

**Excerpt from Amended Regulations of the
Consumer Protection Act, 2002 - O. Reg. 17/05, Part IV**

FUTURE PERFORMANCE AGREEMENTS

Definitions

23. In the Act and this Part,

"gift card" means a voucher in any form, including an electronic credit or written certificate, that is issued by a supplier under a gift card agreement and that the holder is entitled to apply towards purchasing goods or services covered by the voucher; ("carte cadeau")

"gift card agreement" means a future performance agreement under which the supplier issues a gift card to the consumer and in respect of which the consumer makes payment in full when entering into the agreement. ("convention de carte cadeau") O. Reg. 187/07, s. 1.

GIFT CARD AGREEMENTS

Application of sections

25.1 Sections 25.2 to 25.5 apply to every gift card agreement entered into on or after the day this section comes into force and to every gift card issued under that agreement, but do not apply to,

- (a) a gift card that a supplier issues for a charitable purpose; or
- (b) a gift card that covers only one specific good or service; or
- (c) the gift card agreement under which a gift card described in clause (a) or (b) is issued. O. Reg. 187/07, s. 3.

Exemption

25.2 A gift card agreement is exempt from subsection 21 (1), section 26 and subsection 96 (2) of the Act. O. Reg. 187/07, s. 3.

No expiry dates

25.3 (1) No supplier shall enter into a gift card agreement that has an expiry date on the future performance of the agreement. O. Reg. 187/07, s. 3.

(2) A gift card agreement with an expiry date on its future performance shall be effective as if it had no expiry date if the agreement is otherwise valid. O. Reg. 187/07, s. 3.

Limit on fees

25.4 (1) Nothing in this section applies to a supplier under a gift card agreement that entitles the holder of a gift card to apply it towards purchasing goods

or services from multiple unaffiliated sellers until 270 days have expired since the day this section comes into force. O. Reg. 187/07, s. 3.

(2) No supplier under a gift card agreement shall,

- (a) issue a gift card for less than the value of the payment made by the consumer for entering into the agreement or hold out that the supplier can provide such a gift card; or
- (b) charge a fee to the holder of a gift card for anything in relation to the card, other than a fee for replacing a lost or stolen gift card or a fee to customize a gift card. O. Reg. 187/07, s. 3.

(3) If a supplier or a seller has charged a fee or an amount in contravention of subsection (2), the consumer or the holder of a gift card who paid the fee or the amount may demand a refund by giving notice to the supplier in accordance with section 92 of the Act within one year after making the payment. O. Reg. 187/07, s. 3.

(4) A supplier who receives a notice demanding a refund under subsection (3) shall provide the refund within 15 days of receiving the notice. O. Reg. 187/07, s. 3.

Requirements for agreements

25.5 For the purpose of section 22 of the Act, a future performance agreement that is a gift card agreement shall set out the following information:

1. The fees that the supplier may charge under clause 25.4 (2) (b).
2. All restrictions, limitations and conditions that the supplier imposes on the use of the gift card. O. Reg. 187/07, s. 3.