

September 29, 2025

To: Alberta Securities Commission  
Autorité des marchés financiers  
British Columbia Securities Commission  
Financial and Consumer Services Commission (New Brunswick)  
Financial and Consumer Affairs Authority of Saskatchewan  
Manitoba Securities Commission  
Nova Scotia Securities Commission  
Nunavut Securities Office  
Office of the Superintendent of Securities, Newfoundland and Labrador  
Office of the Superintendent of Securities, Northwest Territories  
Office of the Yukon Superintendent of Securities  
Ontario Securities Commission  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

c/o Meg Tassie  
Senior Advisor, Legal Services,  
Capital Markets Regulation  
British Columbia Securities Commission  
1200 - 701 West Georgia Street  
P.O. Box 10142, Pacific Centre

c/o The Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor, Box 55  
Toronto, Ontario  
M5H 3S8

c/o Me Philippe Label  
Corporate Secretary and Executive Director,  
Legal Affairs  
Autorité des marchés financiers  
Place de la Cité, tour Cominar  
2640, boulevard Laurier, bureau 400  
Québec (Québec) G1V 5C1

Dear Sirs and Mesdames:

***Response to Canadian Securities Administrators' (CSA) Notice 25-314 Proposed  
Approach to Oversight and Refinements to the Proposed Binding Authority Framework  
for an Identified Ombudsman***

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The mandate of the CSA Investor Advisory Panel (the “IAP” or “we”) is to represent the interests of retail investors across Canada by providing advice to the CSA on its policy and rule making initiatives that have impact on retail investors to promote coordination and enhancement of

pan-Canadian investor-related issues. We are pleased to have this opportunity to provide the following comments in response to the CSA's proposal for OBSI's oversight and the changes to the regulatory framework under which it would have the authority to issue final and binding decisions (the "**amended proposed framework**"), as described in the CSA Notice and Request for Comment 25-314 dated July 15, 2015 (the "**Notice**").

## **I – General comments**

As stated in our February 27, 2024, comment letter on the November 30, 2023, CSA consultation *Registered Firm Requirements Pertaining to an Independent Dispute Resolution Service*, we strongly support giving OBSI the power to issue binding decisions, which we view as necessary to improving the fairness of our capital markets. We also are of the view that, considering the time that has elapsed on this project, with the first recommendation that OBSI be given binding authority dating as far back as the 2011 independent evaluation of OBSI,<sup>1</sup> the CSA needs to move expeditiously to complete this critical investor protection project.

We are therefore limiting our comments to matters that relate directly to investor protection. Although we are not proposing specific changes to the amended proposed framework, which we note relates mainly to the relationship between OBSI and the CSA, and to a lesser extent to investor protection, we do wish to express some concerns and cautions as indicated in our responses below to the specific questions in the Notice.

## **II - CSA Questions:**

### **Question 1 - Is \$75,000 an appropriate threshold amount to require OBSI to appoint an external decision maker or a panel of external decision makers at stage 2?**

We note that the Notice indicates that only four cases dealt with by OBSI involved amounts exceeding \$75,000 since 2020. We do not disagree with the proposed threshold amount of \$75,000 and understand that it doesn't necessarily preclude the accessibility by the complainant of the optional review process, irrespective of the amount in question, and that OBSI may exercise its discretion to appoint an external decision maker by taking into consideration the nature of the dispute as well as the skills set needed to ensure an efficient resolution of the dispute. However, we would recommend that the threshold amount be automatically adjusted for inflation on a going-forward basis to ensure it provides a more accurate picture of the real purchasing power of the threshold amount.

### **Question 2- Does setting a monetary threshold for the requirement to appoint an external decision maker at stage 2 impact the accessibility of the proposed framework for investors?**

Please refer to our response to Question 1.

### **Question 3 - What would be potential advantages and disadvantages of permitting OBSI to appoint senior OBSI staff not involved in the stage 1 process to a panel conducting the stage 2 process in cases that meet or exceed the proposed monetary threshold, if the majority of the panel is comprised of external decision makers?**

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<sup>1</sup> See (2023), 46 OSCB 9643, CSA consultation *Registered Firm Requirements Pertaining to an Independent Resolution Service* at p.9647; *Ombudsman for Banking Services and Investments, 2011 Independent Review* (2011), at p 9.

We express no views on this question.

**Question 4 - Does the oversight framework strike the appropriate balance between ensuring OBSI's accountability and maintaining OBSI's organizational and decision-making independence?**

As stated above, the IAP is not proposing any specific changes to the amended proposed framework. However, we urge the CSA to carefully consider what the appropriate level of oversight should be, which should in practice be proportionate to ensure OBSI's independence and impartiality as a dispute-resolution service, and not necessarily reflective of an oversight framework that one would fully associate with that of a self-regulatory organization such as the Canadian Investment Regulatory Organization (CIRO).

**Question 5 - What would the impact be of maintaining OBSI's current six-year limitation period?**

We do not disagree with six-year limitation period. The IAP notes that the six-year limitation period is consistent with the current limitation period as reflected in the definition of "complainant" under subsection 13.16(1) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Moreover, the six-year limitation period would also be in line with the limitation period which applies to OBSI's banking mandate.

Sincerely,



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Jason Alcorn, Chair