



Office of the Ombudsman

2019 Annual Report

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A Message from the Ombudsman's Office

The Ombudsman's Office is pleased to present the 2019 Annual Ombudsman Report for 407 ETR. We remain committed to providing an objective, professional, transparent and consistent experience to 407 ETR customers who appeal to our Office. It's through these customer engagements that we're able to ensure equal and fair application of 407 ETR policies and make recommendations to affect positive change within the organization.

2019 was certainly a busy year – we saw a small rise in our number of customer interactions as compared to 2018. This can be attributed to a higher number of people seeking Advice referrals. More details about this can be found on page 8 of the report.

In addition to serving as an objective third-party to facilitate the resolution of customer disputes, from time to time, we also make proactive recommendations to the Company and identify issues that must be handled with care. We were proud to do so for the families of customers who were victims of the Ethiopian Airlines crash in March 2019. We approached the Company to review any outstanding accounts and to carry out the work necessary to close them with compassion and sensitivity.

The implementation of these and other recommendations would not be possible if not for customers bringing their concerns forward and 407 ETR stakeholders being open and collaborative to make changes within the organization. The Office would like to extend its gratitude to all involved for the diligent work and effort contributed over the past year.

Sincerely

Brian Fernandes

February, 2020

Throughout this document, "the Office" refers to the Ombudsman's Office. "407 ETR" and "the Company" refers to 407 ETR Concession Company Limited.

Ombudsman Mandate




The Office exists to objectively listen to customer issues as they relate to Highway 407 ETR and the Province of Ontario's Highway 407, Highway 412 and Highway 418. The Office gathers the facts regarding a customer's complaint and conducts an investigation if it falls within the mandate of the Office. To be clear, the Ombudsman is not an advocate for the Company, the Province, or the customer. In the event that an issue is based on verbal accounts that are not easily verifiable, the Office limits the investigation to the confirmable facts.

As a corporate Office, we have no legislative power and therefore cannot make recommendations to change, amend or influence laws or regulations, or otherwise impact customer pricing or fees. It's beyond the mandate of the Office to review matters:

- Before the courts or have a legal ruling
- Related to damage claims
- Highway infrastructure and design, or
- Policing and enforcement

In addition, the Office does not engage in financial settlements on customer accounts or award punitive damages.

For a fair and reasonable resolution, the Office collaborates with other stakeholders, including the Ontario Ministry of Transportation, where appropriate, and based on the nature of the issue focuses on providing a timely resolution.

	Listen In order to understand the issue, we listen to both sides of the dispute.
	Gather We review all cases that are received by the Office. We will request from the customer and the company all pertinent information before considering a final resolution.
	Recommend We will provide a resolution/recommendation that ensures the procedure is fair and reasonable to both parties.

407 ETR's 3-Step Dispute Resolution Process

What We Do

Step 1

Contact Customer Service

407 ETR's Customer Service Department is the first point of contact when addressing a service matter. Customer Service Representatives are well equipped with the tools, support and training to resolve most complaints and issues. Customer Service Representatives are available Monday to Friday between 8:30 a.m. to 4:30 p.m., and may be reached by:



1-888-407-0407



www.407etr.com



6300 Steeles Avenue W
Woodbridge, ON L4H 1J1

Step 2

Escalate to the Office of the President

If a customer is not satisfied with the outcome or resolution provided by the Customer Service Representative, the call may be escalated to the Office of the President. The Office of the President has a well-defined dispute handling process and will review the complaint and the resolution provided by the Customer Service Representative. In order for the Advocate to review a complaint, we recommend that the customer state why they are not satisfied with the resolution provided by the Customer Service Representative.

Step 3

Contact the Office of the Ombudsman

After a complaint is reviewed by the Office of the President, and a complaint remains unresolved, a customer may contact the Office for an impartial review of a case.

In order to ensure a fair and reasonable recommendation, all documentation must be forwarded with the complaint, in writing.

Once the Office has received a complaint, an Ombudsman Advisor will conduct an assessment to ensure that the issue(s) falls within the mandate of the Office.

In the event that the issue is not within the mandate, the matter will be referred to the appropriate department. If the issue falls within the mandate it will be reviewed by an Ombudsman Advisor and we endeavour to provide a resolution or recommendation within 10 business days after the initial review.

In efforts to assist customers, an Ombudsman's Contact Form was designed to assist in outlining dispute.



Contact the Office directly for general information by calling 905-264-4485 or toll-free at 1-866-675-4457.

The Ombudsman in Action

4 Types of Contact

The Office of the Ombudsman classifies customer interactions in the following four categories:

Informational

Requests for general information or inquiries that do not involve complaints or concerns.

Advice Referrals

Complaints or concerns that have not been through Step 1 or Step 2 of the Dispute Resolution Process. In most cases, the issue is forwarded to the appropriate business unit for an investigation or resolution prior to proceeding to the Office.

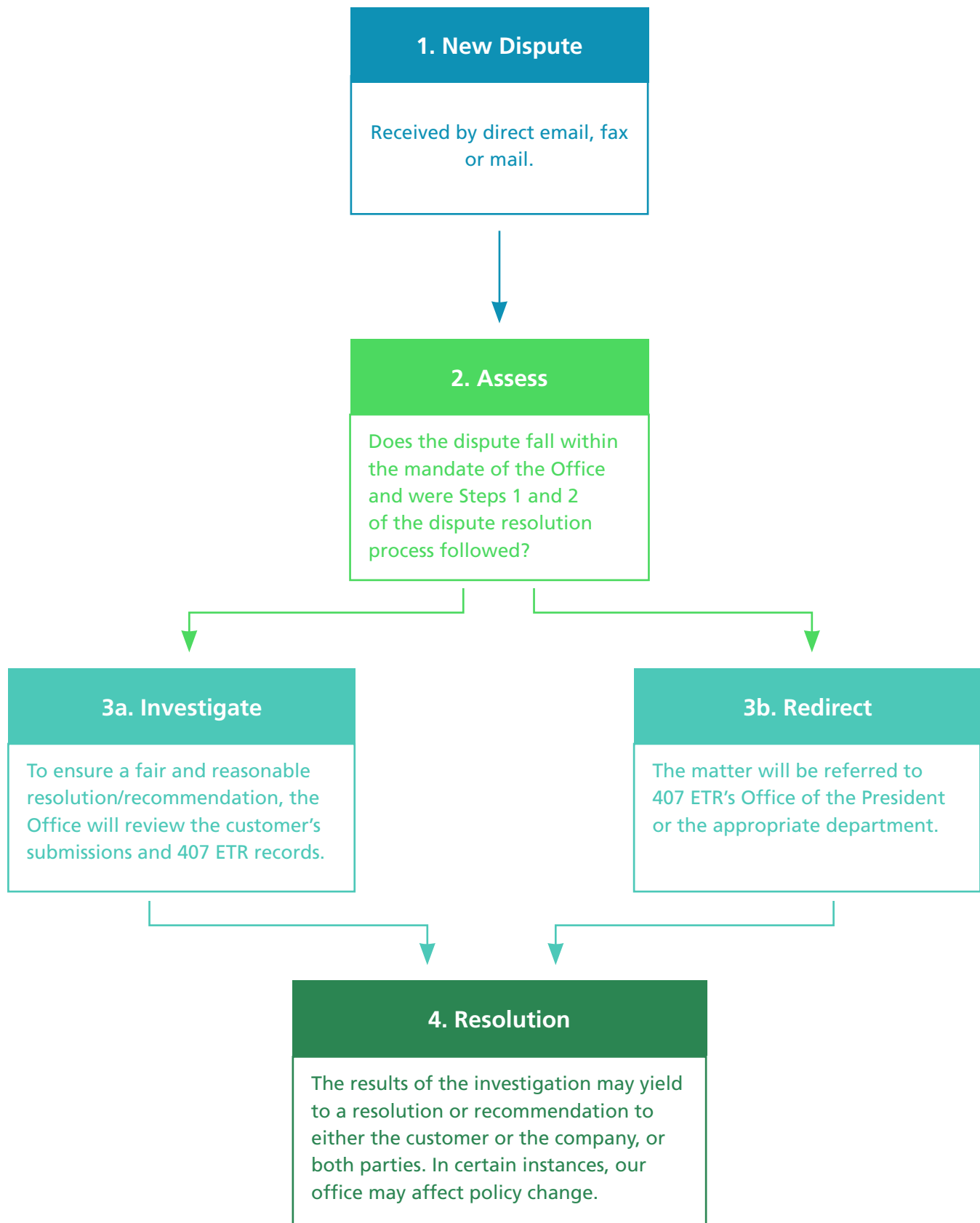
Investigation

Complaints or concerns that have been responded to at Step 2 of the Dispute Resolution Process, but do not require intervention as Company policies and procedures were followed appropriately.

Intervention

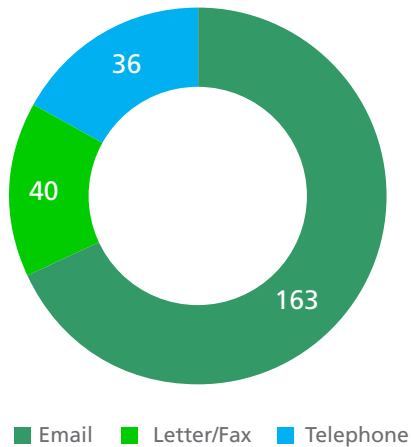
Complaints or concerns that have been reviewed in Step 2 of the Dispute Resolution Process whereby the Complainant provides sufficient information to warrant a full investigation by the Office.

Helping Customers – The Ombudsman’s Process



2019 Contacts

Method of Contact



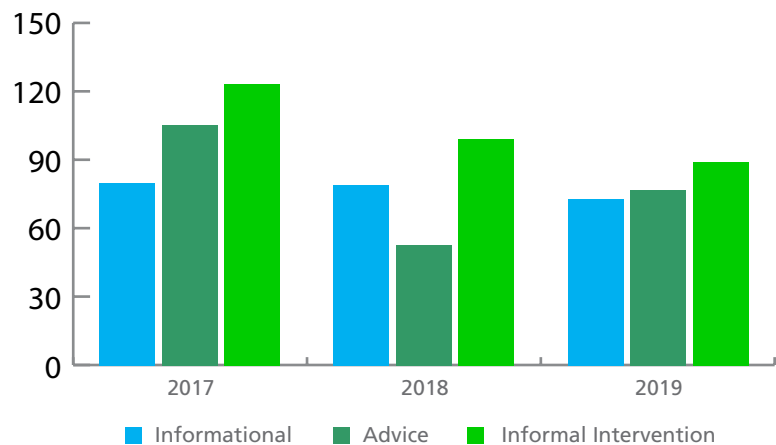
In 2019, a total of 239 contacts were received in the Office, a 3.5% increase from 2018.

When measured against the Company's total number of customer interactions in 2019 (over 19.6 M invoices sent and calls received), the dispute rate for 407 ETR is 0.001%.

The 239 contacts were comprised of:

- 31% (73) Informational
- 32% (77) Advice referrals
- 37% (89) Investigations

The Office found no failures and no intervention was required.

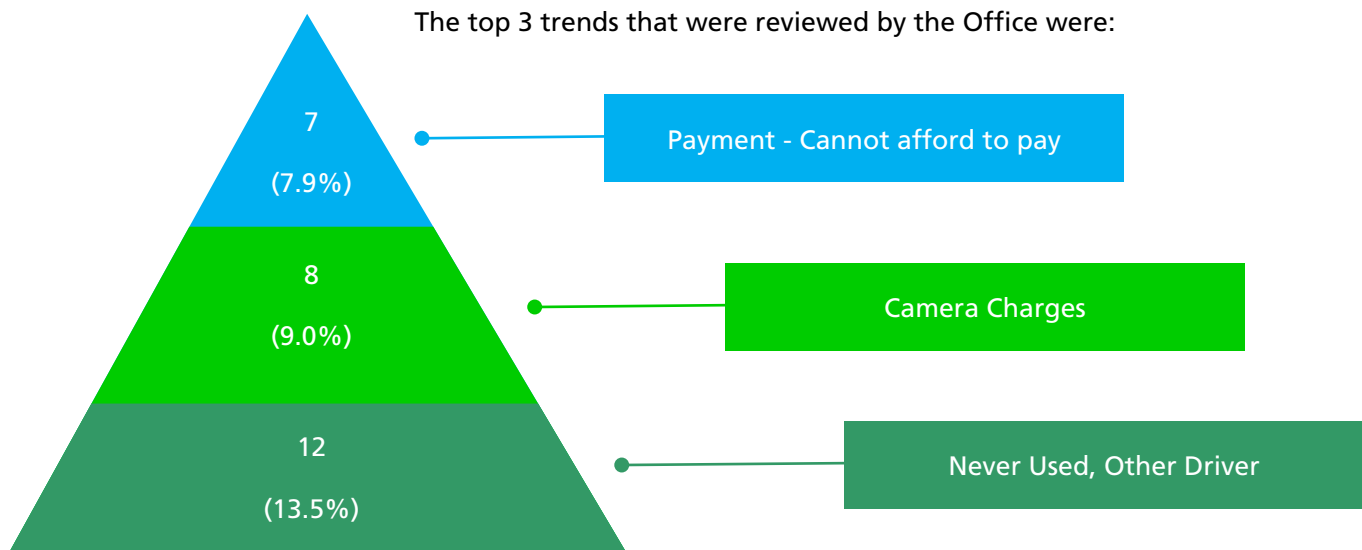


None of our 2019 cases were associated with the Province of Ontario's Highway 407 (east of Brock Road), Highway 412 or Highway 418.

2019 Top Trends

Investigations

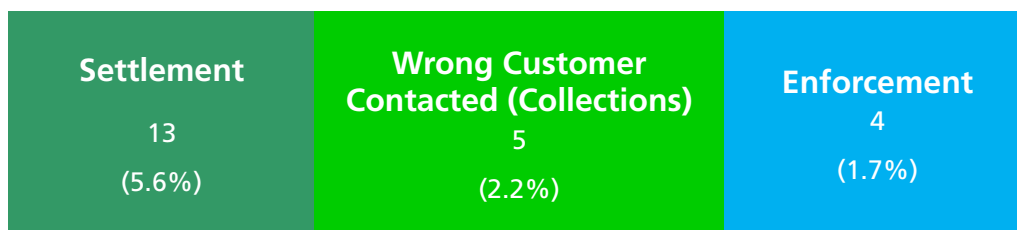
In 2019, our Office investigated and resolved 89 cases of ongoing disputes for clients of the Company. With a resolution rate of 100%, 92% of the cases were resolved on time (within 10 business days) and 8% were delayed in reaching a resolution.



Advice Referral

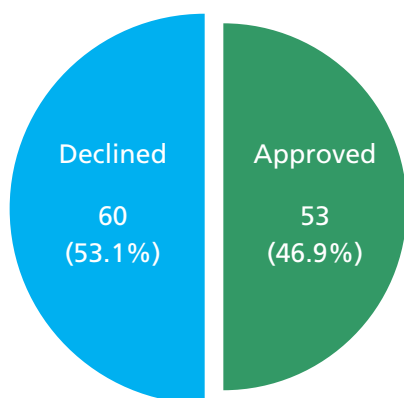
Of the 239 contacts that were received, 77 were Advice referrals. We assessed the complaints and found that either the matter had not been reviewed through the appropriate channels or the issue fell outside the mandate of the Office.

The top 3 trends identified were issues related to:



Exceptional Hardship Plans

407 ETR offers an *Exceptional Hardship Payment Plan*, in an effort to assist customers who have accumulated significant debt with the Company, and would suffer an exceptional hardship through the denial of their vehicle license plate permit. The review of these applications remains part of the responsibility of the Ombudsman's Office. For details regarding the plan, please visit 407etr.com.



In 2019, the Office received a total of 113 applications; a 36.1% increase over 2018. Of those applications received, 46.9% were approved and 53.1% were declined.

Approved			
Completed the program	1	0.9%	
Terminated due to plan default	9	8.0%	
Accepted, currently in plan	21	18.6%	
Did not accept proposed plan	22	19.5%	

Declined			
Filed Bankruptcy	2	1.8%	
Did not complete application process* (eg: no supporting documentation)	12	10.6%	
Account does not meet qualifying criteria* (eg: presented a financial hardship)	46	76.7%	

*Customers who were declined were referred to 407 ETR's Account Receivables Department to discuss other re-payment options.

The Legislative Dispute Process

Disputes under the *Highway 407 Act* and *Highway 407 East Act*

Although 407 ETR has a thorough dispute resolution process for customers to escalate issues as they relate to Highway 407 ETR and the Province of Ontario's Highway 407, Highway 412 and Highway 418, there is also a legislative dispute process under each of the *Highway 407 Act* and the *Highway 407 East Act*. The legislated dispute process under each Act is the same and remains separate from 407 ETR's 3-step dispute resolution process.

Under each respective Act, the Company may send a Notice of Failure to Pay to a customer whose account is 37 days past due.

If a customer receives a Notice of Failure to Pay, the notice may be disputed on one or more legally prescribed grounds, and such a dispute must be filed within 30 days of the date of the notice.

Once the dispute is received by 407 ETR's Dispute Administrator, they will review the dispute to ensure that the dispute has been received within the allowed time and that all supporting documentation is provided by the disputant. The Dispute Administrator has 30 days to review, investigate and respond to the dispute.

If a customer's dispute is unsuccessful, an appeal of the decision may be made to an independent arbitrator as outlined under the respective Acts.

The independent arbitrator is appointed by the Ontario government.

There are critical timelines to adhere to when filing an appeal of the decision of the Company's Dispute Administrator. Therefore, it is incumbent on the customer to be aware of the requirements in order for the appeal to be heard.