

**From:** Stan Gourley <sjgourley@rogers.com>

**Sent:** July 29, 2025 8:01 AM

**To:** comments <comments@osc.gov.on.ca>

**Subject:** Comments on chargebacks

Via email

The Secretary,  
Ontario Securities Commission  
20 Queen Street West, 22nd Floor  
Toronto, Ontario M5H 3S8  
Email: [comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca) cc CSA

**CSA Notice and Request for Prohibition on the Use of Chargebacks in the Distribution of Investment Fund Securities** <https://www.securities-administrators.ca/news/canadian-securities-regulators-propose-prohibiting-the-use-of-chargebacks-in-the-distribution-of-investment-funds/> June 26, 2025

Chargebacks are worse than the toxic DSC in influencing bad salesperson behaviour. The effect of chargeback is that once sold to an investor, it is highly unlikely that the salesperson will recommend redemption, no matter how poor the performance of the fund (or the availability for purchase of far superior competitor Funds on the market). This is so outrageous a compensation method, it does not deserve much comment time. Ban chargebacks in banking, insurance and in investing!

Chargebacks unfairly place accountability squarely on the salespersons shoulders just as DSC caused harm to investors. There are numerous reasons funds are redeemed and many are related to fund management. Dealers should be held accountable.

In my opinion, top regulatory priorities should be to improve fine collection, raise enforcement intensity, update antiquated CSA complaint resolution standards and ensure OBSI is equipped to fulfill its mandate as a financial ombudsman.

Thank you for the opportunity to provide feedback on the consultation on chargebacks.

I hope this feedback will be considered by decision makers.

Respectfully,  
Stan Gourley