



RBC Office of the Ombudsman Formal Dispute Resolution Process

Schedule 1 - Client Ombudsman Terms of Reference

Purpose:

These Terms of Reference describe the scope of the mandate of the RBC Ombudsman, its process for receiving and investigating disputes and its authority and responsibilities.

RBC Ombudsman and the parties to the dispute agree to be bound by the Terms of Reference when participating in the RBC Ombudsman voluntary formal dispute resolution process.

Structure:

RBC Ombudsman offers a voluntary formal dispute resolution process for disputes raised against RBC. RBC Ombudsman has no management decision-making power. RBC Ombudsman relies on ethics and moral suasion in providing recommendations for resolution and addressing systemic gaps to reduce irritants or areas of confusion. RBC Ombudsman is an independent body and is impartial between the parties to the dispute.

RBC Ombudsman is staffed with qualified dispute resolution specialists, who are employees of RBC but operate outside RBC's normal staffing structure. RBC Ombudsman staff do not hold business or functional unit management responsibility or membership on committees or team associations whose purpose impacts the strategic direction of RBC policy formulation, RBC products or services, or human resource matters.

Standards of Practice:

RBC Ombudsman adheres to the spirit of the Statement of Ethical Principles of the Forum of Canadian Ombudsman.

Authority:

RBC Ombudsman has full access to senior management levels of RBC, as well as to the RBC Board of Directors. RBC grants RBC Ombudsman the ability and discretionary power to investigate whatever issue it deems appropriate. RBC Ombudsman has full access to records maintained by RBC, and may interview RBC employees as determined by RBC Ombudsman.

RBC Ombudsman has the authority to inquire about the fairness, reasonableness, accuracy and transparency of dealings between clients of RBC and its employees. RBC Ombudsman has the authority to make whatever recommendations she or he deems appropriate. Staffing, administrative and investigative procedures are completed at the discretion of RBC Ombudsman.

Mandate:

RBC Ombudsman is not an advocate for any party to the dispute. RBC Ombudsman ensures that the parties have an opportunity to present their respective positions in an open, unbiased forum. RBC Ombudsman reviews focus on the factual circumstances of disputes and establishing fairness in all the circumstances.

RBC Ombudsman dispute resolution specialists investigate the perspectives of the parties in an effort to assist the parties in reaching a fair and reasonable resolution. Recommendations are non-binding and parties are free to pursue other dispute resolution avenues if agreement is not reached.

RBC Ombudsman formal dispute resolution process:

- is voluntary, confidential and provided without charge;
- is an effective alternative to the court system;
- provides within RBC an independent and final review of unresolved issues and customer concerns about the fitness of RBC service, products and administration;
- is an opportunity for frank and open communication; and
- when appropriate, may make recommendations to resolve issues where investigation finds actions or inactions by RBC contribute directly to costs or losses.

RBC Ombudsman formal dispute resolution process **does not**:

- investigate complaints about the charging of service fees or interest rates, other matters of general policy, issues that are and/or have been in litigation, or transactions for which RBC records no longer exist;
- reverse or remake credit or underwriting decisions such as lending and insurance claim decisions, although RBC Ombudsman may review the process by which such decisions were rendered;
- offer legal or regulatory opinions or findings; nor
- provide a stay, extension or waiver of any formal proceedings or limitation periods applicable to any dispute with RBC outside the RBC Ombudsman process, unless agreed in writing.

Rules:

Role of RBC Ombudsman

RBC Ombudsman formal dispute resolution process:

- operates under the principles of ethics, independence and fairness;
- is objective and impartial and does not serve as an advocate for any person or entity;
- champions accurate and fair processes, practices, and fair administration of dispute resolution;
- considers the concerns of the parties known to be involved in a dispute and maintains a standard of efficiency and regular contact with the parties;
- provides the parties involved in a dispute with the opportunity to respond to the claims and concerns of each other;
- issues a formal report to the parties to a dispute independent conclusions based on the platform of impartiality and without influence by any party; and
- respects that only the parties to a dispute will determine the fate of their relationship together.

RBC Ombudsman will:

- adhere to these Terms of Reference;
- receive disputes for investigation and assess incoming disputes to determine if the dispute falls within its mandate;
- investigate complaints with a view to resolution by agreement or by issuance of a formal report;
- make recommendations to the parties to resolve disputes where appropriate;
- not provide any professional advice in the form of legal or financial advice or representation; and
- act at all times in an independent and impartial manner and not advocate on behalf of any party to the dispute.

Disputes are generally handled first within the appropriate RBC business unit prior to a review by RBC Ombudsman. If a final response has not been issued, RBC Ombudsman will refer complaints back to respective RBC business unit prior to undertaking a review (in all but an exceptional circumstance).

Concerns reviewed by RBC Ombudsman may include interviews, review of documentation provided by a party to the dispute and other means deemed appropriate by RBC Ombudsman. Internal or external resources may be used to facilitate resolution. RBC Ombudsman will involve the appropriate RBC business unit in the process as it will be within the business unit's authority to act on the results. A follow-up session may be performed to review effective implementation and customer satisfaction.

RBC Ombudsman may choose not to consider a case due to circumstances such as past, existing or pending litigation; however, in such cases, any dispute resolution services provided by RBC Ombudsman will be on a “without prejudice” basis.

RBC Ombudsman may choose not to consider a dispute in the event of harassment, rude or overly aggressive behaviour, including threats, abusive language, or excessive communication to RBC Ombudsman, RBC or its employees.

RBC Ombudsman has no resources from which to award damages, but may recommend the reimbursement of financial losses or costs.

Regular reports on activities, volumes and recommendations will be made to senior RBC executives and the RBC Board of Directors.

RBC Ombudsman may make recommendations for service or product improvements and for policy changes to RBC where appropriate. RBC Ombudsman may choose certain areas based on frequency of disputes to undertake internal investigations and consequentially make recommendations for improving service/product quality. RBC internal resources may assist in this process.

Personal Information

RBC Ombudsman may share personal, financial and confidential information with the parties to the dispute. RBC Ombudsman will convene, consider and discuss the dispute with RBC, and with any other individuals or companies involved in or affected by the dispute. RBC Ombudsman may request information from and share information with the parties. The information will be used by RBC Ombudsman only for the purpose of reviewing the dispute and proposing a reasonable solution to the dispute.

Confidentiality and Non-Disclosure

RBC Ombudsman process is an entirely without prejudice, confidential and privileged voluntary formal dispute resolution and settlement facilitation process. Participating parties agree that all statements made by any person, and all correspondence, notes, or other documents created by a party or RBC Ombudsman in the course of the RBC Ombudsman review (“Records”) are without prejudice, confidential and privileged. Neither party will attempt to compel production of, seek access to, rely on, or introduce into evidence in any proceeding, the Records. Neither party will attempt to compel the appearance or involvement of any RBC Ombudsman representative in any legal or other proceeding. The parties to the dispute are entitled to rely upon and enforce these provisions regarding confidentiality.

Legal Proceedings

RBC clients explicitly agree that they will not commence a legal proceeding of any kind against RBC Ombudsman or its representatives for anything they do, report, or say in the course of the exercise of their functions on behalf of RBC Ombudsman as part of RBC Ombudsman service, and RBC clients agree that these Terms of Reference may be raised by RBC Ombudsman or its representatives as a complete bar and defence to any such proceedings.