

Consumer Contracts Regulation

Purpose

To assist interest-holders with understanding amendments to the *Business Practices and Consumer Protection Act* and associated regulations.

Disclaimer

The red text below indicates amendments replacing text with ~~strikethroughs~~, effective August 1, 2026.

Consumer Contracts Regulation

Definition

1 In this regulation, "Act" means the *Business Practices and Consumer Protection Act*.

~~Part 1 — Direct Sales, Future Performance and Time Share Contracts~~

Part 1 — Consumer Contracts Under Division 2 of Part 4 of the Act

Division 1 – Future Performance Contracts

Prescribed amount for definition of "future performance contract"

1.1 The amount of total price payable prescribed for the purposes of the definition of "future performance contract" in section 17 [*definitions — consumer contracts*] of the Act is the cumulative total amount of \$50, before taxes, shipping or any other costs described in section 18.2 (h) or (i) [*contract contents*] of the Act.

~~Continuing services contract~~

2 ~~The following future performance contracts that provide for the performance of services on a continuing basis are designated for the purposes of the definition of "continuing services contract" in section 17 [*definitions — consumer contracts*] of the Act:~~

~~(a) a contract that provides for instruction in any type of dancing, and includes lessons and other services, rights or privileges whether provided to consumers individually or in groups;~~

~~(b) a contract that provides~~

~~(i) for instruction, training or assistance in physical culture, body building, exercising, weight loss, figure development or self defence, or~~

~~(ii) for the use by a consumer of the facilities of a health studio, gymnasium or other facility used for any of the purposes referred to in subparagraph (i);~~

~~(c) a contract by which the consumer acquires the right, by membership in a travel club, vacation club, or by other means, to discounts or other benefits on the purchase of transportation, accommodation or other services related to travel.~~

Designated future performance contracts for definition of “fitness or other personal services contract”

2 For the purposes of the definition of “fitness or other personal services contract” in section 17 of the Act, a future performance contract is designated if, under the contract between the supplier and the consumer, the supplier supplies, or offers to supply,

- (a) physical fitness services, including activities
 - (i) that are offered for the benefit of the consumer’s flexibility, strength or aerobic capacity, and
 - (ii) that are supplied at a facility or other place associated with the supply of those services, or
- (b) other personal services relating to physical fitness, including instruction, training or assistance supplied to the consumer individually or in groups.

Continuing services contract – Exemption from application of the Act

2.1 Section 24 (3) and (6) of the Act does not apply to a ~~continuing services contract~~ **fitness or other personal services contract** that provides the consumer with the right to cancel the contract

- (a) at any time or at any time after an initial term of 2 years or less for the contract,
- (b) on giving 30 days written notice of the cancellation to the supplier,
- (c) without giving reasons for the cancellation, and
- (d) without cost to the consumer.

Continuing services contract - Calculation of refund to consumer after cancellation

3(1) For the purposes of section ~~25 (6) (a) [refund if material change]~~ of the Act, the supplier must ~~refund the portion of all cash payments made under the contract~~ **sections 25 (6) (a) [refund if material change] and 25.1 (5) (a) [subscription contract – automatic renewal]** of the Act, the supplier must refund the portion of all money paid under a fitness or other personal services contract or a subscription contract determined by the following formula:

$$\frac{\text{portion of all cash payments} \text{ money paid}}{\text{(total services)}} = \text{(unused services)}$$

where

"unused services" means

(a) unless the contract is expressed in terms of units to which paragraph (b) clearly applies, the time expressed in days remaining in the term of the contract at the date of cancellation, or

(b) the number of sessions or other service units remaining to be used at the date of cancellation;

"total services" means

(a) if unused services is expressed in days, the full term of the contract expressed in days, or

(b) if unused services is expressed in sessions or other service units, the total sessions or other service units provided for during the full term of the contract.

(2) For the purposes of section 25 (6) (a) (i) [*deduction from refund if material change in circumstances of consumer*] of the Act, the amount prescribed on account of the supplier's costs is 30% of the portion determined of all cash payments made under the contract **money paid under a fitness or other personal services contract.**

Division 2 – Direct Sales Contracts

3.1 In this Division, **"restricted good or service"** means a good or service referred to in section 20.1 (1) [*direct sales contract – prohibitions*] of the Act.

Direct sales contract

4(1) The amount of total price payable prescribed for the purposes of the definition of "direct sales contract" in section 17 [*definitions — consumer contracts*] of the Act is ~~\$50~~ **the cumulative total amount of \$50, before taxes, shipping or any other costs described in section 18.2 (h) or (i) [*contract contents*] of the Act.**

(2) The amount of down payment prescribed for the purposes of section 20 (3) (b) [*contract not binding*] of the Act is the lesser of

(a) \$100, and

(b) 10% of the total price.

Prescribed goods or services for certain prohibited direct sales contracts

4.1 For the purposes of section 20.1 (1) (j) [*direct sales contract – prohibitions*] of the Act, the following are prescribed goods or services:

(a) a heat pump system;

(b) a solar photovoltaic panel system or solar thermal panel system;

(c) a component or related service for a good or service referred to in

section 20.1 (1) of the Act.

~~5 (1) This section describes direct sellers that are, and circumstances in which direct sellers are, exempt from the application of sections 19 to 22 [*required contents; direct sales contracts; direct sales contract — cancellation; credit agreement respecting direct sales contract*] of the Act.~~

~~(2) Sections 19 to 22 of the Act do not apply in respect of direct sales contract if the direct seller is exempt under this section in respect of that contract.~~

~~(3) A direct seller is exempt under subsection (1) in respect of a direct sales contract if the direct seller attends at the place following a request that was made at least 24 hours in advance by one of the following persons on the initiative of that person:~~

~~(a) the consumer;~~

~~(b) a relative or friend of the consumer if that relative or friend is not the direct seller or an associate of the direct seller.~~

~~(4) The following classes of direct sellers are exempt under subsection (1) while they are engaged in selling the goods or services for which they are licensed, registered or incorporated:~~

~~(a) direct sellers who are persons licensed under the *Real Estate Services Act*;~~

~~(b) direct sellers that are societies, as defined in the *Societies Act*;~~

~~(c) direct sellers who are motor dealers registered under the *Motor Dealer Act*;~~

~~(d) direct sellers who are insurance agents licensed under the *Financial Institutions Act*;~~

~~(e) direct sellers who are dealers or salespersons registered under the *Securities Act*;~~

~~(f) direct sellers that are licensed under the *Security Services Act*.~~

~~(5) Direct sellers who enter into a direct sales contract at the following places are exempt under subsection (1):~~

~~(a) agricultural shows or fairs, trade shows, craft shows, art shows or similar types of exhibits;~~

~~(b) temporary kiosks in shopping malls.~~

Exemptions from application of certain contract requirements for regulated direct sellers

5(1) In this section, “**regulated direct seller**” means one of the following direct sellers, if the direct seller is engaged in selling the goods or services for which the direct seller is licensed, registered or incorporated:

(a) a direct seller who is a person licensed under the *Real Estate Services Act*;

(b) a direct seller that is a society, as defined in the *Societies Act*;

- (c) a direct seller who is a motor dealer registered under the *Motor Dealer Act*;
- (d) a direct seller who is an insurance agent licensed under the *Financial Institutions Act*;
- (e) a direct seller who is a dealer or salesperson registered under the *Securities Act*.

(2) The following provisions of the Act do not apply to a direct sales contract for the supply of a good or service in respect of which the regulated direct seller is licensed, registered or incorporated:

- (a) Division 1.1 [*Contract Requirements*] of Part 4 [*Consumer Contracts*];
- (b) section 20 [*direct sales contracts*];
- (c) section 20.1 [*direct sales contract – prohibitions*];
- (d) section 21 [*direct sales contract – cancellation*].

Exemptions for direct sales contracts at certain temporary locations

5.1 (1) In this section, “**temporary location**” means

- (a) an agricultural show or fair, trade show, craft show, art show or similar type of exhibit,
- (b) a temporary kiosk in a shopping mall, or
- (c) an auction.

(2) Section 20.1 (1) [*direct sales contract – prohibitions*] of the Act does not apply to a supplier who enters into a direct sales contract at a temporary location for the supply of a restricted good or service.

(3) The following provisions of the Act do not apply to a direct sales contract entered into at a temporary location unless that direct sales contract is entered into for the supply of a restricted good or service:

- (a) Division 1.1 [*Contract Requirements*] of Part 4 [*Consumer Contracts*];
- (b) section 20 [*direct sales contracts*];
- (c) section 21 [*direct sales contract – cancellation*].

Exemptions from prohibited direct sales contracts when consumers allow residential access

5.2(1) Section 20.1 (1) of the Act does not apply to a supplier who enters into a direct sales contract for the supply of a restricted good or service if a consumer invites the supplier to the consumer’s place of residence for the purpose of entering into the direct sales contract after

(a) the supplier initiates communications with the consumer by any means other than in person at the consumer's place of residence or by telephone, or

(b) the consumer initiates the communications with the supplier, including when the supplier is an ongoing supplier under an existing direct sales contract and the consumer accepts a request from the supplier to meet at the consumer's place of residence.

(2) The exemption established under subsection (1) of this section does not apply when a supplier is performing an energy audit at a consumer's place of residence.

Future performance contract

~~6~~ The amount of total price payable prescribed for the purposes of the definition of "future performance contract" in section 17 [~~definitions — consumer contracts~~] of the Act is \$50.

Division 3 – Consumer Rights of Cancellation

Notice of consumer's rights of cancellation

7(1) For the purposes of ~~section 19 (m) [notice of consumer's rights of cancellation]~~ of the Act, a ~~continuing services contract~~, **section 18.2 (s) [contract contents]** of the Act, a **fitness or other personal services contract**, direct sales contract or time share contract must contain a notice of the consumer's rights of cancellation

(a) prominently displayed in a clear and comprehensible manner, and

(b) if the contract is a direct sales contract or time share contract, in the form set out in Schedule A.

(2) If the notice is not on the first page of the contract, the first page must contain a statement, prominently displayed in a clear and comprehensible manner, directing the consumer to that part of the contract where the notice may be found.

Part 2 — Preneed Cemetery or Funeral Services and Interment Right Contracts

Interest rate on refunds

8 For the purposes of sections 38 (4) [~~preneed cemetery or funeral services contracts — refunds on cancellation~~], 39 (3) (b) [~~preneed cemetery or funeral services contract — failure to provide services~~] and 43 (5) (b) (ii) [~~interment right contract~~] of the Act, the prescribed rate of interest

(a) during the period commencing on February 9, 1990 and ending on December 31, 1990 is 9%, compounded on the last day of that period, and

(b) during the one year period commencing on January 1, 1991 and during each successive one year period beginning on January 1 in each year is 4.5% below the prime lending rate of the principal banker to the Province on the first day of that one year period, compounded annually.

Administration of preneed trust accounts

9(1) For the purposes of section 40 (6) [*money received under contract to be held in trust*] of the Act, if a supplier deposits an amount of money into a trust account in accordance with section 40 of the Act, the savings institution must

- (a) subject to subsection (2), invest the money, except the money that the savings institution considers is needed to maintain a suitable cash balance, only as permitted under the provisions of the *Trustee Act* respecting the investment of trust property by a trustee, and
- (b) apply any interest earned on the money
 - (i) first to the payment of the savings institution's fees and expenses, and
 - (ii) then to the credit of the account of the consumer represented by the trust.

(2) The following limits apply to the money invested by the savings institution:

- (a) at least half of the value of the investments invested must be redeemable within one year;
- (b) all of the investments must be redeemable within 5 years.

Reports by suppliers

10(1) A supplier must submit to the director a report that includes the following information in respect of each preneed cemetery or funeral services contract for the previous fiscal year or the period specified by the director:

- (a) the name and address of the consumer;
- (b) the date on which the contract was entered into;
- (c) the total purchase price for the goods or services supplied, or to be supplied, under the contract;
- (d) any amounts received, or held, in relation to the contract immediately before the beginning of the fiscal year or specified period;
- (e) any amounts received, or held, in relation to the contract during the fiscal year or specified period;
- (f) any amounts placed in the preneed interim account in relation to the contract during the fiscal year or specified period;

- (g) any interest credited to amounts placed in the preneed trust account in relation to the contract during the fiscal year or specified period;
 - (h) any amounts paid out by the trustee in relation to the contract during the fiscal year or specified period;
 - (i) the balance in the preneed trust account in relation to the contract at the end of the fiscal year or specified period;
 - (j) the investment account number of any account in which any amounts received, or held, in relation to the contract were held during the fiscal year or specified period.
- (2) Each report made by a supplier must be certified by an auditor if the director requires.
- (3) The supplier must make the report to the director as soon as practicable
- (a) after the end of the supplier's fiscal year, or
 - (b) on the request of the director.

Assignment of preneed cemetery or funeral services contracts

- 11(1)** A supplier must not assign a preneed cemetery or funeral services contract unless the assignment is approved by the director.
- (2) A supplier may apply to the director for the director's approval to assign one or more preneed cemetery or funeral services contracts to another supplier by giving the director
- (a) a written application stating
 - (i) the name and address of the proposed assignee,
 - (ii) the reason for the proposed assignment,
 - (iii) the name and address of the consumer under each contract that is proposed to be assigned and the date on which the consumer entered into the contract,
 - (iv) whether or not each consumer under each contract that is proposed to be assigned has consented to that assignment, and
 - (v) if any money paid in respect of any contract that is proposed to be assigned has been deposited into a preneed trust account or preneed interim account, the name and address of the savings institution holding the money, and the amount of the money and any interest accumulated on it,
 - (b) a copy of the proposed assignment agreement, and
 - (c) if available, the most recent financial statements of the proposed assignee.
- (3) An assignment agreement must include a list of all of the preneed cemetery or funeral services contracts that are being assigned under the agreement.

Schedule A

Consumer's Right to Cancel

This is a contract to which the *Business Practices and Consumer Protection Act* applies.

You may cancel this contract from the day you enter the contract until 10 days after you receive a copy of this contract. You do not need a reason to cancel.

[Supplier: insert this paragraph if the contract is a direct sales contract.] If you do not receive the goods or services within 30 days of the date stated in the contract, you may cancel this contract within one year of the contract date. You lose that right if you accept delivery after the 30 days. There are other grounds for extended cancellation.

[Supplier: insert this paragraph if the contract is a time share contract.] You may cancel at any time, if you are not given a copy of this contract when you sign it.

If you cancel this contract, the seller has 15 days to refund your money and any trade-in, or the cash value of the trade-in. You must then return the goods.

To cancel, you must give notice of cancellation at the address in this contract. You must give notice of cancellation by a method that will allow you to prove that you gave notice, including registered mail, electronic mail, facsimile or personal delivery.

If you send the notice of cancellation by mail, facsimile or electronic mail, it doesn't matter if the seller receives the notice within the required period as long as you sent it within the required period.