

Ombudsman Annual Report



Fiscal 2019

November 1, 2018 – October 31, 2019

The Role of the Scotiabank Ombudsman

The Scotiabank Complaint Resolution Process provides customers with the opportunity to request a review by the Scotiabank Ombudsman after their complaint has been investigated and a final decision has been provided by a Scotiabank representative.

The primary mandate of the Scotiabank Ombudsman is to offer a fair and credible dispute resolution process to investigate unresolved customer concerns. The Ombudsman also looks to identify and make recommendations on how Scotiabank can improve their operations, products, and services to enhance the customer experience.

Investigations are conducted based upon the documentation and other evidence provided by the customer and the Bank, enabling both parties to present their interest in seeking a resolution.

The role of the Ombudsman is to act as an impartial arbiter, not to be an advocate for either party, in seeking a solution. Any recommendations that may be brought forward in an effort to reach a fair and balanced solution are non-binding and parties are free to pursue other remedies if an agreement is not reached. The services of the Scotiabank Ombudsman are free of charge to all Scotiabank customers.

The Scotiabank Ombudsman requires all concerns to be submitted in writing. There are some areas that fall outside the mandate of our office, including investigations about credit decisions, service fees, interest rates, matters in litigation, and other matters of general policy.

For additional information, please refer to our website at scotiabank.com/customer care

When we will investigate

Our office will investigate when we have received a signed Consent Agreement whereby the customer acknowledges understanding the process to be followed and agrees to maintain the confidentiality of the Ombudsman’s files and all correspondence. The complaint must materially relate to Scotiabank operations in Canada. We will investigate concerns relating to either Scotiabank or Scotia Wealth (Investments).

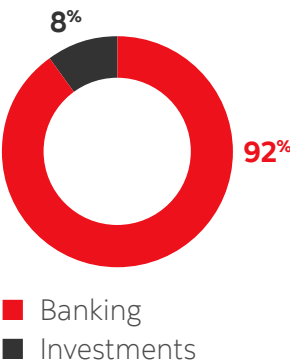
From 2018 to 2019 the number of cases opened increased, however the number of cases closed stayed flat due to more customers withdrawing their complaints or having their complaints resolved directly by the Bank before a final report was issued. The number of individual customer contacts decreased, which we attribute to improved customer understanding of the complaint handling process and how to raise their concerns at the first and second level. This resulted in us triaging fewer customers back to the first two steps of the complaint handling process.

What we will investigate

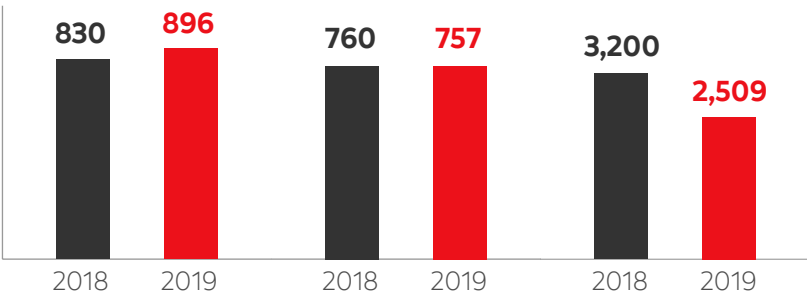
While we investigate the majority of concerns which are escalated to us, the Ombudsman does not:

- review complaints about matters of general policy (such as interest rates, service fees or account closures). The Ombudsman may, however, review issues related to such complaints to determine whether proper procedures were followed;
- reverse or alter credit decisions. The Ombudsman may, however, review such complaints to determine whether proper procedures were followed by the Bank in making credit decisions;
- review matters that are in litigation, are being handled by lawyers on behalf of the Bank or have already been decided by the courts or administrative tribunals;
- review complaints related to transactions for which records no longer exist (typically the Bank does not retain client transaction records for longer than six years).

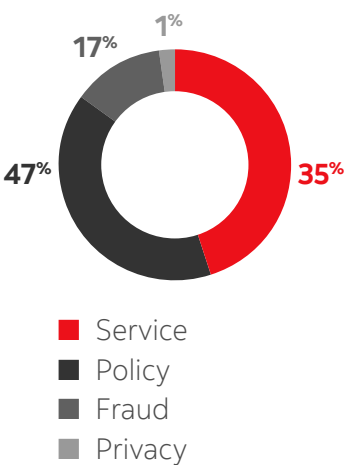
2019 Case Reviews by
Product type



Cases opened Cases closed Customer contacts



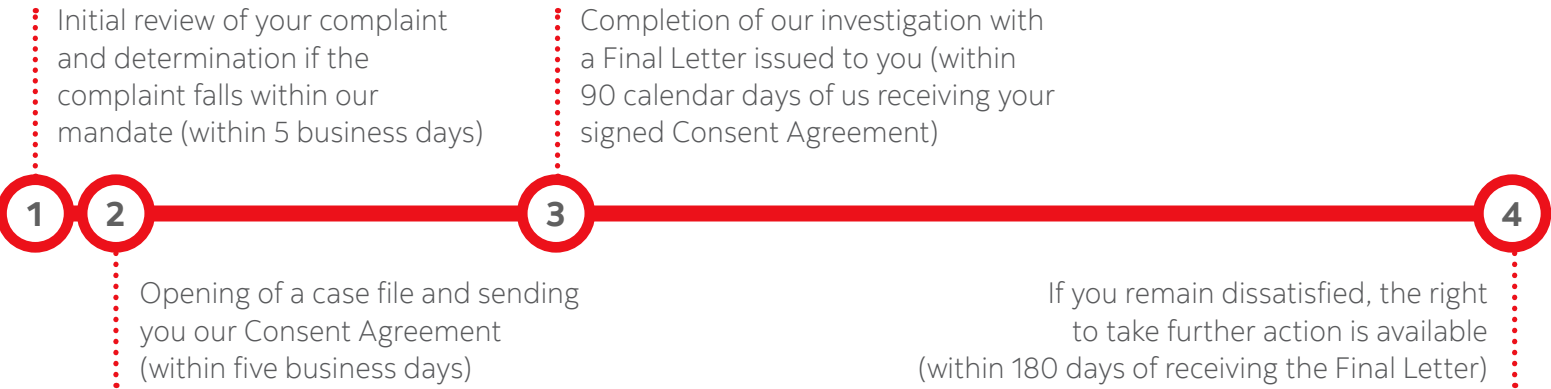
2019 Case Reviews by
Issue



How we will investigate

- We will ask you for any information that you have that you think will help us investigate the complaint.
- We will also ask Scotiabank employees for any relevant information.
- We may discuss this matter with you and with employees of Scotiabank or its affiliates who are involved in this matter or who can assist in the investigation.
- We may need to share any information you provide to us (including personal information) with employees of Scotiabank or its affiliates for the purpose of investigating your complaint.

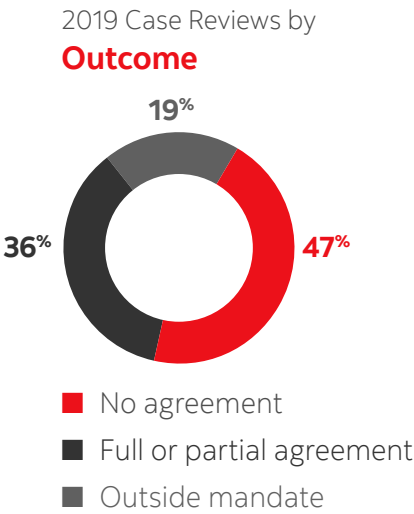
How long the process will take



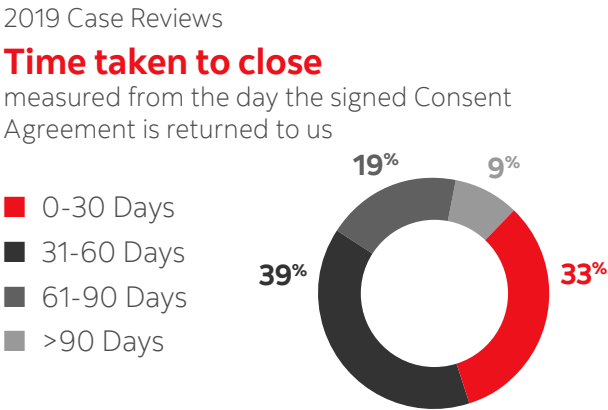
What you can expect with our Final Letter

At the end of our investigation, we will provide you with the Ombudsman’s findings, which will either support the actions taken by Scotiabank or outline our recommended resolution in the hope of resolving your complaint in a fair and efficient manner.

In 2019, agreement or partial agreement was achieved in 36% of received cases, meaning our office accepted the resolution requested by the customer, or a mutually agreeable compromise was reached. If we recommend compensation, a signed Release will be required before we instruct the Bank to complete a payment.



Average time taken to close Case Reviews in 2019 was **47 days**



If you remain dissatisfied

The right to take further action is available.

You may refer your complaint to an External Complaints Body (ECB) for review.

- For Banking complaints the Bank’s ECB is ADR Chambers Banking Ombuds Office (ADRBO)
- For Investment complaints the Bank’s ECB is the Ombudsman for Banking Services and Investments (OBSI)

For further information, please refer to Step 4 of the [Complaint Resolution Process](#).

Tips to help you avoid common concerns

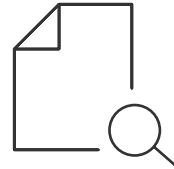


Protect your card and PIN

For any number of reasons, your debit or credit card may fall into the hands of someone else but, without your PIN, your card is almost useless to them.

Your PIN is an electronic signature that you select and is the key to your accounts. Therefore, it is essential that you select a PIN that is not an easily recognizable numerical sequence (such as 1234) or an identifiable number based on your personal information (such as your birth date, address or telephone number).

Further, do not write your PIN on a piece of paper that you keep with your card and never divulge your PIN to anyone. Protecting your PIN is one of the key ways to avoid the fraudulent use of your Scotiabank debit or credit card.



Immediately review your statements carefully

Your agreements for your Scotiabank debit or credit card accounts require you to review your account balance to verify all transactions have been properly recorded (for a debit card) or to review your statements each month (for your credit card) to ensure there are no unauthorized transactions on your accounts.

If you do not notify the Bank promptly of any problems, such as a transaction that you do not recognize or may suspect as fraudulent, that indicates to the Bank that you agree with the contents of the statement. Further, this indicates that all transactions on your account or a statement have been authorized by you or any other account holders/cardholders.

This is true even in the case of Scotiabank credit cards that are protected by the zero liability policy (additional information on the zero liability policy is available on [scotiabank.com](https://www.scotiabank.com)). Under the zero liability policy, you will not be responsible for unauthorized transactions on your card, but you must report those unauthorized transactions immediately to the Bank otherwise, as indicated above, all transactions on your statement will be considered authorized.

It is, therefore, important that you review your statements carefully when you receive them and notify the Bank immediately if you find a problem.



Review your mortgage account agreements

Have you read your Mortgage agreements? Be sure to review your Mortgage Renewal Agreement (MRA) to understand your obligations and options to manage your mortgage. The MRA highlights renewal options and other terms and conditions.

If you want details on Mortgage Prepayment options, information about how the Bank calculates prepayment charges can be found on [scotiabank.com](https://www.scotiabank.com) within the Mortgage Center under the heading 'Understanding Mortgage Prepayments and Charges'. In the event you renewed your Mortgage, the Mortgage Renewal Confirmation you will receive will outline your prepayment options and prepayment charges.

If you do not want your Mortgage renewed at maturity, you must let the Bank know in writing, prior to the maturity date, and make arrangements to have the Mortgage paid out on time.

Tips to help you avoid common concerns continued



Prevent fraud

Remember the old adage: “If it seems too good to be true, it probably is.”

Criminals are getting increasingly sophisticated and the internet has become one of their favourite instruments these days.

Be cautious when buying or selling merchandise on the internet. Be especially cautious if someone offers you a job as their agent through the internet or if a foreign student tries to rent a room from you through the internet.

A criminal will usually send a cheque or wire transfer to you for more than the agreed upon amount and ask you to wire back a portion of those funds to them. Alarm bells should sound if anyone sends you a cheque for more than agreed upon amount and asks you to return a portion of the funds to them.

If you have any doubts, discuss the situation with your banker.



Investment responsibilities

The value of your investments can fluctuate based on a number of factors such as market and economic

conditions or interest rates. For this reason, it is essential that you and your advisor work together to ensure that the investments you choose are suitable for you.

Your investment advisor is responsible for acting ethically and professionally in their dealings with you. They must also make certain that the advice they provide fits your financial situation, and your investment goals. To do so, they apply the Know Your Client (KYC) rule and obtain information from you about your financial situation, investment objectives, level of investment knowledge and tolerance for risk.

You are responsible for understanding the products and services you buy. Carefully read all correspondence you receive from your securities firm, including your account statements. You also need to ensure that your advisor is informed about your current financial situation and should be told about significant changes concerning your health, work or family.

About the Scotiabank Ombudsman

Scotiabank’s Ombudsman is **Robert Fraser**.

He has worked in increasingly senior roles across a wide variety of areas, including customer concerns resolution, retail banking, advice solutions, and compliance.



Contact

Email	Ombudsman@scotiabank.com
Telephone	1-800-785-8772 or 416-933-3299
Facsimile	1-866-878-7061
Mail	Scotiabank Ombudsman 44 King Street West Toronto, ON M5H 1H1