



OMBUDSMAN

for Banking Services | des Services Bancaires
and Investments | et d'Investissement

**Protocol for the Handling of Investor Complaints Involving
Segregated Funds or Other Insurance Investment Products
by the Ombudsman for Banking Services and Investments (OBSI)**

Whereas the Ombudsman for Banking Services and Investments (OBSI) is an independent alternative dispute resolution service mandated to provide an impartial review and make recommendations for the resolution of investor complaints arising from the provision of investment products and services to retail investors by its participating investment firms and their licensed representatives; and,

Whereas securities regulators, with the exception of the Autorité des marchés financiers in Québec, have required investment firms within their jurisdiction to make OBSI available to their clients in respect of unresolved eligible complaints; and,

Whereas investor complaints can arise that involve or include segregated funds and other insurance investment products made available to retail investors by insurance firms through licensed insurance representatives; and,

Whereas insurance firms are subject to different legislation and rules than investment firms which are participating firms in OBSI; and,

Whereas OBSI's Board of Directors has clarified through a revision to OBSI's Terms of Reference that OBSI will not review investor complaints about segregated fund investments; and,

Whereas it is in the interest of all investors that they be referred on a timely basis to the appropriate Ombudservice to have access to a free and impartial review of their complaint involving segregated funds and other insurance investment products; and,

Whereas the insurance industry has put in place the Ombudservice for Life & Health Insurance (OLHI) to handle complaints arising from the provision of insurance products and services, including segregated funds and other insurance investment products, by its participating insurance firms:

The following protocol shall be adhered to by OBSI:

1. Segregated Funds And Other Insurance Investment Products Not In Mandate For OBSI

OBSI does not have a mandate to review complaints relating to segregated funds and other insurance investment products whether or not such products are distributed by subsidiaries or affiliates of OBSI participating firms.

2. Handling Of Investor Complaints Exclusively Involving Segregated Funds Or Other Insurance Investment Products

Where OBSI receives a complaint involving only segregated funds or other insurance investment products, OBSI will refer the investor to OLHI in writing, with a copy to OLHI, within two (2) business days of OBSI becoming aware that the investor's complaint is exclusively about segregated funds or other insurance investment products.

3. Handling Of Investor Complaints Involving Both Securities And Some Segregated Funds Or Other Insurance Investment Products

Where OBSI receives a complaint that involves a mix of securities and segregated funds or other insurance investment products, OBSI will refer the investor to OLHI in writing, with a copy to OLHI, within two (2) business days of OBSI becoming aware that the investor's complaint involves segregated funds or other insurance investment products.

The investor will be asked to pursue their complaint with respect to segregated funds or other insurance investment products through OLHI.

OBSI will proceed with its review of the investor's complaint with respect to only the securities involved in the complaint.

4. Referral Of Complainant To OLHI

In the written referral mentioned in sections 2 and 3 above, OBSI will provide the complainant with OLHI's toll-free telephone and facsimile numbers, e-mail address, and postal address. If OBSI is also in verbal contact with the complainant, the complainant will be provided with any and all of OLHI's contact information desired by the complainant.

5. Referral Of Complaint To OLHI

OBSI will provide to OLHI, within five (5) business days of the written referral mentioned in sections 2 and 3 above, all the information previously provided to OBSI that could assist OLHI in its complaint review. This includes all such information provided up to that point in time by both the complainant and the firm as well as any such information gathered by OBSI up to that point in time. In particular, OLHI will receive contact information for the complainant and the firm, correspondence if any, and any notes associated with the complainant's previous contact with OBSI. The written referral mentioned in sections 2 and 3 above will inform the complainant that this information is being provided to OLHI.

6. OBSI To Take Note Of Segregated Fund And Other Insurance Investment Products In Portfolio Analysis Involving Investments That Are Not Segregated Funds Or Other Insurance Investment Products

Where OBSI is considering the suitability of an individual investment, a portfolio of investments, or an overall investment strategy, OBSI will take note of the existence of segregated funds and other insurance investment products in the investor's portfolio for the purpose of determining the investor's overall financial profile.

7. Consent And Sharing Of Complaint Information With OLHI

OBSI will include the necessary language in its standard consent letter agreement to enable the sharing with OLHI of complaint information provided to OBSI.

8. OBSI To Make Public This Protocol And Volume Of Referred Complaints

OBSI will make public this protocol through an announcement in OBSI's E-Newsletter, inclusion in OBSI's 2014 Annual Report, and will post the protocol in the appropriate section of OBSI's public website. OBSI will also provide information in its Annual Report on the number of complaints referred to OLHI.

This protocol has been approved by the Board of Directors of OBSI and is effective as of the _____ day of _____, 2014.

Fernand Belisle
Chair, Board of Directors

Douglas Melville
Ombudsman and
Chief Executive Officer