

# NOVEMBER 2, 2012 ISSUE

## OBSI UPDATE – NOVEMBER 2, 2012

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

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### Suitability and Loss Assessment Consultation

In the majority of investment complaints we receive each year about advice-based accounts, investors complain that they received poor advice, their investments or investment strategies were unsuitable and/or that their investments did not perform as they expected. In such "suitability" complaints, investors ask to be compensated for the investment losses they incurred.

In 2011 OBSI issued for public comment a consultation paper detailing our investment suitability and loss assessment process. After considering the feedback received, on May 10, 2012 we issued a second consultation paper detailing a series of proposed changes to our process.

Today, OBSI published the Board of Directors' [decision on changes to the methodology and OBSI's response to stakeholder feedback](#).

There have been numerous steps along the way of what has been a comprehensive process of consultation on OBSI's investment suitability and loss assessment process. OBSI has published two consultation papers; participated in an industry working group; solicited opinions from experts in loss valuation and the law; held three information sessions, one for each of the public, IIROC members and MFDA members; and consulted regularly with securities regulators, industry participants, investor representatives, and OBSI's independent Consumer and Investor Advisory Council. Throughout this process we have found the engagement by our stakeholders and partners to be immensely valuable. For that we extend our appreciation to all involved.

All past documents and stakeholder submissions related to the consultation can be found on our website at [Resource Room - Public Consultations](#). Any questions can be directed to Tyler Fleming, Director of Stakeholder Relations and Communications, at [publicaffairs@obsi.ca](mailto:publicaffairs@obsi.ca).

### Financial Literacy Month

November is Financial Literacy Month in Canada. Yesterday in Ottawa, Ombudsman and CEO Doug Melville attended the official launch of FLM by the Honorable Ted Menzies, Minister of State for Finance, and the Financial Consumer Agency of Canada (FCAC).

The activities around FLM are a great opportunity to highlight the importance of financial literacy to the well-being of Canadians. By improving their understanding of their own personal finances,

Canadians can better secure their financial future and independence. For more information on what the FCAC is doing, please visit their [website](#).

### **The Hon. Lincoln Alexander**

The Hon. Lincoln Alexander, Canada's first black Member of Parliament and former Ontario lieutenant-governor, [passed away](#) on October 19. Alexander served as a Director of OBSI from 1997-2005, playing an integral role in the establishment and evolution of our organization. He remains the only individual to ever serve as Director Emeritus of OBSI. Alexander's dedication to fairness and just treatment truly extended beyond his public service into all areas of his life. He will be greatly missed.