

WALMART CANADA BANK

TIED SELLING - WHAT DO YOU NEED TO KNOW ?

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TIED SELLING

What is Coercive Tied Selling?

The law provides that you cannot be unduly pressured to buy a product or service that you don't want from a bank or one of its affiliates in order to obtain another bank product or service. The *Bank Act* prohibits banks from practicing coercive tied selling. More specifically, it is against the law for a bank to "impose undue pressure on, or coerce, a person to obtain a product or service from a particular person, including the bank and any of its affiliates, as a condition for obtaining another product or service from the bank."

Our Commitment to You

Walmart Canada Bank expects all of its associates to comply with the law by not practicing coercive tied selling. If you have experienced coercive tied selling in any dealings with us, please let us know. You can find out how to contact us at the end of this booklet.

1. What is NOT Coercive Tied Selling?

Most businesses, including Walmart Canada Bank, look for tangible ways to show their interest in your business and appreciation for your loyalty. Sales practices, such as preferential pricing and bundling of products and services, offer existing and potential customers better prices or more favourable terms. These practices should not be confused with coercive tied selling, as defined in the *Bank Act*. Many of these practices will be familiar to you in your dealings with other businesses.

2. Preferential Pricing

Preferential pricing means offering customers a better price or rate on all or part of their business. A bank may be able to offer you preferential pricing – for example, a higher interest rate on investments or a lower interest rate on loans - if you use more of its products or services, and these practices are acceptable.

3. Bundling of Products and Services

Products or services are often combined to give customers better prices, incentives or more favourable terms. By linking or bundling their products or services, businesses are often able to offer them to you at a lower combined price than if you bought each product on its own. For example, a fast-food chain advertises a meal combination that includes a hamburger, fries and a drink. The overall price is lower than if you bought the three items separately. Similarly, banks may offer you bundled financial services or products so that you can take advantage of package prices that are less than the sum of the individual items. Bundling products in this way is permitted because you have the choice of buying the items individually or in a package.

4. Managing Credit Risk

To ensure the safety of their depositors, creditors and shareholders, banks must carefully manage the risk on the loans and credit cards they approve. Therefore the law allows us to impose certain requirements on cardholders as a condition for granting credit - but only to the extent necessary for us to manage our risk. At Walmart Canada Bank, our requirements for cardholders will be reasonable and consistent with our level of risk.

5. How to Contact Us

Please let us know if you have any questions, complaints or concerns about your dealings with Walmart Canada Bank:

Walmart Canada Bank
PO Box 217
Orangeville, ON
L9W 2Z6

Attention: Manager of Customer Service
Tel: 1-888-331-6133

External Bodies

Ombudsman for Banking Services and Investments

You can also contact the Ombudsman for Banking Services and Investments, an independent office responsible for assisting banking customers with concerns that have not been successfully resolved by a member bank. The Ombudsman for Banking Services and Investments may be contacted as follows:

Toll-free Telephone: 1-888-451-4519
Toll-free Fax: 1-888-422-2865

Email: ombudsman@obsi.ca

Mail: Ombudsman for Banking Services and Investments
PO Box 896, Station Adelaide
Toronto, ON M5C 2K3

Financial Consumer Agency of Canada

The Financial Consumer Agency of Canada (the “FCAC”) is responsible for ensuring that all financial institutions comply with federal consumer legislation. The FCAC will investigate any complaint that relates to a possible breach of a federal consumer provision. The FCAC may be contacted as follows:

Telephone: 1-888-461-3222 (English)

1-888-461-2232 (French)

Fax: 1-866-814-2224

Website: <http://www.fcac-acfc.gc.ca>

Mail: Financial Consumer Agency of Canada
6th Floor, Enterprise Building
427 Laurier Avenue West
Ottawa, ON
K1R 1B9