

Ombudsman

Annual Report 2008

Ombudsman's Message

Since November 1995, the Office of the Ombudsman has provided impartial, independent reviews of complaints from retail and small business clients in Canada as part of Scotiabank's established complaint resolution process.

With more than seven million clients in Canada, Scotiabank prides itself on providing excellent customer service. At the same time, given the number and complexity of financial transactions that take place every day, the Bank recognizes that there will inevitably be occasions when mistakes and misunderstandings occur. In these situations, Scotiabank encourages clients to bring their concerns to the attention of the staff where they do business as soon as possible and to pursue those concerns until they receive a satisfactory resolution or reasonable explanation. The dedicated staff in the business and support areas at Scotiabank ensure that the vast majority of complaints are resolved before they reach the Office of the Ombudsman. In the event that a mutually acceptable resolution cannot be found at these earlier stages, our office is committed to providing a fair and impartial review.

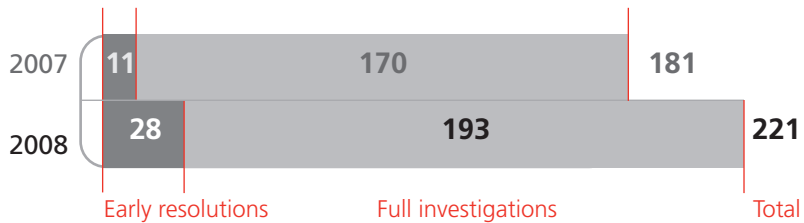
I hope that this report and other information on the website will provide insight into the role my office plays in effective complaint resolution at Scotiabank.

Charles Dougall

Year in review

In fiscal 2008, our office opened 221 investigations (22% more than in 2007). We also referred 397 clients back to the appropriate area of the Scotiabank Group to provide the Bank with an opportunity to resolve the complaint in line with the established complaint resolution process. We determined that 67 of the complaints we received fell outside our mandate (up from 49 in 2007) and 21 clients chose to withdraw their complaint (up from 11 in 2007).

Cases opened



Of the additional 40 cases opened in fiscal 2008, the most noticeable increase came in investment-related complaints, which doubled from 16 to 32.

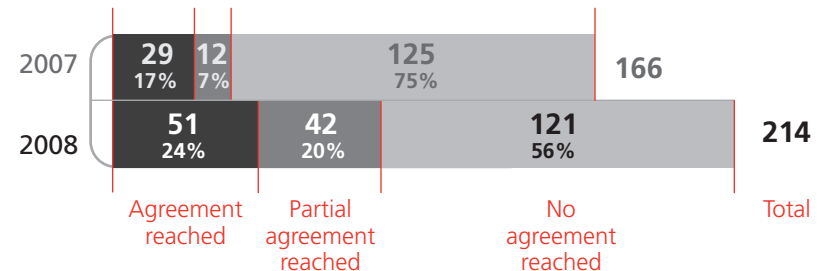
Cases closed



We closed 48 more cases in fiscal 2008, an almost 30% increase year-over-year.

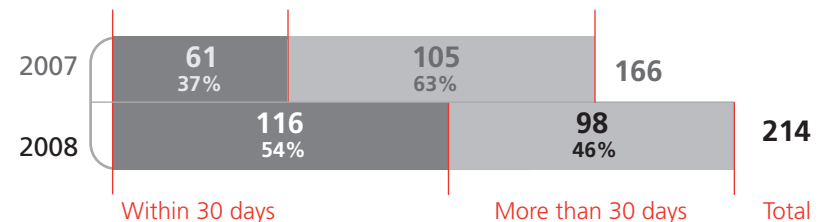
As in previous years, the majority of the complaints we received in fiscal 2008 involved disputed transaction and account activity, alleged debit card fraud and investment advice and suitability. The geographical breakdown of complaints also remained fairly consistent with previous years with 40% coming from the Greater Toronto Area, a further 20% from the rest of Ontario, 25% from the West and a little less than 15% from Quebec and the Maritimes.

Resolutions



Of the 214 cases closed in fiscal 2008, we reached full or partial agreement with our clients in 44% of the cases, a significant increase from the previous year,

Time to conclusion



In fiscal 2008, we almost doubled the number of cases that were closed within 30 days.