



PRINCE EDWARD ISLAND
ÎLE-DU-PRINCE-ÉDOUARD

CONSUMER PROTECTION ACT CONDUCT OF CREDITORS REGULATIONS

PLEASE NOTE

This document, prepared by the *Legislative Counsel Office*, is an office consolidation of this regulation, current to February 1, 2004. It is intended for information and reference purposes only.

This document is *not* the official version of these regulations. The regulations and the amendments printed in the *Royal Gazette* should be consulted on the Prince Edward Island Government web site to determine the authoritative text of these regulations.

For more information concerning the history of these regulations, please see the *Table of Regulations* on the Prince Edward Island Government web site (www.princeedwardisland.ca).

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**CONSUMER PROTECTION ACT****Chapter C-19****CONDUCT OF CREDITORS REGULATIONS**

Under authority of section 29 of the *Consumer Protection Act* R.S.P.E.I. 1974, Cap. C-17, Council made the following regulations:

1. Definitions

In these regulations

- (a) “**Act**” means the *Consumer Protection Act* R.S.P.E.I. 1974, Cap. C-17;
- (b) “**credit**” has the same meaning as in clause 1(e) of the Act but includes a transaction where a person, acting in the course of his business, acquires from another person the other person’s right to any income tax refund or other payment by the Government of Canada or the government of the province which is due or will become due to the other person;
- (c) “**creditor**” means a person who extends credit, his agent or employee. (EC578/83)

2. Creditor conduct

No creditor shall

- (a) collect or attempt to collect money without first being satisfied that the money is owed by the borrower to the creditor;
- (b) collect or attempt to collect money from or otherwise contact or importune a borrower at his place of employment;
- (c) make any charge against a borrower in addition to those contained in the agreement with that borrower or in a cost of borrowing statement furnished to the borrower;
- (d) send any telegram or make any telephone call for the purpose of demanding payment, if the charges are payable by the addressee or the person to whom the call is made;
- (e) communicate with a borrower after the borrower has notified him in writing to communicate with the designated legal advisor of the borrower;
- (f) use, without lawful authority, any summons, notice or demand, or other document, expressed in language of the general style or purport of any form used in any court in the province, or printed or written or in the general appearance or format of any such form;
- (g) in any way abuse or intimidate a borrower either orally or in writing to induce the borrower to pay money or to deliver up possession of property;

- (h) make telephone calls or personal calls or written communications of such a nature or with such frequency as to constitute harassment of the borrower, his spouse or a member of his family;
- (i) make telephone calls or personal calls
 - (i) on a Sunday, or
 - (ii) on any other day except between the hours of eight o'clock in the forenoon and nine o'clock in the afternoonfor the purpose of demanding payment of money or possession of property;
- (j) give by statement, expressly or impliedly, directly or indirectly, any false or misleading information to any person that may be detrimental to a borrower, his spouse or a member of his family;
- (k) contact or threaten to contact the employer of a borrower, his spouse or any member of his family, and give information that may adversely affect the employment or employment opportunities of the borrower, his spouse or any member of his family;
- (l) while attempting to collect money or get possession of property, falsely hold himself out as a police officer, sheriff or deputy sheriff. (EC578/83)

3. Representations re credit by seller

In a representation referred to in subsection 20(2) of the Act by a lender who is a seller,

- (a) in the case of extension of credit other than variable credit, the lender may advertise the maximum periodic payment which will be required to retire the debt including the cost of borrowing under the credit plan of the seller;
- (b) in the case of the extension of variable credit, the lender may advertise the maximum periodic payment which will be required, if the purchaser makes no other purchase on his account, to retire the debt including the cost of borrowing under the credit plan of the lender, without in either case detailing the other terms of the contract set out in subsection 20(2) of the Act, provided the lender in the advertisement refers prospective customers to published descriptions of his account, which include the information set out in the subsection. (EC452/95)

4. Representations by person not a seller

In a representation of the type referred to in subsection 20(2) of the Act made by a lender who is not a seller, the lender may advertise

- (a) the minimum and maximum loan sizes offered by the lender;
- (b) the maximum term of the loans offered by the lender; or
- (c) the amount of the monthly payments for specific loan sizes provided the number of instalments required to pay the entire amount secured by the loan transaction is also set forth, without detailing the other terms of the contract set out in subsection 20(2) of the Act. (EC452/95)

