

BORSELLINO
CONSULTING INC
LICENSED INSOLVENCY TRUSTEE

November 24, 2017

Office of the Superintendent of Bankruptcy
235 Queen Street
Ottawa, ON
K1A 0H5

Dear Mr. James and staff

Re: Submission on the Draft Directive No 1R4, Counselling in Insolvency Matters

Thank you for the opportunity to comment on the proposed changes to the Counselling Directive.

There are many valid concerns with this comprehensive overhaul of the existing Counselling Directive but, since numerous stakeholders are submitting comments, I will limit my own to one particular aspect which impacts me and the other remaining sole practitioners in the country. I have an issue with the proposed directive's imbedded bias in favour of larger LIT firms. The proposed changes significantly increase the existing advantage held in the marketplace by practices with multiple trustees and large staff.

The draft directive allows trustees at larger LIT offices to train a group of shared in-house Registered Counsellors. LIT's at these firms will be able to access several Registered Counsellors. This group of Registered Counsellors can provide some flexibility in scheduling counselling sessions and provide options to fill in for counsellors who are sick or have quit. The Directive also allows trustees at these larger offices to offload almost all training duties to non-LIT Registered Counsellors, (presumably employees with a much lower chargeable rate than the LIT).

In contrast, if a sole practitioner spends the time to train one staff member to perform counselling, then the LIT will be at risk of significant disruption if the practice's sole Registered Counsellor becomes sick or quits. In this event the sole practitioner will be required to immediately change his/her personal schedule to accommodate upcoming counselling sessions. If the LIT cannot afford the time to permanently do the counselling personally, then the LIT will need to start investing a significant amount of his/her own time and resources into training a new hire. There may be the option to hire from a reasonable pool of

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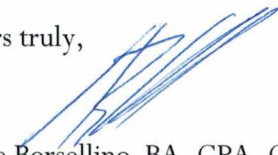
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previously Qualified or Registered Counsellors during the first 24 months following adoption of the Directive, but after the first 2 years, the sole practitioner will be in a difficult position without the option of accessing 3rd party counselling agencies. (If this Directive is adopted, I do not believe there will be a viable model for any 3rd party Registered Counsellors).

This proposed change by the OSB will further impede the competitiveness of small LIT practices. If the OSB is concerned with attracting quality candidates to obtain their trustee's license, then the OSB should take care that potential candidates can aspire to one day owning a viable LIT practice of their own.

I believe that local LIT practices provide a significantly better service for debtors and all stakeholders. The OSB should take care not to undermine their viability.

Yours truly,



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