

CCTS ANNOTATED GUIDE TO THE CRTC WIRELESS CODE

Version of [The Wireless Code](#) as of April 2026

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ABBREVIATIONS

The following abbreviations appear throughout this document:

CCTS	Commission for Complaints for Telecom-television Services
CIS	Critical Information Summary
CRTC	Canadian Radio-television and Telecommunications Commission
D&D Code	Deposit and Disconnection Code
ECF	Early Cancellation Fee
MPS	Mobile Premium Services
MSRP	Manufacturer’s Suggested Retail Price
OEM	Original Equipment Manufacturer
SIM	Subscriber Identity Module
TOS	Terms of Service
WSP	Wireless Service Provider

INTRODUCTION

In 2013, the Canadian Radio-television and Telecommunications Commission (CRTC) approved a mandatory code of conduct that applies to retail mobile wireless voice and data services in Canada. As explained in [Telecom Regulatory Policy CRTC 2013-271](#), the purpose of the Wireless Code is to make it easier for individual and small business consumers to get information about their contracts with wireless service providers and about their associated rights and responsibilities, establish standards for industry behaviour, and contribute to a more dynamic marketplace.

The Code was reviewed and revised in 2017 in [Telecom Regulatory Policy CRTC 2017-200](#) to address industry developments and emerging customer issues in the marketplace since the initial publication of the Code.

APPLICATION OF THE WIRELESS CODE

The Wireless Code applies to retail mobile wireless services – including voice, text and data – provided by all wireless network operators and all resellers of these services. Mobile wireless services are portable, meaning that they can be used anywhere without having to connect to a local network or Wi-Fi. Examples of mobile wireless services include data plans for smartphones, smart watches and tablets as well as mobile Internet plans used with Internet hubs, sticks, keys, and MiFi or similar devices.

Some Internet services use wireless infrastructure to provide fixed wireless Internet service. To determine if the service is subject to the Wireless Code or the Internet Code, the CCTS considers if the service is intended to be used at a specific location. For example, if the service requires an antenna or dish normally installed semi-permanently to a house or building, the CCTS considers the service to be fixed wireless Internet service and subject to [The Internet Code](#).

HOW THE CCTS USES INDUSTRY CODES OF CONDUCT IN ITS DAY-TO-DAY OPERATIONS AND HOW THE CCTS REPORTS ON THE CODES

When the CCTS investigates customer complaints about telecom and TV services, our [Procedural Code](#) requires us to determine if the service provider reasonably met its obligations to the customer. This includes considering whether a service provider has reasonably met any obligations it has for applicable Codes of Conduct.

The Wireless Code is one of four mandatory CRTC consumer protection codes of conduct that set minimum standards for service provider practices. The CCTS also administers the [Deposit and Disconnection Code](#), [Internet Code](#) and [Television Service Provider Code](#).

The CRTC mandated the CCTS to administer the Wireless Code as part of its complaint-handling process. This mandate includes resolving any complaints related to the Wireless Code and reporting on both complaints and Code trends in its annual reports. Consequently, the CCTS records and reports on all issues raised by customers, including any allegations that a provider failed to comply with applicable Codes of Conduct. The CCTS calls these allegations “alleged breaches” of the Code. The vast majority of complaints are resolved to the satisfaction of the customer and the provider during the initial stage of our process. When complaints are resolved, there is no need for us to investigate underlying issues, including determining if there have been any violations of a code of conduct. Therefore, these issues remain recorded as “alleged breaches” and are categorized as “not requiring investigation.”

In cases that we do investigate, the CCTS evaluates the information and supporting documents provided by the customer and the service provider to determine whether the provider reasonably performed its obligations, including those in applicable Codes of Conduct. If a provider is unable to demonstrate that it fulfilled its Code obligations, the CCTS reports and tracks a “confirmed breach” of the Code. When we investigate and determine that there has not been a violation, we categorize this as “no breach.”

The CCTS reports on the number of alleged and confirmed breaches based on [five factors explained in more detail on our website](#):

- Factor 1: A breach is counted when a service provider either fails to do something required by the Code, or does something prohibited by the Code.
- Factor 2: Breaches are generally counted in relation to the customer, in most cases the person liable for payment of the service, and in some cases also in relation to *consumers* where the Code specifically applies to them.
- Factor 3: When a single Code obligation contains multiple elements within the requirement, it is counted as one breach even if more than one of the required elements were not met.
- Factor 4: The number of breaches counted depends on whether requirement applies once or repeatedly (e.g. each billing cycle), and how many instances the service provider failed to comply.
- Factor 5: In exceptional circumstances, Code breaches may be reported in a manner differently than described in factors 1 through 4.

The CCTS will confirm a breach if the provider fails to meet the requirements of the Wireless Code, even if the provider later resolves or fixes the issue. Providing a resolution or remedy to the

customer after the fact does not remove a breach of the Code since the provider has failed to meet its Code obligation to the customer.

The CCTS publishes the number of alleged and confirmed breaches for each section of the CRTC consumer protection codes in the [CCTS' Mid-Year and Annual Reports](#). A summary of confirmed breaches of the Wireless Code in prior years is listed on [our website](#).

IMPORTANT CONSIDERATIONS

Please note the following important considerations when consulting the CCTS Annotated Guide to the Wireless Code:

REGULATORY CONTEXT FOR THE WIRELESS CODE

In [Telecom Regulatory Policy 2019-269](#), the CRTC confirmed the symmetry of the disconnection notification requirements in the Wireless Code, the Internet Code and the Deposit and Disconnection Code to ensure customers would be subject to the same principles for all telecommunications services included in their bundles. As a result, the CCTS may consider regulatory policies regarding home phone and Internet service when interpreting the disconnection provisions in the Wireless Code.

CCTS' APPROACH TO ADMINISTERING THE WIRELESS CODE AND EVIDENTIARY REQUIREMENTS TO PROVE CODE OBLIGATIONS WERE MET

When investigating a complaint, the CCTS assesses whether the provider named in the complaint reasonably fulfilled its obligations to the customer, including whether it met its requirements under the Wireless Code. It is the provider's responsibility to retain and provide the CCTS with evidence that it met its Code obligations to the customer. We recommend that providers retain evidence for at least 18 months, which is the maximum time permitted for customers to file a CCTS complaint after learning of an issue in accordance with section 10.5 of the Procedural Code. If the CCTS is considering whether there is a breach, we will ask the provider to provide evidence to demonstrate it fulfilled its obligations. A provider's failure to retain evidence could result in its inability to demonstrate that it met its Code obligations. In these circumstances, the CCTS may determine that the provider has breached the Code.

HOW TO READ THIS ANNOTATED GUIDE

This Annotated Guide includes case examples that summarize the facts necessary to illustrate a breach of a specific Code section and are based on actual complaints that have been filed with the CCTS. Case examples are included to illustrate the CCTS' expectations for providers under the Wireless Code. This Annotated Guide explains common code breach areas and provides insight into how the CCTS approaches interpretation of the Wireless Code.

THE WIRELESS CODE

The Canadian Radio-television and Telecommunications Commission (CRTC) has created this Wireless Code (the Code) so that consumers of retail mobile wireless voice and data services (wireless services) will be better informed of their rights and obligations contained in their contracts with wireless service providers (service providers).

The Wireless Code will

- i. make it easier for individual and small business customers to obtain and understand the information in their wireless service contracts;*
- ii. establish consumer-friendly business practices for the wireless service industry where necessary; and*
- iii. contribute to a more dynamic wireless market.*

The Code applies to all wireless services, whether purchased on a stand-alone basis or as part of a bundle, and whether purchased in person, online, or over the phone. All service providers must comply with the Code. All sections of the Code apply to postpaid services. The following sections of the Code also apply to prepaid services: A1-3; B2; E. 1, E4, and E5; F1-4; G1-4; and J1.

*Definitions of terms used in the Code are provided at the end of the Code. Defined terms are indicated in **italics and bold** the first time they appear in the Code.*

A customer who believes that their service provider is not adhering to the Code should first try to resolve the problem directly with the service provider. If the customer is not satisfied with the service provider's response, they can contact the Commissioner for Complaints for Telecommunications Services Inc.¹ (CCTS) as follows:

Mail: P.O. Box 56067 Minto Place RO, Ottawa ON K1R 7Z1

Website: www.ccts-cprst.ca

Toll-free: 1-888-221-1687

TTY: 1-877-782-2384

Email: response@ccts-crpst.ca

Fax: 1-877-782-2924

PREAMBLE

INTERPRETATION

- i. In interpreting the Code:*
 - a. If any part of the Code or a contract for wireless services is ambiguous, or if it is unclear how the terms of the Code or the contract are to be applied, then the Code and the contract must be interpreted in a manner that is favourable to the customer;*

¹ This was the corporate name when The Wireless Code was issued. A Certificate of Amendment was issued September 1, 2017, changing the corporate name to Commission for Complaints for Telecom-television Services Inc. /Commission des plaintes relatives aux services de télécom-télévision inc.

- b. *A service provider may not require a customer to waive a right under the Code, contractually or otherwise, in order to receive the service provider’s services; and*
- c. *The Code and its provisions are to be interpreted purposively, by reference to their objectives. In order to understand the objectives of the Code and any specific provision of the Code, reference shall be made to Telecom Regulatory Policy CRTC 2013-271 and Telecom Regulatory Policy CRTC 2017-200.*

SECTION A - CLARITY

A1 PLAIN LANGUAGE

- i. *A service provider must communicate with customers in a way that is clear, timely, accurate, and uses plain language.*
- ii. *A service provider must ensure that its written contracts and related documents, such as privacy policies and fair use policies, are written and communicated in a way that is clear and easy for customers to read and understand.*

ANNOTATION (SECTION A1): THE CCTS’ APPROACH TO CLARITY REQUIREMENTS

Section A1 of the 2013 Wireless Code required providers to communicate with customers using plain language. The CRTC reviewed the Wireless Code in [Telecom Regulatory Policy 2017-200](#). At paragraph 128, the CRTC noted that “clear communication continues to be important and that the increasingly information-saturated wireless marketplace can create challenges for customers in navigating information and making informed decisions about their wireless services.” Consequently, the CRTC expanded the rules to also require that providers communicate with customers in a way that is clear, timely, and accurate.

The CCTS expects service providers to ensure that all communication with customers – including pre-sale and post-sale discussions, e-mails, phone calls, webchats, contracts and related terms – meet these requirements.

These requirements extend to third-party sales agents that act on behalf of service providers. Service providers have a responsibility to monitor the actions of these agents and to ensure that their behaviour complies with The Wireless Code.

Section A1(i) clarity requirements apply to all communications with customers, and Section A1(ii) applies to written contracts and related documents, such as privacy policies and fair use policies.

Common scenarios in which the CCTS has confirmed a breach of Section A include:

- The customer’s contract does not match what was offered and agreed to at the point of sale;
- The provider fails to provide the customer with all necessary information about a discount, including if the provider can remove the discount;
- The provider provides conflicting or incorrect information to the customer about a product or service;

- The provider provides incorrect information about the prices or fees, such as an assertion that the price the customer agrees to pay will not be changed, when the contract permits a change; or
- The contract includes technical, difficult-to-understand and unclear clauses, such as explanations of early cancellation fees.

CLEAR COMMUNICATION

Service providers should ensure communications with customers are clear and easy to understand and include all necessary information to make informed decisions about their services. For example, if a service provider offers a discount to a customer that is subject to certain eligibility criteria to keep the discount, the CCTS expects the provider to include all relevant information to ensure the customer fully understands any associated conditions or restrictions.

Case example – Unclear contract - Confirmed Breach of Section A1(ii)

Facts: The customer subscribed to a fixed-term postpaid service with a subsidized device that provided the customer with the option to return the device at the end of the 24-month agreement. The customer’s contract was unclear about how the customer ought to return their device. In one place, the contract stated: “if the wireless service is cancelled prior to the end of the agreement, then you will bring back the device in good working condition or repay the balance of the device”. In another place, the contract stated that the remaining balance of the device would be charged to the customer’s bill with no mention of how to return the device.

The customer cancelled their contract and asked to return the device. However, the service provider refused the device return indicating that it needed to be returned prior to the cancellation of the contract. The customer was not permitted to return their device after the contract was cancelled.

Analysis: The CCTS found that the contract did not clearly explain what steps the customer needed to take to return the device at the end of the contract to avoid fees associated with the device, or when they needed to be taken. The contract was unclear on whether the customer had the option to return the device after cancellation of the service. We also noted the contradiction between the two contract terms describing the program.

Conclusion: We confirmed a breach of A1(ii) as the agreement was unclear about the conditions for returning the device. We expect that customers should have a clear understanding of the contract terms and conditions, including whether customers need to take certain steps to avoid further fees. Customer should be able to make informed decisions about their wireless service when they wish to cancel.

Case example – Unclear price in the contract - Confirmed Breach of Section A1(ii)

Facts: A small business customer was emailed a sales offer by a service provider. The offer for two postpaid lines on fixed-term 24-month contracts included various discounts promised for the full term of the agreements. The customer accepted the offer.

Several months later, the service provider removed a discount and explained that the customer was never eligible to receive it. The customer reviewed their contract to find that none of the promised discounts from the sales offer appeared in the contracts. The customer requested that the service provider honour the sales offer, which was refused. Unable to negotiate a resolution to their pricing issue, the customer contacted us.

Analysis: The CCTS compared the sales offer to the contracts. The CCTS confirmed that the contract did not contain the agreed-upon discounts.

While discounts and promotional offers are not among the items of information listed in section B1(iii) of the Code as contract terms required to be set out in the permanent copy of the contract, the CCTS refers to paragraph 49 of the original [Wireless Code Regulatory Policy](#) pointing out “the important role that a copy of the contract plays in providing a customer proof of the content of their contract as it was agreed to, should a dispute arise”.

Therefore, the CCTS expects a customer should be able to refer to their contract to easily understand what they agreed to pay each month for their service. The service provider’s failure to include the discounts, promised for the length of the agreement, made the monthly price for service unclear to the customer.

Conclusion: The CCTS confirmed two breaches of section A1(ii) as the contracts were not written in a way that is clear and easy for the customer to understand. The CCTS required the service provider to honour the sales quote, effectively replacing the discounts that had been promised and removed on the two lines.

TIMELY COMMUNICATION

The CCTS expects service providers to communicate information that customers may need to make informed decisions about their service without delay. The timing of the communication should allow the customer to act promptly and effectively in managing their wireless service. For example, if the customer requests a copy of their contract to pay off their device balance, we expect that the service provider proceed to send it in a timely manner so the customer can promptly inform themselves about their outstanding balance.

ACCURATE COMMUNICATION

The CCTS expects service providers to communicate accurate information to the customer to ensure customers are provided with the correct information they need to make informed decisions about their service.

The CCTS also expects that the details of any offers, including promotions and discounts, that the customer agreed to will be reflected in the service agreement.

Case Example - Inaccurate communication - Confirmed breach of Section A1(i)

Facts: The CCTS received a complaint from a customer explaining that they had been given inaccurate information during an in-person sales interaction with a third-party agent of the service provider. The customer had been told that their new device would be 5G-enabled.

The parties completed the sale. Upon returning home, the customer realized that their service was not 5G-enabled. The customer contacted the third-party sales agent who confirmed that the service should be 5G-capable. The customer recorded this conversation with the third-party sales agent. They subsequently contacted the service provider directly and were told that their plan and phone were not 5G-enabled.

Analysis: During its investigation of the complaint, the CCTS listened to a call recording of the conversation between the customer and the third-party agent, provided by the customer, and was able to verify that the third-party agent had given the customer incorrect information about their ability to use the 5G network with their device and plan.

When signing up for wireless services, customers should be given the necessary information to enable them to make informed choices about the devices and services they are being offered. This objective cannot be met when customers are given incorrect information. To comply with section A1(i), service providers must accurately explain the limitations of their chosen plan or device, including how those limitations could affect the customer's use of the service. This obligation extends to third-party sales agents that act on behalf of service providers. Service providers have a responsibility to monitor the actions of these agents and to ensure that their behaviour complies with The Wireless Code.

Conclusion: We confirmed that the service provider breached section A1(i) in this case because the third-party agent communicated inaccurate information. During the conciliation process, the provider offered the customer the choice to return the device and cancel the agreement or provide \$200 as a goodwill credit. The customer accepted the offer, which resolved their complaint.

ISSUE 1: WHAT IS CONSIDERED PLAIN LANGUAGE COMMUNICATION WITH A CUSTOMER?

Many customers have explained to us that their communication or contract with their service provider is unclear, inaccurate, confusing, or hard to understand. The Code is intended to help individual and small business customers more easily obtain and understand the information in their wireless services contracts. The Code requires that service providers communicate with customers using plain language.

Accessibility Standards Canada has developed [a standard for Plain Language communication](#) which the CCTS may refer to as a guide for plain language standards. It states that a communication is in plain language if its wording, structure, and design are so clear that the intended audience can easily find what they need, understand what they find, and use that information. The choice of wording and structure should be designed around familiarity to the user. The simplest form of a word familiar to the audience to express meaning should be used, unless another, more specific word is also known to the audience. This structure should be consistent throughout communications making the information presented straight-forward and organized clearly and logically. Plain language should not be confused with an oversimplified writing style. While service providers may use technical language and the occasional use of jargon, they are expected to provide explanations in order to make it clear for the customer.

To determine whether the service provider complied with its obligation to use plain language, we may look at interactions between the service provider and the customer (for example: the language used in the contract or the words spoken in a phone call). To evaluate an interaction, we may ask the following questions:

- Is the language easy to understand?
- Are the service provider’s words simple enough for an average customer to understand?
- Is the interaction (whether in contract or by phone) loaded with legal terminology?
- Are complex/unique phrases or technical terms (e.g. complicated phrases like “early device savings recovery fee”) followed with definitions or explanations?

Case Example – Contract was not in plain language - Confirmed breach of Section A1(ii)

Facts: A customer entered a wireless postpaid, two-year fixed-term contract. The customer believed that the service provider had provided a free device and that they would be able to cancel the service at any time without paying any cancellation fees. When they cancelled before the end of the term, the service provider billed cancellation fees, and the customer contacted us. They felt that their contract was unclear, while the service provider argued that it believed the contract was written in plain language.

Analysis: Wireless service contracts may use technical or industry-specific language. However, when this type of language is used it must be clearly defined to avoid creating confusion for customers. We reviewed the customer’s contract and found that the contract contained highly technical language and terms that were not clearly explained or defined. For example, in describing the fees related to the device, the service provider used very specific technical terms to describe different device-related fees. The customer could not reasonably have been expected to understand whether there would be an early cancellation fee or how the service provider would calculate it because the language in the contract was so technical.

Conclusion: We confirmed that the service provider breached section A1(ii) because service providers must write their contracts in plain language. To resolve the complaint, the service provider agreed to credit the customer’s balance, which included the early cancellation fee.

ISSUE 2: WHAT EVIDENCE DOES THE CCTS CONSIDER WHEN DETERMINING A BREACH OF SECTION A1 CLARITY PROVISIONS?

In order to determine whether a service provider has complied with the clarity requirement, the CCTS will review evidence from the customer and provider to determine if a provider met its obligations under section A1, such as the written contract, sales order, call recordings, web chats, call notes, text messages, etc. These interactions will be reviewed carefully with the above-noted questions in mind in order to determine if the communication was clear and in plain language.

A2 PRICES

- i. *A service provider must ensure that the prices set out in the contract are clear and must indicate whether these prices include taxes.*

A3 UNLIMITED SERVICES

- i. A service provider must not charge a customer any **average charge** for services purchased on an unlimited basis.
- ii. A service provider must not limit the use of a service purchased on an unlimited basis unless these limits are clearly explained in the fair use policy.

ANNOTATION (SECTION A3): UNLIMITED SERVICES

Providers sometimes impose limits on plans marketed as “unlimited” through fair use policies.

A provider may not impose limits on these plans **unless** those limits are clearly explained in its fair use policy. For example, if a service provider throttles wireless internet speeds as part of its fair use policy and the customer is informed of the provider’s fair use policy contemplating when throttling may occur, then the CCTS would not consider this to be a breach of the Code. If, however, the provider did not disclose to the customer the fair use policy describing when it throttles internet speeds, then the CCTS may determine there was a breach of the Code requirement as the provider did not provide the customer with the explanation regarding its throttling of services in the fair use policy.

Additionally, providers are not permitted to charge customers any overage fees if the services are purchased on an unlimited basis. While service providers may set limits for usage through fair use policies, they must not bill customers for overage charges for usage of these services.

Case example - Fair Use Policy did not explain limits - Confirmed breach of Section A3(ii)

Facts: A customer activated a wireless service on an indeterminate (month-to-month) term. The customer’s postpaid services included:

- a. unlimited talk, text, and data to anywhere in Canada and the United States while on the service provider network; and
- b. unlimited roaming (talk, text, and data) anywhere in the United States.

The customer contacted us as, even though they had a plan for unlimited roaming in the United States, the service provider did not provide the customer with this feature while they were in the United States. The service provider suspended the customer’s voice feature while roaming in the United States after they had reached the limit set out in the Fair Use policy. The service provider explained that the customer exceeded the limits of their roaming plan according to its Fair Use Policy.

Analysis: Section A3(ii) of the Wireless Code explains that a service provider must not limit a service that has been purchased on an unlimited basis unless the service provider has clearly explained the limits of that service in its Fair Use Policy. We asked the service provider to demonstrate that it disclosed the limits of the customer’s unlimited roaming service in the Fair Use Policy. The service provider was unable to do so. The CCTS determined that the policy did not set out the limit to voice roaming services in the United States.

Conclusion: We determined that the service provider breached section A3(ii) of the Code because the service provider was not able to demonstrate that its Fair Use policy explained the limits of the unlimited US roaming service. To resolve the complaint, the



service provider agreed to waive the service charges during suspension, gave monetary compensation, and allowed the customer to cancel the contract penalty-free, which included returning their subsidized device for a refund of what the customer had paid towards it up until that point in time.

SECTION B – CONTRACTS AND RELATED DOCUMENTS

B1 POSTPAID SERVICE CONTRACTS

B1 Postpaid service contracts

- i. A service provider must give the customer a **permanent copy** of the contract and related documents, in the format of the customer's choosing (electronic or paper), at no charge in the following circumstances:
 - a. If the contract is agreed to in person, the service provider must give the contract and related documents to the customer immediately after the customer agrees to the contract.
 - b. If the contract is not agreed to in person (i.e. if it is agreed to over the phone, online, or otherwise at a distance), the service provider must:
 - i. Where the customer chooses to receive a paper copy of the contract, send the contract and related documents to the customer within 15 calendar days of the customer agreeing to the contract.
 - ii. Where the customer chooses to receive the contract electronically, send the contract and related documents to the customer no later than one business day after the contract was entered into.
 - c. If a service provider fails to provide the contract within the required time frame, or if the terms and conditions of the permanent copy of the contract conflict with the terms and conditions that the customer agreed to, the customer may, within 30 calendar days of receiving the permanent copy of the contract, cancel the contract without paying an **early cancellation fee** or any other penalty.
 - d. The service provider must also provide the customer with a permanent copy of the contract in the format of the customer's choosing (electronic or paper) upon request at no charge, at any time during the **commitment period**.

ANNOTATION (SECTION B1(I)): PERMANENT COPY OF CONTRACT

This section of the Code sets out specific details of how and when a service provider must provide a customer subscribed to postpaid wireless services with a permanent copy of the contract and related documents.

In [Telecom Regulatory Policy 2017-200 – Review of the Wireless Code](#) the CRTC clarified that a service provider must allow its customers to actively choose the format of their permanent contract (electronic or paper), and that it be provided at no charge, regardless of how the contract was entered into (in person, online, or over the phone).

ANNOTATION (SECTION B1): SERVICE PROVIDERS ARE NOT REQUIRED TO GIVE CUSTOMERS WITH INDETERMINATE CONTRACTS A PERMANENT COPY OF THE CONTRACT EACH BILLING CYCLE

Indeterminate contracts do not have a set duration. Rather, indeterminate contracts are automatically renewed with each billing cycle. Since customers’ indeterminate contracts are “renewed” each month, service providers have questioned whether they must provide customers with a copy of their contract each month.

The CRTC confirmed in [Telecom Regulatory Policy 2013-598](#) that service providers are not required to provide a permanent copy of the indeterminate contract at the beginning of every billing cycle (i.e. when the customer’s contract is automatically renewed each month).

ISSUE 3: WHEN IS A SERVICE PROVIDER REQUIRED TO PROVIDE A PERMANENT COPY OF THE CONTRACT AND RELATED DOCUMENTS?

If the agreement is made **in person**, the service provider must provide the customer with a permanent copy of the contract and related documents, in the format chosen, **immediately** after the contract is agreed to.

If the agreement is made **at a distance** (online or over the phone) the Wireless Code specifies the time that a provider must send a permanent copy of the contract and related documents, depending on the format the customer selects:

- Electronic format → within **one** business day;
- Paper format → within **15** calendar days.

Service providers must also provide customers with a permanent copy of the contract and related documents upon entering into a new fixed-term agreement with the customer (e.g. upgrading the customer’s hardware, renewing an existing fixed-term contract with the customer or extending a customer’s fixed-term contract).

A service provider must provide a permanent copy of the fixed-term contract upon request, in the format chosen by the customer, **at any time during the commitment period**, and at no charge.

Case example – Provider failed to provide permanent copy of the contract
Confirmed Breach of Section B1i(a)

Facts: The customer complaint alleged that the details of the agreement concluded in a door-to-door transaction, differed from what was included in the contract they later received. The customer stated they agreed to a two-year contract for \$40 per month. However, the customer’s service agreement contained a month-to-month (indeterminate) plan priced at \$70 per month. The customer acknowledged signing the contract at the door but indicated they did not receive a copy of the agreement for their records and alleged the contract was altered.

Analysis: During the investigation of the complaint, we asked the service provider to demonstrate that the customer was provided with a permanent copy of the contract at the time of sale. The provider could not demonstrate this. Consequently, CCTS determined that the service provider breached the Code.

Conclusion: The CCTS confirmed a breach of section B1(i)a because the service provider failed to demonstrate it provided a permanent copy of the contract to the customer.

Case example – Customer unable to find permanent electronic copy of contract - Confirmed Breach of Section B1i(b)

Facts: After agreeing to a contract, the provider sent the customer a text message inviting the customer to set up an online customer portal account. The service provider posted the customer’s contract to their online customer portal account instead of delivering to the customer by e-mail or by mail.

Analysis: We reviewed the customer’s contract and the account notes on file to establish whether the customer was informed and accepted that their service agreement would be delivered in the portal. We found no such demonstration. The provider did not inform the customer that their contract would be available to them in the portal. Consequently, the customer had no way to know where to obtain a copy of their contract.

Customers may lose access to their online account portal – and their contract – following the cancellation of their service. For this reason, the CCTS interprets that this method of contract delivery is only acceptable with the customer’s informed consent.

Conclusion: The CCTS confirmed a breach of section B1(i)b. The customer had no reasonable way of knowing where to find a copy of their contract, and was not provided the choice of how they would receive their contract.

If a provider only provides customers with a copy of the contract via a customer portal, the provider must inform the customer that their contract is in the portal and obtain the customer’s consent to receive a permanent copy of the contract in this manner.

Case example – Provider did not provide customer with a contract copy upon request - Confirmed Breach of Section B1(i)d

Facts: A customer entered into a two-year fixed-term contract for wireless services. After the end of the term, the customer’s contract continued on a month-to-month basis and the customer requested a copy of their contract. The service provider did not provide one, which prompted the customer to contact the CCTS.

Analysis: During the investigation of the complaint, the CCTS reviewed the customer’s account records and confirmed that the service provider failed to provide the customer with a copy of the contract. The CCTS informed the service provider it was required to provide the customer with a copy of the contract upon request at any time during the commitment period.

Conclusion: The CCTS confirmed that the service provider breached section B1(i)d of the Code because the service provider failed to give the customer a copy of their contract upon request. The service provider eventually did provide the customer with the copy of the contract, at no charge.

ISSUE 4: WHAT IS CONSIDERED A PERMANENT COPY OF THE CONTRACT?

The Code defines permanent copy as an inalterable copy (e.g. a paper copy or PDF version). Some service providers deliver related documents, such as privacy and fair use policies to customers via a link to the provider's website. While providers are permitted to publish these policies on their website, the CCTS reminds providers that the Wireless Code requires providers to give customers inalterable versions of these documents. Therefore, if the provider is able to change these documents on their website, the provider must provide the customer with a paper or PDF copy of the related document, which should be free of hyperlinks to the provider's website where the content can be changed. This is consistent with paragraph 51 of the CRTC's [Telecom Regulatory Policy 2013-271](#) and paragraph 153 of [Telecom Regulatory Policy 2017-200](#).

B1 Postpaid service contracts

- ii. *A service provider must provide a customer with a copy of the contract and related documents in an alternative format for persons with disabilities upon request, at no charge, at any time during the commitment period.*

Case example – Alternative format contract not provided upon request - Confirmed Breach of Section B1(ii)

Facts: A customer activated two wireless service contracts (with two-year terms) online. During an online chat session with the service provider's customer service agent, the customer informed the agent that they were visually impaired and requested large print documents. The service provider did not provide the customer with large print documents, so the customer contacted us.

Analysis: The CCTS reviewed the documentation submitted during the investigation of the complaint and found that the service provider had not provided the customer with a large print format of their contracts, as the customer had requested.

Conclusion: The CCTS confirmed two breaches of section B1(iii) of the Code because the service provider must provide a copy for each of the two contracts in an alternative format upon the customer's request.

B1 Postpaid service contracts

- iii. *Contracts for postpaid services must set out all of the information listed below in a clear manner (items a-m):*

Key contract terms and conditions

- a. *the services included in the contract, such as voice, text and data services, that the customer agreed to upon entering into the contract and will receive for the duration of the contract, and any limits on the use of those services that could trigger overage charges or additional fees;*
- b. *the **minimum monthly charge** for services included in the contract*

- c. *the commitment period, including the end date of the contract*
- d. *if applicable;*
 - i. *the total early cancellation fee;*
 - ii. *the amount by which the early cancellation fee will decrease each month, or for tab contracts, where the early cancellation fee reduction is not a fixed dollar amount, either the minimum amount by which the early cancellation fee will reduce each month, or the percentage amount that will be used to determine the monthly early cancellation fee reduction;*
 - iii. *the date on which the customer will no longer be subject to the early cancellation fee. The date may be presented as an outside limit (i.e. no later than date X); and*
 - iv. *for tab contracts where the early cancellation fee is not reduced by a fixed dollar amount each month, an example of how the fee is calculated;*
- e. *if a **subsidized device** is provided as part of the contract,*
 - i. *the retail price of the device, which is the lesser of the manufacturer's suggested retail price or the price set for the device when it is purchased from the service provider without a contract; and*
 - ii. *the amount the customer paid for the device.*

ANNOTATION (SECTION B1(III)): POSTPAID SERVICE CONTRACTS – KEY CONTRACT TERMS (ELEMENTS A TO E)

Section B1(iii)a-e set out the key contract terms the service provider must disclose in the contract. The key contract terms set out in this section are also relevant in considering other Code sections. See Sections C – Critical Information Summary and Section D.1 – Changes to Key Contract terms.

To be compliant with Section B1(iii) of the Code, the contract must set out **all** the elements (a) to (m). If one or more elements are missing, the CCTS will confirm a breach of section B1(iii) for each contract. One breach per contract will be recorded no matter the number of missing elements.

a. The services included in the contract and any limits on the use of those services that could trigger overage charges or additional fees

In [Telecom Regulatory Policy 2017-200 – Review of the Wireless Code](#), paragraph 168, the CRTC changed the definition of key contract terms to make explicit reference to the services in the contract, such as voice, text and data services, that the customer agreed to upon entering into the contract. The CRTC also clarified that one-time purchases of add-ons that do not continue for the duration of the contract are **not** key contract terms.

Section B1(iii)b of the Wireless Code requires service providers to disclose any **voice, text, and data** services included in the contract and any limits on the use of the services that could trigger overage charges or additional fees.

For example, if the service provider offered the customer unlimited international texting with a limitation on texts to specific countries that are subject to an additional fee, to be compliant with the Wireless Code, the service provider must set out in the contract that international texting is included, as well as the limitations and any additional fees that apply.

b. Minimum monthly charge

Section B1(iii)b of the Wireless Code requires service providers to set out the minimum monthly charge in the customer’s contract in a clear manner. The CCTS interprets that discounts (time-limited or those effective for the duration of a contract) affecting the minimum monthly charge must be disclosed to provide clarity to the customer regarding what they should actually pay each month. Failing to include discounts may result in an A1(ii) clarity breach.

If the minimum monthly charge listed in the contract differs from what the customer agreed to, the customer is entitled to cancel their contract within 30 days under section B(1)(i)c. The CCTS would also confirm a breach of section B1(iii)b, since the contract did not include the correct minimum monthly charge.

Case example – Contract didn’t include the price plan - Confirmed Breach of Section B1(iii)a

Facts: A customer contacted us and explained there had been a mismatch between what they had agreed to over the phone with their service provider and what was included in the permanent copy of the contract they received. The customer stated that they were promised a \$70 monthly service fee, but the contract showed a monthly service fee of \$75.

Analysis: During the investigation of the complaint, we listened to the sales call recording and found that the customer had agreed to a wireless plan for \$70 per month, while the customer’s contract listed the price of the plan at \$75 per month.

Conclusion: We confirmed that the service provider breached section B1(iii)b of the Code because the customer’s contract needed to include the price plan, including the correct minimum monthly charge the customer had agreed to over the phone.

c. The commitment period

The Code defines “commitment period” as the term or duration of the contract. For fixed-term contracts, the commitment period is the entire duration of the contract. For indeterminate contracts, the commitment period is the current month or billing cycle.

d. Early cancellation fees

Section B.1(iii)(d) requires the service provider to disclose in the written contract any cancellation fees, the amount by which the cancellation fee reduces each month, and the date on which the customer will no longer be subject to any cancellation fee.

We have seen some complaints in which providers have charged other early cancellation fees beyond what the Code prescribes, such as an “account closing fee” or an “administrative fee,” when a customer cancels a wireless contract. The amount that can be charged must decrease monthly and be calculated in the way set out in sections G2 and G3 of the Code. See Section G of the guide for further information.

e. Subsidized device

The Code defines a “subsidized device” as a wireless device that is sold to a customer by a service provider at a reduced price as part of a contract. A wireless device that is (i) purchased by the customer at full price; or (ii) not purchased as part of the contract is **not** a subsidized device.

If a customer receives a subsidized device, providers must include the contract (1) the retail price of the device and (2) the amount the customer paid for it.

The retail price of the device is the lesser of the manufacturer’s suggested retail price (MSRP) or the price set for the device when it is purchased from the service provider without a contract

Service providers are not required to offer the MSRP for a device and can set their own prices when offering devices for sale to customers. However, for the purposes of section G. of the Code, the calculation of the maximum early cancellation fee (ECF) is based on the manufacturer’s suggested retail price (MSRP). In [Telecom Decision CRTC 2022-294 - Clarification of the term “manufacturer’s suggested retail price](#), the CRTC determined that for the purposes of the Wireless Code, the MSRP is the lesser of the device price given to the service provider by the original equipment manufacturer (OEM) and the price the provider sells the device for to a customer without a contract. If no device price is provided to the service provider by the OEM, the MSRP can be obtained by referring to the price set on the OEM’s Canadian website at the time of sale.

If a subsidized device is provided as part of the contract, Section B.1(iii)e(i) requires the service provider to disclose the retail price of the device, which is the lesser of:

1. the manufacturer’s suggested retail price; or
2. the price set for the device when it is purchased from the service provider without a device financing contract.

Case example – Incorrect retail price listed in contract - Confirmed breach of Section B1(iii)e(i)

Facts: A customer agreed to a postpaid, 24-month fixed-term subsidized device contract. Partway through the contract, the customer cancelled the service and was charged an early cancellation fee for the unpaid portion of the purchase of the device. However, the customer disagreed with the calculation. Unable to resolve the complaint, the customer contacted us.

Analysis: The investigation determined that the customer’s issue with the ECF arose because the contract included the incorrect retail price of the device.

In coming to this determination, we requested a copy of the contract. The device price included in the contract was the price which listed a device price for the device sold without a financing contract.

We then requested the manufacturer’s suggested retail price (MSRP) for the device on the day the customer agreed to the contract, which is information service providers must maintain. The MSRP was lower than the outright sales price used in the contract. As explained above, the Wireless Code sets out that the contract must

list the lesser of the MSRP and the price set for the device when it is purchased from the service provider without a contract.

Despite the wrong information being listed as the retail price in the contract and CIS, the documentation demonstrated that the service provider calculated the ECF based on the lesser amount, the MSRP, which is in line with the Code.

Conclusion: The investigation concluded that the ECF was properly calculated. However, the improper retail price was listed in the contract and the CIS. We therefore confirmed breaches of B1(iii)e and C1(iii)a.

B1 POSTPAID SERVICE CONTRACTS – OTHER ASPECTS OF THE CONTRACT

iii. *Contracts for postpaid services must set out all of the information listed below in a clear manner (items a-m)...*

Other aspects of the contract

- f. *an explanation of all related documents, including privacy policies and fair use policies;*
- g. *all one-time costs, itemized separately;*
- h. *the trial period for the contract, including the associated limits on use;*
- i. *rates for **optional services** selected by the customer at the time the contract is agreed to;*
- j. *whether the contract will be extended automatically on a month-to-month basis when it expires, and, if so, starting on what date;*
- k. *whether upgrading the device or otherwise amending a contract term or condition would extend the customer’s commitment period or change any other aspect of the contract;*
- l. *if applicable, the amount of any security deposit and any applicable conditions, including the conditions for return of the deposit; and*
- m. *where customers can find information about*
 - i. *rates for optional and **pay-per-use services**;*
 - ii. *the device manufacturer’s warranty;*
 - iii. *tools to help customers manage their bills, including notifications on data usage and **roaming**, data caps, and usage monitoring tools;*
 - iv. *the service provider’s service coverage area, including how to access complete **service coverage maps**;*
 - v. *how to contact the service provider’s customer service department;*
 - vi. *how to make a complaint about **wireless services**, including contact information for the **Commissioner for Complaints for Telecommunications Services Inc. (CCTS)**; and*
 - vii. *the Wireless Code.*

ANNOTATION (SECTION B1): DEFINITION OF RELATED DOCUMENTS

For the purposes of the CRTC’s codes of conduct, “contract” and “related documents” have different meanings. A contract, and written contract, are defined as:

“A contract is a binding agreement between a service provider and a customer to provide wireless services.”

“A written contract is a written instrument that expresses the content of the contract.”

If the contract makes reference to the terms of service documents, or the terms of service are attached as part of the service provider’s contract they are considered a related document as defined in the Wireless Code:

“any documents referred to in the contract that affect the customer’s use of the service provider’s services. Related documents include, but are not limited to, privacy policies and fair use policies.”

Consistent with these definitions in the Wireless Code, and for the purposes of Section B.1(iii)(f) a service provider is required to disclose, in the permanent copy of the contract, any documents that affect the customer’s use of the service. Including this information in a related document only, like the terms of service, does not satisfy the disclosure requirement if terms of service are only referenced in the contract. For example, if the terms of service are only mentioned in a contract, or a weblink reference to the terms of service is included in the contract, but the terms of service document itself is not provided as part of the contract, this does not fulfill the requirements of Section B of the Code.

OTHER ASPECTS OF THE CONTRACT

Section B1(iii)f-m sets out minimum standards for disclosing “other aspects” of the agreement in the permanent copy of the contract.

Case example – Related documents weren’t provided to the customer - Confirmed breach of Section B1(iii)(f)

Facts: A customer agreed to a postpaid wireless service contract. Their plan included unlimited usage of voice, text and data to anywhere in Canada and in the United States. Later, the customer received text messages stating that their services may be suspended because the customer had used more minutes for phone calls (i.e. voice services) than their plan allowed. The customer was confused because they had agreed to an unlimited plan. The customer did not understand how they could have gone over any limits.

Analysis We reviewed a copy of the customer’s contract and related documents. We found that the contract did not explain that the service provider had a Fair Use Policy that applied to its “unlimited” plans. According to the Code, service providers must provide customers with an explanation of all related documents, including any limits to the customer’s service.

Conclusion: The CCTS confirmed the service provider breached Section B1(iii)f of the Code because the service provider failed to provide the customer with an explanation of all related documents. As a result of the Code breach, the Investigation Findings determined the service provider could not charge the customer a fee for exceeding the “talk time” because the service provider had not informed the customer that the unlimited plan was subject to limits outlined in the Fair Use Policy.



Case example - Contract didn't disclose coverage area - Confirmed breach of Section B1(iv)m.iv

Facts: A customer brought their own phone into a service provider retail store and signed a contract for postpaid wireless services with that service provider. While they were in the store, the customer asked the store representative what the coverage was in their area. The service provider representative assured the customer that they would have adequate coverage. The customer acted on the service provider representative's assurance and entered into the contract with the service provider. When the customer tried to use their phone in the area they described, the service reception was so poor that the customer was unable to use their phone. The customer contacted us and explained that they were misled about this service coverage.

Analysis: The service provider explained to us that it refers customers to the service provider's website in order to find a coverage map detailing where the service provider can offer service. We reviewed the documents that the service provider had provided to the customer. We found that the customer's contract did not include information about how to access the service provider's coverage maps.

Conclusion: We confirmed that the service provider breached section B1(iv)m.iv of the Code because the service provider failed to include information in its contract about how the customer could find information on the service provider's coverage area.

B2 PREPAID SERVICE CONTRACTS

B2 Prepaid Service contracts

- i. A service provider must inform the customer of all conditions and fees that apply to the prepaid balance.*
- ii. A service provider must explain to the customer how they can

 - a. check their usage balance;*
 - b. contact the service provider's customer service department; and*
 - c. complain about the service, including how to contact the CCTS.**
- iii. A service provider must provide this information separately if it does not appear on a prepaid card or in the written contract.*
- iv. If a device is provided as part of a prepaid service contract, a service provider must also inform the customer of

 - a. where applicable

 - i. the total early cancellation fee;*
 - ii. the amount by which the early cancellation fee will decrease each month, or for tab contracts, where the early cancellation fee reduction is not a fixed dollar amount, either the minimum amount by which the early cancellation fee will reduce each month, or the percentage amount that will be used to determine the monthly early cancellation fee reduction;***

- iii. *the date on which the customer will no longer be subject to the early cancellation fee. The date may be presented as an outside limit (i.e. no later than date X); and*
- iv. *for tab contracts where the early cancellation fee is not reduced by a fixed dollar amount each month, an example of how the fee is calculated;*
 - a. *the retail price of the device, which is the lesser of the manufacturer's suggested retail price or the price set for the device when it is purchased from the service provider without a contract;*
 - b. *the amount the customer paid for the device; and*
 - c. *where customers can find information about device upgrades and the manufacturer's warranty.*
- v. *A service provider must give the customer a copy of the contract and related documents in an alternative format for persons with disabilities upon request, at no charge, at any time during the commitment period.*

ANNOTATION (SECTION B2): PREPAID SERVICE CONTRACTS

The Code does not specifically require service providers to provide prepaid customers with a written agreement. However, it does require the service provider to provide specific information about the prepaid wireless service. If a customer complains about their prepaid service, we will ask the service provider to demonstrate that it informed the customer about all conditions and fees that apply to their prepaid balance. Service providers should consider providing customers with documentation that explains all the conditions and fees applicable to the customer's prepaid service, so that if a customer complains about their prepaid service contract, the service provider will have evidence to demonstrate compliance with requirements in Section B2 for prepaid wireless service.

ISSUE 5: WHAT IS CONSIDERED A PREPAID WIRELESS SERVICE?

The Code definition for prepaid service paragraph is "wireless services that are purchased in advance of use only, such as the use of prepaid cards and pay-as-you-go services."

In [Telecom Regulatory Policy 2017-200 – Review of the Wireless Code](#), paragraphs 89-93, the CRTC recognized the changes in the prepaid market since the Code originally came into effect. In particular, the CRTC noted that some service providers market plans as prepaid despite those plans functioning similarly to postpaid plans. For example, some plans are marketed as prepaid, but have the following characteristics of a post-paid service:

- any service that may be billed in total, or in part, after use; and
- the customer can incur overage charges in addition to the prepaid monthly plan.

In these situations, providers must follow the rules for postpaid service contracts set out in section B1.

It is important for service providers to understand what is considered a prepaid wireless service and not to assume the prepaid code requirements apply because they bill a customer in advance. The CCTS has seen complaints in which although the service provider claims their service is marketed as prepaid, the customer can be billed for charges beyond the prepaid balance, which makes the customer susceptible to "bill shock" as a result of unexpected charges, and for this reason these plans are subject to the postpaid requirements in the Code.

Case example – Missing elements in the contract and CIS - Confirmed Breach of Sections B1(iii) and C1(iii)

Facts: The customer subscribed to services described by the provider as prepaid. The customer alleged that their service provider refused the port-out of their number due to an unpaid balance. The customer disputed the balance explaining they signed up for a prepaid service. Since the customer was unable to resolve the issue with their provider, they contacted us.

Analysis: The service provider and the customer were not able to reach a mutually acceptable resolution, and the complaint was escalated to the investigation stage. At this stage the CCTS reviewed a variety of documents to determine whether the service provider reasonably met its obligations to the customer. When reviewing the service providers terms of service the CCTS determined that although the service was marketed as a prepaid service it had the characteristics of a post-paid service. The terms of service provided that the customer could be billed for additional charges after use, such as long-distance.

This caused the customer to accrue a balance beyond the funds prepaid toward the service. The customer also incurred late charges on these monthly service fees. Consequently, the service described as “prepaid” more closely resembled the postpaid paid-in-advance type of service and was therefore afforded the same protections in the Wireless Code as a post-paid service, including the contract disclosure requirements in Section B.1 and C.1 of the Code. The CCTS reviewed the service contract which consisted of an e-mail summary. It did not contain all the information required by section B1(iii), nor did it contain a critical information summary as required by Section C.1(i) of the Code.

The CRTC specified in [Telecom Decision CRTC 2006-28](#) at paragraphs 86-88 that providers are not allowed to refuse porting requests as a method to collect monies owed to the customer’s current service provider.

Conclusion: The CCTS confirmed breaches of section B1(iii) as well as C1(iii). The CCTS concluded that the customer is allowed to port-out their number irrespective of the customer’s account balance, which the provider then facilitated.

SECTION C – CRITICAL INFORMATION SUMMARY

C1 GENERAL

C1 General

- i. *A service provider must provide a Critical Information Summary to customers when they provide a permanent copy of the contract for postpaid services. This document summarizes the most important elements of the contract for the customer.*
- ii. *The Critical Information Summary may be provided as a separate document from the written contract or prominently as the first pages of the written contract. In either case, the*

- information provided in the Critical Information Summary does not replace or fulfill any requirements to provide the same or similar information within the actual written contract.
- iii. A service provider must ensure that the Critical Information Summary contains all of the following:
 - a. a complete description of all key contract terms and conditions (see provisions B1(iii)a-e listed above);
 - b. the total monthly charge, including rates for optional services selected by the customer at the time the contract is agreed to;
 - c. information on all one-time charges and additional fees;
 - d. information about the trial period, including:
 - i. descriptions of usage limits, duration and conditions for the standard trial period and
 - ii. descriptions of usage limits, duration and conditions for the extended trial period for customers who self-identify as having a disability;
 - e. a description of any limits imposed on services purchased on an unlimited basis;
 - f. information on how to complain about the service provider's wireless services, including how to contact the service provider's customer service department and the CCTS; and
 - g. for tab contracts, where the early cancellation fee is not reduced by a fixed dollar amount each month, an example of how this fee is calculated.
 - iv. A service provider must ensure that the Critical Information Summary
 - a. accurately reflects the content of the contract; and
 - b. is clear and concise (does not exceed two pages), uses plain language, and is in an easily readable font.
 - v. A service provider must provide a customer with a copy of the Critical Information Summary in an alternative format for persons with disabilities upon request, at no charge, at any time during the commitment period.

ANNOTATION (SECTION C1): CRITICAL INFORMATION SUMMARY

In Telecom Regulatory Policy [CRTC 2013-271 – The Wireless Code](#), the CRTC recognized that certain elements of a wireless service contract are consistent sources of confusion for consumers. Consequently, the CRTC determined that providing customers with a Critical Information Summary (CIS) – which is a one-to-two-page summary of a contract – would help consumers understand fundamental components of their contracts. In particular, the CRTC explained the CIS must be provided to all customers together with a permanent copy of the contract, either as a separate document, or as the first two pages of the contract.

In Telecom Regulatory Policy 2013-271 – *the Wireless Code*, the CRTC confirmed the CIS is an independent summary of the most important elements of the contract and whether provided as a separate document or as the first pages of the written contract, the information provided in the CIS **does not replace or fulfill any requirements** to provide the same or similar information within the actual written contract.

Case example – Requirement of CCTS contact information - Confirmed Breach of B1(iii) and Section C1(iii)f

Facts: The customer explained that the written agreement did not match what they had verbally agreed to.

Analysis: As part of the complaint investigation, the CCTS reviewed the service agreement and CIS. Section C1(iii)f requires the CIS to include information on how to complain about the service provider’s wireless services, including how to contact the service provider’s customer service department and the CCTS. This information appeared on the third page of the agreement document.

Conclusion: Section C1(iv)b states that the CIS cannot exceed two pages as the CIS is intended to be a clear and concise summary of the key terms of the contract. As a result, although the information was present in the customer’s agreement, the CCTS concluded it was not contained in the CIS. The CCTS confirmed a breach of section C1(iii)f.

Case example – Requirement to include a description of trial period and usage limits in the CIS - Confirmed Breach of Section C1(iii)d.i

Facts: The customer subscribed to two wireless service contracts including subsidized devices, meaning that an early cancellation fee was contemplated in the contract. The customer was unsatisfied with the performance of the devices and tried to return them. The service provider refused the penalty-free cancellation of their service during the trial period indicating the customer exceeded the usage limits of the trial period. The CCTS reviewed the service agreement and CIS.

Analysis: Section C1(iii)d.i requires the CIS to include information on the usage limits for services during the trial period. The duration of the trial period was listed. However, no limits on voice, text, or data were stated in the CIS.

Conclusion: The CCTS concluded the required information was not contained in the CIS. The CCTS confirmed two breaches of section C1(iii)d.i. The CCTS determined that the customer was entitled to the return their devices paying only the service fees for the period of service used.

Case example – Critical Information Summary was unclear and not easy to understand - Confirmed breach of Section C1(iv)b

Facts: A customer entered into a contract for a wireless service and device. The contract included an unlimited data plan. However, the service provider informed the customer they had a 1GB data plan. The customer contacted us.

Analysis: We reviewed the CIS that the customer had received when they signed up for service. Under “key contract terms”, the CIS stated that the customer had 1GB of monthly data. However, the CIS also stated that the customer had unlimited data as an add-on. We were uncertain whether the customer had agreed to 1GB of data or unlimited data. According to Section C1(iv)b, the CIS is supposed be clear and easy to understand.

Conclusion: We confirmed that the service provider breached section C1(iv)b of the Code because the CIS was not clear and easy to understand. In this case, the CIS contained contradicting information. The customer had no way of knowing whether their plan included unlimited data or 1GB of data because the CIS referred to both. The preamble to the Wireless Code states that if the contract is ambiguous, the contract should be interpreted in a manner that is favorable to the customer. In this case, we found that the provider had agreed to provide unlimited data to the customer.

SECTION D – CHANGES TO CONTRACTS AND RELATED DOCUMENTS

D1 CHANGES TO KEY CONTRACT TERMS AND CONDITIONS

- i. *A service provider must not change the key contract terms and conditions of a postpaid wireless contract during the commitment period without the **account holder's** or **authorized user's** informed and express consent.*
- ii. *When a service provider notifies a customer that it intends to change a key contract term or condition during the commitment period, the account holder or authorized user may refuse the change.*
- iii. *As an exception, a service provider may only change a key contract term or condition during the commitment period without the account holder's or authorized user's express consent if it clearly benefits the customer by either*
 - a. *reducing the rate for a single service; or*
 - b. *increasing the customer's usage allowance for a single service.*

ANNOTATION (SECTION D1(I)): A SERVICE PROVIDER CANNOT MAKE CHANGES TO KEY CONTRACT TERMS DURING THE COMMITMENT PERIOD UNLESS THE ACCOUNT HOLDER OR AUTHORIZED USER HAS PROVIDED INFORMED AND EXPRESS CONSENT TO THE CHANGE(S)

During the commitment period, a service provider may only change the key contract terms (identified in [Section B1\(iii\) a to e](#)) if it has obtained consent from either the account holder or an authorized user. The Code definitions are as follows:

The “account holder” is a person who is responsible for payment under a contract.

- The “authorized user” is a device user who has been authorized by the account holder to consent to additional charges on the account or changes to key contract terms and conditions.

When a service provider changes the key contract terms during the commitment period, we will ask the provider to demonstrate that it obtained informed and express consent (i.e. opt-in) from the account holder or authorized user.

Case example - Service provider changed the customer's wireless data plan (a key contract term) - Confirmed breach of Section D1(i)

Facts: A customer called their service provider to change their post-paid voice and text plan. The customer clearly told the service provider that they wanted to keep

their 6GB data plan. In response, the service provider confirmed with the customer that they would keep their data plan. However, when they reviewed their next bill, the customer noticed that the service provider had removed the 6GB data plan. The customer contacted the CCTS after they were unable to resolve this with their provider.

Analysis: When the CCTS asked the provider why it had changed the customer’s data plan, it explained that the customer’s new voice and text plan was incompatible with their 6GB data plan, so the service provider mistakenly removed the 6GB plan from their account. However, the service provider did not receive the customer’s informed and express consent before doing so.

Conclusion: We confirmed that the service provider breached section D1(i) of the Code because it had downgraded the customer’s data plan during the commitment period without the customer’s informed and express consent. To resolve the dispute, the service provider returned the customer to their old plan and credited all the charges incurred during the period when they were on the smaller data plan.

ISSUE 6: WHAT IS THE COMMITMENT PERIOD FOR MONTH-TO-MONTH CONTRACTS (INDETERMINATE CONTRACTS) AND WHEN CAN A SERVICE PROVIDER MAKE CHANGES TO KEY CONTRACT TERMS FOR MONTH-TO-MONTH CONTRACTS?

The Code [defines](#) “commitment period” as “[t]he term or duration of the contract. For fixed-term contracts, the commitment period is the entire duration of the contract. **For indeterminate contracts, the commitment period is the current month or billing cycle.**” (additional emphasis by the CCTS).

This means for customers with a postpaid indeterminate contract, the service provider is not permitted to make changes to key contract terms in the middle of the monthly billing cycle, unless they have obtained the account holder’s or authorized user’s informed and express consent.

Some service providers have asked if they can make changes to a customer’s contract terms in the next billing period if customers’ contract is indeterminate (i.e. renews month-to-month). Providers can change the terms of an indeterminate contract if the provider notifies the customer at least 30 days in advance of the change, and the notice must explain the change and when it will take effect. Providers are not required to obtain the customer’s consent in these specific circumstances for indeterminate contract customers.

Case example – Changes to the calculation of a tab balance which had the effect of changing a key contract term - Confirmed Breach of Section D1(i)

Facts: A customer entered into a new two-year contract for postpaid wireless services. When they received their monthly invoice, the customer noticed that their tab amount (the amount of device subsidy they received) had increased. They alleged that the service provider had incorrectly calculated the tab balance.

Analysis: We reviewed a copy of the customer’s contract and discovered that the service provider had changed the way it calculated the customer’s tab balance, which is set out in the contract’s related documents (the terms of service). This effectively changed the customer’s key contract terms, since it changed both the calculation of

the remaining device balance and the early cancellation fee set out in the contract. Service providers intending to change contracts or related documents that have the effect of changing key contract terms of the agreement must first obtain the customer’s informed and express consent. The service provider was unable to demonstrate the customer’s consent to the change to the tab balance calculation.

Conclusion: We confirmed the service provider breached section D1(i) of the Code because it failed to obtain the customer’s informed and express consent before changing a key contract term and condition in the customer’s contract (i.e., how the service provider would calculate the customer’s tab).

ISSUE 7: WHAT HAPPENS WHEN CHANGES TO RELATED DOCUMENTS IMPACT KEY CONTRACT TERMS AND CONDITIONS?

The Code [defines](#) “related documents” as “any documents referred to in the contract that affect the customer’s use of the service provider’s services.”

The Code sets different requirements for changing key contract terms and related documents during the commitment period.

- Key contract terms – Provider must obtain the customer’s informed and express consent.
- Related documents – Provider must notify customers at least 30 days prior to the change.

We have seen cases in which a service provider makes a change to “related documents,” but that change has the effect of changing the key contract terms. For example, changes to fair use or network management policies may impact the customer’s ability to access the unlimited services they agreed to.

Some service providers have questioned whether they must obtain consent before changing their related documents when those changes will, in effect, alter the customer’s key contract terms and conditions.

If changes to a related document effectively change the key terms and conditions, the service provider must follow the rules outlined in Section D1 of the Code (e.g. obtain the customer’s informed and express consent before making those changes if the change is made during the commitment period).

Case example – Changes to a service provider’s related documents (Fair Use Policy) affecting key terms and conditions - Confirmed Breach of Section D1(i)

Facts: A customer entered into a postpaid indeterminate contract with their service provider which included voice and data as key terms. The customer’s plan featured unlimited U.S. roaming which allowed for calls, texts, and data usage from anywhere in the U.S. The customer travelled to the U.S. That same month, the service provider changed the terms in its Fair Use Policy for unlimited U.S. roaming by placing limits on the unlimited calling that was part of its U.S. roaming services. The customer initiated a complaint with us about the change.

Analysis: We determined that even though the service provider had not changed the customer’s contract directly, the service provider’s changes to its Fair Use Policy had

indirectly changed the key contract terms of the customer’s contract (e.g. the customer’s unlimited calling feature). We determined the service provider failed to obtain the customer’s consent to change the terms which it was required to do (and in this case it had not even notified the customer of the changes).

Conclusion: We confirmed that the service provider breached section D1(i) of the Code because the service provider had effectively changed a key contract term without obtaining the customer’s informed and express consent. A direct change to a related document may indirectly change a key contract term and condition. When this happens, service providers must notify their customers about these changes and obtain the customer’s express and informed consent before implementing those changes.

D2 CHANGES TO OTHER CONTRACTS TERMS AND CONDITIONS OR RELATED DOCUMENTS

- i. *If, during the commitment period, a service provider wishes to change other contract terms and conditions or the related documents, it must provide the account holder with at least 30 calendar days’ notice before making such changes.*
- ii. *This notice must explain the change and when it will take effect.*

ISSUE 8: WHAT ARE “OTHER CONTRACT TERMS AND RELATED DOCUMENTS”?

As described previously in this Guide, Section B1(i)f-m sets out the minimum standards for disclosure of “other aspects” of the agreement in the permanent copy of a customer’s contract. However, this is not an exhaustive list for the purposes for what changes to “other contract terms and related documents” require notice to the customer. Generally, 30 days’ notice is required if the service provider wishes to make a change to any other term or condition in the contract, that is not a key term, or a change to any related document referred to in the contract that affect the customer’s use of the service provider’s services. Examples include, but are not limited to, changes to promotions or discounts that are included in the permanent contract, changes to any terms of service included or referenced to in the permanent contract, and changes to any policies referred to in the permanent copy of the contract.

Case example – Lack of 30 days’ notice before removal of an “other contract term” - Confirmed breach of Section D2(i)

Facts: A customer explained that their service provider removed the device protection plan – which was an “other contract term” in the customer’s contract - for their smartwatch without their consent.

Analysis: The customer had purchased a smartwatch on a 24-month device financing plan, agreed to data services for the smartwatch, and selected a device protection plan for it. The contract listed the device protection plan as an add-on optional service. The service provider removed the device protection plan without notice to the customer because smartwatches were not eligible for the device protection plan and then credited all fees billed to the customer. The service provider had erroneously added the plan at the onset of the contract.

Conclusion: Although the service provider was correcting its error, the provider was nevertheless required to notify the customer 30 days prior to removing the device protection plan. We confirmed that the service provider breached section D2(i) of the Code because the service provider was unable to demonstrate that it gave the customer a 30-day notice before removing the device protection plan.

Case example – Inaccurate notice of price change - Confirmed breach of Section D2(ii)

Facts: The customer subscribed to wireless service on an indeterminate contract and a \$35 monthly plan. They received a notice on their invoice which indicated the customer would see a \$3 increase to the monthly price of their service starting the following month. However, the customer’s price actually increased by \$4 the next month.

Analysis: During the investigation of the complaint, we found that the provider failed to accurately describe the change being made to the price of the service. The principle underlying the Code is to ensure that customers have the information necessary to make informed decisions about their telecom services.

Conclusion: Although the provider had the right to change the price and notified the customer of the price change, we nevertheless confirmed the service provider breached section D2(ii). The notice did not accurately inform the customer about how much the price plan would increase. When notifying customers about contract changes, service providers must provide customers with accurate information about the change in order to meet their obligations under section D1(ii).

SECTION E – BILL MANAGEMENT

E1 INTERNATIONAL ROAMING NOTIFICATION

- i. *When a device is roaming in another country, a service provider must notify the account holder, and the **device user**, at no charge. The notification must clearly explain the associated rates for voice, text messaging, and data services.*
- ii. *The account holder or device user may opt out of receiving these notifications at any time.*

ANNOTATION (SECTION E1): WHO MUST RECEIVE INTERNATIONAL ROAMING NOTIFICATIONS AND CONTENT OF THE NOTICE

In Telecom Regulatory Policy 2017-200 - *Review of the Wireless Code*, the CRTC clarified that for the purposes of Section E1, the international roaming notification obligation requires notification to both the “account holder” **and** “device users.” This means that if a customer has more than one wireless service line on their account, the service provider must notify **both** the device user and the account holder when the device is roaming in another country. The notice must clearly explain associated roaming rates for voice, text messaging and data services applicable to the country in which the device is roaming. This section of the Code also provides that either the account holder **or** the device user may opt out of receiving these notifications at any time.



Case example – Account holder not notified of international roaming – Confirmed breach of Section E1(i)

Facts: A customer had two wireless lines subscribed to postpaid services. The user of the second line was travelling outside of Canada, and upon their return, the account holder discovered that the account had been charged international roaming fees. The customer contacted their service provider about the charges as they were not notified that fees were being incurred. Their service provider informed them that the charges were valid, so the customer contacted us.

Analysis: During our investigation, we found that the charges were incurred when the user of the second line made phone calls while roaming outside of Canada. While the service provider is not required to cap international voice charges, it is obligated to notify the account holder and the device user that a device is roaming internationally and provide information about applicable voice, text and data rates. The service provider demonstrated that the notification was provided to the device user, but not the account holder.

Conclusion: We confirmed that the service provider breached section E1(i) because it failed to notify the account holder that the device associated with the second line was roaming. To resolve the complaint, the service provider waived the charges incurred while roaming.

Case example – International roaming notification must be sent each time a device is roaming in another country - Confirmed breach of Section E1(i)

Facts: The customer subscribed to a post-paid wireless service and lived near the Canada/US border. The customer explained that, despite subscribing to a plan available specifically to those living in areas near the U.S. border (aimed at preventing inadvertent roaming), their service provider billed U.S. data roaming charges because their cellular signal was being picked up by a U.S. cell tower even though the customer was still in Canada.

Analysis: During the CCTS' investigation of the complaint, we determined that: (i) the border-specific roaming plan covered airtime roaming but did not include text or data roaming charges; (ii) the customer incurred international data roaming charges each time the device was roaming in the U.S. sporadically over several months; (iii) the service provider sent the customer international roaming notifications, often a week prior to the monthly billing, however, not in real time when the device was roaming in the U.S.

Conclusion: We confirmed that the service provider breached section E1(i) of the Code because the service provider was unable to demonstrate that it notified the customer that their device was roaming abroad, and the associated roaming rates, at the time the device was roaming and the charges were incurred. The CCTS expects that each time the customer may incur roaming changes due to entering an international roaming area, the customer should receive a fresh notification compliant with E1(i).

ANNOTATION: FEES FOR ALL ROAMING PACKAGES SHOULD BE INCLUDED IN THE \$100 INTERNATIONAL DATA ROAMING CAP

Service providers are required to suspend international data roaming charges once the charges reach \$100 within a single monthly billing cycle, unless the account holder or authorized user expressly consents to pay additional charges.

Some service providers offer add-on international roaming packages that allow customers to use their monthly voice, text and data allotments from the same plan they use at home while they travel abroad, for an additional fixed price per day. Service providers have questioned if those daily fixed fees count towards the \$100 monthly data roaming cap.

The purpose of the data roaming cap is to help customers manage bill shock and roaming fees. In paras. 220-223 of [Telecom Regulatory Policy 2017-200 - Review of the Wireless Code](#), the Commission expanded the national and international data roaming cap requirements in Sections E2 of the Wireless Code to include roaming add-on packages, and not just consumption-based domestic and international data roaming charges that are caused by data usage on another carrier's network.

The Commission also confirmed this in a [Secretary General letter dated October 7, 2024](#), when the Commission reminded service providers about their Code obligations in relation to the \$100 international data roaming cap:

*"The Commission reminds all service providers that the Wireless Code establishes a \$100 cap on data roaming charges in a single monthly billing cycle. This cap includes all amounts paid by customers for fixed daily rate roaming options that include data, **and plans that allow the consumer to use their phone abroad as they would at home.**" ("emphasis added")*

Case example – The costs of add-on roaming packages must be included in the \$100 international roaming cap – Confirmed breach of Section E2(i)

Facts: A customer with postpaid wireless services purchased an add-on international roaming package which allowed them to use the services included in their monthly rate plan while travelling abroad. The international roaming package was provided for a flat daily rate. The customer noticed they were billed over \$100 in charges for the daily roaming add-on packages. They contacted the service provider to inquire why the international roaming charges had not been capped at \$100. The service provider told the customer that they cap any add-on charges once they exceed \$300, and that international data roaming cap does not apply to add-on roaming packages. The customer then contacted us.

Analysis: During our investigation, we confirmed that the service provider's policy did not comply with the Code which requires the add-on charges to count towards the \$100 cap.

Telecom Regulatory Policy 2017-200 clarifies at paragraphs 220-224 that charges for daily roaming packages including data service must be included in the calculation of the data roaming cap. We therefore asked the service provider to demonstrate that the customer had expressly consented to data roaming charges, including the daily roaming package, above \$100. The service provider was unable to do so.



Conclusion: We confirmed that the service provider breached section E2(i) because it failed to include the charges for the add-on data roaming packages in the cap and also failed to suspend data roaming charges once they reached \$100 within the monthly billing cycle. To remedy this failure, the service provider waived the roaming charges in excess of \$100.

E2 CAP ON DATA ROAMING CHARGES

- i. *A service provider must suspend national and international data roaming charges once they reach \$100 within a single monthly billing cycle, unless the account holder or authorized user expressly consents to pay additional charges.*
- ii. *A service provider must provide this cap at no charge.*
- iii. *In all instances, this cap applies on a per-account basis, regardless of the number of devices associated with the account.*
- iv. *Any amount that the customer pays in data roaming fees, whether via a roaming add-on (before use) or via overage fees (after use), counts toward this cap.*

ANNOTATION: \$100 INTERNATIONAL ROAMING CAPS APPLY TO EACH ACCOUNT, REGARDLESS OF THE NUMBER OF ASSOCIATED DEVICES

We have received complaints where customers are billed more than \$100 for international roaming charges due to roaming charges incurred for multiple lines. Some providers have responded that they interpreted the roaming charges cap to apply per line. In other words, providers allow each line to incur roaming charges of up to \$100 before applying the data cap to that line, regardless of the total amount billed to the account.

Telecom Regulatory Policy 2017-200 revised the Code to specify that data roaming caps are to be applied on each account. Data roaming charges must be suspended after an account reaches \$100 regardless of the number of devices on the account.

The CCTS will confirm breaches of the Code in situations where the \$100 data roaming cap has been exceeded without the account holder or authorized user's express consent to pay additional charges. The CCTS will record a breach for each bill cycle in which the provider billed the account more than the \$100 international roaming cap without consent.

ISSUE 9: WHO CAN AUTHORIZE/CONSENT TO PAY ADDITIONAL CHARGES BEYOND THE DATA ROAMING AND Overage CAPS SET OUT IN E2 AND E3 OF THE CODE?

Only the account holder or authorized users may consent to additional charges beyond the data usage caps or consent to a new service or device discussed in sections E2-E4. Should a Provider's user permission model include multiple levels of authorized users, only those users which have account holder permission on the account profile to consent to additional charges are contemplated by this annotation. Users who are not authorized by the account holder cannot consent to pay additional charges. When investigating complaints regarding data roaming and overage charges, the CCTS will investigate whether the account holder or authorized user consented to pay the charges beyond the data caps.



Case example - Data cap not implemented - Confirmed breach of Section E2(i)

Facts: A customer on a postpaid contract explained that their service provider charged the account a flat daily rate for a roaming package while the users of two of their lines were outside of Canada for three months. The customer did not dispute having agreed to the roaming packages; rather, they contested the amount billed.

Analysis: During our investigation, we determined that the service provider had billed the customer a total of \$1,094 for the roaming packages associated with the two lines in the three-month period. We asked the service provider to demonstrate that the customer had expressly consented to data roaming charges, including the daily roaming package, above \$100 every month. The service provider was unable to do so.

Conclusion: We confirmed that the service provider breached section E2(i) because it failed to cap the data roaming charges as required by the Wireless Code. To resolve the complaint, the service provider credited the roaming charges in excess of \$100 for each billing month.

E3 CAP ON DATA Overage CHARGES

- i. *A service provider must suspend data overage charges once they reach \$50 within a single monthly billing cycle, unless the account holder or authorized user expressly consents to pay additional charges.*
- ii. *A service provider must provide this cap at no charge.*
- iii. *In all instances, this cap applies on a per-account basis, regardless of the number of devices associated with the account.*
- iv. *For a customer with a **flex plan**, the customer begins incurring overage fees after the first tier of data is exceeded, and the service provider must suspend data service when they reach an additional \$50 in overage fees, unless the account holder or authorized user expressly consents to additional charges.*
- v. *For a customer with a **data add-on**, the price of the data add-on must be included in the calculation of the \$50 cap on data overage fees.*

ANNOTATION: \$50 DATA Overage CAPS APPLY ON A PER ACCOUNT BASIS, REGARDLESS OF THE NUMBER OF ASSOCIATED DEVICES

We receive complaints that customers are being billed more than \$50 for data overage charges due to data overage charges on multiple lines on the same account. Some providers have responded that they interpreted the data overage cap to apply per-line - in other words, providers can bill overage charges of up to \$50 per line on the account, regardless of the total amount billed to the account.

Telecom Regulatory Policy 2017-200 revised the Code to specify that overage charge caps are to be applied at the account level. Data overage charges must be suspended after \$50 regardless of the number of devices on the account.

The CCTS will confirm breaches of the Code in situations where spending caps have been exceeded without the account holder or authorized user's express consent to pay additional charges. If charges are billed to multiple lines in amounts of more than \$50, CCTS will confirm one breach per account billed over the overage cap per billing cycle.

ANNOTATION: CHARGES THAT COUNT TOWARDS THE \$50 DATA OVERAGE CAP

Service providers are required to suspend data overage charges once they reach \$50 within a billing cycle, unless the account holder or authorized user consents to pay additional charges. Some service providers have asked what charges count towards the data cap.

1. DATA ADD-ONS

Data add-ons are data packages that the customer can add to their plan for a single billing cycle, with no commitment beyond that billing cycle and without changing the plan itself.

The CRTC clarified at paragraph 259 in CRTC 2017-200 *Review of the Wireless Code* that the price of a data add-on should be included in the calculation of the \$50 cap on data overage fees. When a customer agrees to a data add-on, this does not imply consent to be billed more than the \$50 [22].

2. FLEX PLANS

Some service providers offer their customers wireless data usage plans where billing is based on the amount of data the customer consumes within specific tiers. The Wireless Code calls these services “flex plans” and defines them as “a plan that provides a tiered approach to using and purchasing data. Such plans usually include a minimum monthly data fee and a series of additional flat fees that customers may pay as they use more data.”

The CRTC clarified in CRTC 2017-200, *Review of the Wireless Code*, at paragraph 256 that the \$50 overage cap applies to flex plans as follows:

1. the customer begins incurring overage fees after the first tier or base level of data is exceeded.
2. The service provider must suspend data service when the customer reaches an additional \$50 in overage fees, unless the account holder or authorized user expressly consents to additional charges.

For example, in the plan listed below, the basic plan includes 1 GB of data usage. Beyond this, the provider uses a tiered billing system as follows:

1GB data (included in the monthly service fee)
+\$75 up to 5GB
+\$90 up to 10GB
+\$105 up to 20GB
+\$125 up to 50GB
+\$160 up to 100GB

In this scenario, after the customer uses more than the allotted 1GB of data included in the monthly service plan, the customer begins to incur data overage charges, which the provider must cap at \$50. Because the cost of next tier of data exceeds the \$50 data cap, the provider must obtain the customer’s consent to be charged \$75 for the next data tier.

E4 UNSOLICITED WIRELESS SERVICES

- i. *A service provider must not charge for any device or service that the account holder or authorized user has not expressly purchased.*



Case example – Customer did not expressly consent to charges for early hardware upgrade - Confirmed breach of Section E4(i)

Facts: A customer had two wireless devices on postpaid agreements. The customer had issues with their phone and asked their service provider to replace the SIM (Subscriber Identity Module) card of one of their phones, and replace their second device, both under the manufacturer’s warranty. The customer received their invoice and noticed that they had been billed approximately \$1,000 for two hardware upgrades. The customer explained that they should not have been charged for the upgrades because they did not agree to receive those upgrades. Instead, they simply wanted to repair their phones.

Analysis: We asked the service provider to explain why it had billed the customer for two hardware upgrades. The service provider could not demonstrate that the customer had “expressly purchased” any early hardware upgrades. Instead, the service provider explained that it had made a mistake.

Conclusion: We confirmed two breaches of section E4(i) of the Code because the service provider had charged the customer for two early hardware upgrades, which the customer had not purchased. To resolve the dispute, the service provider offered to credit the hardware upgrade fees that it had charged the customer. The customer accepted this resolution.

E5 MOBILE PREMIUM SERVICES

- i. *If a customer contacts their service provider to inquire about a charge for a mobile premium service, the service provider must explain to the customer how to unsubscribe from the mobile premium service.*

ANNOTATION: WHAT ARE MOBILE PREMIUM SERVICES?

Mobile premium services (MPS) are a value-added service delivered as text messaging or voice calls charged at a premium rate over and above a customer’s standard monthly plan, usually on a per-message or call basis. These can be accessed through standard phone numbers or short codes (often five-digit numbers customers may text message to obtain MPS). Common examples include jokes, horoscopes, chat, sports and weather updates, trivia games, and contests.

The CRTC notes in [The Wireless Code regulatory policy](#) at paragraphs 147-149 that MPS charges are a source of complaints because customers often do not understand how they work or how to unsubscribe from them. There is no cap to MPS service charges, which can cause bill shock to customers.

If a customer makes an inquiry about mobile premium service-related charges, the service provider must also explain how to unsubscribe from mobile premium services. Failure to do so would result in a breach of Section E.

SECTION F - MOBILE DEVICE ISSUES

F1 UNLOCKING

- i. Any device provided by a service provider to the customer for the purpose of providing wireless services must be provided unlocked.
- ii. If a device is, or becomes, **locked** to a service provider's network, that service provider must unlock the device, or give the customer the means to unlock the device, upon request, at no charge.

ANNOTATION: DEVICES MUST BE PROVIDED TO CUSTOMERS UNLOCKED AT OR BEFORE THE TIME OF SALE, AND IF THEY BECOME LOCKED POST-SALE, SERVICE PROVIDERS MUST UNLOCK UPON REQUEST

In Telecom Regulatory Policy 2017-200, the CRTC revised the Code to require that wireless devices be **provided** to the customer already unlocked. The CRTC reiterated this requirement specifying that any device provided by a service provider for the purpose of providing wireless services must be unlocked at or before the time of sale.²

The CCTS therefore expects service providers to provide customers with devices, including smartwatches and tablets capable of receiving wireless service, that are unlocked, whether provided to the customer in-store or by mail.

This is beneficial to the customer as an unlocked device facilitates the customer's ability to manage their own device especially when it comes to fees associated with travel and roaming and reduces the barrier to switching service providers.

Customers have submitted complaints to the CCTS and explained that their devices were sold unlocked and then later became locked to a service provider's network. In some instances, we found some service providers were not unlocking these devices for their customers promptly upon request. The CCTS expects that, upon request and free of charge, service providers promptly provide the means to unlock devices associated with a service contract should they become locked. This expectation is subject to the limitations discussed in the next section.

Case example – Device was not provided unlocked at time of sale - Confirmed breach of Section F1(i)

Facts: A postpaid customer travelling internationally explained to their service provider that a local SIM card would not function with their device. The unlocking attempts made during the trip were unsuccessful. The customer incurred roaming charges as a result which the provider refused to credit. Unsatisfied, the customer submitted a complaint to the CCTS.

Analysis: The CCTS determined that the device was locked when it was sold, and the provider did not unlock the device until eleven months after the date of sale. The service provider confirmed an error occurred with the unlocking process at the time of sale.

² CRTC Secretary General Letter to Philippe Gauvin <https://crtc.gc.ca/eng/archive/2025/lt251128.htm> and CRTC Staff letter addressed to Stephen Schmidt <https://crtc.gc.ca/eng/archive/2025/lt251209.htm>

In [The Review of the Wireless Code regulatory policy](#), the CRTC stated at paragraph 299 that, “[...] A customer who travels abroad with an unlocked device can opt to replace the SIM card in their device to roam in other jurisdictions without having to contact their WSP in advance, providing more options to the customer to manage their bill and reduce the risk of bill shock.”

The CCTS expects devices to be unlocked prior to, or at the time of sale to the customer.

Conclusion: We confirmed that the service provider breached section F1(i) of the Code as the wireless device sold to the customer was provided locked to the service provider’s wireless network.

The CCTS investigation determined the customer was not afforded the ability to take advantage of local roaming options as intended by the Code and required the service provider to reimburse the roaming charges billed to the customer during their trip abroad.

ISSUE 10: CAN A SERVICE PROVIDER DENY A REQUEST TO UNLOCK A DEVICE?

In [Telecom Decision 2019-169](#) - *Request to clarify the device unlocking rules*, the CRTC clarified that service providers are required to unlock the device of a current customer. However, there is no obligation to unlock a device for an individual or small business who is not currently or never was a customer. There is also no obligation to unlock devices of current customers who purchased a locked device from third-party dealers or other wireless service providers.

Specifically, the CRTC states:

*37. Accordingly, the Commission determines that the device unlocking rules, read in their proper context, which includes the [Telecommunications] Act, the entire Wireless Code, and the Wireless Code Review Policy, require service providers to unlock, **upon request and free of charge, only those devices that are tied to an ongoing contract with that service provider (regardless of contract type, including fixed-term, indeterminate, or prepaid service contracts).** [Bolding by CCTS for emphasis.]*

The CRTC also noted that many service providers choose to unlock devices for former customers, although there is no obligation under the Wireless Code.

The CCTS interprets that the obligation to unlock a device is tied to the service contract linking the device to the service provider. The provider is required to unlock a customer’s device until the customer cancels their contract. If the customer does not have an active contract with the service provider at the time the request is made, the provider is not required to unlock the device under the Wireless Code.

Case example – Unlocked device was not provided at time of sale and was not unlocked upon customer request - Confirmed breach of Section F1 (i)

Facts: A customer entered into a two-year post-paid wireless service contract. At the end of the contract, the customer requested that the provider unlock the device in order to change providers and continue using their device on their new service

provider’s network. The customer made several attempts to get the device unlocked, but to no avail. So, the customer contacted the CCTS. After the customer filed the CCTS complaint, the provider gave the customer a code to unlock the device. However, as several weeks had passed since the initial request for the unlock code, the customer remained unsatisfied with the service provider’s delay in the handling of their issue preventing them from using the device with another service while travelling abroad as they had intended. Consequently, they requested the CCTS proceed with an investigation.

Analysis: During our investigation, we discovered that the service provider had sold a locked device to the customer and failed to unlock it upon request.

Conclusion: We confirmed that the service provider breached section F1(i) because any devices provided by a service provider to the customer must be provided unlocked.

Further, if a device becomes locked to the service provider’s network, the means to unlock the device must be provided free of charge upon request. Although in this case the service provider eventually unlocked the device, it was only after multiple requests and a complaint to the CCTS. The CCTS does not consider this to be “upon request”, as the unlocking code was not provided within a reasonable timeframe.

ISSUE 11: CAN A SERVICE PROVIDER REQUIRE THE CUSTOMER TO PAY AN UNPAID BALANCE BEFORE FULFILLING A REQUEST TO UNLOCK A DEVICE?

CCTS has received complaints from customers about service providers who refused to unlock a device because of an unpaid balance on the customer’s account. Some service providers have stated that unlock codes are only provided to a customer if the account is in good standing.

[Telecom Regulatory Policy 2017-200](#) – *Review of the Wireless Code* and [Telecom Decision 2019-169](#) - *Request to clarify the device unlocking rules*, the CRTC confirmed that locked devices should **not** serve as a payment collection mechanism for service providers. Further, the Wireless Code does not provide an exception to the requirement to unlock the device, or to provide the customer the means to unlock the device, upon request. If the service provider cannot demonstrate that it unlocked or provided the means to unlock the device upon request, then we will determine that the service provider breached this section of the Code, even if there is an unpaid balance on the account.

Case example – Service provider would not unlock device due to unpaid balance - Confirmed breach of Section F1(ii)

Facts: A customer entered into a two-year post-paid wireless service contract. During the commitment period, the customer contacted their service provider to request their provider unlock their device. The customer was informed that they had a balance owing and the service provider would not provide the means to unlock the device until the balance was paid in full. The customer therefore contacted us.

Investigation: During the investigation, the service provider advised the CCTS that they did not provide the means to unlock the device as their internal policy required customers to pay their bill in full prior to unlocking any device.

Conclusion: The Wireless Code does not provide any exceptions to the obligation to unlock or provide the means to unlock a device upon request at no charge. We confirmed that the service provider breached section F1(ii) as a result of its failure to unlock the customer’s device upon request. Service providers must ensure that their internal policies comply with their obligations under the Wireless Code.

To resolve the complaint, the service provider provided the customer with the means to unlock the device without requiring that the customer pay the unpaid balance prior to unlocking the device.

F2 WARRANTIES

- i. *A service provider must inform the customer of the existence and duration of a manufacturer’s warranty on a device before offering an extended warranty or insurance on that device.*

ANNOTATION: SERVICE PROVIDERS ARE NOT REQUIRED TO INFORM CUSTOMERS ABOUT EXISTENCE AND DURATION OF THE SERVICE PROVIDER’S WARRANTY ON PRE-OWNED DEVICES

Customers who have purchased pre-owned devices from a service provider have submitted complaints and explained that information about the service provider’s warranty was not disclosed in their contract. Customers noted that either the provider’s warranty was not included in the contract or that they purchased additional insurance without knowing that their device was already covered by the service provider’s warranty.

While the CCTS considers that the most consumer-friendly practice is to disclose any warranty related to a customer’s device in the contract, the Code’s language is clear that **only the device manufacturer’s warranty** must be disclosed prior to offering additional warranty or insurance coverage. The obligation does not apply when the device warranty is provided by the service provider.

F3 LOST OR STOLEN DEVICES

- i. *When a customer notifies their service provider that their device has been lost or stolen,*
 - a. *the service provider must immediately suspend the customer’s service at no charge; and*
 - b. *the terms and conditions of the contract will continue to apply, including the customer’s obligation to pay*
 - i. *all charges incurred before the service provider received notice that the device was lost or stolen; and*

- ii. *either the minimum monthly charge (and taxes), if the customer continues with the contract, or the applicable early cancellation fee, if the customer cancels the contract;*
- ii. *If the customer notifies the service provider that their device has been located or replaced and requests that their service be restored, the service provider must restore the service at no charge.*

F4 REPAIRS

- i. *A service provider must suspend wireless service charges during device repairs upon request if all of the following conditions are met:*
 - a. *the device was provided as part of a contract with the service provider and is returned to the service provider for repair;*
 - b. *the device is under the manufacturer's or the service provider's warranty;*
 - c. *the service provider did not provide a free replacement device for use during the repair; and*
 - d. *the customer would incur an early cancellation fee if they were to cancel their wireless services.*

Case example – Service provider offered customer with replacement device during repair and did not suspend service charges during device repair - No Breach of F4(i)(a)

Facts: A customer brought their device into a service provider retail location for repairs under the manufacturer's warranty. The customer filed a complaint about the provider billing regular service charges during the 11-day repair.

Investigation: During the investigation, we confirmed service charges were not suspended during the repair and that the customer was offered a free replacement device during repair. The investigation revealed that the retail location taking the device for repairs did not have any loaner phones available but recommended that the customer visit another retail location to obtain one. Instead of obtaining the free replacement device offered by the provider, the customer placed their SIM card into another user-owned device and continued to use the service, incurring voice and data usage. We also confirmed through account notes that the service provider agreed to the customer's request to have their service fees waived for the period their device was in for repair and unusable.

Conclusion: We determined there was **no breach** of section F4(i) of the Code because **all** of the conditions in Section F4.i (a to d) that require a service provider to suspend wireless service charges during repair were not met. Specifically, the service provider did not fail to provide the customer with a free replacement device during the repair. The service provider offered a free replacement device and the customer refused. Therefore, the customer was not entitled to have service charges suspended during the repair period.

SECTION G – CONTRACT CANCELLATION AND EXTENSION

G1 EARLY CANCELLATION FEES – GENERAL

- i. *If a customer cancels a contract before the end of the commitment period, the service provider must not charge the customer any fee or penalty other than the early cancellation fee. This fee must be calculated in the manner set out in sections G.2 and G.3 below.*
- ii. *When calculating the time remaining in a contract to determine the early cancellation fee, a month that has partially elapsed at the time of cancellation is considered a month completely elapsed.*

G2 EARLY CANCELLATION FEES – SUBSIDIZED DEVICE

- i. *When a subsidized device is provided as part of the contract,*
 - a. *for fixed-term contracts: The early cancellation fee must not exceed the value of the device subsidy.*
 - i. *The early cancellation fee must be reduced by an equal amount each month, for the lesser of 24 months or the total number of months in the contract term, such that the early cancellation fee is reduced to \$0 by the end of the period.*
 - ii. *For tab contracts, the early cancellation fee must be reduced by either a minimum amount or percentage amount each month in the contract term, for the lesser of 24 months or the total number of months in the contract term, such that the early cancellation fee is reduced to \$0 by no later than the end of the period.*
 - b. *for indeterminate contracts: The early cancellation fee must not exceed the value of the device subsidy.*
 - i. *The early cancellation fee must be reduced by an equal amount each month, over a maximum of 24 months, such that the early cancellation fee is reduced to \$0 by the end of the period.*
 - ii. *For tab contracts, the early cancellation fee must be reduced by either a minimum amount or percentage amount each month, over a maximum of 24 months such that the early cancellation fee is reduced to \$0 by no later than the end of the period.*
- ii. *When calculating the early cancellation fee,*
 - a. *the value of the device subsidy is the retail price of the device minus the amount that the customer paid for the device when the contract was agreed to; and*
 - b. *the retail price of the device is the lesser of the manufacturer's suggested retail price or the price set for the device when it is purchased from the service provider without a contract.*

G3 EARLY CANCELLATION FEES – NO SUBSIDIZED DEVICE

- i. *When a subsidized device is not provided as part of the contract,*
 - a. *for fixed-term contracts: The early cancellation fee must not exceed the lesser of \$50 or 10% of the minimum monthly charge for the remaining months of the contract, up to a maximum of 24 months. The early cancellation fee must be reduced to \$0 by the end of the period.*

- b. *for indeterminate contracts: A service provider must not charge an early cancellation fee.*

ANNOTATION (SECTION G1): WHAT IS AN EARLY CANCELLATION FEE AND WHAT IS NOT?

Section G1 of the Code sets out the specific charges a service provider can apply if a customer cancels service before the end of the commitment period. A service provider **may only charge an early cancellation fee**, as set out in Sections G2 and G3 the Code, to recover the remaining value of a device subsidy or a capped amount if there is no device subsidy. See the annotations for G2 and G3 below for more detail.

CCTS has seen various programs offered by service providers that require a customer to pay a fee, such as an early upgrade fee, or a device non-return fee, if the customer cancels before the end of the commitment period.

In [Telecom Decision 2015-212](#), paragraph 21, the CRTC confirmed that these early device upgrade programs are not early cancellation fees and are consistent with the Code’s contract cancellation and extension rules.

By paying an early device upgrade fee, the customer is paying for services as part of the early device upgrade program and specifically, “the option to upgrade a wireless device in the middle of a two-year postpaid contract without having to pay an [early cancellation fee].” Additionally, the CRTC noted that the early device upgrade program fee operates independently from the early cancellation fee mechanism and the customer’s device subsidy and is optional.

Similarly, the fee charged for non-return of the device subject to a device return option agreement, is an option the customer chooses and not an early cancellation fee contemplated by the Code.

Case example – Service Provider charged fees other than cancellation fee - Confirmed breach of Section G1(i)

Facts: A customer contacted us about their service provider charging additional fees when the customer requested to **cancel** their wireless service.

Analysis: The service provider cancelled the customer’s wireless service upon the customer’s request and charged the customer a \$75 fee to process the cancellation. During our investigation, we reminded the service provider that when a customer cancels a contract before the end of the commitment period, only early cancellation fees calculated in the manner set out in Section G2 or G3 of the Code are permitted.

Conclusion: We confirmed a breach of Section G1(i) in this complaint because the \$75 fee charged to the customer to process the cancellation, was not an early cancellation fee calculated in the manner set out in Section G2 or G3 of the Code.

ANNOTATION (SECTION G2): HOW ARE EARLY CANCELLATION FEES CALCULATED WHEN THERE IS A DEVICE SUBSIDY?

Section G2 sets out the formula to calculate the early cancellation fees when a subsidized device is included in the contract. For example, a customer agrees to finance the cost of the device over 24

months and to subscribe to mobile services on a 24-month contract, or a customer obtains a device at a reduced upfront cost, and the amount of the device subsidy goes onto the customer's "tab".
Calculation of early cancellation fee with a device subsidy:

Step 1: Calculate the device subsidy

Device subsidy = retail price* of the device minus the amount paid upfront for the device

*(*retail price is the lesser of the Manufacturer's Suggested Retail Price "MSRP" or the service provider's contract price)*

Example: If the retail device price: \$1,200 and the customer paid \$400 up front, the device subsidy is \$800 (\$1200 - \$400)

Step 2: Reduce the subsidy over the months elapsed* in the contract term.

The subsidy must decline each month so that it reaches \$0 by the end of the term

*(*under Section G1(ii), a month that has partially elapsed at the time of cancellation should be counted as a completed month of service when calculating the early cancellation fee. This means the service provider must not include the current month as a month remaining in the contract when calculating the early cancellation fee.)*

Example: If the contract length is 24 months, the monthly subsidy is \$33.33 (\$800/24).
Subsidy reduction for 10 months elapsed= \$333.33 (\$33.33 x 10 months)

Result: Early cancellation fee is the remaining unpaid portion of the device subsidy at the time of cancellation.

Example: if a customer cancels their 24-month contract with a device subsidy of \$800.00 in the middle of the 10th month the cancellation fee permitted by the Code would be \$466.67 (\$800 - \$333.33).

Case example – Service provider incorrectly calculated the ECF charged to the customer by not considering the month partially elapsed at time of cancellation - Confirmed breach of Section G.1(i)

Facts: A customer submitted a complaint because they disputed the amount of the early cancellation fee (ECF) their service provider billed after cancelling their 24-month contract before the end of the term.

Analysis: During the investigation of the complaint, we reviewed the customer's contract and found that the ECF was calculated incorrectly. We confirmed that on the day the customer cancelled their contract, 7 months and 2 days had elapsed since the start date. However, the ECF calculation had been based on 17 months remaining in the contract. Instead, the service provider should have considered the 2 days passed of the current month at the time of cancellation and calculated the ECF based on 8 months having elapsed in the contract, with 16 months remaining.

Conclusion: The service provider breached section G1(i) of the Code because it did not calculate the ECF in accordance with of the Wireless Code obligation to consider a partially elapsed month of service completely elapsed. To resolve the complaint, the service provider offered to provide the customer with a credit equivalent to one month of service.

ISSUE 12: HOW EARLY CANCELLATION FEES ARE CALCULATED WHEN THE DEVICE SUBSIDY IS IN THE FORM OF A TAB CONTRACT?

The [Telecom Regulatory Policy 2017-200](#) – *Review of the Wireless Code* incorporated the clarifications set out in [Telecom Regulatory Policy CRTC 2013-586](#) into sections B and C of the Code regarding tab contracts and indeterminate contracts. Tab contracts are agreements where a customer obtains a device at a reduced upfront cost and the amount of the device subsidy goes onto the customer’s “tab”. Thereafter, a percentage of the customer’s monthly bill is used to pay down their tab. Tab contracts typically provide for a minimum monthly percentage which customers need to pay back in a maximum of 24 months. Tab contracts also allow the customer to pay down the device subsidy beyond the monthly minimum to pay off the device subsidy early. Tab device contracts are often paired with indeterminate term wireless service plans.

In particular, the 2017 revised Code incorporates the clarification that the early cancellation fee for a tab contract does not need to decrease by an equal amount each month, so long as the cancellation fee (i) never exceeds the value of the device subsidy, (ii) is reduced to \$0 in 24 months or less, and (iii) is reduced each month in a way that is clear, transparent, and predictable to a customer.

Service providers offering a tab contract must set out the following in their contracts:

- a) the minimum amount by which the ECF will be reduced each month, or
- b) the percentage amount that will be used to determine the monthly cancellation fee reduction.

Additionally, to ensure clarity, where the early cancellation fee is not a fixed dollar amount, service providers must provide an example of how this fee is calculated in both the contract and the CIS.

Case example – Service provider incorrectly calculated the ECF - Confirmed breach of Section G2(i)a

Facts: A small business entered into a postpaid 36-month contract for wireless. Twenty-nine months into the contract, the small business ported its wireless services to another service provider. The service provider charged the small business an early cancellation fee that had reduced the device subsidy by an equal amount each month for 36 months. The service provider explained it did not believe the Code applied to the small business. The small business disputed the ECF calculation. The small business submitted a complaint to us and alleged that the service provider incorrectly calculated the termination fee.

Analysis: We investigated the complaint and determined that the Code applied to this small business. When we looked at the ECF calculation, we found that the service provider had charged the small business an early cancellation fee that was reduced by an equal amount over 36 months and not 24 months as required by the Code.

Conclusion: We confirmed that the service provider had breached section G2(i)a of the Code because it failed to charge the customer an early cancellation fee according to the formula set out in the Code. Section G2(i)a requires service providers to reduce their early cancellation fees to zero by the end of 24 months. Customers can cancel contracts after 24 months penalty free even in situations where they agreed to longer terms. To resolve the dispute, the service provider offered a credit to the customer’s account (over \$3,800), which the customer accepted.

ANNOTATION (SECTION G3): HOW EARLY CANCELLATION FEES ARE CALCULATED WITH NO DEVICE SUBSIDY

Section G3 sets out the formula for calculating early cancellation fees when there is no device subsidy included in the contract. For example, a customer brings their own device or purchases the device outright from the service provider.

Calculation of the early cancellation fee with no device subsidy for fixed-term contracts is as follows:

The early cancellation fee is capped at the lesser of:

- \$50.00 or
- 10% of the minimum monthly charge x remaining months* in the term, to a maximum of 24 months

*[*as noted above, a month that has partially elapsed at the time of cancellation should be counted as a completed month of service when calculating the early cancellation fee pursuant to Section G1(ii)]*

Section G3.i(b) prohibits service providers from charging an early cancellation fee for month to month (indeterminate) contracts.

Case example – Service provider improperly charged other cancellation fees - Confirmed breach of Section G3(i)b

Facts: A customer agreed to two wireless service contracts on 24-month terms. They paid for both devices in full at the time they entered into the contracts. Six months after, the customer received a text message from the service provider which explained that they were being placed on indeterminate contracts instead in order to comply with the Code. The customer called the service provider one month later to cancel the two services. During their call, the service provider told the customer that they would be charged a \$50 “account closing fee” for each line. The customer, refusing to pay the account closing fee, submitted a complaint to us.

Analysis: We reviewed the customer’s invoices and found that the service provider had indeed charged the customer an “account closing fee.” Charging fees for cancellation other than what is described in section G of the Code is not permitted. As this customer had indeterminate contracts without subsidized devices, the service provider could not charge other cancellation fees.

Conclusion: We confirmed that the service provider had breached section G3(i)b of the Code because it improperly charged the customer a fee not permitted by the Code.

G4 TRIAL PERIOD

- i. *When a customer agrees to a contract through which they are subject to an early cancellation fee, a service provider must offer the customer a trial period lasting a minimum of 15 calendar days to enable the customer to determine whether the service meets their needs.*
- ii. *The trial period must start on the date on which service begins.*
- iii. *A service provider may establish limits on the use of voice, text, and data services for the trial period for all services that are not purchased on an unlimited basis.*
 - a. *For single-user plans, the standard trial period usage limits must correspond to at least half of the permitted monthly usage specified in the customer’s contract.*
 - b. *For **multi-user plans**, the trial period usage limits must correspond to at least half of the permitted monthly usage for the entire account, as specified in the contract.*
- iv. *If a customer self-identifies as a person with a disability, the service provider must offer an extended trial period lasting a minimum of 30 calendar days, and the permitted usage amounts must be at least double the service provider’s general usage amounts for the standard trial period.*
- v. *During the trial period, customers may cancel their contract without penalty or early cancellation fee if they have*
 - a. *used less than the permitted usage; and*
 - b. *returned any device provided by the service provider, in near-new condition, including original packaging.*

ANNOTATION: LIMITS ON USAGE DURING THE TRIAL PERIOD

In the [Telecom Regulatory Policy 2017-200 – Review of the Wireless Code](#), the CRTC changed the Code to set standard trial period usage limits:

- For single user plans → at least half of the monthly usage limit for voice, text, or data service in the customer’s plan;
- For multi-user plans → half of the usage permitted for the entire account.
- For customers who self-identify as a person with a disability → at least double the standard trial period usage limits as well as a minimum 30 calendar day trial period.

Case example – Customer’s service wasn’t cancelled during trial period - Confirmed breach of Section G4(iii)a

Facts: A customer submitted a complaint to us and explained that their service provider refused to cancel the customer’s contract during the customer’s trial period.

Investigation: During the CCTS’ investigation of the complaint, we were unable to determine based on the available documentation that the customer contacted the service provider by phone or attended a retail location within the trial period to cancel or return their wireless device. However, in reviewing the customer’s contract, we determined that the customer had agreed to a plan with unlimited voice usage, and 10 GB of data but the contract only entitled the customer to use 30 voice minutes and 50 MB of data during the 15-day trial period. These limits are not at least half the permitted monthly usage in the contract.

Conclusion: We confirmed that the service provider had breached section G4(iii)a of the Code because it improperly set limits on the customer’s trial period usage which do not meet the thresholds set out in the applicable provisions of the Code.

ISSUE 13: WHAT IS REQUIRED TO REQUEST THE EXTENDED 30-DAY TRIAL PERIOD?

The Wireless Code outlines the service provider must take into account the needs of persons with disabilities. These obligations are outlined in Section B (providing contracts in an alternate format at no charge), Section C (providing the CIS in an alternate format at no charge), and Section G (providing an extended trial period).

The Code does not specify that a customer must self-identify as a person with disability at the point of sale. Therefore, a customer that self-identifies as a person with a disability can request to take advantage of the extended 30-day trial period at that time, so long as they make the request within the extended 30-day period, and the service provider must grant the request. There is no requirement to provide any documentation or proof of disability, nor to disclose the nature of the disability. The only requirement is that the customer self-identify.

G5 CANCELLATION DATE

- i. Customers may cancel their contract at any time by notifying their service provider.*
- ii. Cancellation takes effect on the day the service provider receives the notice of cancellation.*

ANNOTATION: CANCELLATIONS, REFUNDS AND APPLICABILITY TO PREPAID SERVICE

The introduction to the Code sets out that sections A1-3; B2; E1, E4, and E5; F1-4; G1-4; and J1 apply to prepaid service. The omission of section G makes clear that the cancellation date provisions do not apply to prepaid service. Consequently, service providers are not required to provide pro-rated refunds to customers who have prepaid service as defined by the Code.

ANNOTATION: PROHIBITION OF 30-DAY CANCELLATION POLICIES – SERVICE PROVIDERS MUST PROVIDE PRO-RATED REFUNDS FOR CANCELLED SERVICE

Post-paid customers have submitted complaints about some service providers not cancelling their service on the day requested or billing them for cancelled service.

The CCTS has seen two different issues when customers call to cancel their service:

1. The service provider explains to the customer that it will cancel the service on that day but since the customer has already paid in advance for the entire month of service, it will not refund the customer for the remaining days in the service month. So, the service provider encourages the customer to stay until the end of the month. Some customers had done this to avoid paying for wireless services with two providers; or
2. The service provider cancels the service on the day that the customer requests to cancel. But the provider continued to charge for services for the rest of the billing cycle citing a policy which requires advance notice of cancellation.

The CRTC clarified in [Telecom Decision 2016-171](#) that service providers are not only required to cancel the wireless services on the day they receive a cancellation request from the customer, but they must not charge the customer for services they will not receive. In addition, it clarified that the

service providers are required to provide pro-rated refunds for the days remaining in the billing cycle the customer cannot use.

Service providers must pro-rate the monthly service fee on the final bill to reflect the actual number of days that the service was active. For example, a customer’s monthly service fee is \$60 and the billing cycle is from the 2nd to the 1st of each month. If the service is cancelled effective on June 20th, the service was active for 18 days in that billing cycle. The monthly service fee should therefore be pro-rated as follows: \$60 monthly fee/30 days=\$2 per day. \$2 per day x 18 days = \$36. Therefore, the customer should be charged \$36 instead of \$60 for the final billing cycle.

If the full month has been paid in advance, the service provider must refund the customer for the difference.

Case example – Customer continued to be charged for services after cancellation - Confirmed breach of Section G5(ii)

Facts: The customer ported their wireless service to a new provider in the middle of their billing cycle. When the customer received their final bill from their original service provider, the customer was surprised to see they were billed for the entire billing cycle, despite only having active service for a portion of the period. The customer contacted their former service provider to resolve the situation but was dissatisfied with the response and therefore contacted us.

Analysis: During the investigation, we determined that although the service provider received and complied with the port-out request, which was effectively a cancellation request, it continued to charge the customer until the end of that billing period although the customer had service with a new service provider.

Conclusion: We confirmed that the service provider breached section G5(ii) as the service provider charged service fees for days when the services were no longer active. To resolve this complaint, the service provider refunded the service fees charged after cancellation.

G6 CONTRACT EXTENSION

- i. *To ensure that customers are not disconnected at the end of the commitment period, a service provider may extend a contract, with the same rates, terms and conditions, on a month-to-month basis.*
- ii. *A service provider must notify a customer on a fixed-term contract at least 90 calendar days before the end of their initial commitment period whether or not the contract will be automatically extended. This notification must include*
 - a. *the date on which the contract is set to expire;*
 - b. *a statement informing the customer that as of that date, they can switch plans, change services providers, or cancel their service without penalty; and*
 - c. *information explaining*
 - i. *whether the contract will be automatically extended with the same rates, terms, and conditions, on a month-to-month basis; and*
 - ii. *if the contract is not being automatically extended, the proposed new minimum monthly charge for service going forward*

- iii. *At the time that a service provider offers a customer a device upgrade, the service provider must clearly explain to the customer any changes to the existing contract terms caused by accepting the new device, including any extension to the commitment period.*

ANNOTATION: INFORMATION REQUIRED IN 90-DAY NOTIFICATION OF AUTOMATIC CONTRACT EXTENSION

The [Telecom Regulatory Policy 2017-200](#) – *Review of the Wireless Code* incorporated new information requirements into the 90-day notification of automatic contract extension in order to make customers more aware of existing options when their contracts are about to expire.

Specifically, the notification must include: (i) the date on which their contract is set to expire, (ii) whether their rates, terms, and conditions for service will stay the same or, if not, the new proposed minimum monthly charge for service going forward, and (iii) that as of the contract expiry date, they are no longer subject to an ECF or any other penalty should they decide to switch plans or providers, upgrade devices, or cancel their service.

SECTION H – SECURITY DEPOSITS

H1 REQUESTING, REVIEWING, AND RETURNING A SECURITY DEPOSIT

- i. *If a service provider requires a security deposit from a customer, the service provider must*
- a. *inform the customer of the reasons for requesting the deposit;*
 - b. *keep a record of those reasons for as long as the service provider holds the deposit;*
 - c. *specify in the written contract the conditions for the return of the security deposit;*
 - d. *review the continued appropriateness of retaining the deposit at least once per year; and*
 - e. *return the security deposit with interest to the customer, retaining only any amount owed by the customer, no more than 30 calendar days after*
 - i. *the contract is terminated by either the customer or the service provider;*
or
 - ii. *the service provider determines that the conditions for the return of the security deposit have been met;*
- ii. *A service provider must calculate interest on security deposits using the Bank of Canada's overnight rate in effect at the time, plus at minimum 1%, on the basis of the actual number of days in a year, accruing on a monthly basis; and*
- iii. *A service provider may apply the security deposit toward any amount past due and may require customers to replenish the security deposit after such use in order to continue providing service.*

ISSUE 14: WHEN MUST A SERVICE PROVIDER RETURN A SECURITY DEPOSIT?

A service provider is required to return a customer's security deposit, with accrued interest as described in Section H1(ii), within 30 days after:

1. the service is cancelled, by either the customer or the service provider; or
2. the conditions that originally justified the deposit are no longer present.

Case example –Service provider failed to disclose conditions of security deposit to customer - Confirmed Breach of Section H1(i)c

Facts: A customer entered into a two-year wireless service contract and was required to provide a \$400 security deposit at the point of sale. At that time, the service provider explained to the customer that the deposit would be returned after six months as long as the account balance was paid regularly and by the due date. The customer followed the service providers’ instructions and paid the account balance on time. However, after six months, the service provider did not return the customer’s deposit. The customer asked the service provider about the return of the deposit, and the customer was told they had to fulfill other conditions before the deposit would be returned. The customer submitted a complaint to us about the additional conditions.

Analysis: We asked the service provider to provide a copy of the customer’s contract. After reviewing the contract, we found that the contract did not outline the additional terms and conditions related to the return of the security deposit the service provider communicated to the customer when inquiring about the return of the deposit. During our investigation, the service provider refunded the security deposit to the customer, which resolved the customer’s complaint.

Conclusion: We confirmed that the service provider had breached section H1(i)c of the Code because it failed to specify in the customer’s written contract all of the conditions attached to the security deposit.

ISSUE 15: WHAT EVIDENCE SHOULD A PROVIDER RETAIN TO DEMONSTRATE IT HAS MET ITS OBLIGATIONS IN RELATION TO A SECURITY DEPOSIT

A service provider must be able to produce evidence that it disclosed to the customer the reasons for requiring a security deposit and retain those reasons for the period the deposit was required, as set out in section H1(i) of the Code. Providers should also retain evidence that the security deposit was returned to the customer when the conditions for refund have been met. A provider can demonstrate that it met its Code obligations through account notes, correspondence with the customer and other documentation showing it maintained the security deposit and disclosed the reasons for requiring it.

A provider is required to review the appropriateness of retaining the customer’s security deposit at least once a year and to return the deposit when the conditions that originally justified it are no longer present. A provider can demonstrate that it met its Code obligations through account notes, correspondence with the customer or other documentation showing it reviewed the deposit, the results of the review, and evidence that the security deposit was, or was not, appropriately returned to the customer.

Case example – Security deposit returned without interest - Confirmed Breach of Section H1(i)e

Facts: A customer entered into a fixed-term 24-month postpaid contract including a security deposit. The customer explained that, after the third year, they had not received their security deposit back. The provider returned the deposit upon request but did not include any interest. The customer contacted us.

Analysis: We requested that the service provider demonstrate returning the interest due on the security deposit. The service provider was unable to do so. During the course of the CCTS investigation, the service provider sent the customer a cheque for the interest due on the deposit.

Conclusion: We confirmed that the service provider had breached section H1(i)e of the Code because it failed to return the security deposit with interest. The customer was satisfied with the return of the interest and informally resolved the case.

SECTION I – DISCONNECTION

I1 WHEN DISCONNECTION MAY OCCUR

- i. *If the grounds for disconnecting a customer are failure to pay, a service provider can disconnect a customer’s postpaid service only if the customer*
 - a. *fails to pay an account that is past due, provided it exceeds \$50 or has been past due for more than two months;*
 - b. *fails to provide or maintain a reasonable security deposit or alternative when requested to do so by the service provider; or*
 - c. *agreed to a deferred payment plan with the service provider and fails to comply with the terms of this plan.*
- ii. *Except with customer consent or in other exceptional circumstances, disconnection may occur only on weekdays between 8 a.m. and 9 p.m. or on weekends between 9 a.m. and 5 p.m., unless the weekday or weekend day precedes a statutory holiday, in which case disconnection may not occur after noon. The applicable time is that of the customer’s declared place of residence.*
- iii. *If a service provider disconnects a customer in error, the service provider must restore service to the customer by the end of the next business day no later than 1 business day after they are made aware of the error and must not impose reconnection charges.*

ANNOTATION: REGULATORY CONTEXT FOR DISCONNECTING

The Deposit and Disconnection Code (D&D Code), approved by the CRTC in Telecom Decision 2011-702, sets out similar notification rules when disconnecting residential home phone service. In Telecom Regulatory Policy 2019-269, the CRTC confirmed regulatory symmetry of the disconnection notification requirements across each of the Wireless Code, the Internet Code and the D&D Code to ensure customers would be subject to the same principles for all telecommunications services included in their bundles. As a result, the CCTS may consider regulatory policies regarding internet or home phone service when interpreting the disconnection provisions in the Wireless Code. CCTS’ approach to disconnection issues for residential home phone services under the D&D Code can be found in our [Annotated Guide to the D&D Code](#).

ISSUE 16: WHAT IS A DISCONNECTION IN ERROR?

Section I of the Code applies to disconnections for non-payment only. If a service provider disconnects a customer in error for reasons not related to non-payment/collections, the CCTS will not conclude that the provider has breached the disconnection requirements of the Code.

Section I1(iii) requires a service provider promptly restore the customers service for any erroneous disconnections for non-payment and prohibits a service provider from imposing reconnection charges for an erroneous disconnection for non-payment.

I2 NOTICE BEFORE DISCONNECTION

- i. *If a service provider intends to disconnect a customer, it must notify the customer before disconnection, except in cases where*
 - a. *action is necessary to protect the network from harm;*
 - b. *the service provider has a reasonable suspicion that fraud is occurring or likely to occur; or*
 - c. *a pre-set spending limit is reached, such as for customers on credit-limited spending programs, in instances where the customer was previously made aware of this limit;*
- ii. *In all other cases, before a disconnection, including the first instance of a **suspension** in a disconnection cycle, a service provider must give reasonable notice to the customer at least 14 calendar days before disconnection. The notice must contain the following information:*
 - a. *the reason for disconnection and amount owing (if any);*
 - b. *the scheduled disconnection date;*
 - c. *the availability of deferred payment plans;*
 - d. *the amount of the reconnection charge (if any); and*
 - e. *contact information for a service provider representative with whom the disconnection can be discussed.*
- iii. *A service provider must provide a second notice to advise a customer that their service will be disconnected at least 24 hours before disconnection, except if*
 - a. *repeated attempts to contact the customer have failed;*
 - b. *action is necessary to protect the network from harm; or*
 - c. *the service provider has a reasonable suspicion that fraud is occurring or likely to occur.*
- iv. *A service provider must notify a customer of the specific terms leading to further suspensions or disconnection should the customer not pay according to the terms in their promise-to-pay agreement; and*
- v. *Should a customer fulfill the terms of their promise-to-pay agreement, the service provider must treat any future non-payment by the customer as the start of a new disconnection cycle.*

ANNOTATION: STEPS SERVICE PROVIDER MUST FOLLOW WHEN DISCONNECTING A CUSTOMER FOR NON-PAYMENT “DISCONNECTION CYCLE”

Section I2 of the Code describes the process by which a provider may temporarily suspend and/or permanently disconnect a customer’s service for non-payment.

Suspension and disconnection are defined in the [Wireless Code](#) and the [Internet Code](#) as follows:

Suspension: A temporary halt in service that can result from a lack of payment or hitting a pre-determined spending or usage limit. The customer’s account and contract remain in force during service suspension.

Disconnection: The termination of services by a service provider.

In [Telecom Decision CRTC 2015-376](#), the CRTC clarified that a provider typically must notify a customer **twice** prior to disconnection service for failure to pay regardless of whether the provider interrupts the customer’s service through “suspension” or “disconnection.” This process is referred to as the **disconnection cycle**.

Step 1 – Service provider delivers 14-day notice to the Customer [Section I2(ii)]

When any of the grounds set out in Section I1 of the Wireless Code are met, a provider may commence the disconnection cycle by providing the customer with a minimum of 14-days’ notice of suspension or disconnection, as the case may be, for non-payment. The notice must specifically advise the customer of the imminent risk of a service suspension or disconnection if payment is not received. Section I.2 (ii) of the Wireless Code details the specific information required in the notice, all of which must be included in the notice.

If the customer pays before the scheduled suspension or disconnection date, the issue is considered resolved and the disconnection cycle is completed. A fresh 14-day notice is needed to commence a new cycle before a new suspension or disconnection can occur.

If a customer fails to pay the outstanding balance, the provider can proceed to Step 2 and deliver a 24-hour notice to the customer.

Some customers may enter into a payment plan with their provider to pay the outstanding balance over time. If a customer fails to make the payments according to the payment plan, the provider may be able to suspend the customer without any additional notice. In order to do so without notice, the payment plan must clearly state the terms leading to further suspension or disconnection if the customer fails to fulfill the payment plan. However, if the provider wishes to disconnect the service, the provider must provide 24-hour notice, even if the customer failed to fulfil the payment plan.

If a customer pays or enters into a payment arrangement and fulfils it after receiving the 14-day disconnection notice but prior to the 24-hour notice, the disconnection cycle ends. If the provider wishes to disconnect the same customer for non-payment in the future, the provider must start a new disconnection cycle based on fresh and valid grounds starting with a new 14-day notice.

Step 2 – Service provider delivers 24-hour Notice to the customer [Section I2(iii)]

Section I2(iii) of the Code requires the provider to send a second notice to the customer a minimum of 24 hours prior to the scheduled suspension or disconnection date.

Section I2i(a-c) of the Code provides limited exceptions to the requirement to provide 24-hour notice.

Step 3 – Suspension or Disconnection [Section I2(ii)]

The provider suspends or disconnects service on the scheduled suspension or disconnection date.

If the provider’s notice is specific to a suspension of service but does not mention the possibility of disconnection, fresh 14-day and 24-hour notices are required to move from a suspension of service to a permanent disconnection.

ISSUE 17: WHAT EVIDENCE DOES A PROVIDER NEED TO SUBMIT TO THE CCTS IN ORDER TO DEMONSTRATE THAT IT PROVIDED THE CUSTOMER WITH CODE-COMPLIANT NOTICE?

A provider can demonstrate to the CCTS that it provided a customer with Code-compliant notice by submitting a completed copy of the suspension or disconnection notice(s) it sent to the customer along with evidence of where, when, and how the notice(s) were sent.

Providers often submit templates of their standard 14-day disconnection notices to demonstrate that they provided Code-compliant notice to a customer. A standard template, without supporting documentation that demonstrates what information was populated in the template actually sent to the customer, is insufficient to demonstrate that all the specific information required by section 12(ii)a-e was provided. A provider can demonstrate that it provided a customer with a Code-compliant notice by submitting its standard template and other supporting documents, such as account notes, that show it provided notice to the customer populated with the information required by Section 12(ii)a-e, such as the correct amount owing and the scheduled disconnection date. If a provider does not provide complete information, the CCTS will confirm a breach of Section 12(ii) of the Wireless Code.

The Wireless Code does not require any specific information to be included in a 24-hour notice. Nevertheless, the provider should be able to demonstrate that its communication with the customer informed the customer of the impending disconnection. A provider can demonstrate that they informed a customer of impending disconnection through call notes, call recordings, or a transcript of the communication in addition to evidence that it was communicated.

Case example – Service Provider disconnection notice did not inform customer of the disconnection date - Confirmed Breach of Section 12(ii)b

Facts: A customer entered into a postpaid indeterminate contract for wireless services. The service provider later disconnected the customer's services because they did not pay an outstanding balance on their account. The customer disputed the disconnection and submitted a complaint to us.

Analysis: We found that the service provider had provided notice to the customer regarding a) the reason for disconnection and amount owing; c) the availability of deferred payment plans; d) the amount of the reconnection fee; e) contact information of a service representative. However, the notice did not include element b) the scheduled disconnection date. The service provider was also not able to otherwise demonstrate it had properly informed the customer of the scheduled disconnection date.

Conclusion: We confirmed that the service provider had breached section 12(ii) of the Code because it failed to notify the customer of the scheduled disconnection date, which it is required to do under 12(ii)b.

Case example – Lack of Code-compliant notice at least 14 days prior to disconnection - Confirmed Breach of Section 12(ii)

Facts: A customer entered into a postpaid, fixed-term (24-month) contract for wireless phone and data stick services. The service provider disconnected the



customer's wireless services in July. The customer disputed the disconnection with the service provider and argued that they had paid their invoices up until February via pre-authorized payments. In February, the pre-authorized payment process failed after numerous attempts to process the payment. The customer also alleged that in June the service provider had advised them not to make any payments.

Analysis: The service provider was not able to demonstrate it had advised the customer not to make any payments in June. Rather, we found that the service provider had contacted the customer a few times in May, June, and July in order to remind the customer to pay their bill. In June, the customer made a partial payment, but did not make any additional payments after that time, which explained why the service provider disconnected the service in July. We determined that the service provider had grounds to suspend the customer's service because they had an outstanding balance that exceeded \$50, and which had been overdue for more than two months. However, the service provider was unable to demonstrate that it had provided Code-compliant notice prior to disconnecting the service.

Conclusion: We confirmed that the service provider had breached section 12(ii) of the Code because they failed to notify the customer at least 14 calendar days before disconnecting their service, and did not provide the following information in that notice:

- a) the reason for disconnection and amount owing;
- b) the scheduled disconnection date;
- c) the availability of deferred payment plans;
- d) the amount of the reconnection fee (if any); and
- e) contact information for a service provider representative with whom the disconnection can be discussed.

ISSUE 18: PARTIAL INTERRUPTIONS TO PROMPT COLLECTIONS ARE SUSPENSIONS OR DISCONNECTIONS FOR THE PURPOSES OF THE CODE

In [Telecom Decision CRTC 2015-376](#), the CRTC confirmed that the disconnection rules apply to all service interruptions for collections purposes. However, paragraph 28 clarifies that, "Suspensions due to a customer reaching a pre-established usage or credit limit are distinct from suspensions due to non-payment". Consistent with the decision's description of disconnections at paragraph 5 of "interruptions or suspensions", collection measures that partially interrupt service, such as restricting data access or outgoing calls and redirecting calls to collections agents, are considered suspensions of service for the purposes of the Wireless Code. Providers are therefore required to provide customers with Code-compliant notices prior to interrupting the service for collections purposes.

Case example – Service provider did not provide Code-compliant notice prior to partial-block of services - Confirmed Breach of Section 12(ii)

Facts: The customer submitted a complaint to the CCTS and explained that the provider suspended their wireless service and ultimately disconnected the service two months later without providing any notice of either event.

Analysis: The CCTS investigated the complaint. During the investigation, we reviewed a recording of a phone call between the customer and the provider. During the call, the

provider informed the customer that a “block” had been placed on the outgoing calls on the account, due to non-payment. Although intermittent, the block interfered with the customer’s ability to use the service consistently and reliably. Therefore, we considered the block to be equivalent to a suspension for non-payment. Invoices confirmed that the customer’s overdue balance was more than \$50 and was past due for more than two months. However, the provider was not able to demonstrate that it provided the customer with a suspension or disconnection notice 14 days prior to blocking the service. The provider also conceded that it had not notified the customer at least 24 hours prior to the block.

Conclusion: We confirmed breaches of sections I2(ii) and I2(iii) of the Code because the provider failed to demonstrate that it had provided Code-compliant notice to the customer at least 14 days and 24 hours prior to applying the partial block, a form of suspension. The CCTS also confirmed breaches of Sections I2(ii) and I2(iii) because the provider did not notify the customer prior to the disconnection of their service two months later. The service provider’s failure to notify the customer about the suspension of service prevented the customer from using the service reliably or addressing the issue with the provider to prevent further late fees. Given this, the CCTS required the provider to credit the monthly service charges and late payment fees incurred during the timeframe where the customer’s ability to use the service consistently and reliably was interfered with.

ISSUE 19: 14-DAY NOTICES MUST INDICATE A SPECIFIC DISCONNECTION DATE

Customers should be informed of the date on which a provider will interrupt their services. The CCTS expects service providers to suspend or disconnect the customer’s service on the date specified on the notice, or as close as reasonably possible, but not before. Providing customers with a range of dates within which the disconnection may occur creates uncertainty and does **not** satisfy the requirement in section I2(ii)b of the Wireless Code.

If a provider fails to disconnect the customer’s service on the specified disconnection date, the provider must provide fresh 14-day and 24-hour notices with the revised disconnection date.

Case example – Service provider did not notify the customer of the scheduled disconnection date - Confirmed Breach of Section I2(ii)b

Facts: A customer entered into a postpaid indeterminate contract for wireless services. Later, the service provider suspended the service for non-payment of data overage fees the customer disputed. Unable to resolve the issue with their service provider, the customer contacted us.

Analysis: The service provider submitted documentation to demonstrate that the overage charges the customer disputed resulted from usage traced back to the customer’s device and SIM card. Therefore, the charges were legitimate. However, the 14-day suspension notice provided to the customer specified that, without payment, their service would be suspended in 14-25 days.

The Wireless Code expects that customers be certain of the date when the service provider will disconnect their services. Providing customers with a window of time within which the disconnection may occur is not accurate and does not satisfy the requirement in section

I2(ii)b of the Code. Customers should have certainty about the availability of their service in order to make alternate arrangements if necessary.

Conclusion: We confirmed that the service provider had breached section I2(ii)b of the Code because it failed to notify them of the specific scheduled disconnection date, which it is required to do under I2(ii)b.

ISSUE 20: IF A CUSTOMER FAILS TO FULFIL A PAYMENT ARRANGEMENT, CAN THE PROVIDER SUSPEND OR DISCONNECT SERVICES WITHOUT ADDITIONAL NOTICE?

In [Telecom Decision CRTC 2015-376 - Wireless Code – Requests for clarification on how the disconnection rules apply to suspensions](#), the CRTC clarified at paragraphs 30 and 33 the notification rules following a failed payment arrangement after a disconnection cycle has commenced with a 14-day notice.

- If a customer then enters into a payment arrangement and is made aware of the specific terms leading to further suspension, no further 14-day or 24-hour notice is required to suspend the service.
- However, if the 14-day notice includes notice about the suspension of service and further disconnection of service and the provider seeks to disconnect the service, the provider is required to give 24-hour notice of the disconnection of service if the payment arrangement is not satisfied.

ISSUE 21: WHAT ARE THE CIRCUMSTANCES THAT PERMIT A SERVICE PROVIDER TO DISCONNECT SERVICE WITHOUT PROVIDING THE CUSTOMER THE PRESCRIBED 14-DAY AND 24-HOUR NOTICE?

Section I2(iii)a and b of the Code permit a service provider to disconnect a customer’s service without advance notice, and/or outside of the prescribed time frames if the provider has obtained customer consent, or exceptional circumstances exist.

In [CRTC Telecom Decision 86 – 7](#), the Commission confirmed that “exceptional circumstances” include situations where there is imminent risk of network harm, or suspected fraud that requires a service provider to act quickly to protect its network.

Additionally, Section I2 excludes a service provider from proving the 14-day and 24-hour notice of disconnection once a pre-set spending limit, and/or for customers who have exceeded the amount of the credit limit spend, only in instances where the customer was previously made aware of the limit.

However, in the event that the customer does **not** know that their account has a spending limit, the customer must be provided with Code-compliant notice prior to the disconnection.

Note that the exemption of these customers from the disconnection provisions applies only if the reason for the disconnection is related to the spending limit. If the service provider disconnects a customer with a spending limit for any other grounds provided for in Section I.1, the notice provisions of the Code will apply.

Case example – Customer did not know about credit limit on account and was disconnected - Confirmed Breach of Section I2(ii) & I2(iii)

Facts: A customer entered into a wireless postpaid, indeterminate contract which renewed on the 15th day of each month. A few months after activation of the service, the service provider suspended the customer’s service because they had exceeded the \$297 credit limit on the account. The customer submitted a complaint to the CCTS and explained that the service provider had not told them about any spending limits on the account.

Analysis: We discovered through the investigation that the service provider had not informed the customer about any spending limits on the account. Because the customer did not know about the limits on their account, the customer had no way of anticipating or preventing the service provider’s suspension of service. We determined the customer was owed Code-compliant 14-day and 24-hour notices. The service provider was unable to demonstrate providing any notice of the suspension to the customer.

Conclusion: We confirmed that the service provider breached sections I2(ii) & I2(iii) of the Code because the customer was not informed about the credit limit on their account or provided with Code-compliant suspension notices. The customer should not have been suspended for going over a limit that they did not know existed.

13 DISPUTING DISCONNECTION CHARGES

- i. *A service provider must not disconnect a customer if*
 - a. *the customer notifies the service provider on or before the scheduled disconnection date listed in the notice that they dispute the reasons for the disconnection;*
 - b. *the customer pays the amount due for any undisputed portion of the charges; and*
 - c. *the service provider does not have reasonable grounds to believe that the purpose of the dispute is to evade or delay payment.*

ISSUE 22: CAN A SERVICE PROVIDER DISCONNECT A CUSTOMER’S SERVICE FOR UNPAID AMOUNTS IN DISPUTE?

Section 13 of the Code prohibits a provider from disconnecting a customer’s service if the customer disputes the basis for the proposed disconnection and the customer has paid all undisputed portions of the charges. As an exception, the provider can proceed with the disconnection if the service provider has valid reasons to believe the customer dispute is to evade payment or delay payment of outstanding amounts. If a provider relies on this exception, the CCTS expects the provider to be able to demonstrate its basis for concluding the customer is evading payment. For example, records that the customer has failed to participate in the provider’s attempts to resolve the dispute.

Case example – Service provider disconnected a customer’s service for unpaid amounts in dispute- Confirmed breach of Section I3(i)

Facts: A postpaid customer disputed the billing of airtime overage fees and the disconnection of their services. The customer disputed the airtime overage fees because they said those minutes were included in their plan. When the customer contacted their service provider, it adjusted some of the disputed charges. The

customer continued to pay the undisputed portion of their bills, but the service provider ultimately suspended services for non-payment without notifying the customer and without fully resolving the billing dispute. The customer submitted a complaint to us.

Analysis: We reviewed the customers’ invoices and found that the account had been past due for a number of months, and most of the bills included charges that were disputed. We found that the customer routinely called the service provider to dispute various charges and paid the undisputed portion of their bills.

Conclusion: We confirmed that the service provider had breached section I3 of the Code because it had no basis to disconnect the customer’s service since: 1) the customer had disputed the reasons for the service disconnection; 2) the customer had paid the amount due for the undisputed portion of the charges; and 3) the service provider had no reasonable grounds to believe that the purpose of the customer’s dispute was to evade or delay payment.

SECTION J – EXPIRATION OF PREPAID BALANCES

J1 GENERAL

- i. *Upon the expiry of the commitment period of a prepaid customer, a service provider must allow at least seven calendar days for the customer to top up their account, at no charge, in order to maintain an active account and retain any existing balance.*
- ii. *This rule applies whether the commitment period of the prepaid customer is established via an activated prepaid card or otherwise, by contributing amounts to a prepaid account balance.*

ANNOTATION: THE EXPIRY OF PREPAID BALANCES

When creating the Code, the Commission decided that service providers are permitted to have expiry dates on prepaid calling cards. The expiry date is a condition that applies to the prepaid balance which must be disclosed to the customer in the prepaid service contract as set out in section B2(i) of the Code.

Section J1 requires providers to provide customers with seven days to top up their account to maintain an active account.

Case example – Customer wasn’t afforded time to top up account and keep it active - Confirmed breach of Section J1(i)

Facts: On March 18th, a customer purchased and applied a \$25 top up to their account valid for 365 days. This set the expiry date on March 18th the following year. On March 25th the next year, the customer purchased a second \$25 top up at 12:38 p.m. but was unsuccessful in applying it to the account. The customer phoned the provider who informed them at 4:06 p.m. that the account had expired March 18th as planned. The provider informed the customer that the 7-day grace period began on the 18th, making the 24th the final day the customer could top up to preserve their balance. The

top up made by the customer occurred after the grace period expired. Unsatisfied with the response, they contacted the CCTS.

Analysis: We reviewed the customer’s account summary which confirmed the expiry date of the account was March 18. However, [Telecom Regulatory Policy 2013-271](#) (The Wireless Code) is clear that service providers “should hold prepaid card customers’ accounts open for seven days **following** expiry of an activated prepaid card to give customers more time to “top up” their accounts.”. Therefore, the start of the grace period should begin the day after the customer is no longer able to use their prepaid balance. In this case, March 19. That makes the final day of the grace period in these circumstances March 25. The customer should have been allowed to top up their account.

Conclusion: We confirmed that the service provider had breached section J1(i) of the Code because it had not afforded the customer seven calendar days to top up their account. The service provider objected to the breach indicating that it had paid out the prepaid balance to the customer later on July 11th. However, providing a remedy to the customer after the fact does not cure a breach of the Code. The CCTS maintained the objection.

ISSUE 23: CAN SERVICE PROVIDERS SET A MAXIMUM LIMIT ON PREPAID BALANCES?

In [Telecom Decision 2015-211](#) and [Telecom Decision 2020-91](#), the CRTC found that balance limit policies are not prohibited under the Wireless Code as no section of the Code prohibits service providers from limiting the size of balances that may be carried over. This position is in line with the CRTC Decisions that indicate that service providers are not required to carry over prepaid balances indefinitely.

While service providers can change the terms of service for prepaid services, both Telecom Decisions [CRTC 2015-211](#) and [2020-91](#) indicate that the change must be clearly publicized in advance. In the 2015 decision, the service provider sent direct notices to customers at least 60 days in advance of the change publicizing the amendment to the service provider’s website and terms of service with respect to limiting large prepaid balances, which the CRTC accepted as sufficient notice. In the 2020 decision, more than 12 months’ notice was provided to customers.

ISSUE 24: WHAT HAPPENS TO PREPAID BALANCES IF A PROVIDER CEASES TO OFFER PREPAID SERVICE?

Service providers are not prohibited from retiring products. This includes prepaid service. Service providers planning to make changes or retire prepaid service offerings are obligated to clearly publicize the change in advance as indicated in the previous issue discussion. While not required, service providers should ideally allow enough time or offer options to allow customers to deplete their balances. Alternatively, service providers may offer a method to convert the prepaid balance into a postpaid service.