

We need to ensure that we continue to enjoy a Functional Democracy and that The Rule of Law is available to all.

Better disclosure is great. Enhanced financial literacy is a laudable goal. The introduction of a Bank Ombudsman, and a well subscribed to, well thought out Code of Conduct are all steps in the right direction. The problem is that the vast majority of these efforts are voluntary only and lack any real muscle to enforce compliance.

None of these offer a substantive deterrent to the abuses currently on offer by the big 6.

It would seem to me that it would be a whole lot easier to regulate this wild west behavior than to continue to try to legitimize it.

Our Banks are showing their true colours with their sneaky dishonest behaviors. It results in an enlarged interest rate in contravention of the Interest Rate Act or at the very least the intent of the Act.

In my opinion any inclusions of the original discount % in the IRD calculation totally invalidates it as a valid IRD formula. It is simply a punitive penalty applied willy-nilly to their complacent, ill informed customer.

I have recently had a very bad experience doing business under this umbrella of protection.

I support the reduction of abusive mortgage penalties in Canada. The Interest Rate Act should have stopped this practice, but didn't...Why not?

Calculating the Interest Differential using the original posted interest rate and incorporating a discount in the calculation is in my mind a dishonorable if not dishonest practice and is an obvious cash grab by some banks. To my knowledge most if not all of Canada's largest banks enjoy these windfall profits.

The Minister of Finance should have stopped this practice, but did not.....Why not?

CMHC should simply not do business with those lenders that employ this sneaky practice.

If our government is going to recognize our banks as being "systemic" to the health of our economy they have a responsibility to introduce legislation to ensure that they behave themselves.

The current penalty is not at all reflective of a replacement for lost revenue by the bank, but is simply a sneaky way to obtain a larger interest rate.

This practice involves each bank attempting to capture a customer..... thus preventing fair competition.

For competition among banks to work the consumer must be able to move freely among them or to move to alternative lenders.

This should not be a race by the banks to sign up as many customers as possible in order to enslave them for life.

If I was a non-bank supplier of mortgage funds ie. a Credit Union or Insurance Company I would be screaming blue murder. If the banks lock people up for life....How are they going to be able to continue operating a viable mortgage department?

The very group that earns a high discount and as well cautiously takes a five year mortgage to ensure their ability to meet their obligations are the ones targeted to pay the highest penalty's ie. Seniors.

Seniors moving into retirement or nursing homes. Seniors moving into an apartment. Seniors moving into manufactured home retirement communities. Seniors moving into more affordable housing. Seniors moving into in-law suites. Seniors relocating to less expensive accommodation of any sortfor any reason.

Can you imagine the nerve of these banks to target the very group of customers that have through their lives provided the banks with their business profits and a Legislative environment that virtually ensures their profitability.

It is my opinion that our Canadian banks are getting far too big for their britches and need to be taught a stern lesson through the introduction of substantial changes to existing Legislation

To suggest for one minute that the banks are going to behave themselves just because they now have a well written voluntary "Code of Conduct" is ludicrous.

Some Bankers would have you believe that they are addressing this problem by improving their disclosure, educating the consumer, the recent introduction of the Bank Ombudsman and the creation of the gloriously omnipotent complaints department.

You have got to be kidding!

Where are our Politicians?

I have got a far more efficient idea....do away with this deceitful IRD calculation practice.

Saves a lot of time and energy....doesn't it!

It would seem to me that there is a lot of activity towards the legitimization of this dishonest practice and the illusion of propriety.... when it would be, once again, far more reasonable just to put an end to it.

We are giving the Fox far too much say as to what goes on in the chicken coop.

After all they cannot be blamed for behaving like Foxes. We all know that a Fox will kill chickens with every opportunity.

It is our job to lock them out of the chicken coop Period!

Please help me if you can.....It would be gratefully appreciated.

Please ensure that Banks are accurately representing their complaint count and the full nature of these complaints correctly. If my send backfrom the Bank Ombudsman's Office to the Complaint Resolution Department, is any example, you can expect a little skulduggery.

Please ensure that the appropriate politicians are aware of these deceitful practices as I have described.

Yours Truly,

Terry Saxby