

Office of the Superintendent of Bankruptcy Canada
Innovation, Science and Economic Development Canada
151 Yonge Street, 4th floor
Toronto ON M5C 2W7

November 6, 2017

Dear Sirs:

Re: Public Consultations - Proposed changes to Directive No. 1R3, *Counselling in Insolvency Matters*

My name is Sushil (Steve) Talwar, and I am a BIA Insolvency Counsellor since July 5, 2007. I became a resident of Canada in 1996 and I speak English, Hindi, Punjabi and Urdu. I am also a Real Estate Agent and Certified Mortgage Agent. With over 10 years of experience, I have helped more than 2000 people in financial problems, and I received many positive feedbacks from my clients about my services. I have an independent office located in central Mississauga which is very convenient. My phone is always on 24/7, so I can help people who would like to talk about their financial stress in evening hours or during weekend. I am here for anyone looking for help.

As a BIA Insolvency Counsellor who is practising independently, I would like to submit my comments on the proposed changes to the counselling directive.

After thorough reading of the proposed changes, I believe the proposed directive does bring some good points for purpose of regulating and monitoring behavior and conduct of some people including trustees and independent insolvency counsellors. However, as an honest and professional BIA Insolvency Counsellor, I think the proposed changes are more detrimental than beneficial generally. It is not practical and not fair to debtors, trustees, and many BIA Insolvency Counsellors.

First, the proposed directive silently revokes many OSB certified BIA Insolvency Counsellors by unreasonable roadblocks, who are actively practising on the market and making contributions to the society by providing proper advice and services to people who are facing financial difficulties. This group of counsellors are needed in a free and competitive the society:

- As a group, each of us have required academic background by passing the counsellor's exam and completed the required 200 counselling sessions before we are registered by the OSB as a BIA Insolvency Counsellor.
- As a group, each of us tries to provide one-stop service centre to public who need advice and help. Not all of the people who came to see us require formal insolvency filing.

Some among us are also qualified mortgage agent, real estate agent, insurance broker, financial advisor and adept in many other professions. We started these type of career as we would like to be independent practitioners instead of being on payroll of a company. We provide services with our extensive knowledge, experience and professional due care. We belong to the group that is known as small businessmen. The Government of Canada calls small businesses as the backbone of the nation. This directive appears to want to smash the backbone. Why? Why? Why?

- We are in the multicultural environment and we serve our local community conveniently by speaking different languages, understanding diverse culture and religion, helping new Canadians understand and adapt to the new social system of the new country, as many of us have gone through the same path but with a lot more roadblocks and detours.

Secondly, in our opinion the proposed directive's concern on referral arrangement, does not appear to be a real conflict. From the required content of the two counselling sessions, the debtors will learn consumer and credit education in the first session, and identification of roadblocks to solvency and rehabilitation in the second session.

- The content of these two counselling sessions are very broad and general. The debtor who is in financial struggle may not precisely realize or connect the educational material and information to his/her own situations.
- We, as the person of initial contact of the debtors, hear their stories first and hold their hands through the whole insolvency filing until they successfully complete their proposal or bankruptcy. With knowledge of insolvency counselling, we may be providing services and advice far more than a trustee may do during the administration of the proposal or bankruptcy. What we can do, many times, is like a lifelong coaching to assist these people to obtain relief and avoid future financial problems. We really don't see what conflict will prevent us from providing the insolvency counselling to the debtors, who are indeed our clients.
- If the arrangement that we provide counselling sessions to the same client that we send to a trustee and receive counselling fees under BIA, is treated as an unethical or a conflict, there is no business or professionals which are not dealing in the same way. We do feel that providing BIA required insolvency counselling sessions by us is the same type of arrangement as a lawyer who refers clients to trustee and continues help the same client on other matters, or an accountant who refers clients to trustee and continues providing accounting services to the same client; in some case, the service may be related to their insolvency filings.

Thirdly, the proposed directive will cause reduction of income of independent BIA Insolvency counsellors by preventing them to make it up through other complementary services. This Directive does not provide the possibility of increasing the overall consultation or service fees charged from clients who are potential BIA insolvency filing debtors. It also discourages us from

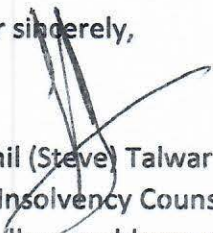
actively servicing the community where we bring huge positive influences. It is quite common that a person in financial stress will open up in front of a consultant or insolvency counsellor rather than a licensed trustee because the trustee is an officer of the court which makes the debtor feel nervous who then might unintentionally avoid or forget some fact or truth which would have been disclosed to a third party like an insolvency counsellor.

By providing the above comments, we hope OSB will re-consider the proposed changes and its perceived impact on the whole insolvency industry, and public. At the same time, there are a few suggestions:

- Location of providing the counselling sessions. It does not appear in the BIA that the location of assessment by the trustee is restricted, so why counselling sessions have to be provided in trustee's office? The debtors mostly need to take time off from work to meet the trustee for the assessment and signing prescribed forms. Forcing debtors to take more time off from work for half-hour counselling sessions in trustee's office, does not sound reasonable for a person already struggling for low income. Considering travel time, debtors will lose at least half day of wages for each counselling session and incur travel expense such as bus fare, parking etc. We would recommend that all counselling sessions can be done through video or telephone conference so long as it is in a quiet environment for dialogue.
- Person delivers the counselling session. We recommend allowing the debtor to choose the counsellor who will provide the counselling session and eliminate the proposed registration under trustee's licence. Instead, OSB should review and re-certify all BIA insolvency counsellors and publish the list of registered insolvency counsellors on the OSB website. This will protect the public from being misguided by unprofessional insolvency counsellors and it will help OSB to watch any unacceptable behavior by counsellors and trustees. We believe all independent BIA Insolvency Counsellors are proud of being the OSB registered counsellors and having a healthy and fair business relationship with licensed insolvency trustees. Under the supervision of OSB, the BIA Insolvency Counsellor should be able to work independently from trustees, and assist debtor to overcome the difficult financial times.

I look forward to the revised Directive with fair and reasonable treatment to all BIA Insolvency Counsellors who are acting ethically. Your time and consideration would be greatly appreciated.

Your sincerely,


Sushil (Steve) Talwar
BIA Insolvency Counsellor
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