What you have the right to know before you buy

Before selling you a term deposit or a GIC, an institution must disclose the following information to you **both orally and in writing**:

- the annual interest rate if it is fixed
- if the interest rate is variable:
    - how it is calculated
    - the rate that is used to calculate the interest rate (for example, the prime lending rate), and the actual interest rate at that time
    - how the consumer may obtain the rate of interest from the institution during the investment period
- any charges that apply to the product
- the date interest is calculated and paid
- the specific dates on which the investment period begins and ends
- whether the product can be cashed before it matures (that is, the investment end date) and, if so, how cashing it early affects the interest earned
- if the institution can automatically re-invest your funds without a new agreement, details that would apply, including:
    - whether the interest rate is fixed or variable, the actual rate of interest, or the method for determining the rate of interest
    - the investment period
    - any charges related to buying the product or cancelling it
- if the product is not insured by the Canada Deposit Insurance Corporation, the fact that it is not insured
- if there is a cancellation period after you have bought the product, how long you have to cancel.

Cancellation period for automatic re-investment

If the institution can automatically re-invest your funds when the original investment matures (that is, at the investment's end date), you can cancel the new investment within 10 business days of the start of the new term. If you are in this situation, check the terms and conditions of your original agreement, or contact the institution for details on how to cancel the product.

When you buy over the phone

Before you buy this type of product over the phone, the institution must provide you with the above information orally. The institution must also provide the information in writing without delay after selling you the product.

When you buy electronically or by mail

Before you buy this type of product electronically, the institution must provide:

- the information listed above in writing
- the telephone number of a person who is knowledgeable about the terms and conditions of the product.

If the terms and conditions change

Before changing any of the terms and conditions to the product that you bought, the institution must disclose to you the change as well as the potential impact on the interest you will earn. This must be disclosed to you in writing.

If you want to know the current value of a product

If you have bought a GIC, a term deposit, or other deposit-type instrument and you want to know how much it is worth on a given day, the institution must tell you the value (including *principal* and any interest earned) without delay.

If you redeem the product early (before its maturity date)

Before redeeming or cashing in this type of product early—that is, before its end date—the institution must tell you the following:

- the value of the principal and interest earned
- any penalty or charge for redeeming early
- the net amount you will receive.

Clear and simple language

The institution must provide the required information to you in language, and presented in a manner, that is clear, simple and not misleading.

What you should do if you feel your rights are not being respected

If you feel that a federally regulated financial institution is not respecting your rights, contact the Financial Consumer Agency of Canada.

Visit Justice Canada website to read the Deposit Type Instruments Regulations.