

**ADR CHAMBERS**  
Banking Ombuds Office (ADRBO)  
“Canadian Banking Ombudsman”



# ANNUAL REPORT 2018

10 years of resolving consumer complaints

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# MESSAGE

## from the Ombudsman

ADR—Chambers Banking Ombuds Office (ADRBO) is pleased to provide this report on our operations for the fiscal year ending October 31, 2018. Copies of our most recent previous Annual Reports are also available for review and can be found at <https://bankingombuds.ca/>.

Fiscal 2018 was a significant year for ADRBO as our organization continued to grow and deliver services to more consumers across the country. We received notice that Bank of Nova Scotia customers would be served by our effective and impartial team, effective November 1, 2018, and we continued to expand our team by welcoming several new highly qualified investigators. In 2018, we completed 94 investigations, which is a 29% increase from 2017.

We are extremely proud of the level of professionalism and quality customer service that our team of investigators exercised in 2018. I would like to thank them for all of their work and their commitment to ADRBO's values of impartiality, independence and fairness as well as their dedication to providing accountable and fair outcomes for all of our customers.

At ADRBO, we believe that every person we serve should feel they've dealt with a fair and balanced process. This is why in 2019 we are committed to continuing the quality of our service, making it more accessible to those we serve and finding ways to better accommodate the needs of particularly vulnerable communities.

We look forward to the coming year and will continue to work towards our goal of providing the highest quality service to Canadian consumers through innovation, professionalism and responsiveness.

*Britt Parsons*  
Ombudsman

### VISION

*To develop Canada's most effective process (accessible, clear, easy to use) for ensuring fairness in individual cases and for handling complaints of injustice.*

### MISSION

*To provide the highest quality service to Canadian consumers through innovation, professionalism and responsiveness.*

### VALUES

*We serve a public good.*

*We will always protect our independence, impartiality and the privacy of those we serve.*

*We champion fairness for those who feel they have been treated unfairly.*

*We always strive to make our processes more accessible and transparent.*

*We are responsive to the needs of those we serve, ensuring they feel heard and understood.*

*Everyone we serve should feel he or she has dealt with a fair and balanced process.*

*We act with integrity, at every step of our process.*

# EXECUTIVE SUMMARY

The following report covers ADR–Chambers Banking Ombuds Office (ADRBO) fiscal year ending October 31, 2018. ADR Chambers Banking Ombuds Office (ADRBO) is a Canadian Ombudsman that provides dispute resolution services for the citizens of over a dozen Ontario municipalities and the customers of some of Canada's largest banks. ADRBO was recognized as an External Complaints Body by the Financial Consumer Agency of Canada (FCAC) on June 6, 2015, and we have built a reputation for fair and impartial dispute resolution services recognized across Canada.

In 2018, ADRBO provided helpful, impartial and accessible services to help consumers across Canada resolve their banking complaints. A customer survey conducted found that over 80% of consumers found ADRBO services to be accessible. ADRBO will always put customer service and protection at the forefront of all decisions and will continuously work to engage with community members to improve the customer experience. ADRBO is proud of its roster of highly skilled investigators, many of whom are experienced senior lawyers and judges. The organization is headed by the Ombudsman, who has both a strong legal background and training and experience in dispute resolution. The Ombudsman is supported by a Deputy Ombudsman, two (2) Bilingual Intake Coordinators, and over twenty investigators. ADRBO staff members and investigators have experience and training in dispute resolution, complaint handling, and consumer banking. Many team members, including the Ombudsman, are able to work in both French and English.

In 2018, the volume of consumer complaints received by ADRBO increased by 6% to 1318 total initial contacts. Of these initial intakes, 288 were formally opened as ADRBO complaints, which represents a 5% increase from 2017. ADRBO completed 94 total investigations in 2018, a 29% increase from 2017.

ADRBO has always been committed to completing thorough, impartial and efficient investigations. In 2018, ADRBO issued 181 initial view letters and the average time to close was 14 days. The average time to close final reports was 54 days. This year, 24% of all outcomes were found partially or fully in favour of consumers.



# PROGRESS

## Towards our goals



Over **80%** of consumers surveyed found our services to be accessible



ADRBO sends requests for feedback to complainants whose files had been closed by ADRBO, whether as a result of an initial view letter, resolution, or full investigation and report. The feedback forms were developed in consultation with the Financial Consumer Agency of Canada. ADRBO sent requests for feedback to all complainants whose files were closed in fiscal year 2018. Please note that the completion of a feedback form is optional. These results represent a sample size of 34 persons which is too small for a normal approximation.

Feedback from Complainants			
Able to lodge a complaint in the Canadian official language of my choice	100 %	0 %	0 %
Services provided free of charge	94 %	0 %	6 %
Information provided on its complaint handling procedures and terms of reference	82 %	3 %	15 %
Complaint dealt with promptly	62 %	20 %	18 %
Information and assistance provided to help the understanding of the complaint process and/or terms of reference	47 %	23 %	30 %
Process easy to understand and follow	50 %	15 %	35 %
Final recommendation or written correspondence were clear	47 %	3 %	50 %

# PARTICIPATING BANKS



2008



2011



2014\*



2017

ADRBO's Ombudsman met with the Ombudsmen for RBC, TD, and National Bank of Canada on several occasions during fiscal 2018. Discussion during these meetings was focused on finding ways to improve the efficiency of the complaint handling process and best practices for the successful early resolution of complaints.

## Feedback from Banks



On Time



Expertise



Easy to understand



Compliance

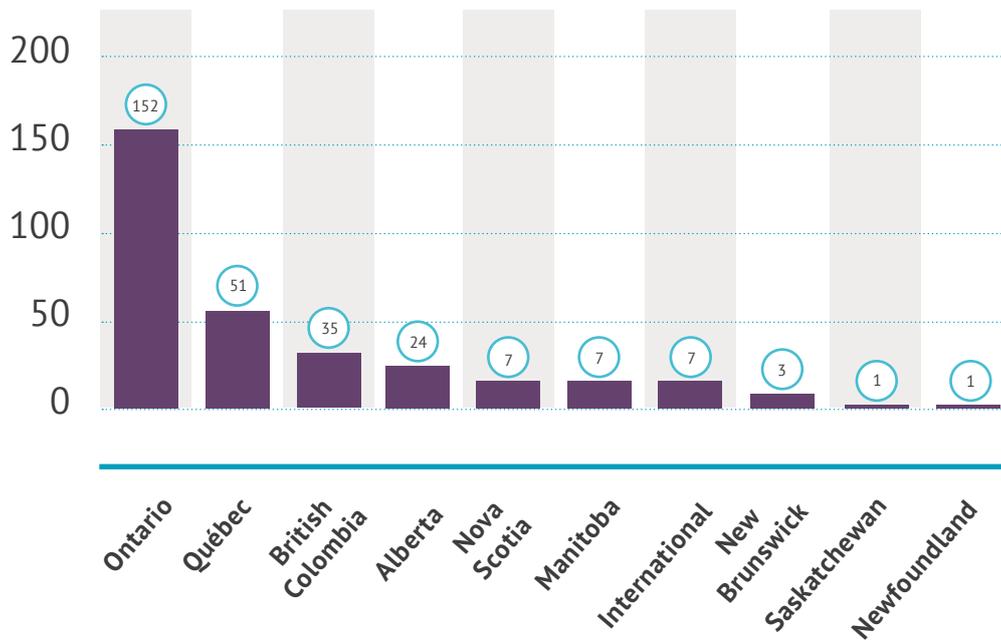
ADRBO also requests feedback from Banks. This feedback form was also developed in consultation with the Financial Consumer Agency of Canada. ADRBO sent requests for feedback to the Banks and received responses from all the Banks. All of the Banks agreed that investigators promptly dealt with the complaint and provided a final written recommendation within the timelines set out in ADRBO's procedures. The Banks also agreed that ADRBO investigators are trained and knowledgeable about applicable banking laws and that ADRBO demonstrated a good understanding of the bank's applicable policies. Finally, the Banks agreed that the final reports were written in clear, simple, language that was not misleading, and that ADRBO respected its Terms of Reference and procedures for dealing with complaints.

*\* In 2014, DCB became ADRBO's third member bank, although it has never to date had a complaint escalated to an external complaints body. That is why DCB is not included in our complaint statistics and Feedback.*



# WHO WE SERVE

## By Province\*



\*PEI + territories = 0 complaints

## Language of choice

### RBC



ENGLISH

FRENCH

### ID



ENGLISH

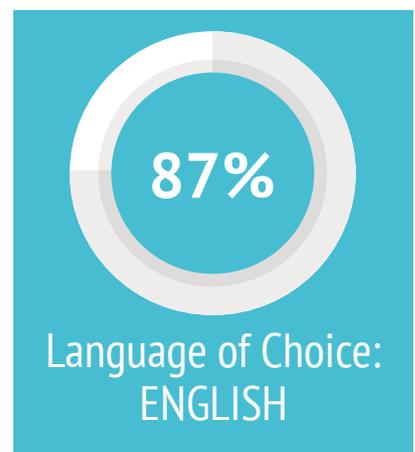
FRENCH

### NBC



ENGLISH

FRENCH



# OUR PROCESS

## Intake

Intake › Initial Review › Investigation › Recommendation

During the intake process, the initial contact person (based out of ADRBO's Toronto office) responds to inquiries and answers questions about the complaint procedure. There is an option for callers of the ADRBO toll-free contact number to select French or English. If the customer has not completed the Bank's internal complaint resolution process, the contact person refers the customer to the Bank so that he or she can complete the process. ADRBO also maintains a website ([www.bankingombuds.ca](http://www.bankingombuds.ca))

with information and documentation in French and English. Once the customer has completed the Bank's internal complaint resolution process (or if 90 days has passed since the complaint was escalated to the second point of escalation within the bank), ADRBO provides a Consent and Confidentiality Agreement, a Complaint Submission Form and a copy of the ADRBO Terms of Reference to the customer.



Visit our website  
[www.bankingombuds.ca](http://www.bankingombuds.ca)

## Initial View

Intake › Initial Review › Investigation › Recommendation

Upon return of the signed Complaint Submission Form, the Confidentiality Agreement and a copy of the decision received from the Bank's Ombudsman or 90-day letter, the complaint is forwarded to the Deputy Ombudsman. The Deputy Ombudsman then assesses the complaint to determine whether it is within the scope of ADRBO's mandate to investigate. The Deputy Ombudsman may seek to promote a resolution of the complaint by agreement between the customer and the Bank. If the Deputy Ombudsman is of

the opinion that the complaint is not within the scope of ADRBO's mandate or that ADRBO is highly unlikely to come to a different conclusion than that of the Bank (and that ADRBO will not therefore conduct an investigation), ADRBO informs the customer of this decision in an initial view letter which is sent to the customer within 30 days from the date that ADRBO receives all the information required in order to make that decision.

All initial view letters are reviewed by the Ombudsman and another senior staffer at ADRBO before the decision becomes final and the letter is sent to the customer and the Bank. If it is determined that the complaint falls within the scope of ADRBO's mandate, the Deputy Ombudsman assigns the file to an ADRBO Investigator.

# Investigations

When a file is referred for an investigation, the Investigator conducts interviews and reviews documents from both the customer and the Bank, in order to determine whether there has been an act or omission by the Bank in the provision of a banking service that has caused the customer loss, damage or harm. The Investigator issues a written report, which includes a recommendation.

The report may recommend that the Bank compensate the customer or take other action, or it may recommend that the Bank does not need to take any further action regarding the complaint. Although ADRBO's recommendations are non-binding, any refusal or failure by the Bank to follow an ADRBO recommendation will be posted on ADRBO's website.

ADRBO encourages accountability and consumer confidence by publicly listing all of its investigators and their credentials. We take very seriously our reputation as an organization with an associated roster of fair, neutral dispute resolution professionals. These professionals include lawyers, retired judges, arbitrators, and mediators who do other work in addition to banking investigations.



## INVESTIGATOR SPOTLIGHT: ELLEN FRY

Ellen Fry is an investigator with ADR Chambers Banking Ombuds Office. She is also a mediator and arbitrator with ADR Chambers and is a former Ombudsman for the National Capital Commission, a former Member of the Ontario Energy Board and a former Member of the Canadian International Trade Tribunal.

Ellen is a highly experienced dispute resolution professional and has made presentations to the private and public sectors on fair process. She brings over 15 years of experience in dispute resolution. She has resolved hundreds of disputes, involving banks and other businesses, federal and municipal government operations, customer service, regulations, procurement, customs and international trade.

Prior to becoming a dispute resolution professional, Ellen was Director of the Legal Departments of Industry Canada and Environment Canada. She has been a member of the Ontario Bar since 1979 and has an LLB from the University of Ottawa and an MBA from Queen's University.

*"When people ask me to explain my role, I like to say that I am not on the side of either party - I am on the side of 'truth and justice'. The most important things are to listen carefully, keep an open mind, and search determinedly for the best information to reconstruct what happened."*

# YEAR IN REVIEW AND CHARTS

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- Outcomes of Final Reports - p.15

2018 AT A GLANCE	2018
<b>Initial callers</b>	<b>1318</b>
<b>Intakes (New Complaints)</b>	<b>288</b>
TD .....	144
RBC .....	123
NBC .....	21
DCB .....	0
<b>Carried Over from Previous Fiscal Years</b>	<b>49</b>
<b>Re-investigated</b>	<b>0</b>
<b>Total Files Closed</b>	<b>284</b>
TD .....	149
RBC .....	119
NBC .....	16
DCB .....	0
<b>Initial View Letter</b>	<b>186</b>
<b>Investigations Completed</b>	<b>94</b>
<b>Settled</b>	<b>4</b>

# Our Practice

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Under our standards, we have a separate category for split recommendations where a consumer raises several issues and we make recommendations in favour of the consumer on some but not all issues raised. We consider such a recommendation as mixed or split and would not include these recommendations in our tabulation of those in favour of the consumer or in favour of the bank.

In instances where the bank's good will offer was reinstated, ADRBO would count that as a finding in favour of the bank. When our recommendations do not add value to a consumer beyond what has already been offered to them by their financial institution, we consider our finding to be in favour of the bank.

If ADRBO were to include split recommendations and re-extensions of good will offers as findings in favour of the consumer, our organization would have a ratio of finding in favour of consumers 24% of the time, and in 38% of our reports for 2018.

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## TOP 10 COMPLAINTS

Out of Mandate

Service & Advice

Fraud

Mortgage

Service Experience

Privacy

Practices/Policies

Misinformed

Promotions

Insurance

# Volume

Overall Volume of Activity	Initial Callers	New Complaints
<b>RBC</b>	503	123
<b>TD</b>	548	144
<b>DCB</b>	1	0
<b>NBC</b>	122	21
<b>Other</b>	144	N/A
<b>Fiscal Year 2018 Total</b>	1318	288
<b>Fiscal Year 2017 Total</b>	1248	275
	<b>+6%</b>	<b>+5%</b>

During fiscal 2018, there were 1318 initial contacts (first-time callers) to ADRBO, a 6% increase from the initial contacts in 2017. Of these, 503 related to RBC, 548 related to TD, 1 related to DCB, and 122 related to NBC. The remainder, 144, were unspecified, or about other banks or institutions and needed to be directed elsewhere.

All initial contacts were assigned a file number in the ADRBO system, even when the caller was referred elsewhere or needed to go back and complete the internal Bank complaint process. ADRBO referred 325 initial contacts who called about RBC matters elsewhere (65% of all RBC callers), in most cases back to RBC, since the caller had not yet exhausted RBC's internal complaint process. ADRBO referred 350 initial contacts who called about TD matters elsewhere (64% of all TD callers), and 83 initial contacts who called about NBC matters elsewhere (68% of all NBC callers), for similar reasons. ADRBO referred 2 initial contacts who called about DCB matters elsewhere (100% of all DCB callers).

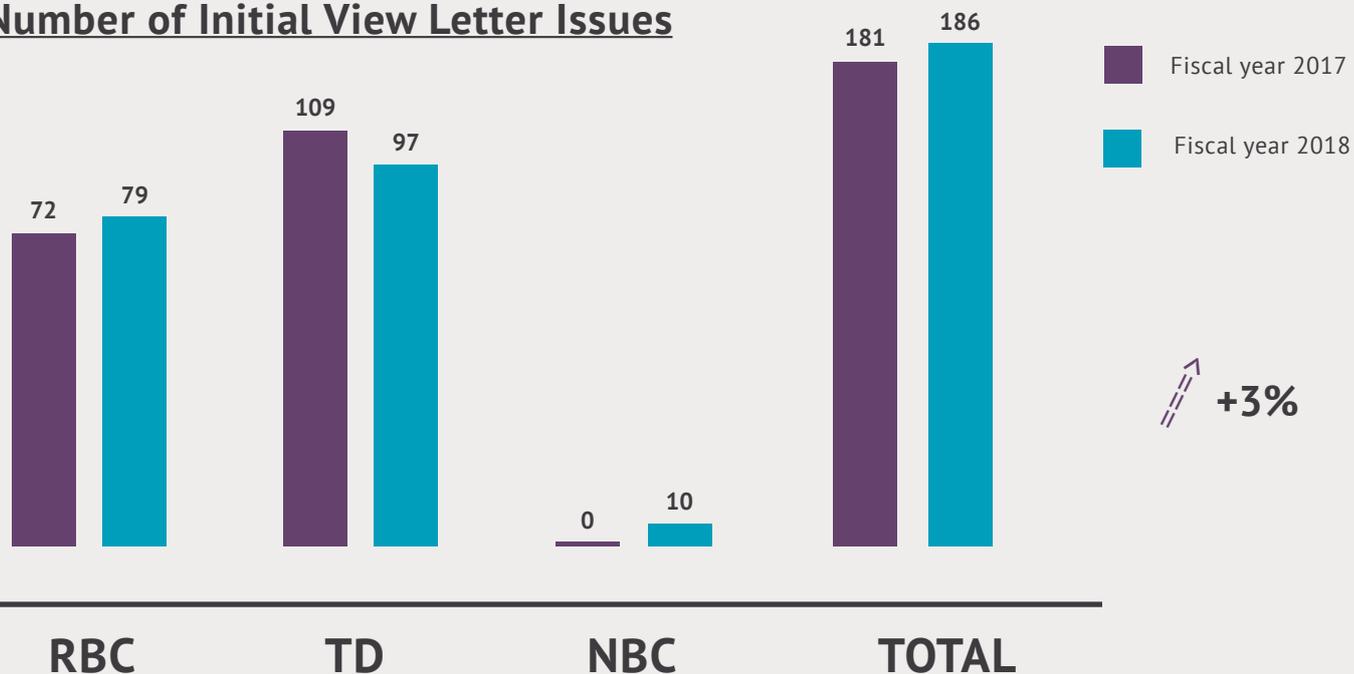
As indicated above, once callers have exhausted the Bank customer care and internal complaint resolution procedures, then ADRBO can begin an intake. Callers who have reached this stage are asked to complete the ADRBO Complaint Submission Form and the Consent and Confidentiality Agreement and to provide ADRBO with the decision they received from the Bank Ombudsman or 90-day letter. Intakes are considered "pending" until these forms and documents are returned, at which point ADRBO opens them as complaint files.

Of the 1318 initial contacts to ADRBO, 326 resulted in pending intakes being initiated, either immediately after a referral step had been completed or after the caller returned to ADRBO later. Of these intakes, 288 were completed and formally opened as ADRBO complaints: 123 complaints about RBC, 144 complaints about TD and 21 complaints about NBC. This is a 5% increase from 2017.

# Initial View Letters

## Initial View Letters Overview – Comparison with 2017

### Number of Initial View Letter Issues



### Time To Close - Initial View Letter ----- Average Time to Close From Date Required Information Received



In fiscal year 2018, ADRBO issued 181 initial view letters and the average time to close was **14 days**, representing the same number of days from the average time to close in fiscal 2017.

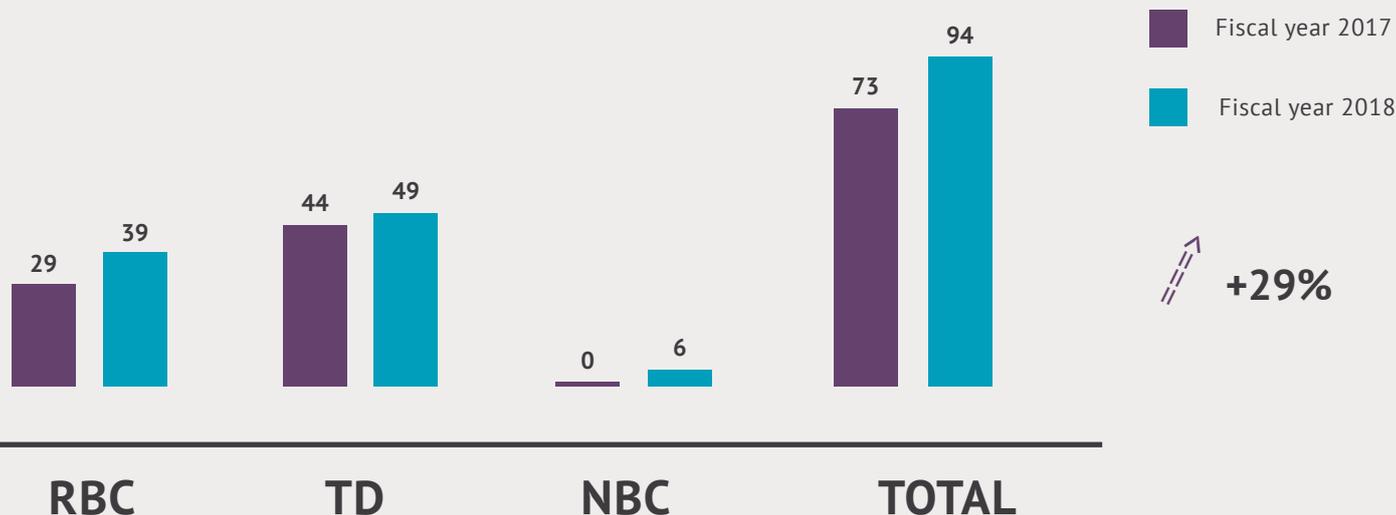


Including files opened in previous fiscal years, a total of 284 files were closed during the period under review. This includes 186 complaints that resulted in the issuance of initial view letters, 4 complaints that were resolved, and 94 complaints that were within our mandate and for which investigations were completed and final reports issued.

# Investigations Completed

## Investigations Overview – Comparison with 2017

### Number of Completed Investigations



### Time to Close – Investigations

---- Average Time to Close From Date Required Information Received



**0%**

Percentage change from 2017 to 2018

In fiscal year 2018, ADRBO issued 94 final reports and the average time to close was **54 days**, representing the same number of days from the average time to close in fiscal 2017.

All of the complaints that were still open from the previous fiscal year closed during fiscal 2018. The complaints from the previous fiscal year that closed during fiscal 2018 are included in the 284 closed files. The complaints from the previous fiscal year included 11 that were found to be outside ADRBO’s mandate and resulted in an initial view letter, as well as 38 that were within ADRBO’s mandate and were therefore investigated, resulting in the issuance of a final report. The categories for the total number of complaints closed in fiscal 2018 are provided in the charts on pages 9 to 19 of this report.

At fiscal year-end 2018, there were 50 open complaints underway with ADRBO that were carried over into fiscal 2019; 35 of these were under investigation and 15 were newly received files under review by the Deputy Ombudsman.

# Resolutions

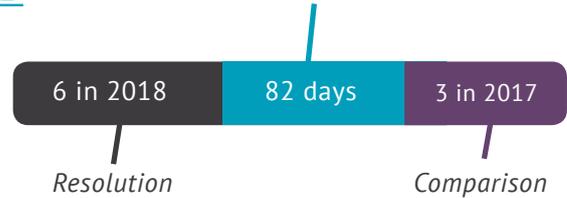


Of the 94 files for which an investigation was completed and a final report was issued in fiscal 2018, 11 final reports contained recommendations that were predominantly in favour of the complainants. 70 files were resolved predominantly in favour of the Banks. There were 13 files for which it cannot be said that the complaint was resolved in favour of either party i.e. the parties' success was split. Our resolutions for 2018 are summarized immediately below.

**RBC** Time to Close from Complaint Submission Date



**TD** Time to Close from Complaint Submission Date



# Outcomes of Final Reports

	Complainant	Bank	Split	Other
<b>RBC</b>	2	33	4	0
<b>TD</b>	8	32	9	0
<b>NBC</b>	1	5	0	0
<b>DBC</b>	0	0	0	0
<b>Fiscal Year 2018</b>	11	70	13	0
<b>Percentage of Total</b>	12%	74%	14%	0%

Please note, that if ADRBO were to include split recommendations and re-extensions of good will offers as findings in favour of the consumer, our organization would have a ratio of finding in favour of consumers 24% of the time, and in 38% of our reports for 2018.

# FREQUENTLY ASKED QUESTIONS

## FAQ



### 1. What is ADRBO?

For more than 20 years, ADR Chambers (ADRC) has provided conflict resolution services across Canada and internationally. ADR Chambers' dispute resolution services include mediation, arbitration, ombuds services (for municipalities and banks), integrity commissioner services, investigation, neutral evaluation, med/arb, fairness monitoring, workplace restoration and private appeals. ADR Chambers' Banking Ombudsman (ADRBO) is a regulated External Complaints Body (ECB) that reviews complaints brought by customers of member banks after the customers have exhausted the banks' internal complaint system and are not satisfied with the outcome. ADRBO provides ECB services to Toronto Dominion Bank, Royal Bank of Canada, DirectCash Bank, National Bank of Canada, the Bank of Nova Scotia and Tangerine Inc.

### 2. What is the structure of ADRBO?

ADRC is an organization that provides dispute resolution services to citizens across Canada and internationally. ADRBO is an External Complaints Body regulated by the FCAC and governed by our Terms of Reference which were developed in collaboration with the FCAC. We review complaints brought by customers of participating banks after the customers have exhausted the banks' internal complaint system and are not satisfied with the outcome.

### 3. Who else do you provide services for?

ADRC is the private sector's largest volume handler of mediation and arbitration in Canada and has been in business for over 20 years.

In addition to providing banking services, ADRC provides Integrity Commissioner services for the City of Markham, City of Waterloo, City of Kitchener, Township of Woolwich, Regional Municipality of Niagara, Town of Niagara-on-the-Lake and Town of North Dumfries conducting investigations into public complaints regarding councillors' alleged breaches of their Code of Conduct.

ADRC also administers other specialized ADR programs for the National Automobile Dealers Arbitration Program (NADAP), the Investment Industry Regulator Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA).

### 4. How does ADRBO protect its independence?

Industry professionals have underscored that the most telling way to test independence is by the seniority and experience of the people doing the investigations and whether these individuals are providing fair and independent decisions.\* ADRC has been in business for over 20 years, having facilitated over 55,000 mediations and arbitrations.

Our strong track record of independence is a big reason for our success over the past two decades. We are trusted to provide Integrity Commissioner and Ombudsman services for many municipalities throughout Ontario.

ADR Chambers provides services to multiple industries and is not dependent upon, tied to, or governed by any of the industry professionals it serves. ADRC receives less than 3.5% of its revenue from Ombudsman services for banking customers (based on an average over the last five years). In no year were the banks (in the aggregate) close to being the largest client of ADRC.

### 5. Who works at ADRBO?

Over the years, we have developed an excellent roster of highly skilled investigators, many of whom are senior lawyers and judges, and all are experienced investigators.

Our investigators are independent contractors who are committed to ADR Chambers mediation and arbitration standards along with their own individual professional code of ethics. We ensure against organizational bias in decision making by maintaining the professional individual independence of our investigators. This independence has been found to be a crucial factor to the fairness and impartiality of the decision maker by industry professionals.\*\*

### 6. How do you protect consumers?

Consumers are protected by ADRC's same commitment to independence and impartiality which currently serves many of Ontario's municipalities through Ombudsman and Integrity Commissioner services.

ADRBO encourages accountability and consumer confidence by publicly listing all of its investigators and their credentials. ADRC has been in business since 1994 and we take very seriously our reputation as an organization with an associated roster of fair, neutral dispute resolution professionals.

\*Portfolio Management Association of Canada "Proposed Amendments on National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Dispute Resolution Service" - Page 14

\*\*Ibid - Page 13

# FREQUENTLY ASKED QUESTIONS

## FAQ

### 7. Why have financial institutions chosen you as their External Complaints Body?

You would have to contact our participating financial institutions for comment. Over the years, financial institutions have told us that they value the level of quality, timeliness and efficiency that we offer consumers. We have been referred to as the gold standard in complaint resolution services in Canada and our professionalism, integrity, objectivity and expertise have been found to be beyond repute.\*\*\*

### 8. Why do you provide for split decisions/facilitated settlements?

As an organization built on ADR principles we value mediation and settlement as a means to preserve the relationship between the parties, maintain a high level of satisfaction for both parties, and allow both parties to maintain control over the outcome.

### 9. What is the difference between ADRBO and OBSI?

There isn't really a difference in principle. We are both regulated by the FCAC and were recognized as an External Complaints Body on the same date, June 6th, 2015. We both serve the public good by providing independent, impartial ombudsman services and ensure the interests of citizens and consumers are protected. We also have similar ratios of recommendations finding in favour of consumers.

\*\*\* Ibid





## ADRBO CONTACT INFORMATION

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Toronto, Ontario M5C 2K4

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Email: [contact@bankingombuds.ca](mailto:contact@bankingombuds.ca)  
Web: [www.bankingombuds.ca](http://www.bankingombuds.ca)