8. Should the government establish requirements for representation on the BOD of an ECB? To what extent should an ECB be required to make public its governance process?

As I stated above, the ECB model suffers from a too close relationship with the banks, not uniform and transparent processes, and so on. This is why the unique system of an OBSI is the preferred system for handling complaints against the banks.

Kind regards

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