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Response to CSA consultation on binding authority

British Columbia Securities Commission

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Providing the Ombudsman for Banking Services and Investments with binding authority is a big jump in consumer protection.

My comments are :

- The ombudservice with binding authority must remain free to investors at all stages of the framework
- The ombudservice must be independent and be perceived to be independent
- The ombudservice should provide access to an investor that experiences dissatisfaction with any service or product of the Company including how complaints are handled and resolved
- The ombudservice should have final binding authority on non- financial matters such as rectifying a credit rating or re-opening an account
- The ombudservice should be designed and resourced to provide resolution without undue delays –speed/informality are important
- Complainants should be assisted and informed in navigating the framework
- Companies should be charged a fee for triggering a stage 2 investigation with a refund if objection is found to be valid
- The Company and complainant should be bound by a decision, if the complainant agrees with the decision (no coercion)
- The ombudservice decisions must be respected by companies and unconditional prompt compensation payment made in the amount determined by the ombudservice as fair and reasonable
- The framework should not (a) permit misleading titles for company responders or (b) responders that are not integral to the Company (no subcontracting of responses to affiliates or private firms)
- The framework should address improper attempts by a company to delay resolution, refuse compensation and/ or impose conditions for payment as material breaches by the applicable regulating agency.
- The statute of limitation time clock would remain paused until the file was closed.(includes judicial review stage) by the ombudservice.

At all stages during a ombudservice complaint-handling process, there should be enough flexibility to allow each complainant to feel that they are being treated as an individual and that the complaint will be dealt with fairly on its own merits.

Thank you for the opportunity to comment.

Anatol Feldman