

# OCTOBER 27, 2014 ISSUE

## OBSI UPDATE – ECB APPROVAL; TOLLING AGREEMENT; NEW BROCHURE; SEGREGATED FUNDS

This note is one in a series of newsletters updating you on what's happening at the Ombudsman for Banking Services and Investments (OBSI).

In this issue:

1. ECB Approval Update
  2. Blanket Tolling Agreement
  3. New Consumer Brochure
  4. Segregated Funds and OLHI
- 

### 1. ECB APPROVAL UPDATE

Today, OBSI received confirmation from the Financial Consumer Agency of Canada (FCAC) that our application for approval as a banking External Complaint Body (ECB) has been certified as complete.

Readers of this newsletter will know that the FCAC is tasked with overseeing the application process for External Complaint Bodies such as OBSI, and making recommendations for approval to the Minister of Finance. OBSI has been the leader in moving through the FCAC's application process. Since our last e-bulletin update on the subject, the FCAC announced that it would review all draft applications for completeness after September 30. After certification, applicants have 30 days to submit a formal letter requesting ministerial approval. OBSI will now be writing to the Minister of Finance with this request.

OBSI does not have any further information as to what the expected timeline is but we remain confident we will be approved. We will keep stakeholders apprised of any developments.

The FCAC's Application Guide for External Complaint Bodies issued last year contained several prescriptive requirements for information that must be contained in the Terms of Reference. OBSI included the required changes in an update to our Terms of Reference made last year following an extensive public consultation. Since then, the FCAC has indicated we should include another piece of information in the Terms of Reference in order to qualify for approval: our status as a body incorporated under the Canada Not-for-profit Corporations Act. OBSI has made this [technical amendment](#)

---

### 2. BLANKET TOLLING AGREEMENT

Last year, we announced that OBSI would be developing a blanket tolling agreement covering all complaints that OBSI investigates, to the extent permitted by law. We are now moving forward with implementing this agreement.

A tolling agreement is the name for an agreement that stops the clock on a limitations period, which is the time permitted to commence legal action after an alleged grievance occurred. In Canada these time limits vary among the provinces and territories. Firms and complainants have long been required to sign a tolling agreement when participating in OBSI's process, but a new one was entered into by firms for each and every complaint. Developed in consultation with the financial industry, OBSI's blanket tolling agreement will improve the efficiency of OBSI's process while providing greater certainty to the parties as to when the clocks stops and restarts on any applicable limitation period.

[READ THE FULL ARTICLE »](#)

---

### **3. NEW CONSUMER BROCHURE**

OBSI recently developed a [new brochure for consumers](#) that explains who we are and what we do. Participating firms, community organizations, elected officials and others often distribute our brochure to their clients and/or constituents. Please email us at [membership@obsi.ca](mailto:membership@obsi.ca) if you wish to receive print copies of the brochure.

A [brochure for banking and investment firms](#) that explains OBSI's process is also available on our website.

---

### **4. SEGREGATED FUNDS AND OLHI**

The Ombudservice for Life and Health Insurance (OLHI), the ombudsman for the life and health insurance sector, is responsible for the investigation and analysis of segregated fund complaints (an insurance investment product). OBSI occasionally receives complaints concerning portfolios that also contain insurance investment products. To provide clarity to stakeholders, OBSI has published a [protocol](#) outlining how we will handle such complaints.