



## Q4 consumer inquiries cases steady as OBSI prepares for increases in 2025

Q4 was a relatively stable quarter for OBSI from an inquiry and case perspective. We received more than 4,000 inquiries, up slightly from the previous quarter and we opened 748 cases, down slightly from the previous quarter and the previous year. During the quarter, OBSI continued its preparation for the case volume increases expected following the single ECB transition at the beginning of Q1.

Fraud-related banking cases moderated quarter over quarter and year over year. Despite this decline, fraud remained the leading concern for banking consumers. The reduction in fraud cases was associated with significant quarter-over-quarter and year-over-year drop in e-transfer cases. Meanwhile, investment fraud cases, particularly those related to crypto assets, have become a persistent problem for investors, increasing by 70% year over year despite a quarter-over-quarter decline.

Credit cards emerged as the leading product for banking complaints. Credit card cases were principally related to chargebacks, service issues and fraud.

Service issues were a leading concern for both banking and investment sectors in Q4. Service-related issues reached an eight-quarter high for banking and emerged as the leading concern for investors, driven by issues such as incorrect tax slips and account statements, and consumer concerns about poor service. Fee-related investment cases also saw a significant increase, while investment suitability complaints declined and fell out of the top three issues for the first time in the past two years.

### Last eight-quarter statistics

In this report, we present preliminary data from Q4 2024 (August 1, 2024 to October 31, 2024) alongside data over the last eight quarters for historical context. All figures are preliminary and subject to change.

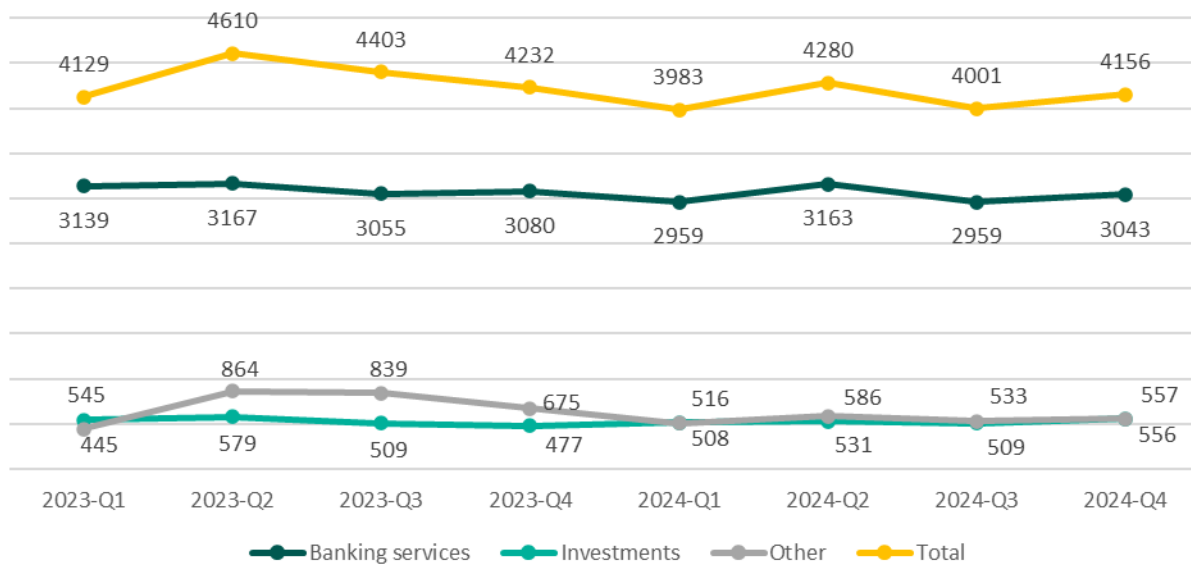
This report includes:

- 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 investment products
- Top 5 investment issues

### About OBSI inquiries

When consumers contact OBSI with a complaint or question about a financial services problem they are having, we record these 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.

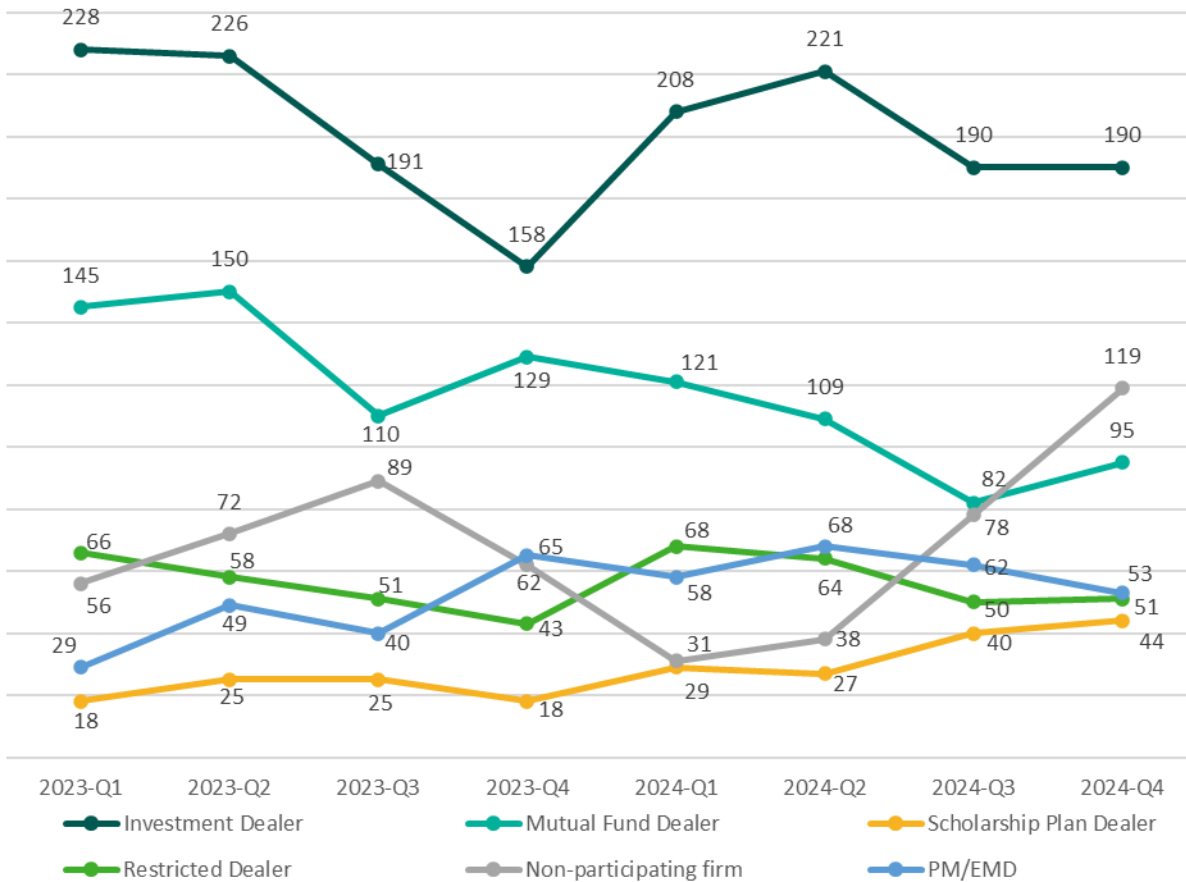
#### Inquiries Received by Industry: Last 8 Quarters



In Q4 of 2024, **total consumer inquiries** were relatively stable.

- We received **4,156 total inquiries**, up 4% from the previous quarter and flat year over year.
- **Banking-related** inquiries were up 3% quarter over quarter and flat year over year, accounting for 73% of total inquiries for the quarter.
- **Investment-related** inquiries were up 9% quarter over quarter and 17% year over year.
- The **Other** category includes inquiries from the consumers of non-participating firms.

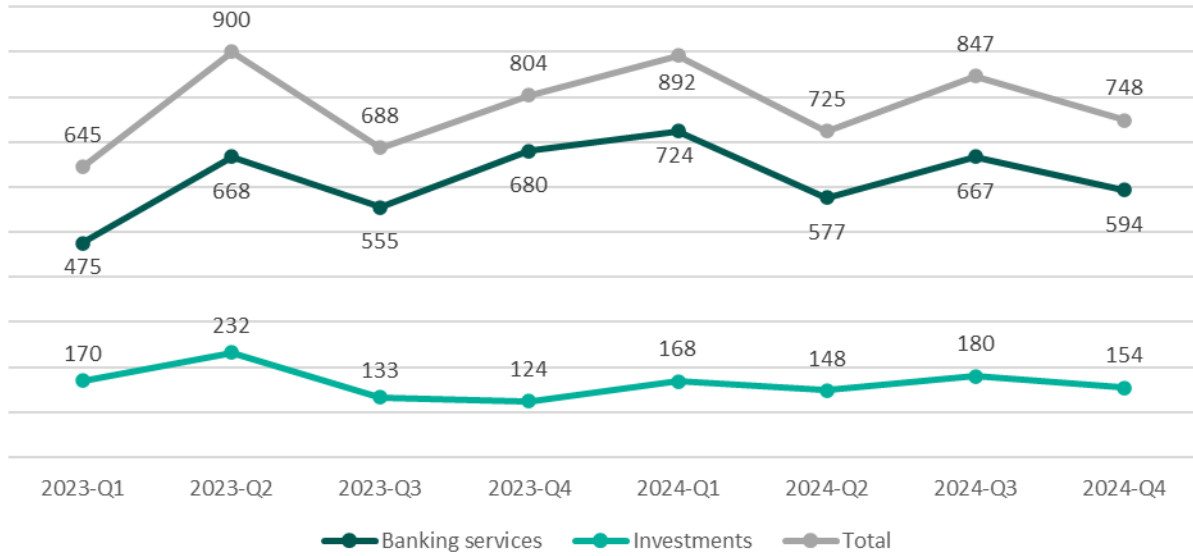
### Inquiries Received by Investment Sector: Last 8 Quarters



In the fourth quarter, **investment-related** inquiries were up moderately quarter over quarter and year over year, with some significant shifts between investment sectors.

- **Investment dealer** inquiries remained flat from the previous quarter but were up 20% year over year.
- **Mutual fund dealer** inquiries increased 16% quarter over quarter and decreased 26% year over year.
- **Portfolio manager/exempt market dealer** inquiries were down 15% quarter over quarter and 18% year over year.
- **Restricted dealer** inquiries remained flat quarter over quarter but were up 19% year over year.
- **Scholarship plan dealer** inquiries were up 10% quarter over quarter and more than doubled year over year.
- Inquiries **from non-participating firms (NPFs)** were up by more than half (53%) quarter over quarter and nearly doubled year over year. NPF inquiries relate to investment firms that are not subject to provincial securities regulations requiring them to provide access to OBSI services.

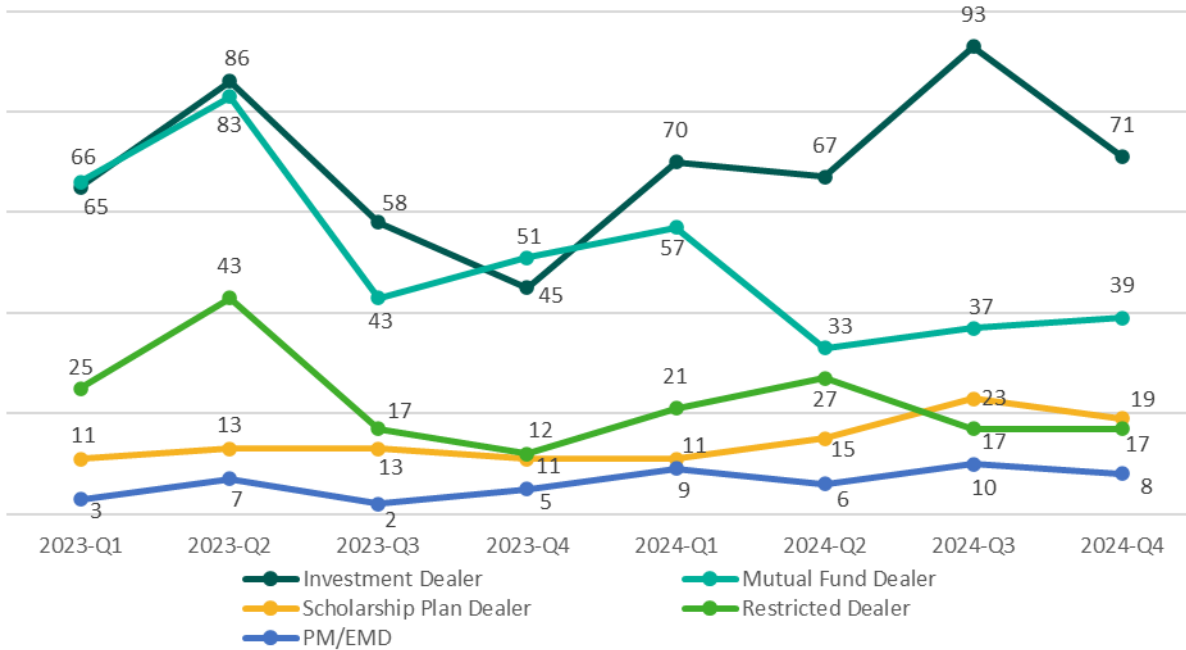
### Total Cases Opened: Last 8 Quarters



In Q4, **total** cases opened decreased 12% from the previous quarter and 7% from the previous year.

- **Banking** cases decreased 11% quarter over quarter and 13% year over year.
- **Investment** cases decreased 14% quarter over quarter and were up 24% year over year.

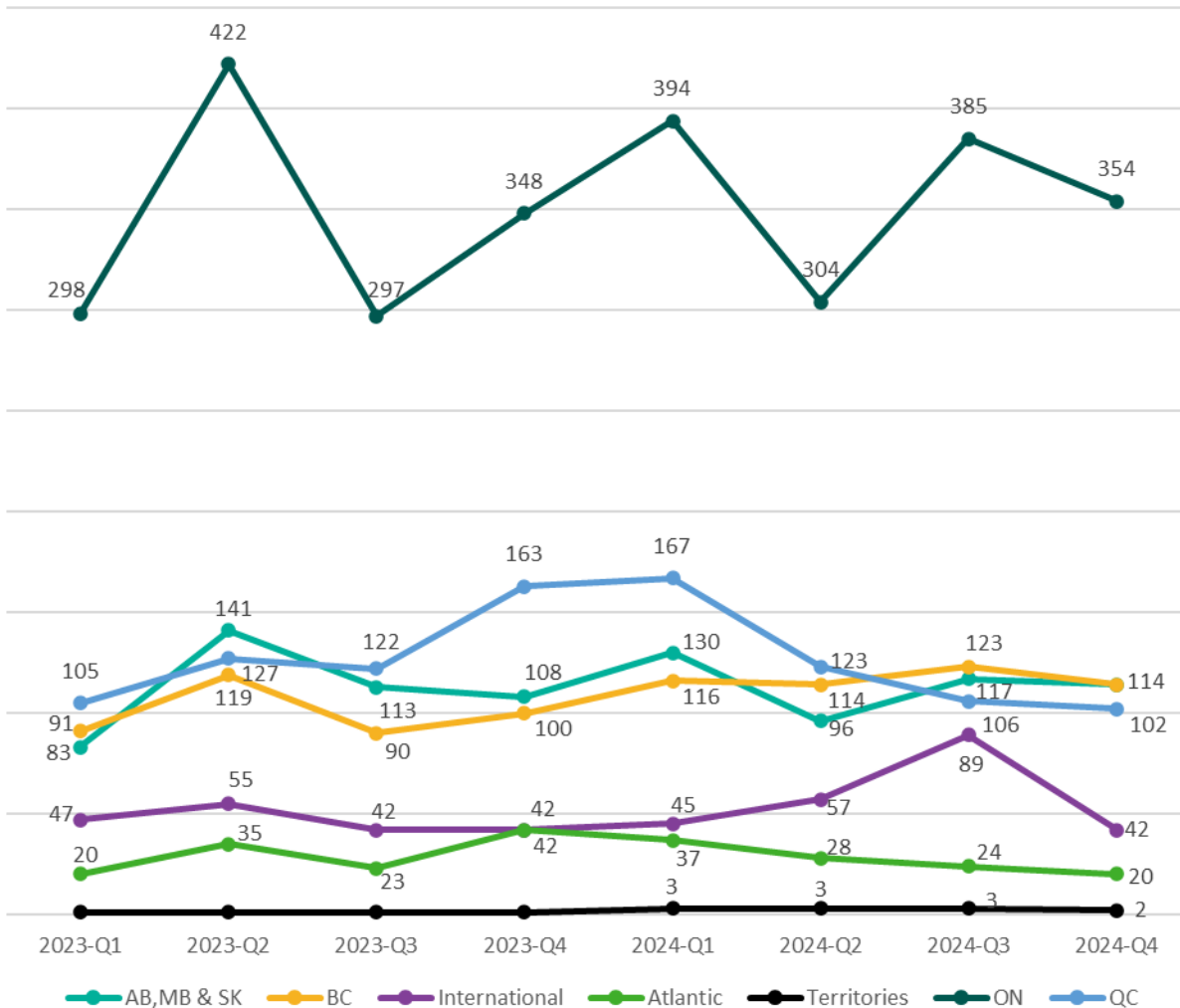
### Cases Opened by Investment Sector: Last 8 Quarters



In the fourth quarter, **investment** cases opened decreased slightly quarter over quarter and were up moderately year over year. The quarterly decline and year over year increase were driven primarily by investment dealer cases, while mutual fund dealer cases dropped significantly during the year.

- **Investment dealer** cases decreased 24% from the prior quarter and were up 58% year over year.
- **Mutual fund dealer** cases remained flat from the previous quarter but declined 24% from the prior year.
- **Restricted dealer** cases remained flat quarter over quarter but above the eight-quarter low from the previous year.
- **Scholarship plan dealer** cases were down 17% but above the eight-quarter low from the previous year.
- **Portfolio manager/exempt market dealer** case volumes remained low, declining quarter over quarter but up from levels seen in the previous year.

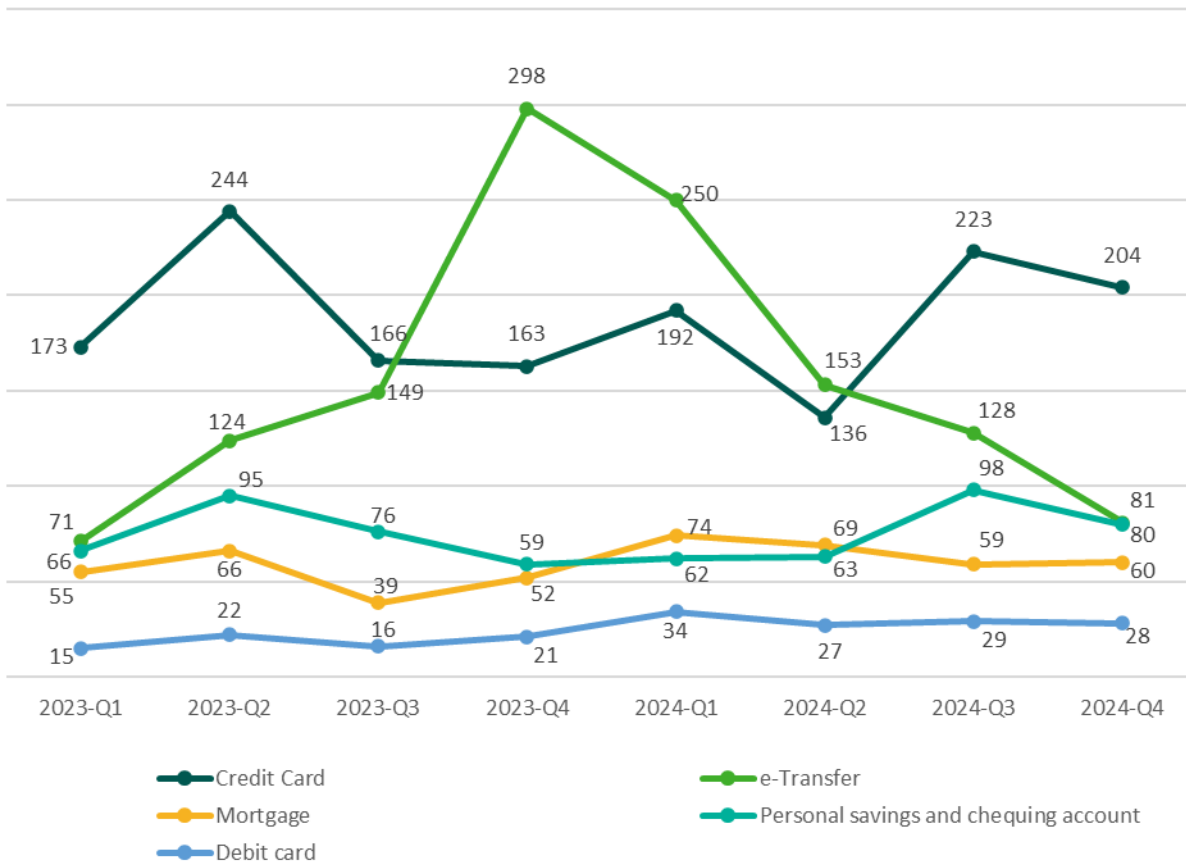
### Cases Opened by Region: Last 8 Quarters



In Q4, cases opened decreased slightly in all regions with **Quebec**, the **Atlantic provinces** and **international** cases reaching an eight-quarter low.

- **Ontario** cases decreased 8% quarter over quarter and remained flat year over year.
- **Quebec** cases decreased 4% quarter over quarter, reaching an eight-quarter low and continuing a steady decline since Q1.
- Cases from the **Prairie provinces** remained relatively flat quarter over quarter and year over year.
- **BC** cases decreased 7% quarter over quarter and increased 14% year over year.
- **International** cases decreased by more than half (53%) from the previous quarter and returned to eight-quarter lows.
- Cases from the **Atlantic provinces** were down 17% quarter over quarter and returned to the eight-quarter low.
- Cases in the **Territories** remained at low levels.

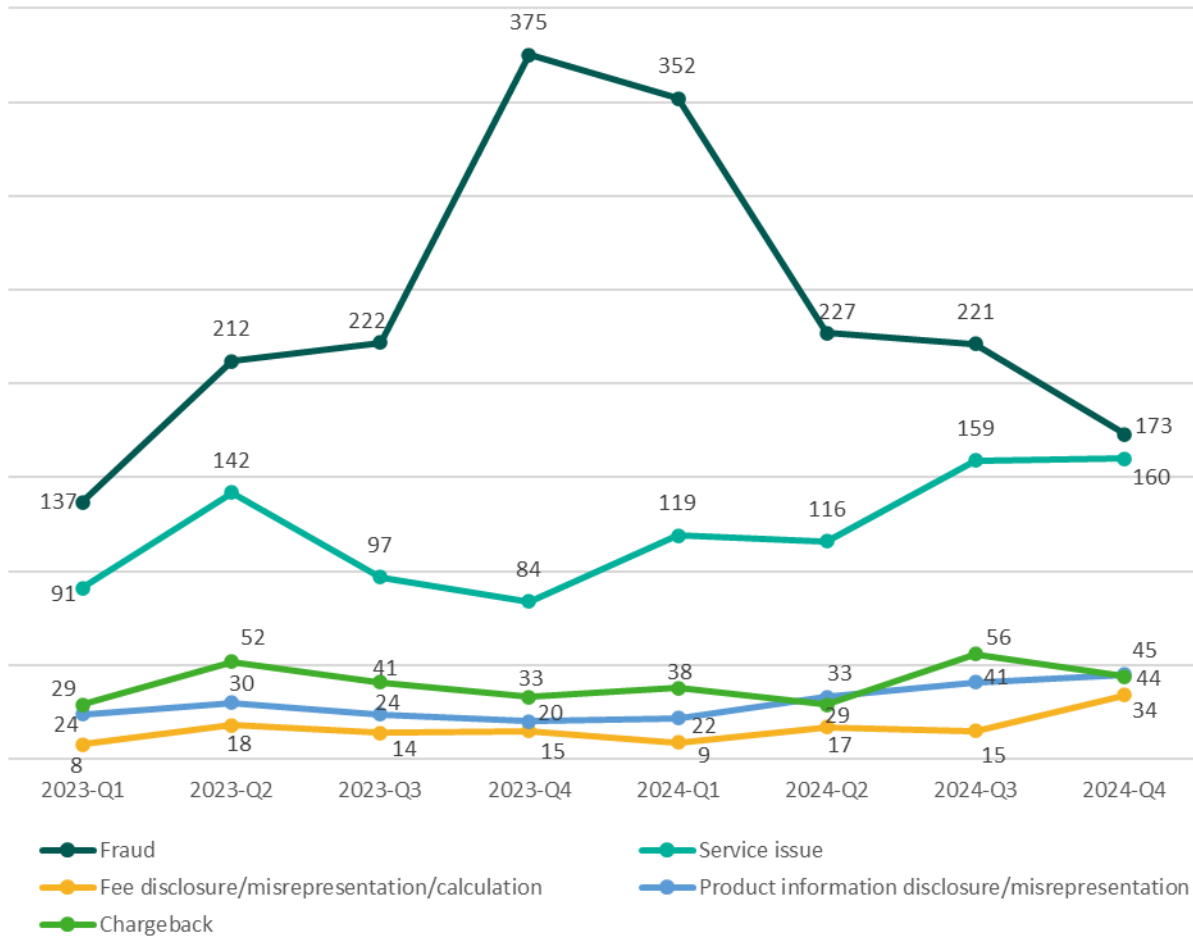
### Top 5 Banking Products: Last 8 Quarters



In the fourth quarter, **credit cards** emerged as the leading product for banking complaints.

- **Credit card** cases were down 9% quarter over quarter and up 25% year over year.
- **e-Transfer** cases continued a downward trend from the previous year, decreasing 37% quarter over quarter and 73% year over year.
- **Mortgage** cases were flat quarter over quarter but increased 15% year over year.
- **Personal savings and chequing account** cases decreased 18% from the high seen in the previous quarter and increased 36% year over year.
- **Debit card** remained flat quarter over quarter but increased 33% year over year.

### Top 5 Banking Issues: Last 8 Quarters

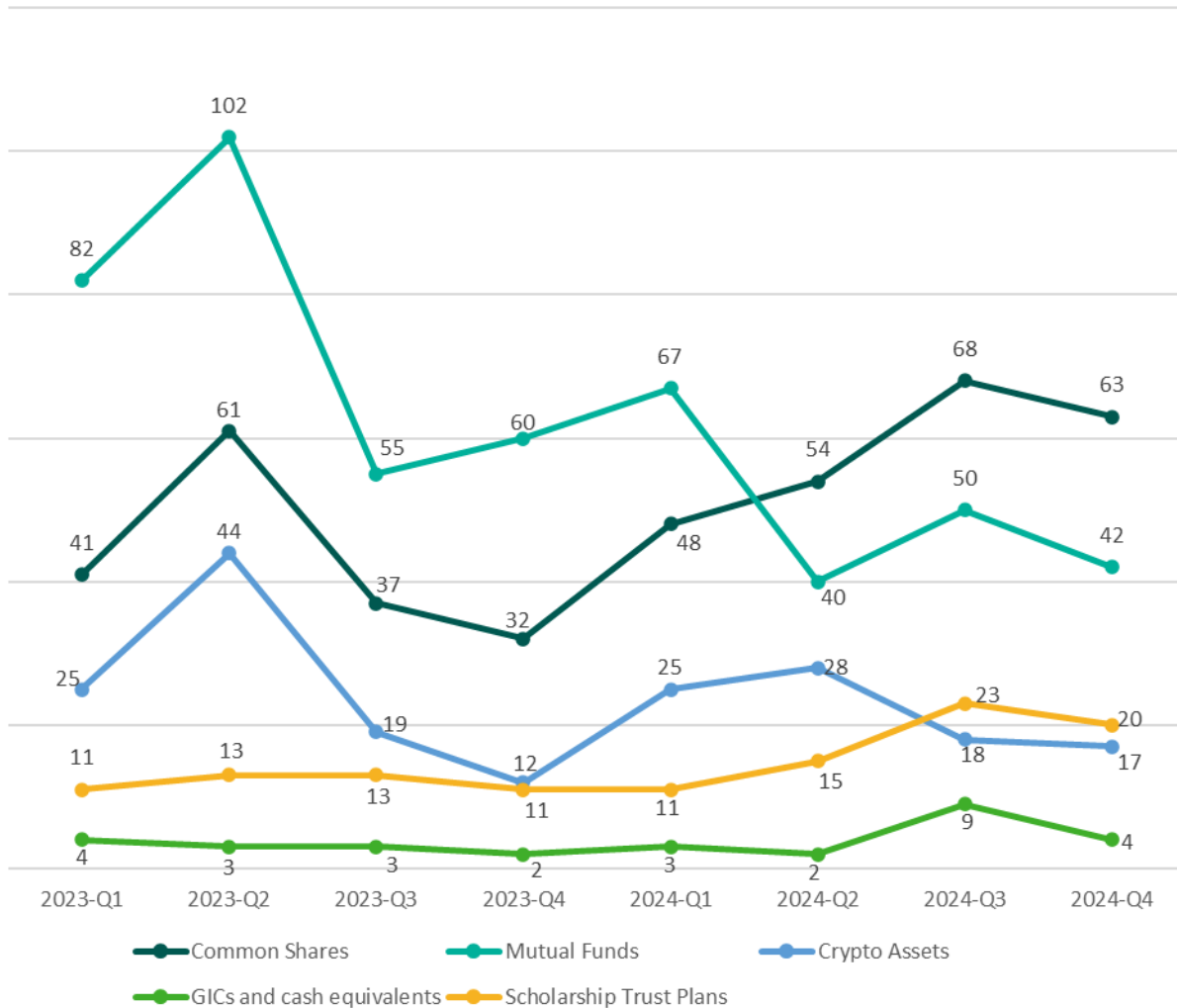


In Q4, **fraud** cases were down but continued to be the leading issue for banking complaints. **Service issue** cases, **fee-related** cases and **product disclosure** cases reached an eight-quarter high.

- **Fraud** cases decreased 22% quarter over quarter and were down 54% year over year, falling below the eight-quarter high seen in the previous year.
- **Service issue** cases reached an eight-quarter high while remaining flat quarter over quarter and increased 90% year over year, up from an eight-quarter low from the previous year.
- **Fee-related cases** more than doubled quarter over quarter and year over year, reaching an eight-quarter high.
- **Product information disclosure and misrepresentation** cases increased 10% quarter over quarter, reaching an eight-quarter high, and more than doubled year over year.
- **Chargeback** cases were down 21%, declining from the eight-quarter high seen in the last quarter but were up 33% year over year.



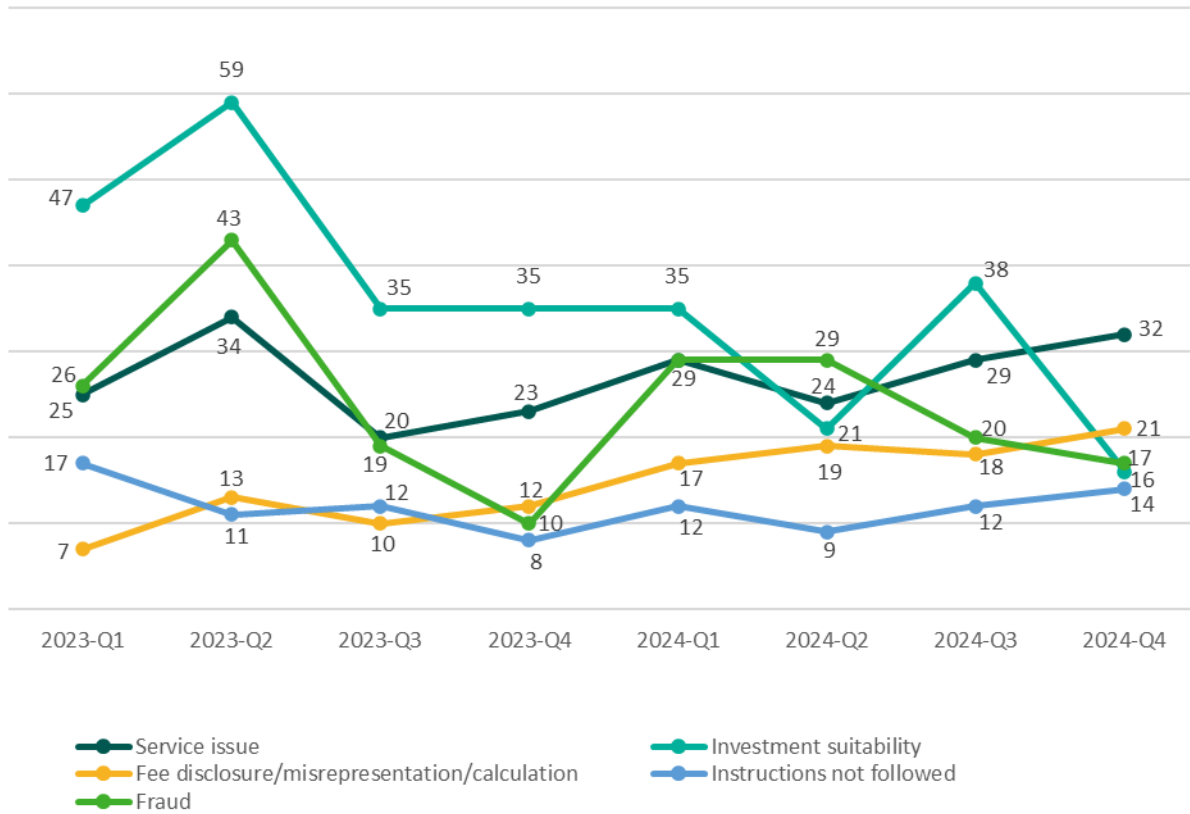
### Top 5 Investment Products: Last 8 Quarters



In the fourth quarter, **common shares** continued to be the top product concern for investors.

- **Common share** cases declined 7% quarter over quarter, but nearly doubled year over year.
- **Mutual funds** cases decreased 16% quarter over quarter and 30% year over year.
- Scholarship trust plan cases decreased 13% from the past quarter but nearly doubled year over year.
- **Crypto assets** complaints remained flat compared to the previous quarter but declined 42% year over year.
- **GICs and cash equivalent** cases remained at low levels and were down quarter over quarter and up year over year.

### Top 5 Investment Issues: Last 8 Quarters



In Q4, **service** became the leading issue for investors. **Investment suitability** fell out of the top three issues for the first time in the past two years.

- **Service issue** cases increased 10% compared to the prior quarter and 39% compared to last year.
- **Fee-related** cases were up 17% quarter over quarter and 75% year over year.
- **Fraud** cases decreased 15% quarter over quarter but were up 70% year over year.
- **Investment suitability** cases were down 58% quarter over quarter and decreased by more than half (54%) year over year, reaching an eight-quarter low.
- Cases related to **instructions not followed** increased slightly quarter over quarter and rose 75% year over year.