



Telecom Regulatory Policy CRTC 2017-200

PDF version

Reference: Telecom Notice of Consultation 2016-293, as amended

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Review of the Wireless Code

The Wireless Code (the Code) is a mandatory code of conduct for providers of retail mobile wireless voice and data services. The Commission created the Code to make it easier for Canadians to understand their mobile contracts, prevent bill shock, and switch service providers.

To ensure that the Code continues to be effective, the Commission is making targeted changes to the Code and clarifying existing rules.

As a result, the Code, among other things, now ensures that customers will be provided with unlocked devices, gives families more control over data overages, sets minimum usage limits for the trial period that correspond to at least half of the monthly usage limits of the customer's plan, and clarifies that data is a key contract term that cannot be changed during the commitment period without the customer's consent.

*The targeted changes to the Code will take effect on **1 December 2017** and will apply to all new, amended, or extended contracts from that day forward. Certain changes will also apply to existing contracts. Until that date, all existing rules in the Code remain in effect and, where the Commission has clarified the way that these rules are to be interpreted, customers can have their complaints resolved according to these interpretations immediately.*

Introduction

1. The Wireless Code (or the Code) is a mandatory code of conduct that applies to all retail mobile wireless voice and data services (wireless services) provided to individual and small business¹ customers in Canada.
2. The Code sets out requirements for wireless service providers (WSPs) to (i) ensure the consumers are empowered to make informed decisions about wireless services; and (ii) contribute to a more dynamic wireless marketplace by making it easier for consumers to take advantage of competitive offers.

¹ A small business is defined as one whose average monthly telecommunications bill is under \$2,500.

3. The Code advances the telecommunications policy objectives established by Parliament and set out in paragraphs 7(a), (b), (f), and (h) of the *Telecommunications Act* (the Act).²
4. To ensure that the Code continues to be effective, the Commission is making targeted changes to the Code and clarifying existing rules.
5. The **Wireless Code**, as amended by this decision, is set out in **Appendix 1** of this decision.
6. **Your Rights as a Wireless Consumer** (the consumer checklist), an updated checklist that highlights the most important aspects of the Code for consumers, is set out in **Appendix 2** of this decision.

Regulatory background

7. In Telecom Regulatory Policy 2013-271 (the original Wireless Code policy), the Commission created the Code and considered it appropriate to develop an evaluation plan to assess the effectiveness of the Code, three years following its implementation. The Commission considered that a three-year time frame was appropriate to (i) monitor compliance with the Code, (ii) ensure the Code's effectiveness, and (iii) correct any issues that may develop during the implementation process.
8. The Commission also indicated that it would provide guidance if WSPs or other parties were unclear about the application or interpretation of the Code,³ and requested that the Commissioner for Complaints for Telecommunications Services Inc. (CCTS)⁴ be the administrator of the Code.⁵

Implementation report card

9. Following implementation, the Commission required all WSPs to report publicly on their compliance to ensure they were following the rules. In September 2014, the Commission published results in the [Implementation Report Card](#) which is based on the WSPs' [Compliance Reports](#).

²The cited policy objectives of the Act are 7(a) to facilitate the orderly development throughout Canada of a telecommunications system that serves to safeguard, enrich and strengthen the social and economic fabric of Canada and its regions; 7(b) to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada; 7(f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective; and 7(h) to respond to the economic and social requirements of users of telecommunications services.

³ See paragraph 379 of Telecom Regulatory Policy 2013-271.

⁴ CCTS website: www.ccts-cprst.ca

⁵ See paragraph 376 of Telecom Regulatory Policy 2013-271.

Complaints reporting

10. As the administrator of the Code, the CCTS is responsible for, among other things, (i) resolving any complaints related to the Code; (ii) monitoring trends in complaints; and (iii) reporting on both complaints and trends in its mid-year and annual reports (the CCTS reports).
11. Each year the CCTS reports publicly on all consumer complaints about the Wireless Code. These reports list the types of complaints that have been resolved and what steps were taken to resolve them. The CCTS has also published *CCTS Annotated Guide to the CRTC Wireless Code* (Annotated Guide), which sets out its interpretation of certain provisions in the Code. The relevant CCTS documents were placed on the record of this proceeding.

Public Opinion Surveys

12. As part of the evaluation plan, the Commission has asked Canadians about their wireless plans each year since the Code was created. These public opinion surveys, prepared by a third party at the Commission's request, are the [*Wireless Code Public Opinion Research 2014*](#), the [*Wireless Code Public Opinion Research 2015*](#), the [*Wireless Code Public Opinion Research 2016*](#), and the [*Wireless Code Public Opinion Research Fall 2016*](#) (collectively, the Public Opinion Research [POR] reports).⁶

Privacy report

13. The Commission also commissioned a report to provide an overview of the collection and use of Canadians' personal information by WSP and third-party entities. The report was intended to assist the Commission with its review of the Code by providing insights as to how the Code is meeting its objectives with respect to its privacy provisions, in addition to contributing to the Commission's overall understanding of current and emerging privacy issues in the wireless market.

Clarification decisions

14. In the original Wireless Code policy, the Commission noted that, as with any new set of rules, there may be issues of interpretation that it has not anticipated. To ensure the greatest benefit to consumers, if any part of the Code or a customer's contract is ambiguous, or if it is unclear how the terms of the Code or the contract are to be applied, the Commission further directed that the Code and the contract must be interpreted in a manner that is favourable to the customer. The Commission reserved the right to issue guidelines of general application.

⁶ The 2014 and 2015 POR reports were prepared by Harris/Decima; the 2016 POR reports were prepared by TNS Canada.

15. Since the Code was created, the Commission issued several decisions that provide further interpretive guidance for certain aspects of the Code in response to requests for clarification. The Commission clarified how the Code applies to corporate plans; indeterminate contracts; tab contracts;⁷ suspensions of service; and refunds for services not provided following cancellation.⁸
16. While these decisions did not amend the wording of the Code, they made clear how the existing provisions of the Code were to be interpreted, given the overarching objectives of the Code and the guiding principle that ambiguity is to be resolved in favour of the customer.

Overview of the proceeding

17. In Telecom Notice of Consultation 2016-293, the Commission initiated a review of the Code and called for comment on the following issues:
 - the effectiveness of the Wireless Code;
 - the evolution of the retail mobile wireless market since the implementation of the Wireless Code;
 - the content and wording of the Wireless Code;
 - consumer awareness of the Wireless Code; and
 - how the Wireless Code's effectiveness should be assessed and reviewed going forward.
18. The proceeding included a two-phase online consultation to enable individual Canadians to participate easily, as well as a public hearing which was held in February 2017.
19. The Commission received comments from 375 parties, including over 350 individual Canadians.
20. The Commission received interventions from Bell Canada; Bragg Communications Incorporated, operating as Eastlink (Eastlink); the Canadian Wireless Telecommunications Association (CWTA); the CCTS; the Coalition (collectively, the Consumers' Association of Canada, the Council of Senior Citizens Organizations of British Columbia, the National Pensioners Federation, and the Public Interest Advocacy Centre); Comité pour le service cellulaire équitable

⁷ Tab contracts are contracts for wireless services in which the 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.

⁸ The Commission issued a clarification in a response to a request from Quebecor Media Inc. that Bell Canada and its subsidiaries be directed to give individual and small business customers pro-rated refunds when those customers cancel retail local voice (including voice over Internet Protocol [VoIP]) services, Internet services, and wireless services.

L'Islet; Community Legal Aid (Windsor, Ontario); the Consumers Council of Canada (CCC); the Deaf Wireless Canada Consultative Committee (DWCC); Dr. Catherine Middleton, Canada Research Chair, Ted Rogers School of Management, Ryerson University and Dr. Tamara Shepherd, Assistant Professor, Department of Communication, Media and Film, University of Calgary (Middleton and Shepherd); the Forum for Research and Policy in Communications (FRPC); Freedom Mobile Inc. (Freedom Mobile) [formerly WIND Mobile Corp.]; Group of students from Huntington University at Laurentian University; Group of researchers from University of Ottawa: Marina Pavlovic, Mary Cavanagh, Sean Grassie and Lora Hamilton (collectively, Pavlovic et al.); Media Access Canada (MAC); Ministère de la Culture et des Communications du Québec et l'Office de la protection du consommateur; Quebecor Media Inc., on behalf of Videotron G.P. (Videotron); Rogers Communications Canada Inc. (RCCI); Saskatchewan Telecommunications (SaskTel); SSi Micro Ltd. (SSi Micro); TELUS Communications Company (TCC); l'Union des consommateurs (l'Union); and Vaxination Informatique (Vaxination).

21. The public record of this proceeding, which closed on 6 March 2017, is available on the Commission's website at www.crtc.gc.ca or by using the file number provided above.

Issues

22. Based on its review of all comments made during the proceeding, the Commission determines that the following are the key issues to be addressed in this decision:
 - Overall effectiveness of the Code
 - Evolution of the retail wireless market: new plan types and service offerings
 - Multi-user plans
 - Flex plans
 - Data add-ons and roaming plans
 - Pay-in-advance plans
 - Application of the Code
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- Other proposals raised by parties
- Awareness of the Code
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- Compliance monitoring and future reviews of the Code

Overall effectiveness of the Code

23. The purpose of the review is to assess the Code's effectiveness to date and make adjustments as necessary to ensure its ongoing effectiveness.
24. Parties generally agreed that, as demonstrated by the POR reports and the CCTS reports, the Code has generally been effective in meeting its objectives. For example, the CCC, the Coalition, and the FRPC submitted that the Code has been particularly effective in reducing barriers to switching WSPs by prohibiting WSPs from imposing early cancellation fees after two years. The CCC and the FRPC further noted that the Code has successfully reduced the risk of bill shock by imposing caps on data roaming and overage charges. WSPs and the CWTA submitted that the reduction in wireless complaints is evidence of the Code's success overall.
25. With respect to complaints, the POR reports show that the percentage of Canadians who reported having made a complaint in the past 12 months has dropped by over a third in the past two years, down from 26% of Canadians in the spring of 2014 to 17% of Canadians in the fall of 2016. Similarly, the CCTS reports show a decline in wireless complaints. Complaints to the CCTS about wireless services dropped

since 2012 (60.2% in 2012 versus 50.3% in 2016). However, wireless services continue to generate the most complaints to the CCTS, compared to other services.

26. The POR reports also show that

- the percentage of Canadians who reported experiencing bill shock has decreased by a quarter since 2014, down from 28% of Canadians in the spring of 2014 to 21% of Canadians in the fall of 2016;
 - Canadians identified data overage fees (48%) and international roaming charges (17%) as the main reasons for bill shock in 2016; and
 - those on multi-user plans (i.e. a shared or family plan), a relatively new and increasingly popular option for consumers, are also more likely to experience bill shock than those on an individual plan (28% versus 19%);
- the percentage of Canadians reporting that their switch between WSPs was ‘easy’ has increased from 75% in 2014 to 79% in the spring of 2016; and
- fewer Canadians reported having their wireless plans changed without notice, decreasing since 2014 (19% in the spring of 2014 versus 17% in the spring of 2016).

27. With respect to contract clarity, the CCTS reports show that misleading or unclear contract terms continues to be a source of frustration and complaints for consumers. The POR reports show that Canadians’ understanding of contract language remained relatively stable, with 66% of Canadians reporting that they found their contracts clear and easy to understand (consistent with 2014 and 2015); and the number of Canadians who thought their contracts were unclear and difficult to understand decreased since 2014 (16% in the spring of 2014 versus 14% in the spring of 2016).

28. No party proposed a radical overhaul of the Code. Instead, most parties proposed that the Commission make targeted changes to the wording and/or content of the Code or clarify how existing rules are to apply given (i) new business practices that have emerged since the Code was introduced, and (ii) determinations made in related Commission decisions.

Commission’s analysis and determinations

29. The Commission considers that the evidence on the record indicates that the Code has made considerable strides towards achieving its objectives. Specifically, since the Code was introduced

- wireless complaints have decreased;

- bill shock has decreased;
 - unilateral changes to contract terms have decreased; and
 - ease of switching providers has increased.
30. However, the evidence on the record of this proceeding also shows areas where the Code's effectiveness in reaching its objectives could be improved. For example, despite the significant strides the Code has made in protecting consumers against unexpectedly high bills, data overage and roaming charges continue to be a problem for one-in-five Canadians and half of Canadians still find it difficult to manage roaming fees while travelling abroad. Locked phones and unlocking fees were also key consumer concerns expressed by individual Canadians on the record of this proceeding, and were viewed by many as barriers to the advancement of the Code's objectives.
31. Accordingly, to ensure that the Code continues to be effective, the Commission determines that it is necessary to make certain targeted changes to the Code and to clarify certain existing rules.

Evolution of the retail wireless market: new plan types and service offerings

32. Since the Code was created, the wireless market has continued to evolve, introducing new types of wireless plans and services. To ensure the Code continues to be effective for all consumers, no matter what type of wireless plan or service they choose, the Code must respond to market changes.
33. When the Code was developed, multi-user plans and flex plans were not offered by most WSPs. As a result, they were neither discussed extensively on the record of that proceeding nor specifically addressed in the original Wireless Code policy.

Multi-user plans

34. Multi-user plans include family and shared plans. In a multi-user plan, the customer generally chooses a wireless plan with voice, text, and/or data and shares it between family, friends, or devices. Certain multi-user plans enable the customer to add up to nine other users and/or devices.
35. According to the *Wireless Code Public Opinion Research 2016* report, there has been a 5% increase in the use of family plans (up from 25% in 2015 to 30% in 2016) at the expense of individual plans (down from 73% in 2015 to 68% in 2016).⁹ Notably, the report also indicates that Canadians with a family or shared plan are more likely to have made a complaint about their wireless services.

⁹ TNS Canada, *Wireless Code Public Opinion Research 2016* report, page 35

36. How the Code applies to multi-user plans was one of the most contentious issues in this proceeding. Key issues related to multi-user plans include who can consent to charges and changes; who should receive usage notifications; and how data caps should be applied to multi-user plans.

Flex plans

37. In today's market consumers can purchase data as part of their wireless plan in several ways. Most plans that include data have a set maximum amount of data that can be used before data overage charges begin to apply.
38. In contrast, flex plans provide 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.
39. Many flex plans still enable a customer to incur data overage fees when a customer's data usage during a billing cycle exceeds the topmost tier in the plan.

Data add-ons and roaming plans

40. When the Code was developed, data add-ons and roaming plans were neither discussed extensively on the record of that proceeding nor specifically addressed in the original Wireless Code policy.
41. Add-ons are packages of optional services that customers can add to or remove from their monthly plan without changing the plan itself. When the Code was first developed, the most common types of add-ons were long distance, voice mail, and call display. Today, WSPs are offering more extensive add-ons like data top-ups and travel or roaming plans.
42. Generally speaking, 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.
43. By purchasing a data add-on, instead of being billed at standard data overage rates, the customer buys extra data at a different rate. This provides some predictability for the customer in terms of the total charge they can expect on their bill at the end of the billing cycle. If the customer wants another data add-on next billing cycle, they must actively purchase it again. The customer may continue to incur overage fees at the standard overage fee rate if they exceed the data included in their monthly allotment and the data add-on.
44. Most wireless plans do not include roaming fees as part of the customer's monthly plan. Travel or roaming plans enable customers to purchase voice, text, and/or data roaming services to use while travelling. In one common roaming plan model, the customer pays a small daily fee to access the equivalent of the amount of data they have in their wireless plan at the same or similar rate as when they are not roaming. Any usage that exceeds the allotted amounts in the customer's monthly wireless plan

are charged at the overage rate applicable to the customer's plan. In another common model, customers purchase a specific amount of voice, text, and/or data roaming services to use while roaming; the roaming usage limits are unrelated to their monthly usage allowance for these services.

Pay-in-advance plans

45. In the original Wireless Code policy, the Commission noted that the distinction between prepaid and postpaid services is when the customer pays for the service – in advance or after usage. The Commission considered that postpaid customers required additional protection under the Code since they were subject to overage charges and the services were less transactional in nature.
46. However, the prepaid market has changed since the introduction of the Code.
 - Fewer Canadians are selecting prepaid plans; however, a significant portion of the population (3.6 million Canadians) continues to use prepaid services.
 - Fewer prepaid plans offered by WSPs resemble the traditional prepaid plan types - prepaid cards or pay-as-you-go plans. The overall percentage of complaints about wireless services are trending down, but the percentage of complaints about prepaid services are trending up; prepaid customers are twice as likely to make a complaint about their wireless service – according to the CCTS, some WSPs are not informing customers about all the conditions and fees that apply to their prepaid services.
47. The Code's current distinction between prepaid and postpaid services is based on the fact that, at the time of the original Wireless Code policy, most prepaid customers used prepaid cards or pay-as-you-go plans. Prepaid cards are transactional in nature and do not require the WSP to collect any information about the customer. There is no risk of bill shock with the use of prepaid cards. Similarly, pay-as-you-go plans are entirely paid for by the customer in advance. The customer has to top up their account regularly and is not subject to overage charges.
48. Since the Code came into effect, more WSPs have started offering another type of prepaid plan which will hereafter be referred to as pay-in-advance plans. While the terms and conditions of these plans vary from provider to provider, unlike prepaid cards and pay-as-you-go plans, some of these plans allow the WSP to charge the customer after usage. For example, in some cases, a customer can deplete the prepaid balance in their pay-in-advance account and continue to use the service, incurring overage charges that are billed to the customer the next billing period. These plans are also sometimes offered on a term and with a subsidized device. These plans are therefore functionally very similar to postpaid plans. The only

remaining difference is that typically no credit checks or security deposits are required.

Commission's analysis and determinations

49. The Commission considers that the changes in the wireless market, notably the changes related to multi-user plans, flex plans, data add-ons, roaming packages, and pay-in-advance plans require clarifications of and changes to the Code. These clarifications and changes are set out in more detail in subsequent sections of this decision.

Application of the Code

How the Code applies to corporate plans

50. The Code applies to wireless services provided to individual and small business customers in all provinces and territories regardless of the status and business models of the WSP and whether the wireless services are purchased (i) independently from other services or as part of a bundle of services; and (ii) in person, over the phone, or over the Internet.
51. In Telecom Decision 2014-528,¹⁰ the Commission reiterated that the Wireless Code applies to retail mobile wireless voice and data services provided to individuals and small businesses. This means that it applies to all wireless plans for such services where the contract is between (a) an individual and a WSP, or (b) a small business and a WSP. Further, the Commission clarified that the Wireless Code applies to all contracts between an individual and a WSP where the individual is responsible for some or all charges related to the contract.
52. Parties who commented on the Commission's intention to reflect any Wireless Code clarification decisions issued since the Code came into effect did not raise any specific issues with regard to the corporate plans clarification.

Commission's analysis and determinations

53. To ensure ongoing clarity with respect to the Code's application, the Commission reiterates that the Wireless Code applies to retail mobile wireless voice and data services provided to individuals and small businesses. This means that it applies to all wireless plans for such services where the contract is between (a) an individual and a WSP, or (b) a small business and a WSP. Further, the Commission reiterates that the Wireless Code applies to all contracts between an individual and a WSP where the individual is responsible for some or all charges related to the contract.

¹⁰ See paragraphs 11 and 15 of Telecom Decision 2014-528 for TCC's submissions on these terms.

54. The Commission also reiterates that the Wireless Code does not apply to agreements between a WSP and a medium or large business where the individual using the service is not responsible for any of the charges incurred.

The Code's interaction with provincial legislation

55. In the original Wireless Code policy, the Commission determined that the Code would apply to all Canadian consumers of wireless services equally, regardless of any consumer protection legislation in force in the provinces or territories. Further, it stated that the Code would take precedence over valid provincial laws in cases of direct conflict.
56. Multiple WSPs, the Coalition, and the CWTA requested that the Commission declare that the Code is the only valid set of rules for wireless consumer contract regulation in Canada. These parties argued that conflict with provincial rules is creating confusion, frustrating the objectives of the Code, and imposing an undue compliance burden on WSPs.
57. TCC argued that provincial consumer protection laws intrude on the core of the federal power to regulate telecommunications.
58. Videotron submitted that it was not ideal, at the operational level, for there to be co-existing provincial and federal rules in the wireless sphere, but that it had been able to navigate the situation thus far.
59. MAC and l'Union argued that the Commission should not make any determination with respect to the constitutionality of provincial laws, since (i) there is little evidence of direct conflict, (ii) doing so may deprive consumers of additional protections, and (iii) a recognition of overlapping jurisdiction in this area would be consistent with Canada's co-operative federal tradition.

Commission's analysis and determination

60. No party provided compelling evidence of serious conflict between the Code and provincial consumer protection laws, or of the Code's objectives being frustrated by such laws. However, if direct conflict with provincial legislation should arise, the Commission reiterates that, consistent with general constitutional principles of interpretation, the Code takes precedence.

Content of the Code – Clarifications and changes

61. The following addresses the sections of the Code that parties proposed be changed or clarified. The issues set out below generally follow the order in which they appear in the Code.

62. There are certain sections of the Code that no party suggested be changed. Any sections and provisions of the Code that are not clarified or changed in this decision continue to be interpreted and applied as set out in [the original Wireless Code policy](#).
63. The Wireless Code, as amended by this decision, is set out in Appendix 1 of this decision.

Introduction to the Code

64. The introduction to the Code explains the Code's objectives, which sections apply to prepaid or postpaid services, customers' options for dealing with a problem or complaint, and an interpretive statement indicating that if any part of the Code or the customer's contract 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.
65. Some parties noted that the Code currently does not have any interpretive clauses built into the Code itself and questioned whether WSPs are respecting the spirit or intention of the Code. The Coalition and l'Union proposed that several interpretive clauses be added to the Code. They considered that this approach would ensure all interested parties, including WSPs and consumers, are aware of how the Code's requirements should be interpreted and operationalized. Further, l'Union submitted that it would be useful for the CCTS to refer to such clauses when investigating complaints.
66. L'Union submitted that a formal preamble be added to the Code, setting out the following general interpretive principles:
- the Code and contracts must be interpreted at all times in favour of the consumer;
 - any waiver by the consumer of his rights under this Code is void, whether contractual or otherwise;
 - service providers may not, on their own initiative, contractually or otherwise, add to the conditions and exceptions set out in the Code;
 - service providers cannot assume consumer knowledge: their practices and representations must be adapted to the particular vulnerabilities of consumers; and
 - any attempt by service providers to circumvent the Code or its principles of interpretation must be interpreted as a Code breach.
67. The FRPC also submitted that WSPs should be prohibited from requiring customers to waive their rights under the Code.

68. The CCTS cited a specific example of this practice occurring in which two WSPs have drafted their contracts such that consent to receive the permanent copy of the contract and related documents electronically is built directly into the agreement. This practice does not provide the customer with the ability to accept the wireless services agreement without also agreeing to receive their documents electronically, which would appear to result in the customer waiving their right under the Code to choose a paper copy of the contract.

Commission's analysis and determinations

69. The Commission considers that the introduction to the Code must be clear and easy to read and understand. Further, the introduction is an appropriate place to explain information related to the application and objectives of the Code. The Commission considers it appropriate to incorporate text into the body of the Code that sets out the fundamental principles that are critical to the interpretation, implementation, and administration of the Code's provisions.
70. The Code's introduction includes the following statement: "If any part of the Code or the customer's contract 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." The Commission considers that this statement has helped to further the Code's objectives and should be reflected in the new preamble section of the Code. The Commission therefore determines that it is appropriate to **change** the Code by moving this statement to a new preamble section of the Code.
71. On the matter of the waiver of a customer's rights under the Code, it could seriously undermine the Code's effectiveness if WSPs were permitted to insert such waivers in their form contracts. In the original Wireless Code policy, the Commission noted that "express consent" cannot be obtained through a default provision or by requiring the customer to "opt out." In an effort to bring even greater clarity to this issue and meet the objectives of the Code, namely establishing consumer-friendly business practices and making it easier for consumers to understand the information in their wireless service contracts, the Commission considers that the Code should explicitly address this issue by including an interpretive clause to that effect in the new preamble section of the Code. The Commission determines that it is appropriate to **change** the Code by including an interpretive clause to that effect in the new preamble section of the Code.
72. With regard to the proposal that the Code include an interpretive clause to address the particular vulnerabilities of consumers, the Commission notes that the Code is generally intended to afford necessary protections to all consumers, including those with particular vulnerabilities. As an example, certain additional protections are afforded to persons with disabilities. Moreover, such a clause could complicate the application and interpretation of the Code, especially considering that no definition for the concept of vulnerability has been proposed. It could also be a challenge for

the CCTS to administer. For these reasons, the Commission considers that it is not appropriate to add this proposed interpretive clause to the Code.

73. With respect to the proposal that the Code include an interpretive clause regarding WSP attempts to circumvent the Code, there are already consequences to a WSP not complying with the Code. The CCTS reports breaches of the Code that arise during complaint investigations in its reports. In most cases, WSPs must compensate customers (WSPs compensated customers in 74% of cases brought before the CCTS in 2016).¹¹ WSPs must also pay a fee to the CCTS for every complaint it receives relating to their service. For these reasons, the Commission considers that it is not appropriate to add this proposed interpretive clause to the Code.
74. Nonetheless there is an opportunity to provide further interpretive clarity by explicitly stating that the Code is to be interpreted in a purposive manner. In other words, the provisions of the Code must be understood to further the objectives of the Code. This would be best achieved by reference to the Commission's analysis and determinations in the original and revised Wireless Code policies. The original Wireless Code policy is already the CCTS's main source of information to determine what the Commission intended with each obligation and provision of the Code. The Commission therefore determines that it is appropriate to **change** the Code by including a clause stating that the Code must be interpreted purposively, by reference to the original Wireless Code policy and this policy.
75. In summary, the Commission determines that it is appropriate to **change** the Code by adding a preamble section at the beginning of the Code that includes the following three interpretive clauses:
- In interpreting the Code, 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;
 - 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
 - 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 provisions of the Code, reference shall be made to Telecom Regulatory Policy 2013-271 and Telecom Regulatory Policy 2017-200.

¹¹ CCTS Annual Report 2015-2016, page 42

Application to prepaid and postpaid services

76. In the original Wireless Code policy, the Commission considered that postpaid customers required additional protection under the Code since they were subject to overage charges and the services were less transactional in nature. As a result, how the Code applies to contracts depends on whether they are prepaid or postpaid. All sections of the Code, with the exception of section J (Expiration of prepaid cards), apply to postpaid services; sections A.1-3 (Clarity); B.2 (Prepaid service contracts); E.1 (International roaming notification), E.4 (Unsolicited wireless services), and E.5 (Mobile premium services); F.1-4 (Mobile device issues); G.1-4 (Early cancellation fees and Trial period); and J (Expiration of prepaid cards) also apply to prepaid services.
77. Some parties questioned whether some or all of the Code's postpaid protections should be extended to apply to customers of prepaid services, particularly in light of how some prepaid plans have changed.
78. Service providers were generally opposed to changing how the Code applied to prepaid plans. In contrast, consumer groups generally considered that consumers deserve equal protection and information, irrespective of what type of contract they choose.
79. Parties further discussed how changes to the prepaid business models may impact the effectiveness of the Code for prepaid customers. The CCTS submitted there are many types of prepaid plans now available and some of these are so similar to postpaid plans that they are practically indistinguishable. In particular, the customer's experience when subscribing to prepaid plans that bill at regular intervals based on pre-established usage thresholds are essentially the same as that of a postpaid customer.
80. Bell Canada, Eastlink, Freedom Mobile, RCCI, SaskTel, and TCC submitted that they offer such pay-in-advance plans. Freedom Mobile noted that this is the only type of prepaid plan that it currently offers.
81. Freedom Mobile argued that these plans are still different from postpaid plans in that there are no credit checks or security deposits; personal identification is not required; there are no tab accounts; there are no commitment terms; customers always pre-pay and re-commit for one month of plan usage at a time; there are no cancellation fees; and no monthly bills are provided (but customers can monitor usage and payment history through their online account).
82. Bell Canada, Eastlink, RCCI, SaskTel, and TCC submitted that they still offer pay-as-you-go prepaid plans, in which a prepaid balance is drawn down on a pay-per-use basis; Eastlink, SaskTel, and TCC noted that they still offer prepaid cards.
83. Some WSPs stated that increased obligations under the Code for some or all prepaid services could increase costs for WSPs and customers and lead WSPs to stop offering such plans.

84. Parties disagreed on whether prepaid customers should receive a Critical Information Summary (CIS). The Coalition submitted that prepaid subscribers should receive a CIS. Eastlink, Freedom Mobile, and SaskTel noted that they currently offer a CIS to prepaid users even though they are not required to. RCCI and TCC opposed providing a CIS to prepaid users. RCCI submitted that it would be impractical, regardless of the duration of the service, to mandate a requirement to provide a CIS for prepaid services. TCC submitted that including a CIS runs contrary to the spirit of prepaid services, namely that they are meant to be easy and convenient for consumers to obtain, with a reduced contractual burden.
85. Parties also noted that prepaid customers currently do not have key contract terms, and, as a result, WSPs can change any term of a contract even during long-term contracts where the customer may be locked in by an early cancellation fee (ECF).
86. In light of the evolution of the prepaid business model, the CCTS suggested that prepaid customers with a pay-in-advance plan valid for up to one year should have key contract terms that cannot be changed. The Coalition supported this view.
87. The CWTA stated that key differences between customers with prepaid services and those with postpaid services are that prepaid customers are not on term contracts or contracts that automatically extend every 30 days without any action on the customer's part.
88. RCCI and TCC noted that they offer plans on a multi-month basis through some of their brands, but that no rate changes are instituted during the commitment periods.

Commission's analysis and determinations

89. The prepaid market has changed since the Code came into effect, with fewer Canadians selecting prepaid plans as compared to postpaid plans; however, a significant portion of the population continues to use prepaid services. Fewer plans offered by WSPs resemble the traditional concept of prepaid - prepaid balances drawn down on a per-use basis, such as prepaid cards or pay-as-you-go plans.
90. According to the CCTS reports, the overall percentage of complaints about wireless services are trending down, but the percentage of complaints about prepaid services are trending up.
91. Prepaid customers are also twice as likely to make a complaint about their wireless service according to the Wireless Code POR of spring 2016.¹²
92. The Commission considers that under the original Code, it has been possible for some services to be marketed as prepaid when they are, in fact, functionally very similar to postpaid services.

¹² TNS Canada, *Wireless Code Public Opinion Research 2016* report, page 24

93. Based on the evidence on the record of this proceeding, the Commission considers that certain pay-in-advance plans are effectively the same as postpaid plans, particularly from the customer's point of view. Service providers have noted certain differences, including that, with pay-in-advance plans, customers are generally not subject to credit checks or the imposition of a security deposit. However, the Commission considers that these differences are minor and that the plans bear a far greater resemblance to postpaid plans than to other types of prepaid plans, such as prepaid cards or pay-as-you-go plans. Most significantly, some of these pay-in-advance services have similar capacity for bill shock as postpaid services, given the potential for overage charges beyond the prepaid balance,¹³ and customers on such contracts could still be subject to an ECF. Further, as some customers may have contracts with fixed terms of up to one year, some pay-in-advance services are not transactional in nature to the same degree as prepaid cards or pay-as-you-go services.
94. The Commission notes that not all pay-in-advance plans are structured the same way, so it would be difficult to treat all pay-in-advance plans the same under the Code.
95. Accordingly, the Commission determines that it is appropriate to **change** the Code by extending the full postpaid protections of the Code to any service that may be billed all or in part after use, and in which overage charges beyond the prepaid balance can be incurred.
- If a service meets these criteria, it is considered postpaid and is therefore subject to the postpaid sections of the Code irrespective of how it is marketed or described by a WSP.
 - This will protect customers who are exposed to a higher risk of bill shock compared to more traditional prepaid services.
96. To reflect this policy change in the Code, the Commission **changes** the definitions of "prepaid services" and "postpaid services" in the Code as follows:
- **Prepaid services:** Wireless services that are purchased in advance of use only, such as the use of prepaid cards and pay-as-you-go services.
 - **Postpaid services:** Wireless services that may be billed all or in part after use, for example in a monthly bill, and for which overage charges can be incurred. For greater clarity, any pay-in-advance plan where the service provider may bill the customer for some or all charges after use or where the customer may incur overage charges beyond the prepaid balance is treated as a postpaid plan for the purposes of the Code.

¹³ "Overage" is defined in the Code as "[a] charge for exceeding an established limit on the use of a service."

97. As a result of this change, the sections of the Code that previously only applied to postpaid services, including the requirement to provide a CIS and the rules related to key contract terms, will apply to any plan that meets the definition for postpaid, which will include some pay-in-advance plans.
98. The purpose of this change is to expand the definition of postpaid service. Accordingly, where the postpaid definition currently applies to services for which no overage charges can be incurred because they have been purchased on an unlimited basis, that definition will continue to apply.
99. These changes will
- help to ensure that all customers are afforded an appropriate level of protection based on the risk of bill shock, regardless of how the plan is marketed by the WSP;
 - provide the CCTS with clearer guidelines on what is considered a prepaid service or a postpaid service; and
 - make it easier for a wider range of customers to obtain and understand the information in their contracts and establish further necessary customer-friendly business practices, thereby making these customers better able to make choices in the competitive marketplace.
100. The Commission further determines that the Code's rules applicable to prepaid services, including the more flexible information provision requirements of section B.2 of the Code, continue to be appropriate for other types of prepaid services, such as prepaid cards or pay-as-you-go plans, or pay-in-advance plans that do not allow the customer to incur overages beyond the prepaid balance. Customers choosing these types of services remain more insulated from bill shock and are able to walk away with greater ease, and these services remain more transactional in nature.

Multi-user plans – Consent and application of caps

101. A key issue raised in this proceeding is which users of a multi-user plan can consent to additional charges or changes to the plan. The Code currently requires that WSPs must suspend data overage and data roaming charges once they respectively reach \$50 and \$100 within a monthly billing cycle, unless the customer expressly consents to pay additional charges. The Code also prohibits a WSP from changing the key contract terms and conditions of a postpaid wireless contract during the commitment period without the customer's informed and express consent.
102. Many parties also raised the related issue of how the Code's rules on data overage and data roaming caps should be applied to multi-user plans. Certain WSPs indicated that they apply the caps on a per-device basis, rather than a per-account basis. For example, a WSP applying the caps on a per-device basis would only

apply the \$50 data overage cap to a plan with five devices when the plan hits \$250 in overage fees. Similarly, they would only apply the \$100 roaming cap to a plan with five devices when the bill reaches \$500 in roaming fees. At issue is whether the Code requires that the caps be applied at the account or the device level.

103. The CCTS stated that it received many complaints from account holders (i.e. the person who pays the bill for the mobile wireless services in question) who claimed that they did not consent to data charges above the \$50 cap or roaming charges above the \$100 cap. According to the CCTS, these complaints resulted from some WSPs sending a notification to the devices incurring the data roaming charges on a multi-user plan and allowing the device user, who may not be the account holder, to consent to additional charges. Consistent with the principle that ambiguity must be interpreted in favour of the customer, the CCTS has interpreted the Code to mean that only the account holder can consent to additional charges.
104. The CCC, the Coalition, the FRPC, l'Union, Vaxination, and Videotron agreed with the CCTS's interpretation. Eastlink also agreed, but noted that users with which the account holder has expressly agreed to share this responsibility should be allowed to do so.
105. Canadians who participated also generally agreed with the CCTS's views and some reported bill shock as account holders of multi-user plans.
106. Bell Canada, the CWTA, RCCI, and TCC opposed the CCTS's interpretation. They argued that by signing up for a multi-user plan, the account holder is implicitly assuming the responsibility for any additional device user's action – including minors. WSPs further argued that it is particularly important to small business device users to be able to consent to overage charges.
107. Eastlink, RCCI, TCC, and Videotron noted that they now have features that allow account holders to stop specific device users from being able to consent to overage charges.
108. Vaxination submitted that all WSPs should put such protections in place.
109. With regard to how the caps are applied, the CCTS was of the view that the limit should be \$50 in overages for the entire account prior to suspension, not per device connected to the account. Specifically, the CCTS submitted that it has seen complaints about at least one WSP that is not applying the data or roaming cap once the \$50 or \$100 threshold has been reached. Instead, it calculates the threshold by multiplying this amount by the number of wireless devices activated on the shared plan. The CCTS suggested that the Commission clarify that WSPs are required to suspend data overage charges at \$50 per monthly billing cycle and data roaming charges at \$100 per monthly billing cycle and that these thresholds are to be applied per account, not per device activated on the account.
110. The Coalition and the FRPC agreed with the CCTS's position.

111. WSPs generally disagreed, noting that they generally do not apply the cap at the account level for multi-user plans. TCC argued that doing otherwise may see the cap reached too quickly, for example for small business customers.
112. WSPs reported two different approaches to applying the caps either by (a) applying the cap to each individual device when that device reaches the Code-established cap in overage fees, or (b) by multiplying the Code-established cap by the number of devices and applying the cap when that amount is reached for the account.
113. The FRPC submitted that, for consistency, under sections E.1 (International roaming notification), E.4 (Unsolicited wireless services), and E.5 (Mobile premium services) of the Code, both the account holder and the device user should be notified when a device on a multi-user plan is roaming in another country, and that only account holders should be able to consent to additional charges related to unsolicited wireless services and mobile premium services.

Commission's analysis and determinations

114. The Commission considers that the key issue to be resolved is who constitutes “the customer” when interpreting the Code in the context of multi-user contracts – the device user and/or the account holder for the purposes of consenting to changes and additional charges.
115. The Code should be interpreted as offering a consistent approach with regard to who can consent to additional charges, who can consent to WSP-initiated changes to contracts and related documents, and who should receive notifications. In general, consumer-friendly practices are those that ensure that the account holder, as payor of the bill, remains informed and in control of the account at all times, as a means of limiting the potential for bill shock.
116. The consent models currently used by some WSPs expose account holders to significant bill shock, an issue further evidenced by the complaints on the record of this proceeding. The Commission further notes that the CCTS already interprets the Code to ensure that account holders of multi-user plans are as protected by the Code as customers with individual plans.
117. The Commission considers that the CCTS's interpretation of who can consent to overage charges is consistent with the Code's objectives and with the general interpretive guidance set out in the Code. Accordingly, the Commission clarifies that only the account holder, or a user authorized by the account holder (an authorized user), may consent to additional data overage charges or data roaming charges beyond the cap.
118. The approaches to the overage caps used by some WSPs also expose customers to significant bill shock by calculating the cap based on the number of devices in a multi-user plan. The Code does not provide that this cap applies per device. Multiplying the cap by the number of devices before suspending charges greatly diminishes the customer protection of the Code. To the extent that the Code is

ambiguous in this regard, the Commission considers that the CCTS's interpretation is consistent with the Code's objectives and with the general interpretive guidance set out in the Code, as it resolves this ambiguity in favour of the customer by limiting the risk of bill shock. The Commission therefore clarifies that the cap on data roaming charges (section E.2 of the Code) and the cap on data overage charges (section E.3 of the Code) is reached when the account incurs a combined \$100 in data roaming charges or \$50 in data overage charges.

119. Further, the Commission clarifies that account holders, being ultimately responsible for paying the bill, must by default hold the sole power to consent to additional data overage or data roaming charges beyond the cap. WSPs may allow account holders to alter the default rule and designate additional device users on the account as authorized users who are thus able to consent to additional charges beyond the cap and subsequently allow the account holder to rescind that designation; however, WSPs must ensure that any designations by account holders are done in an informed and express manner. The Commission reminds WSPs that in cases of complaints, the onus is on them to establish that designations were made in an informed and express manner.
120. The Commission considers that WSPs may implement various approaches to seeking consent, as long as they respect the determinations above.
121. The Commission also expects that WSPs will ensure that all device users of a multi-user plan are notified when the data roaming cap or the data overage cap has been reached, unless the account holder has specified otherwise.
122. The Commission further clarifies that only the account holder or an authorized user can consent to changes to key contract terms (section D.1 of the Code) and the account holder must be notified of changes to other contract terms and conditions or related documents (section D.2 of the Code). Similarly, the Commission clarifies that only the account holder, or an authorized user, may consent to charges related to unsolicited wireless services (section E.4 of the Code), and that the account holder, in addition to the roaming device user, should be notified when a device is roaming in another country (section E.1 of the Code).
123. In order to ensure that these clarifications are reflected in the Code itself going forward, the way in which a customer is defined should explicitly reflect the reality of multi-user plans. This is particularly important for provisions of the Code relating to notifications (sections D.2 and E.1), express consent to incur additional charges or purchase additional services (sections E.2, E.3, and E.4), and express consent to a change to a key contract term (section D.1). This will further help to address the concerns related to how the Code rules, especially those related to notifications, data caps, and customers consenting to changes to their plans or services, apply to multi-user plans.
124. Accordingly, the Commission determines that it is appropriate to reflect these clarifications in the Code by **changing** the definition of "customers" and by adding

the new definitions for account holder, device user, and authorized user and using them as appropriate. The definitions for these terms are now as follows:

Account holder: A person who is responsible for payment under a contract.

Authorized user: 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.

Customers: Individuals or small businesses subscribing to wireless services, including account holders, device users, and authorized users.

Device user: A person who uses a device associated with a contract, including authorized users.

Plain language

125. The Wireless Code requires WSPs to communicate with customers using plain language and to ensure that written contracts and related documents present information in a way that is clear and easy for customers to read and understand, including using an easy-to-read font.
126. Individual consumers, consumer groups, and WSPs submitted that clarity and plain language continue to be important. Pavlovic et al. and the CCTS submitted that, to respond to an increasingly information-saturated marketplace, the Code must address how and when WSPs provide information to customers.
127. The CCTS, the Coalition, and l'Union submitted that the Commission should provide detailed guidance as to how to interpret the plain language section of the Code. In its Annotated Guide, the CCTS sets out the specific questions and criteria used to determine whether a WSP has complied with its obligation to use plain language. The CCTS's assessment tools reference the Government of Canada's *The Canadian Style* language guide, which provides guidance on how to communicate in plain language (written and spoken).

Commission's analysis and determinations

128. The Commission considers 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.
129. With respect to this provision of the Code, the Commission considers that it would be appropriate to provide some additional guidance with respect to plain language by enunciating specific aspects of this manner of communication, including that WSPs are to provide information to customers in a way that is clear, timely, and accurate.

130. However, it is not necessary to add any guidance beyond this to the Code, given that the CCTS's Annotated Guide provides clear, appropriate, and readily available guidance on how to communicate in plain language.
131. In light of the above, the Commission determines that it is appropriate to **change** the Code to require WSPs to communicate with customers in not only plain language, but also in a way that is clear, timely, and accurate.

Unlimited services

132. The Code prohibits WSPs from charging customers any overage charge for services purchased on an unlimited basis. It also requires WSPs to clearly explain any limits associated with such plans in their fair use policy.
133. The FRPC and l'Union submitted that the Code should only use the term "unlimited" when no limits are placed on a service and when no overage fees are ever imposed on a service.
134. The FRPC submitted that, despite the fact that the Code already prohibits WSPs from charging any overages for services purchased on an unlimited basis, some WSPs have, nevertheless, charged overages for unlimited plans after explaining the overage fees in their fair use policy.
135. In contrast, Vaxination stated that the definition of "unlimited" does not need to be modified. Vaxination was of the view that consumers need to be further educated on what exactly "unlimited services" means and what to look for in the details of wireless contracts.
136. Bell Canada indicated that there are no usage limitations on its unlimited plans but supported disclosure of limits on the use of an unlimited service. However, in response to a question as to whether such disclosure should be included in the CIS, Bell Canada cautioned that it may not be practical to include additional information in the CIS given space restrictions.
137. RCCI and TCC had similar concerns about adding to the length of the CIS.

Commission's analysis and determinations

138. The Code requires that any limits to a service that is purchased on an unlimited basis needs to be clearly stated in the fair use policy so that the customer realizes the consequences when the limit on their plan is reached.
139. The Commission considers that having additional clarity at the point of sale on what limits a WSP imposes on unlimited plans, such as a reduction in data speed after a pre-determined amount of data is consumed, would benefit customers and contribute to the Code's objective of making it easier for customers to understand their wireless contracts.

140. The Commission considers that the CIS is the most appropriate place to highlight this information since it will help customers to quickly understand a fundamental aspect of their unlimited plan. The Commission notes that the CIS may be up to two pages long and considers that this provides sufficient space to include all information required in the CIS.
141. The Commission determines that it is appropriate to **change** the Code to require WSPs to ensure that the CIS contains a description of any limits imposed on services purchased on an unlimited basis.
142. The Commission reiterates that WSPs are not permitted to apply overage charges for any plan purchased as unlimited under any circumstances, and that disclosure of such overages does not render that requirement moot.

Postpaid service contracts

143. The Code ensures that postpaid customers receive a permanent copy of their contracts and related documents and explains what information must be included in these documents.

Format of the contract

144. Bell Canada, the CWTA, Freedom Mobile, RCCI, TCC, and Videotron argued that, while the Code allows for a permanent copy of the contract to be electronic, the Commission should, as it did in the Television Service Provider (TVSP) Code,¹⁴ determine that “it would not be appropriate to mandate that the permanent copy of the agreement be in paper format” as part of this review. Some WSPs argued that the default method for delivery should be electronic, while others have suggested that each WSP should be permitted to decide.
145. Vaxination submitted that customers should be explicitly asked to choose which format they prefer. L’Union and Videotron supported the view that customers should ultimately decide. The Coalition also supported this view, but added that customers who opt for paper or alternative formats should receive them free of charge.
146. The CCTS noted that during the course of its investigations it had noticed that, while some clients had agreed to receive a permanent copy of their contracts and related documents in electronic format, the electronic copy provided was not an inalterable one. The CCTS noted that some WSPs send customers a link to their website to consult the related documents. The CCTS requested that the Commission clarify whether that is acceptable; the CCTS suggested that it should not be given the importance of these documents.

¹⁴ See paragraph 57 of Broadcasting Regulatory Policy 2016-1.

147. Vaxination submitted that the permanent copy must reside with the customer, and not on the WSP's infrastructure.
148. The FRPC argued that, as there are no limits to contract length, all terms and conditions to a contract should be included in the contract itself, and not relegated to the WSPs' websites.
149. The CCTS submitted that it has noticed that some contracts appear to not offer an option for the customer to agree to the contract without also agreeing to receive the permanent copy of their contract and related documents electronically. The CCTS requested that the Commission clarify whether that is acceptable.

Commission's analysis and determinations

150. In the TVSP Code, the Commission determined that a TVSP must "provide a customer with a permanent copy of the agreement in the format of the customer's choosing (electronic or paper) upon request at no charge, at any time during the commitment period."
151. The Commission also defined "permanent copy" in the TVSP Code as "[a]n inalterable copy (e.g. a paper copy or PDF¹⁵ version) of the agreement that is free of hyperlinks that can be changed by TVSPs, as of the date of signing or the date of the latest amendment."
152. The Commission considers that customers should actively choose what format the permanent copy of their contract should be in (electronic or paper), and that it continue to be provided at no charge, regardless of the format they choose. In addition to being consistent with the Commission's approach in the TVSP Code, it would also be consistent with the Wireless Code objective that customers be able to obtain and understand information more easily.
153. Accordingly, the Commission **changes** the Code so that WSPs must provide 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 and amend the definition of "permanent copy" to incorporate the notion that it must be an inalterable copy of the contract that is free of hyperlinks that can be changed by the WSP.
154. When verifying the Code compliance of WSPs as part of the follow-up to the Telecom Regulatory Policy 2013-271 proceeding, the Commission considered WSPs who required customers to contract-out of their Code rights as part of a standard-form contract not to be implementing the Code as required, as this was inconsistent with the requirement that consent be made in an informed and express manner.

¹⁵ PDF stands for Portable Document Format.

Key contract terms

155. The CCTS submitted that its interpretation of the Commission's intentions is that the purpose of identifying "key terms" and "other contract terms" was to distinguish between aspects of wireless services that were critical or vital to most customers (i.e. the service itself) and those aspects that were ancillary, such as privacy policies and one-time costs. It should be made clear and explicit to customers which terms are key contract terms and thus afforded protection from unilateral changes, and that this information should be reflected in the contract and the CIS.
156. The CCTS also noted that some WSPs now appear to be describing the data component of the contract as an "add-on," and noted that, if this were permissible under the Code, the WSP could unilaterally decrease the customer's data or increase the rate for data during the contract term. The CCTS reported having received 77 complaints since December 2013 regarding a unilateral change to the data component of service contracts. The CCTS further noted that it has even seen instances where there are no services listed as key contract terms and all the services are characterized by the WSP as "add-ons." The CCTS noted that this change in business practice has had a considerable impact on consumers and the availability of the rights prescribed to them in section D.1 of the Wireless Code. According to the CCTS, data must be considered a key component of service where it is actually treated by the customer as such.
157. Vaxination submitted that voice, text, and data should be considered key contract terms. L'Union cautioned that being this explicit would not be future proof, both in what customers will value and with regard to other parts of the service that could warrant protection in the future.
158. The Coalition submitted that the minimum monthly charge, usage allowance, and the speed of data should also be key contract terms, and that changes to fair use and privacy policies that affect these should also be considered key contract terms.

Commission's analysis and determinations

159. The record of this proceeding clearly demonstrates that there is a disagreement between what some WSPs consider to be key terms and what most customers would consider to be key terms of a contract, particularly with regard to data.
160. The Commission considers that the key issue to be resolved is the appropriate interpretation of the term "key contract terms and conditions" as it is used in the Code.
161. To prevent situations of customers being locked into long-term contracts with significant ECFs, while nonetheless being subject to unilateral increases in the price of key services or decreases in the amount of key services, the Code prohibits key contract terms and conditions from being changed without the customer's consent, whereas optional features can be.

162. In the original Wireless Code policy, the Commission considered that customers needed certainty that the terms and conditions that are integral to the contract will not change without their express consent during the commitment period. The key terms were therefore intended to include the services, other than optional services, that the customer agreed to when they signed up, which, at that time, was usually a mix of calling minutes, text messages, and data (in 2014, 64% of wireless subscribers had a data component to their plan; in 2015 this increased to 74%).¹⁶ However, these services were not specifically enumerated in the Code as being “key.” While this approach would allow new types of key services to emerge, it may have introduced a degree of ambiguity into the Code.
163. Optional features, as the Code definition of that term makes clear, were intended to capture services like voice mail and caller identification, which customers could buy as extras and add or remove on a month-to-month basis without impacting their minimum monthly fee or changing their underlying wireless plan. Another example of an optional feature is roaming services, which may change from time to time and which customers generally did not sign up for as an integral part of their contract.
164. In keeping with the principle that any potential ambiguity in the Code must be resolved in favour of customers, and consistent with the objectives of the Code more broadly, the Commission clarifies that, at a minimum, the terms upon which voice, text, and data services are provided must be interpreted as being key terms if the customer has agreed to a contract that includes the provision of these services throughout the duration of the commitment term. The fact that a customer has agreed to such a contract is a strong indication that those services, provided in the specified amounts and at the specified rates, are integral to that contract. This interpretation means, among other things, that a customer who signs up for a data plan cannot have that plan changed during their contract term without their consent.
165. Interpreting the term in this way limits the risk of bill shock and ensures that customers are not forced to choose between having to accept unforeseen changes that leave them paying more for service or receiving less service on the one hand, or cancelling a contract that no longer meets their needs while potentially being subject to an ECF on the other hand. As a result of this interpretation, it should not be possible for a contract for wireless services to have no key contract terms, as referenced by the CCTS.
166. While WSPs may offer customers time-limited add-on features or services, it frustrates the achievement of the Code’s objectives if the simple use of the term “add-on” could avoid the Code’s requirements related to key contract terms when services are provided for the duration of the term.

¹⁶ See the Commission’s *Communications Monitoring Report 2016*, page 294.

167. In order to ensure that this clarification is reflected in the Code itself going forward, the way in which “key contract terms and conditions” and “optional services” are defined should be changed to reflect the relative importance of specific aspects of the contract to the general customer base. This will further help to address concerns related to how Code rules apply to specific aspects of wireless contracts, especially data plans.
168. Accordingly, the Commission **changes** the definition of “key contract terms and conditions” 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 and will receive for the duration of the contract.” The definition of “optional services” will also be **changed** to reflect the clarification that one-time purchases of add-ons that do not continue for the duration of the contract are not key contract terms.

Tab contract and indeterminate contract clarifications

169. TCC and Vaxination requested that the Commission’s clarification on how the Code applies to tab contracts be incorporated into the Code. No parties commented specifically on the clarification related to indeterminate contracts.

Commission’s analysis and determinations

170. Parties who commented on this issue had no objection to incorporating any of the follow-up decisions into the Code as part of the review.
171. To reflect the clarification issued in Telecom Regulatory Policy 2013-598, the Commission reiterates that the obligation to provide a permanent copy of the contract, set out in sections B.1(i)(a) and B.1(i)(b) of the Wireless Code, is not engaged upon automatic renewal of a contract.
172. The Commission further determines that the wording of sections B (Contracts and related documents) and C (Critical Information Summary) of the Code should be modified to reflect the clarification issued in Telecom Regulatory Policy 2013-586, specifically that
- the early cancellation fee does not need to decrease by an equal amount each month, so long as the cancellation fee (i) never exceeds the amount set out in the Wireless Code, (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.
 - WSPs must set out in their tab contracts either 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 ECF is not a fixed dollar amount, WSPs must provide an example of how this fee is calculated in both the contract and the CIS.

When the contract and related documents should be provided

173. The CCTS noted that the 15 calendar days that WSPs are currently permitted from the date of the contract to send the contract and related documents to the customer may make it difficult for customers to verify whether the written contract reflects their understanding of what was agreed upon. Further, the CCTS submitted that it may make it difficult for a customer to make use of the trial period.
174. The CCTS further noted that related documents, such as privacy and fair use policies, may not always be provided at the same time as the contracts and that, in its view, these documents contain important information. The CCTS argued that it should be ensured that these documents are provided along with the contract in all instances.
175. The Coalition submitted that contracts and related documents should be emailed immediately or mailed within 24 hours in the case of distance contracts, and that any contract that was not signed in person be immediately sent to the customer (by email or by mail) to ensure it arrives well within the trial period.
176. The DWCC, MAC, Middleton and Shepherd argued that electronic contracts should be available almost immediately.
177. L'Union suggested that the time frames for sending these documents, whether in electronic or paper format, should be kept as short as possible.
178. Bell Canada, Eastlink, and SaskTel noted that electronic contracts can be emailed to a customer almost immediately. Videotron noted that it sends electronic copies of its contract within a maximum of five business days. TCC argued that seven days would be a reasonable time frame.

Commission's analysis and determinations

179. The Code requires that customers must receive the permanent copy of their contract (a) immediately if agreed to in person or (b) within 15 calendar days if the contract is not agreed to in person (e.g. over the phone or online).
180. Evidence suggests that the timing of the receipt of a contract can be an impediment to customers' ability to determine whether or not the service and documents match their understanding and expectations and to their ability to use the trial period. When customers cannot benefit from these protections, it frustrates the objectives of the Code.
181. Accordingly, the Commission **changes** the Code so that where the customer chooses to receive their contract electronically, it must be provided no later than one business day after the agreement was entered into, whether the contract was entered into in person, online, or over the phone.

182. For customers who elect to receive a paper copy of their contract, the existing provision applies and it must be provided within 15 calendar days of the agreement being entered into. However, the Commission expects that reception of the paper copy, if it is beyond this time period, should not prevent a customer from availing themselves of the trial period, and that WSPs should extend the trial period as appropriate in such circumstances.

CIS

183. In the original Wireless Code policy, the Commission considered that certain elements of a wireless service contract are consistent sources of confusion, and, as a result, are a source of disputes between the customer and the WSP. In light of this, the Commission determined that in addition to the information disclosure requirements for postpaid contracts (section B.1 of the Code), WSPs must provide a CIS of certain especially important information, no longer than two pages, when they provide the permanent copy of a contract to the customer.

Provision of a CIS prior to entering into a contract

184. The Coalition, the FRPC, Middleton and Shepherd, Pavlovic et al., and l'Union submitted that a CIS should be available upon request during the pre-purchase stages and should act as a firm offer from the WSP, and therefore be usable as a comparative shopping tool.
185. WSPs opposed the proposal, submitting that they offer information on available plans and promotions to consumers online and in-store.

Commission's analysis and determinations

186. During the hearing for the original Wireless Code policy, the Commission considered a similar proposal. It determined, however, that requiring WSPs to provide a CIS before a contract has been entered into would involve a significant burden, from both a financial and a resource perspective.
187. The Commission considers that parties in this proceeding have not provided evidence that circumstances have changed sufficiently since the Code came into effect such that the benefit of providing consumers with a CIS during the pre-purchasing stage would outweigh the burden on WSPs.
188. Although the information contained in a CIS would be a useful resource for consumers to compare products and services offered by WSPs, the way in which a WSP chooses to promote its services can be considered a point of competitive differentiation. The Commission therefore considers that WSPs should not be required to provide the CIS, upon request, prior to the customer entering into an agreement.
189. The Commission notes that there are comparison-shopping tools available to wireless customers. These are readily found, for instance, online, and the

Commission encourages consumers to utilize these tools when shopping for wireless services. Links to some of these tools can be accessed through the [Commission's website](#).

CIS as a summary of key elements of the contract

190. The CCTS submitted that it has found that some WSPs are not using the CIS as a summary of key elements of the service contract, as directed in the Wireless Code, and rather are blending the CIS into the contract, or using it as a contract in itself. It requested that the Commission clarify that the CIS, a summary of key elements that accurately reflects the content of the contract, is to be given to customers in addition to a contract. In this regard, the Coalition submitted that the use of the CIS in this way undermines the basic purpose of the CIS as an aid to consumer comprehension which would enable customers to better understand their wireless contract, even if not provided separately.
191. TCC argued that it was consistent with the Wireless Code for WSPs to design their agreement such that terms and conditions described in the CIS not be replicated or described elsewhere in the contract materials.

Commission's analysis and determinations

192. The Commission determined in the original Wireless Code policy that WSPs should have the flexibility to determine whether the CIS will either be a separate document from the written contract or included prominently on the first two pages of the written contract. However, in the wording of the Code itself, the CIS is described as a document that summarizes the most important elements of the contract. It does not follow from this that the CIS may replace the contract itself, either in whole or in part.
193. Accordingly, the Commission clarifies that the CIS is an independent summary of the most important elements of the contract, whether it is provided as a separate document or as the first pages of the written contract, and that information provided in the CIS does not replace or fulfill any requirements to provide the same or similar information within the actual written contract. This interpretation resolves any potential ambiguity in the Code in favour of customers, and is more consistent with the objectives of the Code.
194. In the TVSP Code policy, the Commission determined that information provided in the CIS does not replace or fulfill any requirement to provide the same or similar information within the written agreement. The insertion of language similar to that used in the TVSP Code will help make this point clearer.
195. As a result, the Commission **changes** the wording of the Code in order to reflect this clarification, by explicitly stating that the provision of information in the CIS does not replace or fulfill any Code requirement to provide the same or similar information in the actual written contract.

Changes to contracts and related documents

196. The Code prohibits WSPs from changing a key contract term of a postpaid wireless service during the commitment period without the customer's informed and express consent, unless the change clearly benefits the customer by either reducing the rate for the service or increasing the usage allowance for a single service. The customer may refuse a change to a key contract term. For changes to other contract terms and conditions, the WSP must provide 30 calendar days' notice before making the change.
197. Bell Canada submitted that, if the Commission determines that data is a key contract term, customers could be liable for ECFs should they request to change the data portion of the plan during their term.¹⁷

Commission's analysis and determinations

198. The Commission considers that Bell Canada's position appears to be based on an interpretation of the Code whereby a change to a key contract term initiated by either party would constitute the end of the agreement as it was originally agreed upon and the start of a new agreement replacing it.
199. The Code does not expressly address customer-initiated changes to key contract terms. The framework provided in section D of the Code is concerned with WSP-initiated changes to a contract only.
200. The Commission considers that the protections put in place in the Code do not prevent customers from seeking to change a key contract term to better reflect their needs and that such a change would not necessarily constitute an occasion where an ECF can be assessed (as outlined in the Code).
201. Moreover, the Code expressly provides that WSP-initiated changes to key contract terms that clearly benefit the customer are permitted. As such, the Commission clarifies that the provisions of the Code regarding changes to contract terms apply to WSP-initiated changes only and that a customer-initiated request to change a key term of their contract, such as to (a) reduce the rate for a service or (b) increase their allowance for that service, does not constitute a situation in which the ECF may be triggered, should the WSP accept the requested change.

Roaming charges

202. The Code requires a WSP to suspend national and international data roaming charges once they reach \$100 within a single monthly billing cycle, unless the WSP obtains express consent from the customer to pay additional charges.

¹⁷ Wireless Code Review, oral hearing transcript, 7 February 2017, line 1555

Voice roaming cap

203. The CCTS indicated that, in 2015-16, customers raised issues regarding roaming charges 215 times and that 71% of these pertained to voice roaming charges. Many customers complained that they were not aware that data roaming plans did not cover voice roaming and were surprised to receive a bill for these calls. The CCTS acknowledged there may be technical challenges to implementing a voice roaming cap, but suggested that in the absence of a requirement in the Code, the Commission may wish to consider whether better disclosure to customers of their potential exposure to voice roaming charges may be appropriate.
204. L'Union put forward several suggestions for dealing with voice roaming, including placing a cap on voice roaming, waiving the charges for the first incidence of voice roaming bill shock, requiring WSPs to enable customers to block voice roaming, and requiring that customers receive voice notification of voice roaming charges prior to connecting the call.
205. WSPs indicated that, unlike data, they do not receive voice roaming information in real time from their international roaming partners (of which WSPs can have several hundred) – it typically takes one to three days, and in some instances it can take up to 30 days, to receive call records. As such, there is a technical barrier to capping voice roaming charges that makes it nearly impossible to implement.
206. WSPs submitted that consumers have the option of purchasing a roaming package to have unlimited voice for a fixed price while abroad, to provide protection against bill shock and that customers also receive notifications when they enter a foreign country, in accordance with the Code.
207. Freedom Mobile suggested that the Commission send a signal in the decision that WSPs are to make good-faith efforts to do real-time monitoring and notification for voice roaming and note that exceptions would be permitted where foreign partners do not or cannot participate.
208. The Coalition submitted that a voice roaming cap is needed and that to address the technical challenges the matter could be investigated and reported to the Commission by the CRTC Interconnection Steering Committee (CISC).

Commission's analysis and determinations

209. The Commission determined in the original Wireless Code policy that it was not necessary to cap voice service charges since the use of those services are generally well understood and easily managed by customers. Further, the Code also requires WSPs to clearly set out the services included in the contract and any limits on the use of those services that could trigger overage charges or additional fees in both the contract and the CIS. Finally, the Code requires that customers be notified when their device is roaming in another country and this notification must clearly explain the rates for voice services.

210. The Commission notes that customers have a number of ways to manage their bills with respect to voice roaming. For instance, WSPs offer various roaming packages that include a certain allotment of voice, text, and data (including options for unlimited voice minutes while roaming to certain countries). Customers can also track voice minutes on a device, which is far simpler to track accurately than data consumption.
211. The technical challenges of imposing a voice roaming cap are considerable, given the hundreds of roaming arrangements each WSP has around the world. The costs and resource implications that would be placed on WSPs to implement a voice roaming cap are not justified under the circumstances.
212. In light of the above, the Commission determines that a voice roaming cap should not be imposed at this time.
213. The Commission further considers that the clarification of section E.1 of the Code set out in this decision, which also requires WSPs to notify the account holder when they are roaming in another country, will help to avoid the potential for any bill shock associated with voice roaming charges on multi-user plans.

Application of the cap on data roaming charges to data roaming plans

214. Several WSPs argued that for those customers that have selected add-on roaming packages that feature unlimited roaming for a fixed price per day (e.g. unlimited text and picture messaging for \$10 per day for one month), the \$100 data cap for roaming charges should not apply.
215. TCC argued that roaming add-ons should not count towards the \$100 cap, since it is unnecessary to combat bill shock.
216. Bell Canada argued that the alternative to roaming add-ons would be to revert to pay-per-use data roaming which was likely the cause of data roaming bill shock in the first place. Roaming add-ons are deliberately added by customers for their future travel and provide a measure of control over spending, thereby preventing bill shock.
217. Vaxination stated that clarity is needed with respect to those WSPs that offer fixed daily fees when roaming (as part of an add-on roaming package), and whether those fees count towards the \$100 data roaming cap.

Commission's analysis and determinations

218. The purpose of the data roaming cap is to help customers avoid bill shock and better manage their roaming fees. The Commission considers that the key issue here is the how the data roaming cap is to be interpreted to apply to roaming packages.

219. As the Commission noted in the original Wireless Code policy, customers generally find it difficult and unintuitive to estimate how much data they are using or how much the data will cost – especially given the differences in cost of data in the customer’s home region and the cost of data while travelling. The evidence in this proceeding does not establish that customers’ understanding has substantially improved in this regard.
220. Some roaming packages offered by WSPs allow customers to use their domestic plan’s voice, text, and data allotments while travelling, for a fixed price per day. WSPs indicated that customers can be subject to overage fees if they exceed their domestic plan’s allotments. Other roaming packages allow customers to purchase buckets of voice, text, and data; if customers exceed the allotments in these buckets, they have the option to purchase more.
221. While roaming packages are a tool that may help consumers manage their roaming fees in certain circumstances, they do not represent a solution to bill shock, as it is still possible for customers to exceed the limits of these packages.
222. The Commission considers that since the introduction of the roaming cap, WSPs have been able to fashion various roaming packages and data roaming add-ons to fit a variety of customers’ roaming needs. This suggests that the roaming cap has not hindered or impaired WSPs’ ability to develop new roaming offerings. In fact, the reduction in the number of complaints to the CCTS concerning international data roaming suggests that the cap, as presently constituted, has been successful in preventing bill shock.
223. However, if the cap was interpreted as not applying in the case of customers who have purchased roaming packages, there is a serious risk that the provision would not achieve its purpose. The Commission therefore clarifies that the Code’s data roaming cap applies to roaming packages as follows: any amount that the customer pays in data roaming fees, whether via a package (before use) or via overage fees (after use), counts toward the cap. WSPs must suspend service when the customer reaches \$100 in overage fees during a billing cycle, unless the customer expressly consents to additional charges.
224. Further, it is appropriate to reflect these clarifications by **changing** the Code to include the term “roaming add-on,” defined to mean roaming 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, and using this term in the Code provision imposing the cap on data roaming charges. This will further help to address concerns related to how Code rules apply to roaming packages.

Cap on data overage charges

225. The Code requires WSPs to suspend data overage charges once they reach \$50 in a single monthly billing cycle, unless they obtain express consent from the customer to pay additional charges.

Amount of the cap

226. A number of individuals suggested that the cap be reduced from \$50 to \$0 so that data services are suspended before any overage charges can be incurred.
227. WSPs all argued that the current \$50 cap was reasonable. The Coalition concurred with that specific assessment while other consumer groups did not generally oppose keeping the cap at \$50, but had concerns as to how it was being applied in some cases.
228. TCC, in particular, noted that its sub-brand, Koodo Mobile (Koodo), already offers a functional cap at \$0. Eastlink also offers a similar service. Freedom Mobile noted that while it throttles¹⁸ speed once the cap is reached, it does not charge overages.

Commission's analysis and determinations

229. The Commission notes that there is evidence of innovation on the part of some WSPs to try to better serve their customers in avoiding bill shock related to data overages. TCC's sub-brand Koodo caps overages at \$0 before seeking consent, Eastlink does in some instances as well, and Freedom Mobile does not charge overages, but rather throttles speeds when a pre-set data limit is reached.
230. The Code itself does not dictate the means through which the \$50 cap is to be implemented, just that charges be suspended once they reach that amount unless the customer explicitly and knowingly agrees to pay additional charges.
231. WSPs that do charge overages have all adopted an approach through which they suspend any data charges when the cap is reached, sending a notification to their customers that they must agree to further charges should they want data service to be restored for this billing cycle.
232. Most parties considered that the amount of the cap (\$50) should not be changed. Further, WSPs have notification practices above and beyond what is required in the Code.
233. In light of the above, the Commission determines that the amount of the cap should not be changed at this time.

¹⁸ In the context of wireless services, throttling refers to the practice of a WSP slowing down the speed of data services.

Requiring notifications about usage

234. While the Code requires WSPs to obtain express consent to go beyond the data overage cap, it does not set out explicit requirements for the WSP to notify the customer about data usage before overages are incurred or when the data cap is reached.
235. The CCC and the Coalition argued that the Commission should require the WSPs to offer customers the ability to customize their data overage cap alerts based on their preferences (e.g. when they reach 100% of their monthly data allotment; at \$25 in data overage charges). The CCTS was not opposed to this suggestion, but noted that WSPs should clearly be required to explain this process to customers, along with the implications of changing the default thresholds put in place by the WSPs.
236. WSPs and the CWTA generally opposed mandatory notification, with WSPs submitting that they already send notices about data usage and the data cap, despite such notifications not currently being required by the Code. WSPs generally submitted that they notify customers at least once before they reach 100% of their data allotment for the billing period, and again once they reach that data limit.
237. WSPs noted that their implementation of the data cap provisions of the Code are generally implemented through notices sent by text to the device that has incurred an overage seeking consent to further overage charges.
238. L'Union noted its concern that the Code does not require the disclosure of how overage charges accrue and that this can lead to significant bill shock.
239. WSPs generally noted that they offer web-based and app-based solutions for customers to monitor their usage and that, in most instances, the data in those solutions is presented in real time. Exceptions include situations where monitoring depends on intercarrier information or customers subscribe to legacy plans.

Commission's analysis and determinations

240. The Commission notes that WSPs are sending notifications at various intervals prior to any overage charges being incurred, before the \$50 cap is reached, and even beyond the \$50 cap. WSPs are therefore already providing more usage notifications than what is required by the Code, to the benefit of customers.
241. The Commission therefore considers that the Code does not need to prescribe how often WSPs notify customers of the state of their data usage and data overages. This is largely a competitive issue and the market has implemented appropriate solutions.
242. The Commission encourages WSPs to continue to notify customers in advance of their data-usage allotments being depleted to support customers in managing their data usage and preventing bill shock.

Application of the cap to flex plans and data add-ons

243. The CCTS, Middleton and Shepherd, and l'Union requested that the interaction between flex plans and the cap be clarified.
244. The CCTS noted that for certain flex plans built with a "ceiling," that is a maximum monthly charge, protections are built in, but that bill shock can be unlimited for flex plans without ceilings.
245. Middleton and Shepherd suggested that WSPs should be required to obtain consent to move the customer into each progressive tier of the flex plan.
246. L'Union argued that the standard determined by the Code, that consent for additional charges be sought once the customer has incurred \$50 in charges over and above their regular monthly charges for data, should be applied. However, it noted that this interpretation would not require that notices be sent at every step of a flex plan.
247. The Coalition argued that moving to a higher tier should be considered an overage. The Coalition further argued that subscribing to a flex plan does not imply explicit consent to unlimited charges.
248. Videotron disagreed with the proposal that the \$50 cap remain in effect for flex plans, arguing that this would impede innovation in the creation of plans that customers want. Bell Canada and TCC shared that view.
249. With regard to data add-ons, the CCC and the Coalition argued that add-ons should be counted as part of the cap. In contrast, the DWCC, Middleton and Shepherd, and l'Union submitted that these add-ons, if expressly agreed to, should not be counted as part of the cap. WSPs generally considered that add-ons should not be considered as part of the cap.
250. The Coalition, the FRPC, MAC, Middleton and Shepherd, and l'Union all submitted that the explicit agreement to purchase an add-on does not imply explicit consent to any charges above the \$50 cap, beyond the amount of that specific add-on.

Commission's analysis and determinations

251. The Code's \$50 cap was designed so that users must explicitly consent to charges over and above those that they expected, and \$50 was determined to be a reasonable amount to trigger this decision point. The cap provides consumers with greater control over their monthly spending and helps to prevent bill shock; however, there is an issue as to how this cap applies to flex plans and data add-ons.
252. Flex plans can provide customers with a predictable scale of data-related expenses, where the monthly assessed fee is based on the level of data use that the customer reached during the billing period. However, many flex plans still enable a customer

to incur overage fees once a customer goes beyond the topmost step in the flex plan.

253. The Commission considers that, to achieve its purpose, the \$50 cap must be interpreted as already applying to all postpaid data services, regardless of how the plan in question is structured or marketed, given that customers subscribing to these services may face bill shock. The Commission considers that creating an exception for the application of the data cap to plans labelled a certain way would not be a sustainable approach, and could lead to uncertainty, especially given that the nature of such plans may change over time at the WSPs' discretion.
254. While some flex plans, as they currently exist, do provide an ultimate ceiling for overages, this is not necessarily true for all such plans. Further, having an eventual ceiling only partially mitigates bill shock, rather than preventing it.
255. The Commission considers that interpreting the calculation of the data overage cap to begin after the first tier or base level of a flex plan is exceeded ensures a similar level of protection from bill shock for flex plan customers as compared to customers of more traditional data plans. Accordingly, this interpretation resolves any ambiguity in favour of customers and furthers Code objectives by ensuring all customers have a similar level of control over their bills.
256. The Commission therefore clarifies that the \$50 overage cap applies to flex plans as follows: the customer begins incurring overage fees after the first tier or base level of data is exceeded, and the WSP 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. The Commission also encourages WSPs offering flex plans to notify customers as they reach each tier or level of spending.
257. With regards to data add-ons, the Commission notes that customers who purchase a one-time data add-on for the month generally either already exceeded, or are about to exceed, their monthly data allotment; the add-on is therefore a kind of data overage for most customers, since these customers will, in most cases, have already exceeded their monthly usage allotment. Accordingly, the Commission considers that the price of the data add-on purchased by the customer must contribute to the calculation of the \$50 cap.
258. Some WSPs noted that they require customers to both consent to purchasing an add-on as well as to override their \$50 cap due in a single transaction. The Commission considers that agreeing to purchase a data add-on before the \$50 cap is reached does not override the requirement for WSPs to obtain a separate consent to incur further additional charges once the \$50 cap is reached. This interpretation resolves potential ambiguity in favour of the customer and furthers the Code's objectives by giving a customer more information and autonomy of choice.
259. The Commission clarifies that the price of the data add-on should be included in the calculation of the \$50 cap on data overage fees and reiterates that WSPs must

obtain a separate consent to incur further additional charges once the \$50 cap is reached.

260. In order to ensure that these clarifications are reflected in the Code itself going forward, the Commission **changes** the Code by defining “flex plan” and “data add-on” and including these terms in the Code provision imposing the data cap in order to more explicitly reflect the reality of the market. This will further help to address the concerns related to how the Code rules apply to flex plans and data add-ons.

Unlocking

261. In the original Wireless Code policy, the Commission required WSPs to unlock unsubsidized devices upon request of the customer. For subsidized devices, WSPs were required to unlock the devices of customers who had been subscribed to their services for 90 days, upon request. In both cases, the Commission did not limit the WSP’s ability to charge for this unlocking.
262. Having to pay to unlock a device was a key consumer frustration expressed by individuals on the record of the proceeding. Individuals and consumer groups generally submitted that unlocking fees were too high or should be prohibited, arguing that WSPs should bear the cost of unlocking phones from their networks as a cost of doing business, or they should not lock devices in the first place.
263. WSPs generally argued that they should be permitted to continue locking devices, and that no conditions should be placed on their ability to levy charges for unlocking. Many of the arguments raised by WSPs in support of current practices had to do with a potentially increased risk of subscription fraud if the provision of locked devices or the levying of unlocking fees were no longer permitted.

Providing locked devices to wireless customers

264. Consumer groups and some individual Canadians submitted that WSPs should not be permitted to lock devices at all since, in their view, it serves no purpose other than (i) to ensure customers do not replace the subscriber identity module (SIM) card while travelling, thus protecting WSPs’ roaming revenues, and (ii) to make it more difficult for customers to switch WSPs and to avail themselves of more competitive offers. Some individuals stated that the locked status of their phone was a disincentive from participating in the second-hand device market or from passing along used phones to family members.
265. L’Union argued that no justification for the practice, including concerns related to potential fraud, has been clearly substantiated.
266. Freedom Mobile submitted a proposal that all phones should be sold unlocked within six months of the Commission’s decision. It viewed current WSP practices regarding locking to be a major inconvenience and a barrier to switching WSPs for the customer.

267. Bell Canada and Freedom Mobile submitted that WSPs can order devices either locked or unlocked from the manufacturer, but that some manufacturers include an auto-locking feature on their devices. Freedom Mobile submitted that giving WSPs six months to start providing devices unlocked to customers would be enough time to ensure that device manufacturers have the appropriate inventory levels of unlocked phones available for the Canadian market.
268. The Coalition and the FRPC supported Freedom Mobile's proposal that devices be provided unlocked within six months. The Coalition stated that locking devices makes the wireless market less dynamic by adding technical complexity and additional expense to switching providers.
269. Some individuals expressed frustration that devices they had purchased unlocked from a manufacturer became locked to a WSP's network once a SIM card was inserted.
270. Individuals, consumer groups, MAC, and Vaxination submitted that there are other mechanisms in place to help WSPs prevent subscription fraud and avoid non-payment that are at least as effective as locking devices, such as credit checks, security deposits, and the contract itself. The CCC stated that given the extent of credit checking that is performed by WSPs before entering into a contract for a subsidized device and wireless services with a customer, the risk of fraud is no greater than that experienced by vendors of other products and services in the Canadian marketplace.
271. The Coalition stated that phone locking is not necessarily effective in preventing fraud since anyone can have a phone unlocked by a third party. Several individuals stated that they have used third-party unlocking services without issue.
272. Further, the Coalition argued that WSPs have a significant financial interest in ensuring that consumers enter into device financing agreements rather than purchasing devices second-hand, and that current locking practices encourage entry into such arrangements.
273. Bell Canada, RCCI, and Videotron opposed proposals that would require customers to be provided with unlocked devices. WSPs generally submitted that current locking practices, including the existing Code provision that only requires unlocking of subsidized devices after 90 days, are key tools in ensuring that unscrupulous customers do not abscond with devices without honouring the terms of their wireless contracts. RCCI submitted that its own records show that a portion of their customers who have unlocked their devices now have cancelled accounts with an outstanding unpaid amount.
274. RCCI stated that Freedom Mobile's proposal that devices be provided unlocked within six months does not take into consideration how the supply chain for wireless devices works. RCCI estimated that, at a minimum, it would be six months before it could take delivery of unlocked devices from manufacturers and

12 months from the date of the Commission's decision for its existing inventory of locked devices to be depleted.

275. Bell Canada stated that Freedom Mobile has not supported its argument that current locking practices have a dampening effect on the dynamism of the wireless market, and has provided no analysis of the impacts the proposal would have on the competitive wireless market. Bell Canada argued that Freedom Mobile, or any WSP, is already free to sell unlocked devices or to unlock devices at no charge as a way to attract new customers and differentiate itself from competitors if it so chooses.
276. Bell Canada further stated that the benefits of current locking practices such as preventing fraud, providing optimal device performance, and keeping device prices low for Canadian consumers far outweigh any of the suggested benefits. Samsung Canada provided a letter supporting Bell Canada's position that WSPs can only provide assurance to customers that their devices will perform optimally if those devices are locked to the carrier's network and that WSPs generally cannot provide quality assurance of a device's ability to perform on another's network. Videotron concurred with this submission.

Levying a charge to unlock devices

277. Most individuals who complained about having to pay to unlock a device cited two main reasons: (i) they considered the device to be their property, for which they should not have to pay an additional charge to continue to use, and (ii) if WSPs lock devices for their own benefit, rather than for the benefit of customers, WSPs should bear the cost of unlocking those devices.
278. Some individuals submitted that unlocking fees were a disincentive to bringing their devices to their new WSP when switching providers; instead, they opted to put those funds towards the purchase of new devices.
279. The CCC, Middleton and Shepherd, and l'Union submitted that the cost to unlock devices should be set to the actual costs incurred by the WSPs.
280. Vaxination considered that the costs of processing a request to unlock a device are self-imposed since it is the WSP that has chosen to lock the device, and argued that the practice of locking phones limits churn as customers cannot simply leave their WSP's network with their mobile device.
281. In Freedom Mobile's view, charging for unlocking should be prohibited immediately. Any lost WSP revenues resulting from a ban on unlocking fees would be offset by the reduction in costs for the WSPs not having to provide unlocking codes.
282. WSPs argued that charging to unlock devices allows the providers to recover the costs associated with providing the unlocking service, such as customer service-related costs and costs to maintain a database of unlocking codes. With the

exception of Freedom Mobile, WSPs also argued that the removal of unlocking charges could result in a greater likelihood of customers with subsidized devices defaulting on their bills.

283. Bell Canada and RCCI stated that the amount of the unlocking charge varies among WSPs and is thus a potential point of competitive differentiation.
284. Eastlink, Freedom Mobile, and SaskTel indicated that they provide their customer service representatives with the flexibility to waive the unlocking charge at the customer's request. SaskTel suggested that a cap could be set at \$50, still allowing WSPs to compete on price. SaskTel further stated that given that industry churn is close to 25% per annum, and that a relatively small proportion of wireless customers choose to unlock their devices, it does not appear that charging to unlock a device is acting as a barrier to reduce the customer's ability to switch to another WSP.
285. If WSPs were prohibited from charging to unlock a device, RCCI, SaskTel, and TCC stated that unlocking costs would then be borne by all customers, including even those customers that never request the service, thus resulting in higher rates for the entire customer base.
286. Most WSPs submitted time and cost estimates related to proposals that would do away with the charge for unlocking. With few exceptions, they indicated that a six-month implementation time frame would be feasible and the costs that would need to be incurred would not be substantial.
287. Bell Canada and TCC submitted that the Commission is not permitted, in the context of this proceeding, to limit the amount that can be charged to unlock a device. Bell Canada and TCC argued that unlocking is a mobile wireless service, the rates for which are forborne from regulation. In order to place limits on the amounts that WSPs can charge for unlocking, the Commission must reverse this forbearance determination.
288. TCC submitted that, in the alternative, unlocking may relate to the regulation of "terminal equipment." The Commission has forborne from both the regulation of rates and the imposition of conditions of service on such equipment. Further, TCC argued that it did not have sufficient notice that the Commission would consider issues related to unlocking fees to participate meaningfully with respect to the issue. TCC submitted that, if the Commission does impose additional requirements related to unlocking, it should only do so on a prospective basis.
289. The Coalition argued that the Commission may regulate unlocking practices with a view to implementing the objectives of the Code, and notes that the Commission has limited fees for other services under the Code. In the Coalition's view, the Commission would be free to prohibit locking outright, and so it should not be beyond its jurisdiction to limit fees if locking is ultimately permitted.

290. The Coalition is of the view that parties were given ample notice that changes to unlocking - including possible prohibitions on charges and on the practice itself - would be considered and have been provided with ample opportunities to respond.

Commission's analysis and determinations

291. As a preliminary matter, the record of this proceeding has made clear the importance of the rules surrounding unlocking to all parties. Numerous proposals regarding unlocking were put forward, and all parties were given multiple opportunities to make arguments and submit evidence regarding these proposals.
292. Further, the Commission considers that it has jurisdiction to impose conditions on the unlocking practices of WSPs as part of the Code. The locking and unlocking of devices are practices put in place specifically to affect the way in which those devices interact with a carrier's network, in order to facilitate or hinder the provision of wireless services to customers by WSPs through those networks. Moreover, the Code only applies to devices that are sold incidental to the purchase of wireless services.
293. The Code is imposed as a condition on the offering and provision of wireless telecommunications services and represents those obligations that the Commission has determined are necessary in the competitive marketplace to protect the interests of consumers and to contribute to the dynamism of that marketplace, thereby furthering important policy objectives set out in section 7 of the Act by, among other things, responding to the social and economic requirements of users of telecommunications services.
294. In certain cases, the Commission has required that specific practices related to the provision of wireless services be prohibited; in others, it has placed limits on these practices that stop short of prohibition. These may include limits on the amounts that WSPs can charge customers in relation to these practices, where such limits are necessary to further the objectives of the Code and the Act.
295. Accordingly, the Code is an appropriate mechanism through which to impose conditions on unlocking practices, including conditions that may affect the ability of WSPs to charge to unlock devices.
296. As mentioned in the original Wireless Code policy, the provision of locked devices was one of the most significant sources of consumer frustration with wireless services. Based on the record of this proceeding, locking practices in general, including the locking of devices, and the charges to unlock them, continue to be a key consumer concern.
297. The Commission also considered at the time of the original Wireless Code policy that locked devices can be a barrier for customers who want to migrate to a competing WSP or subscribe to services from a foreign WSP while travelling abroad, and that locked devices do not, therefore, contribute to a more dynamic marketplace. However, the Commission did consider at the time that WSPs had

provided some evidence that locking may be necessary at the start of the customer's contract to limit subscription fraud, in some circumstances.

298. Based on the record of the current proceeding, it is clear that locked devices still impede the development of a more dynamic marketplace. Unlocked devices offer more consumer choice and convenience, contribute to a decreased risk of bill shock by providing options to consumers while travelling abroad, and reduce a significant barrier to switching WSPs by improving device portability. Further, while some evidence has been provided on the record of this proceeding regarding a potential link between locking devices or charging to unlock them, and subscription fraud, the Commission considers that it is not persuasive in the circumstances.
299. International roaming charges are the second most-cited reason for bill shock according to the *Wireless Code Public Opinion Fall 2016* report. While some roaming packages do currently exist in the market, ensuring that customers had unlocked devices would greatly increase consumer choice with respect to roaming. 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.
300. With regard to ensuring that customers are more able to take advantage of competitive offers by switching WSPs, an unlocked phone allows them to do so without having to wait for the phone to be unlocked and without being deterred by unlocking fees to bring their device with them to the new provider.
301. Further, WSPs have confirmed that they verify the identity and credit history of customers through credit checks or by requiring security deposits. Some attempt has been made to draw a correlation between unlocking and non-payment of bills, including the submission of some figures, in confidence, showing a proportion of WSP accounts with both unlocked phones and unpaid bill amounts. However, on the whole, the empirical evidence provided to support such a connection was minimal and the record of the proceeding does not demonstrate that the potential concern that an expansion of unlocking would lead to an increase in bill default is anything more than merely speculative. It is also doubtful that the current unlocking rules would serve to dissuade bill default. There is evidence of unregulated, third-party unlocking services in the market, and locked devices can be sold second-hand to buyers who may not be aware that the devices are locked, leaving those buyers to unlock the devices.
302. While WSPs cannot use the National Blacklist of Lost and Stolen Devices (the Blacklist)¹⁹ for debt collection purposes, they can place the international mobile

¹⁹ The Blacklist (www.devicecheck.ca) is a list of international mobile equipment identity (IMEI) numbers that are associated with mobile devices that should be denied service on mobile networks because they have been reported as lost, stolen, faulty, or otherwise unsuitable for use. Canadian consumers can enter

equipment identity (IMEI) numbers of devices stolen from their retail outlets or those associated with genuine cases of subscription fraud on the Blacklist to help deter the resale of those devices. The Commission notes the success of the Blacklist since its launch in September 2013 and considers it to be a valuable tool to help consumers safely participate in the second-hand device market. The Commission commends the CWTA's efforts in its administration of the Blacklist and encourages WSPs to continue supporting the Blacklist going forward.

303. Given the above, the Commission considers that it is necessary to ensure that customers of wireless services can more easily benefit from the use of unlocked devices in order to further the objectives of the Code and the Act.
304. The Commission notes that the interaction of the competitive market with the Code's current unlocking rules has not resulted in the widespread provision of wireless services to customers by way of unlocked devices. The evidence on the record suggests that only a very low proportion of subscribers' devices in the Canadian wireless market have been unlocked.²⁰
305. Further, as noted above, there is some evidence of third-party device unlocking in the market, but the reliability and effectiveness of such options have not been demonstrated, and in any event there is no indication that these options have led to unlocked devices being widely used. Accordingly, further measures in the Code are required in this regard.
306. In this proceeding, several proposals were put forward that would promote the provision of wireless services through unlocked devices. The Commission considers that the most efficient and effective proposal is one which would require WSPs, who are providing devices to their wireless service customers, to ensure that, on a going-forward basis, such devices are unlocked at or before the time of sale. This would be the simplest way to ensure that customers have the benefit of unlocked devices on a going-forward basis.
307. However, this proposal would not ensure that existing customers receive a similar benefit. In this case, given the importance of providing unlocked devices to customers to the objectives of the Code and the Act, it is necessary to ensure that customers in similar circumstances are treated similarly to the greatest extent possible. If existing customers continued to be required to pay to unlock their phones, they would be deprived of a key benefit and placed at a disadvantage in the competitive marketplace over other, substantially similar customers. This would not be consumer-friendly, and would not contribute to a more dynamic

the IMEI number of a wireless device into the Blacklist's lookup tool to find out immediately if that device has been blacklisted in Canada. If the IMEI number has been blacklisted, that device will not be able to be used on any participating Canadian network.

²⁰ The CWTA submitted that, based on its own calculations, there were approximately 29.4 million wireless subscribers in Canada in 2015. Additional evidence demonstrated that, in the aggregate, WSPs unlocked approximately 923,000 phones that year, which would represent approximately 3.1% of subscribers' devices.

marketplace. A simpler, more streamlined regulatory approach will serve to reduce market confusion, will be clearer for consumers, and will be less complex for the CCTS to administer. Accordingly, existing customers who had previously been provided with locked phones should be able to request that their devices be unlocked free of charge.

308. This may prevent WSPs from recovering certain charges provided for in their contracts in some cases. However, the record demonstrates that WSPs themselves choose to order locked devices, and that this practice does not benefit customers in a significant way, but serves to reduce the dynamism of the marketplace. These are further indications that any costs associated with unlocking these devices should be considered a cost of doing business and borne by WSPs.
309. The Commission also notes that the requirement to provide unlocked devices will eventually result in the elimination of certain costs to WSPs associated with current locking practices.
310. For these reasons, this approach will ensure that customers in similar circumstances are able to benefit from the reduced barrier to switching at the same time, and will ensure that the Code implements the policy objectives set out in paragraphs 7(a), (b), (f), and (h) of the Act to the greatest extent possible.
311. The Commission therefore determines that it is appropriate that the Code be **changed** so that starting no later than **1 December 2017**, any devices provided by a WSP to the customer for the purpose of providing wireless services must be provided unlocked and if a device already provided to the customer is or becomes locked to the network, a WSP must unlock the device, or give the customer the means to unlock the device, upon request, at no charge.
312. The Commission further determines that for greater clarity, a definition for the term “locked” should be added to the Code to mean “[w]hen a wireless device is programmed to work only with the network through which the service provider provides wireless services to the customer.”
313. The Commission considers that it would be appropriate to provide WSPs with approximately six months to implement these requirements. This period should be sufficient for WSPs to adjust their procurement practices while at the same time ensuring that consumers benefit from a reduced barrier to switching WSPs within a reasonable time frame and is consistent with the estimates of most WSPs as to the time frame that would be required to implement proposals doing away with the charge for unlocking.
314. If a WSP still has locked devices in its inventory after 1 December 2017, these can still be sold, as long as the WSP unlocks the device before providing it to the customer.
315. For additional clarity, customers with existing contracts who already have a locked device and who wish to have their devices unlocked will be subject to the terms

and conditions associated with unlocking set out in their wireless contract until 30 November 2017. However, as of the revised Code's effective date (**1 December 2017**), customers with pre-existing contracts can request that their devices be unlocked at no charge.

316. Finally, once the revised Code comes into effect, WSPs will no longer be required to list a fee for device unlocking in their contracts or CIS as required under sections B.1(iv)(e)iii and C.1(ii)(a) of the Code.

Trial period

317. The Code requires WSPs to offer a trial period for services for which an ECF applies. In the original Wireless Code policy, the Commission considered that, for wireless contracts under which a customer is subject to an ECF, the customer needs a trial period to test the service, including a device purchased as part of the contract.
318. The CCC, the CWTA, the DWCC, MAC, and most WSPs believed that the current standard trial period of 15 calendar days is sufficient for a customer to test their device and ensure that service is reliable. However, the Coalition and l'Union requested that the trial period be extended to 30 days to allow customers to experience the full functionality of the device during an entire billing period. Furthermore, the CCTS noted that in the event a customer signs up for services over the phone or online, the 15-day trial period could elapse or the usage limits could be exceeded before the customer receives a copy of the contract.
319. Many consumer and accessibility groups submitted that not enough consumers are being made aware of their right to a trial period and the limitations surrounding the use of the service during that period. Many groups felt this could be addressed if WSPs were required to include information about the trial period in the CIS. However, WSPs were generally opposed to this proposal, arguing that they already make sufficient efforts to inform new customers of the trial period.
320. Consumer and accessibility groups argued that the WSPs have set the limits on the use of the trial period too low to be considered reasonable. They requested that the usage limits be made less restrictive and correspond to at least half of the permitted usage under the contract selected by the customer. However, WSPs, except Freedom Mobile, were generally against this proposal, claiming that the purpose of the trial period is not to replicate "normal" usage by the customer over a fifteen-day period, but rather, to allow customers to test the device to determine whether their needs are met.
321. L'Union submitted that the Code should prohibit WSPs from imposing any additional conditions on the customer in conjunction with the trial period. However, WSPs were largely opposed to this proposal, as they believed they should be able to limit their responsibility for costs incurred during the trial period by the customer, such as roaming or long distance fees.

322. The CWTA and WSPs requested that the Commission change the Code to allow WSPs to charge a “restocking fee,” at a rate to be determined by the WSP, which would permit the WSP to offset a portion of the loss when returned devices are resold at reduced rates. However, the consumer and accessibility groups were against this proposal, arguing that restocking fees would punish customers who receive unsuitable devices or do not have coverage where it is promised.
323. Videotron requested that the Commission include in the Wireless Code a provision similar to that in the [TVSP Code](#) that requires the return of gifts given to customers at the time of purchase in the event customers cancel their agreement during the trial period.²¹ While WSPs generally supported this proposal, the DWCC, the FRPC, and MAC were against it. Specifically, the FRPC submitted that this would reintroduce a barrier to switching WSPs, and that gifts given out by WSPs as part of a customer acquisition strategy should be considered a cost of doing business.

Commission’s analysis and determinations

324. The Commission notes the CCTS’s concern that the standard trial period of 15 calendar days could inadvertently result in the customer’s trial period being over, or the usage limits exceeded, by the time the customer receives a copy of the contract, if they agreed to it online or over the phone. However, this concern is mitigated, to an extent, by the Code’s new requirement that customers who agree to an electronic copy of the contract be provided with that copy no later than one business day after the contract was agreed to. The Commission further considers that 15 calendar days for the standard trial period and 30 calendar days for the extended trial period for persons with disabilities continue to be a sufficient length of time for the customer to test the functionality of their device and quality of service.
325. The Commission therefore determines that the standard trial period of 15 calendar days, and 30 calendar days for the extended trial period for persons with disabilities established in [Telecom Regulatory Policy 2013-271](#), remain appropriate.
326. The trial period is currently not addressed in the CIS, but it must be clearly explained in the contract. However, a review of various WSPs’ contracts and terms of service revealed that while contracts may mention the trial period, it is sometimes mentioned only in small print, and in certain cases is found only in WSPs’ terms of service, a separate document from the contract. Given these information disclosure practices, the Commission considers that many consumers may not be made aware of the trial period, and that WSPs should make greater efforts to publicize it.
327. To ensure consumers will be aware of the trial period, the Commission determines that it is appropriate to **change** the Code to require WSPs to disclose the terms and conditions of the trial period in the CIS for all customers, including the extended

²¹ See TVSP Code, section VIII.3.

trial period for persons with disabilities. Furthermore, the Commission **directs** WSPs to promote the availability of the extended trial period in the accessibility portion of their websites by **1 December 2017**.

328. The Code does not currently set minimum voice, text, and data usage limits that WSPs must provide during the trial period, but rather requires that limits be reasonable. In 2015, approximately 70% of wireless data subscribers had plans that provided for at least 1 gigabyte of data usage per month; however, most WSPs stated that they set the trial period limits on voice, texting, and data consistently lower (e.g. as low as 30 calling minutes and 50 megabytes of data). Given that the 15-day trial period represents approximately half a month, the Commission considers that minimum trial period limits should correspond to at least half the amount of voice, text, and data that the customer's plan offers. The Commission considers that this is a more consumer-friendly and appropriate business practice since it would allow customers to not only test the device and service, but to assess whether their chosen plan has a sufficient amount of voice, text, and data without triggering the payment of an ECF. Ensuring the customer has a genuine opportunity to take advantage of the trial period contributes to greater market dynamism, a key objective of the Code.
329. To ensure customers have a reasonable opportunity to avail themselves of the trial period if necessary without triggering the payment of an ECF, the Commission **changes** the Code to set the standard trial period usage limits to at least 50% of the monthly usage limit for each respective voice, text, or data service in a customer's plan. However,
- for multi-user plans in which services are to be shared between several device users, limits are set to at least 50% of the monthly usage limit for the entire account;
 - for any unlimited services in either a single- or multi-user plan, trial period usage limits are prohibited; and
 - for the extended trial period for persons with disabilities, the usage limits are doubled, consistent with the Code's original requirement and with evidence that customers with disabilities still require additional usage in order to ascertain the suitability of devices and services to their needs.
330. The Commission clarifies that additional conditions currently imposed by certain WSPs, such as requiring customers to pay for international roaming charges or long distance charges incurred during the trial period, are permissible. However, the trial-period provision requires WSPs to accept the return of one or more devices associated with a wireless contract as long as a customer has not exceeded the trial period usage limits and can return the device in near-new condition, including the original packaging.

331. When the Commission reviewed WSPs' implementation of the original Code, the Commission (i) determined that charging a restocking fee during the trial period was inconsistent with both the wording and the objectives of the Code,²² and (ii) required WSPs that were charging or imposing a restocking fee in their contracts to change their practices. The Commission considers that the evidence on the record of this proceeding also establishes that imposing restocking fees on customers would introduce a further barrier to switching devices and providers.
332. The Commission further considers that a change to the Code to require the return of gifts in the event customers cancel their agreement during the trial period would introduce a further barrier to switching. Given the high value of ECFs in the wireless market and the incentive WSPs would have to offer a gift with purchase that might get used right away to invalidate the trial period, the risk associated with providing a gift or promotional incentive during the trial period should be borne by WSPs rather than by consumers. The Commission notes that WSPs have the option of waiting until the trial period has elapsed before issuing a gift.
333. The Commission therefore determines that proposals to allow WSPs to either (a) charge a restocking fee, or (b) require customers to return gifts or promotional incentives are not consistent with the objectives of the Code.

Cancellation date

334. In the original Wireless Code policy, the Commission determined that customers may cancel their wireless services at any time by notifying their WSP, and that cancellation must take effect on the date on which the WSP receives this notice. The requirement applies only to postpaid services. Following the publication of the Wireless Code, the Commission issued a prohibition of 30-day cancellation policies,²³ which extended the effective date of cancellation requirements to other services (home phone, Internet, and television), consistent with the approach used in the Wireless Code.
335. In Telecom Decision 2016-171, in response to an application from Videotron, the Commission clarified that the Code requires wireless WSPs to provide pro-rated refunds to customers for postpaid services following cancellation in circumstances where some or all of the monthly service fees are billed in advance.
336. Parties to this proceeding did not make submissions on incorporating the 30-day cancellation policy clarification in the Code as part of this review.

²² For example, see [Commission letter](#) dated 14 August 2014.

²³ See Broadcasting and Telecom Regulatory Policy 2014-576.

Commission's analysis and determinations

337. In order to ensure that the Code is clear and that service providers continue to apply the Code appropriately, the Commission considers that this clarification should be reflected in the revised Wireless Code policy.
338. The Commission therefore reiterates that WSPs must not charge for a service that is not, and cannot be, provided following cancellation. The Commission also reiterates that all WSPs must provide refunds for retail wireless services following cancellation of such services when some or all of the monthly service fees are billed in advance. The refunds must be pro-rated, based on the number of days left in the last monthly billing cycle after cancellation.

Contract extension/device subsidies

339. In order to allow for greater clarity regarding what will trigger contract extensions, the Commission determined, in the original Wireless Code policy, that upon contract expiry, WSPs may automatically extend their customers' contracts on a month-to-month basis, at the same rates, terms, and conditions. In the case of automatic renewal, WSPs need to give customers 90-days' notice. In the case of a device upgrade, WSPs must clearly explain any changes to the existing contract terms, including the commitment period.
340. Some individuals submitted that their monthly bill should decrease by the amount of the monthly charge indicated as the device subsidy after their contract term has expired. The Coalition and Vaxination submitted that unbundling service from the device subsidy would allow the customer's invoice to be automatically reduced once a device is paid off since the customer no longer pays for the subsidy repayment and only pays for the wireless services. The Coalition also submitted that the notice that is currently provided to customers 90 days prior to a contract's end-date could be strengthened with additional information.
341. Eastlink submitted that it offers all of its plans with the cost of the device subsidy independent from the cost of the monthly service plan, indicating on the service agreement the monthly amount that will go towards paying off the device subsidy. Eastlink further submitted that once the device subsidy has been paid off, this charge is removed from the customer's monthly invoice.
342. WSPs generally opposed the proposal to unbundle the wireless service from the device subsidy, submitting that it would require significant and costly changes to their billing systems, and could take up to two years to implement for some WSPs. RCCI submitted that this would constitute a fundamental change to WSPs' business models that would likely lead to greatly increased prices for consumers, as WSPs' ability to use device subsidies as a means to incentivize a commitment by the customer would be greatly restricted.
343. SaskTel submitted that it does not reduce a customer's monthly fee once a device subsidy has been paid off since the device subsidy is not, and has never been,

related to the monthly cost of a service plan. SaskTel added that device subsidies are only offered to customers who have committed to purchasing SaskTel's services for an extended period of time.

Commission's analysis and determinations

344. Given the high cost of updating WSPs' systems, and the likelihood of this cost being passed on to consumers, the Commission considers that the proposal to separate the device subsidy charge from the monthly wireless service charge on a customer's bill would not be appropriate at this time.
345. The Commission notes that the requested practice has been adopted by Eastlink. The Commission therefore considers that it is a practice that could be viewed as an opportunity for WSPs to exercise a competitive advantage in the market.
346. The Commission considers that there are alternative means to further the objectives of the Code, by providing customers with additional information related to device subsidies, which would allow WSPs to retain a greater degree of flexibility. Specifically, a clarity issue remains with respect to subsidized devices as it is not sufficiently clear to Canadians who accept a device subsidy that there may be outstanding amounts owing in relation to the subsidized device, and that they may not leave their provider with their phone until such time as their contract has been completed or they have paid the ECF. The Commission considers that WSPs should do more to inform customers about when they are no longer subject to an ECF and that their contract term has elapsed.
347. The Commission notes that provision G.6(ii) of the Code currently requires WSPs to 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, but it does not require WSPs to indicate that customers are no longer subject to a penalty should they decide to switch plans or providers.
348. The Commission considers that making customers more aware of the options that exist to them when their contract is about to expire will ensure further clarity around the practices related to device subsidies and help foster a more dynamic marketplace.
349. In light of the above, the Commission determines that it is appropriate to **change** section G.6 of the Code to require WSPs to notify their customers 90 days prior to the end of their contract, informing them (i) of 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 WSPs, upgrade devices, or cancel their service.

Disconnection

350. The Code's provisions on disconnection ensure that customers are made sufficiently aware of an impending disconnection or suspension of their service or the conditions under which such a disconnection or suspension may be triggered.
351. The Coalition submitted that the Commission's decision in Telecom Decision 2015-376, which clarified how the Code's disconnection rules interact with suspensions of service, should be incorporated in the Wireless Code in order to clarify these provisions.
352. Videotron asked the Commission to clarify that the one business day WSPs have to reconnect a customer who was wrongly disconnected (see section I.1(iii) of the Code) is to be calculated from when the WSP is made aware of the error, as opposed to when disconnection occurs.
353. The CCTS noted that it had received complaints from customers whose service was disconnected because they exceeded a pre-determined spending or credit limit, of which the customer was not notified. These customers did not receive notice prior to suspension. The CCTS suggested that the Commission require WSPs to disclose any spending/credit limit that are, or may be, applied in the customer's contract.

Commission's analysis and determinations

354. Parties who commented on this issue had no objection to incorporating any of the follow-up decisions into the Code as part of the review. In order to add clarity to the Code, the Commission considers that it is reasonable to reiterate this clarification and **change** the wording of the Code to reflect the clarification issued in Telecom Decision 2015-376.
 - WSPs must make reasonable attempts to notify customers before disconnecting their wireless service, as set out in the Wireless Code;
 - the disconnection rules apply to suspensions under certain circumstances, namely when the suspension of service is part of a process of potentially disconnecting a customer's service for non-payment;
 - with respect to how the disconnection requirements apply to suspension for non-payment, that
 - the notification requirements apply in all instances before a disconnection, and in the first instance of a suspension in a disconnection cycle;
 - the customer must be made aware of the specific terms leading to further suspensions and disconnection should the customer not pay according to the terms in their promise-to-pay agreement; and

- if the consumer fulfills the terms of the promise-to-pay agreement, the disconnection cycle is to be considered complete and any future non-payment would start a new disconnection cycle;
 - notwithstanding the above, the disconnection provisions of the Code do not apply to suspensions when a pre-set spending limit is reached, such as customers on credit-limited spending programs, however WSPs must ensure that the customer is aware that they are subject to a spending/credit limit that, if exceeded, could trigger a disconnection or suspension; and
 - except in exceptional circumstances as defined in the Wireless Code, WSPs are required to notify customers twice prior to disconnection: at least 14 calendar days prior to disconnection, and again at least 24 hours prior to disconnection.
355. Further, to the extent that the obligation in provision I.1(iii) of the Code is ambiguous, it would be reasonable and not inconsistent with the objectives of the Code to interpret the time frame within which WSPs must reconnect customers disconnected in error as only beginning once the WSP has been made aware of the error.
356. In order to ensure that this clarification is reflected in the Code itself going forward, the provision should explicitly refer to the need for the WSP to be aware of the disconnection error. Accordingly, the Commission determines that it is appropriate to **change** the Code to specify that the one business day to reconnect a customer disconnected in error starts once the WSP is made aware of the error.

Expiration of prepaid balances

357. The Code requires a WSP to keep open the accounts of customers with prepaid cards for at least seven days following the expiration of an activated card, at no charge, to give the customer more time to top up their account and retain their prepaid balance.
358. A number of individuals who intervened in the proceeding were generally opposed to the requirement that they must top-up prepaid balances; they would like to see the balance carry over indefinitely without having to contribute further to their accounts. Many likened the expiry of prepaid balances to the expiry of gift cards/certificates, which are protected under certain provincial consumer protection laws.
359. The Coalition questioned whether allowing prepaid balances to expire is consistent with the Code's objective of establishing consumer-friendly business practices.
360. Vaxination proposed that this section of the Code be amended to prohibit balance expiration. Vaxination submitted that customers should be able to deposit money into prepaid accounts in a manner similar to bank accounts. In Vaxination's view, these prepaid account deposits are separate from the purchase of a wireless service

using the funds in the prepaid account. WSPs should not be permitted to “seize” any unused funds in such accounts, which are unconnected to the provision of any wireless service.

Commission’s analysis and determinations

361. In the original Wireless Code policy, the Commission characterized prepaid card services as providing access to a WSP’s network for a specific period of time, with specific usage limitations that are distinct for each aspect of the service.
362. In Telecom Decision 2014-101, the Commission rejected arguments that section J of the Code should be varied by, among other things, treating such cards in a manner similar to retail gift cards or because expiration amounted to the seizure of prepaid balances. This rejection is consistent with the characterization of prepaid cards as granting access to the network.
363. The evidence on the record of this proceeding does not establish that circumstances have changed sufficiently to warrant a substantially different approach going forward.
364. However, the Commission considers that regardless of whether a consumer purchases a wireless prepaid balance through a prepaid card or by some other means, the consumer receives access to the wireless network on terms and conditions set out by the WSP simply by virtue of having an active account with a positive prepaid balance. To that effect, prepaid cards are very similar to pay-as-you-go services and those pay-in-advance services that are paid for entirely in advance because they all require the customer to actively top-up their account balances in order to continue to use the services, and that payment always occurs prior to use of the services.
365. Section J of the Code was originally drafted to deal only with prepaid cards. However, it would be consistent with the Code’s revised definitions of prepaid and postpaid services, as set out above, and with the objectives of the Code more broadly, to apply section J to all prepaid balances. Otherwise, customers with substantially similar plans could have different types of protection.
366. The Commission therefore determines that it is appropriate to **change** the Code to require WSPs to keep open the accounts of all prepaid customers for at least seven calendar days following the end of the customer’s current commitment period, whether that commitment period is established via an activated prepaid card or otherwise by contributing to a prepaid account balance, at no charge.

Accessibility

367. Accessibility groups have expressed a need to obtain various WSP customer services and products in alternative formats, such as sign language.

Sign-language videos to describe terminologies that are commonly used in wireless contracts

368. The DWCC submitted that there is currently not much information related to wireless contracts available in sign language. The DWCC noted that the contracts of each WSP vary, but there is common terminology used in all contracts. The DWCC requested that American Sign Language (ASL) or langue des signes québécoise (LSQ) videos be made available for these common terminologies.
369. The DWCC also requested that a unified group (either the Commission, the CCTS, or the CWTA) fund the production of these videos as an ongoing project.
370. MAC supported the proposal and noted that plain language of commonly used terms in wireless contracts presented via sign language or otherwise would be of great benefit to its constituents, but also to the public in general. MAC submitted that co-operation and collaboration between all implicated WSPs would be essential to the success of this proposal.
371. While Eastlink, RCCI, SaskTel, SSi Micro, and TCC opposed the creation of such videos,²⁴ there was general consensus among all WSPs that, should the Commission determine that the proposal is in the public interest, a collaborative effort would be more feasible than a requirement that each WSP make such videos individually.

Commission's analysis and determinations

372. Clarity and understanding of terms and conditions by customers is key to ensuring Canadians can make informed choices about the services they are purchasing. For Canadian sign-language users, that clarity and understanding may be improved by increased access to sign-language materials.
373. The Commission considers that creating and implementing a list of commonly used terms on an industry level will ensure that only terms having the same meaning across the industry will be included in the videos. Also, the Commission considers that the creation of the videos will be in the interest of all Canadians in the Deaf and hard of hearing community, in every province and territory.
374. In addition, the Commission considers that although video relay service (VRS) is now available and Canadian sign-language users can use VRS to communicate effectively with their WPS, the creation of a centralized set of sign-language videos would ensure the information is being delivered in a consistent manner across providers and will leave less room for errors in the interpretations of the terms. Further, as these videos would describe terminology using plain language,

²⁴ Eastlink, RCCI, SaskTel, SSi Micro, and TCC opposed the creation of such videos for a number of reasons, including potentially high costs and the belief that sign-language users can avail themselves of video relay service (VRS) if they have questions about their contracts. Eastlink also submitted that some terminologies have different meaning from company to company. SaskTel submitted that demand for such videos is very limited in Saskatchewan.

the provision of closed captioning for the videos would also provide a broader audience with this important information.

375. The Commission finds that it would be inefficient to ask each WSP to create their own sign-language videos as this would be an unnecessary duplication of efforts that could lead to inconsistent messaging. The Commission considers that it would be more efficient and cost-effective to have one set of sign-language videos industry wide to explain commonly used terminology.
376. Given that Bell Canada, Eastlink, Freedom Mobile, RCCI, SaskTel, TCC, and Videotron have the majority of the market share and resources, the Commission considers that it is appropriate for those companies to assume responsibility for the creation and promotion of common terminology sign-language videos (in ASL and LSQ). The Commission also considers that it will be important to ensure that the Deaf and hard of hearing community is involved in all stages of the video-making process, including the identification of those terms that would be considered “common terminology.”
377. In light of the above, the Commission jointly **directs** Bell Canada, Eastlink, Freedom Mobile, RCCI, SaskTel, TCC, and Videotron to work in collaboration to create and promote common terminology sign language videos (in ASL and LSQ), in consultation with the Deaf and hard of hearing community. These videos are to be created in the interest of all Canadians and must not be an advertising vehicle for any particular service provider. Consultations must begin **no later than four months** from the date of this decision. The videos must also be created with closed captioning. Bell Canada, Eastlink, Freedom Mobile, RCCI, SaskTel, TCC, and Videotron are to support this initiative with the resources necessary to allow for the meaningful and active participation of the Deaf and hard of hearing community.
378. The Commission encourages the CWTA to be an active participant and provide support as appropriate. The videos are to be made available on each company’s website, as well as made available to any organization requesting them, free of charge, **no later than 12 months** from the date of this decision. The Commission will also promote the videos and provide links on its website.

Sign-language videos promoting awareness of the Code

379. The DWCC submitted that many Deaf, hard of hearing, and speech-impaired consumers are not aware that the Code exists or do not know how it applies to their services or how it could assist in resolving complaints to their WSPs. The DWCC requested that any awareness initiatives for the Code be accompanied by material that is accessible to Deaf and hard of hearing consumers.
380. There was general consensus among the WSPs that, if the Commission were to require the creation of sign-language videos, they should be developed by the industry working together as it would be more efficient and would ensure consistency.

Commission's analysis and determinations

381. The Commission considers that requiring WSPs to produce sign-language videos in their awareness campaign of the Code is appropriate, and that additional measures to ensure consumers with disabilities were aware of the Code would help to further its objectives. However, the Commission also recognizes the need for consistent messaging in the videos.
382. The Commission therefore jointly **directs** Bell Canada, Eastlink, Freedom Mobile, RCCI, SaskTel, TCC, and Videotron to work in collaboration to create and promote sign-language videos (in ASL and LSQ) that will be included in awareness campaigns for the Code. These videos are to be created in the interest of all Canadians and must not be an advertising vehicle for any particular service provider. The videos must be developed in consultation with the Deaf and hard of hearing community. Consultations with the deaf and hard of hearing community must begin **no later than four months** from the date of this decision. The videos are also to be created with closed captioning. Bell Canada, Eastlink, Freedom Mobile, RCCI, SaskTel, TCC, and Videotron are to support this initiative with the resources necessary to allow for the meaningful and active participation of the Deaf and hard of hearing community.
383. The Commission encourages the CWTA to be an active participant and provide support as appropriate. The videos are to be made available on each company's website, as well as made available to any organization requesting them, free of charge, **no later than six months** from the date of this decision. The Commission will also promote the videos and provide links on its website.

Requirement to provide sign-language interpretation in-store

384. The DWCC requested that consumers be able to arrange an in-store appointment with a WSP in advance to ensure sign-language interpretation can be present. The DWCC submitted that Video Remote Interpretation (VRI)²⁵ is another means of customer service that would be acceptable to the Deaf community.
385. WSPs generally considered that this should not be a Code requirement since alternatives are already in place to serve the needs of the Deaf, hard of hearing, and deaf-blind community.
386. Eastlink and TCC submitted that clear written contract terms, in addition to services such as VRS, will make it considerably easier for Canadians in the Deaf and hard of hearing community to ask questions of WSPs about services. Some WSPs submitted that they already make in-store sign-language interpretation available, upon request of the customer. SaskTel submitted that it already has a Language Assistance Program in place that is able to provide language assistance for customers as required. This program utilizes internal SaskTel employees that

²⁵ VRI is a service that uses devices such as web cameras or videophones to provide sign-language or spoken-language interpreting services.

are proficient in a specific language, including ASL, to act as interpreters for customers as required.

Commission's analysis and determinations

387. Some of the major WSPs, of their own volition, offer in-store sign-language interpretation or language assistance, upon request. As such, the Commission does not believe that regulatory intervention is necessary at this time. The Commission encourages all WSPs to offer in-store sign-language interpretation, upon request by the customer.
388. Members of the Deaf and hard of hearing community are not always made aware of the availability of such services. In this regard, the Commission reiterates that WSPs must, as set out in [Telecom Regulatory Policy 2016-496](#), publicize all of their disability-specific products/services - including the availability of in-store sign-language interpretation - on their websites no later than six months from the date of that decision.

Provision of marketing materials, related documents, and the Critical Information Summary in alternative formats

389. MAC submitted that there should be an obligation for WSPs to provide the CIS, marketing, and supporting information such as privacy and fair use policies in the Code in accessible formats for persons with disabilities.

Commission's analysis and determinations

390. While the promotion of disability-specific wireless plans is addressed in the original Wireless Code policy, the Code has not been used to impose obligations relating to advertising.
391. The Commission recognizes that the resource implications of requiring WSPs to provide marketing materials consisting of sign-language videos could be high given that these materials change frequently. Further, this information is often readily available on the WSPs' websites.
392. As it relates to the provision of alternative formats for the related documents, section B.1(iii) of the Code does not currently include a provision requiring WSPs to provide a customer with related documents (e.g. privacy policy or fair use policy) in an alternative format for persons with disabilities upon request, at no charge, at any time during the commitment period. However, the Commission considers that this was an oversight, given the findings that it made in the proceeding leading to the initial Code, which determined that related documents should be accessible for persons with disabilities. Nothing on the record of this proceeding would suggest that such a requirement should not now be added to the Code.

393. The Commission considers that the related documents and the CIS are both important documents for customers to ensure they are informed of the terms and conditions of their contracts. The Commission therefore determines that it is appropriate to **change** sections B.1(ii), B.2(v), and C.1(v) of the Code to require WSPs to provide those documents in alternate formats for persons with disabilities upon request, at no charge.

General reasonable accommodation provision

394. MAC submitted that the specific accommodations in the Code should be supplemented by a more broad reasonable accommodation provision. Such a provision would be consistent with the objectives of the Code and the Act, as well as with the steps taken in [Telecom Regulatory Policy 2016-496](#) to ensure greater consumer empowerment more generally.

395. While MAC admitted that a reasonable accommodation provision could introduce ambiguity into the Code and confusion about the scope of WSP obligations, it considered that the flexibility afforded by such a provision would ultimately outweigh those concerns.

396. MAC also acknowledged that, while including a reasonable accommodation provision in the Code may replicate some of the protections already available under the *Canadian Human Rights Act*, resolving issues in relation to wireless services through the CCTS would likely be more expeditious than taking every issue to the Human Rights Commission.

397. The CCTS was of the view that it does not have the mandate, authority, or expertise to administer such a clause, and that it would not be appropriate to download potential responsibility for human rights issues to a non-governmental organization.

398. The CCTS further stated that it is better able to resolve disputes when requirements in the Code are clear and unambiguous. The CCTS submitted that a general “reasonable accommodation provision” would not serve this purpose.

Commission’s analysis and determinations

399. Clear and unambiguous requirements in the Code ensure that all stakeholders better understand their rights and responsibilities, and ultimately help to further the objectives of the Code.

400. The Commission agrees with the view put forward during the proceeding that including a reasonable accommodation provision in the Code may be ambiguous and may create confusion about the scope of WSPs’ obligations to customers with a disability.

401. The Commission considers that the specific accommodation provisions in relation to the provision of contracts and related documents in alternative formats and the

extended trial-period provisions in the revised Code will provide clearer guidance to WSPs, the CCTS, and consumers, while ensuring that persons with disabilities fully benefit from the Code's protections, and will effectively advance the objectives of the Code.

402. The Commission therefore determines that a general reasonable accommodation provision is unnecessary at the present time.

Other proposals raised by parties

403. Parties have also submitted other proposals relating to

- international roaming notifications,
- ECFs,
- security deposits,
- the definition of small business,
- device software updates and security patches, and
- an expedited process to appeal CCTS interpretations of the Code.

404. The Code requires WSPs to notify customers when their devices are roaming in another country, sets out a formula for ECFs in which the fees cannot be imposed after 24 months, and includes rules relating to requesting, reviewing, and returning security deposits that WSPs may require from a customer. The Commission noted in the original Wireless Code policy that the CCTS defines a "small business" as a business whose average monthly telecommunications bill is under \$2,500. Finally, the Code does not address device software updates and security patches. Currently any interested person may file an application seeking to clarify the interpretation of the Code, but these clarifications are only prospective and would not affect any complaints already handled by the CCTS.

405. Videotron submitted that WSPs should be given the flexibility to send only one international roaming notification over a seven-day period for travellers who are frequently entering new countries within that time frame.

406. SaskTel and TCC requested that the Code be amended to allow for options for the ECF to be reduced to \$0 for periods beyond 24 months, providing that a 24-month reduction to \$0 is also offered by the WSP for that same wireless device. The Coalition, the CWTA, Eastlink, Freedom Mobile, and Vaxination opposed extending ECFs to beyond two years, submitting that one of the most important provisions of the Code was the reduction of device subsidy amortization periods, thus contributing to market dynamism, and that doing so would undermine what was, and remains, a critical part of the Code's effectiveness.

407. Bell Canada, Eastlink, RCCI, SaskTel, and TCC requested that WSPs be able to recuperate the costs of any gifts with purchase or economic inducements offered to customers through ECFs, besides the device subsidy, if the customer chooses to terminate their agreement before the end of their commitment period. Many interveners opposed this recommendation, including the CCC, the Coalition, and Vaxination, submitting that offering such gifts or inducements is a cost of doing business for WSPs and the cost of competition should not be passed along to consumers. They further submitted that an increased ECF could lead to a barrier to switching WSPs, the potential for the artificial inflation of the price of the inducement, and an increase to the complexity of ECFs.
408. Some consumer groups, including the Coalition and l'Union, requested changes to the Code relating to information disclosure about the return of security deposits, how the deposit should be returned to the customer, and whether WSPs should be prohibited from imposing certain restrictions on customers with a security deposit.
409. RCCI requested that the Commission define a small business customer based on the number of employees at the time the contract is entered into. The CCTS opposed this proposal because it considered there must be consistency between the definition of small business used in the Code as compared to that used by the CCTS in its Procedural Code;²⁶ any discrepancies between the types of complaints the CCTS can accept and what types of customers are protected under the Code would result in confusion.
410. Two individuals requested that the Code require WSPs to pass along security patches and software updates in a timely manner, a proposal supported by the CCC, the Coalition, MAC, and Vaxination. All WSPs opposed this proposal, submitting that they do not control the timing of such updates and that they pass them along to customers as soon as possible.
411. RCCI proposed that the Commission put in place a mechanism for WSPs to appeal CCTS interpretations in an expedited manner. More specifically, RCCI recommended, as it did as part of the review of the CCTS's mandate and structure in 2015-2016,²⁷ that the Commission implement an expedited Part 1 Application process.

Commission's analysis and determinations

412. The Commission considers that, in general, these proposals would not considerably further the objectives of the Code, nor would they provide additional clarity with regard to specific provisions of the Code. The Commission considers that the provisions in question are working effectively with regard to the issues raised and

²⁶ The Procedural Code sets out the processes that apply to the handling of complaints by the CCTS and governs the interaction between the CCTS and participating service providers in the course of dealing with a complaint.

²⁷ See Broadcasting and Telecom Regulatory Policy 2016-102.

that some proposals, particularly with regard to ECFs, would be counter to the objectives of the Code or otherwise detrimental to consumers.

413. The Commission considers that any review of the definition of how the CCTS defines a small business would be better suited to the next review of the CCTS.
414. The Commission notes that the issue of an expedited Part 1 Application process was considered as part of the most-recent review of the CCTS's mandate and structure and ultimately rejected.
415. The Commission does not consider that RCCI has provided evidence that a reconsideration is appropriate as part of this proceeding. Further, the Commission considers that RCCI's request in this regard is outside the scope of this proceeding.
416. In summary, the Commission determines that the above-noted proposals should not be adopted as part of the current proceeding.

Awareness of the Code

417. The Commission invited detailed comments on whether any additional measures should be taken to enhance consumer awareness or understanding of the Code.
418. The Wireless Code currently requires WSPs to promote it in various ways, including by training their staff on the Code and including a prominent link to the Code and the consumer checklist on their websites.
419. Parties disagreed about whether the Commission should require WSPs to do more to promote the Code to consumers. WSPs stated that they believe awareness levels of the Code are satisfactory and that no new initiatives are necessary. The CCC, the CCTS, the Coalition, the FRPC, and l'Union submitted that awareness of the Code is critical to the Code's effectiveness and that the WSPs should be doing more to promote the Code to consumers.
420. Some parties proposed that WSPs do the following to promote the Code to consumers: use text messaging (the Coalition); use automated messages in their interactive voice response (IVR) systems (call centres) [the Coalition]; provide a leaflet of the simplified Code and how to contact the CCTS (the CCC); and/or prominently display the most pertinent parts of the Code in their stores (Community Legal Aid).
421. WSPs generally opposed each suggestion. Bell Canada and Freedom Mobile argued that WSPs should not be required to provide text messages about the Code or the CCTS because it would be inefficient and costly. Bell Canada, the CCTS, SaskTel, and RCCI argued that the use of automated messages in the IVR systems could create confusion by inappropriately directing customers to the CCTS before they have attempted to resolve a complaint with their WSP. Freedom Mobile argued that providing a paper document would be of limited value since it could be easily lost, would range in cost for each WSP, and is not consistent with an

increasingly digital marketplace. WSPs submitted that, while displaying the Code in their stores was unnecessary in light of their current obligations to promote the Code, this approach would generally be more cost-effective than producing a leaflet to give to all wireless customers.

Commission's analysis and determinations

422. Consumer awareness of their rights and responsibilities under the Code, and their right to complain to the CCTS, is critical to ensuring the Code's ongoing effectiveness.
423. The Commission considers that more needs to be done to promote consumer awareness of the Code and the rights of consumers, including their right to complain to the CCTS when they are unable to resolve a complaint with their WSP.
424. The Commission continues to consider that because consumers' dealings with wireless services occur through WSPs, consumers need access to knowledgeable staff or resources to ensure that they obtain the information they need. The Commission finds it appropriate to maintain its requirements on how WSPs must promote the Code since these target WSPs' interactions with customers through their customer service representatives, websites, or bills. The Commission also considers that visual displays of consumers' rights under the Code in WSPs' stores, based on the consumer checklist in Appendix 2 of this decision, would benefit customers who choose to sign up for services in-store without imposing an undue burden on WSPs.
425. The Commission considers that WSPs must inform customers of their right to complain to the CCTS at the second level of escalation of their complaint with the WSP. The Commission considers that, to assess whether customers are being appropriately directed to the CCTS by WSPs, the Commission requires data from WSPs on how many customers they referred to the CCTS each year.
426. In light of all of the above, the Commission **directs** WSPs, by **1 December 2017**, to
 - (a) ensure that their customer service representatives are (i) knowledgeable of the Code; (ii) able to effectively describe the Code's provisions; and (iii) able to explain recourse options for customers;
 - (b) provide prominent links to the consumer checklist on their websites, on their home page, and on all pages on which their wireless service plans and offerings are described;
 - (c) visually display information from the consumer checklist in their stores and kiosks;

- (d) add a notification regarding the consumer checklist to their billing statements on two separate occasions: one notification in the month that the revised Code takes effect, and one notification three months later, and semi-annually thereafter;
- (e) inform customers of their right of recourse to the CCTS immediately upon a failure to resolve a complaint at the second level of escalation, and again at subsequent levels of escalation within the WSP's internal process; and
- (f) retain statistics on an ongoing basis on how many customers, out of the total number of customers who make a formal complaint, they informed about the CCTS, and provide these statistics to the Commission as part of the compliance reporting process on an annual basis. Reports are to be submitted by **31 March of each year**.

Implementation

427. WSPs generally submitted that the Code could be implemented within six months after the decision is published, subject to certain qualifications. For instance, many WSPs provided examples of specific proposals that should have a longer implementation timeline. Various WSPs submitted that more time would be needed to implement proposals related to the separate selling of devices and wireless services, multi-user plans, and unlocking, with some WSPs suggesting that up to 18 months would be necessary. Some WSPs also submitted that more time could be needed based on the number of changes to be introduced to the Code. TCC argued that it would need to know which specific changes were being implemented in order to comment properly.
428. Further, most WSPs submitted that the Code should only apply to new contracts on a going-forward basis. TCC submitted that there was no pressing need to implement any changes to the Code on a retrospective basis and argued that, in any event, the Commission may not have the ability to apply these changes to existing contracts. Further, it argued that doing so could violate the Policy Direction.²⁸
429. WSPs gave various estimates as to the costs that would be associated with specific proposals.
430. The Coalition suggested that the revised Wireless Code should apply to new contracts on a going-forward basis and after a reasonable period for the industry to adjust to the new changes.
431. Videotron requested that WSPs be permitted to apply for implementation extensions, if their specific circumstances warranted it, as was the case during the initial implementation of the Code.

²⁸ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, P.C. 2006-1534, 14 December 2006

432. The CCTS submitted that, for the purpose of administering the Code, the simultaneous implementation of all revised Code provisions for new and existing contracts was far preferable. If simultaneous implementation was not possible, the Commission should publish clear transitional rules outlining the phased application of the revised provisions.
433. There was general consensus among WSPs and consumer groups that implementation reports should be submitted to the Commission.

Commission's analysis and determinations

434. The key issues to be determined are (i) when the amendments to the Code should take effect; (ii) to which contracts they should apply; and (iii) what effect the clarification of existing Code provisions set out in this decision should have in the transitional period between this decision and the coming into effect of the revised Code.
435. The revised Code set out in Appendix 1 of this decision will take effect on **1 December 2017**.
436. For all contracts entered into, amended, or extended (but not for existing contracts), WSPs must adhere to the following revised Code provisions as of **1 December 2017**:
- B.1(i) – WSPs must allow customers to expressly choose between an electronic or paper copy of their contract; if the customer opts for an electronic copy of the contract, it must be sent to the customer within 1 business day of the contract being entered into;
 - C.1(iii)(d)-(e) – WSPs must respect new information disclosure requirements for the CIS regarding the trial period and unlimited services;
 - F.1(i) – Devices must be provided unlocked;
 - G.4 – WSPs must allow customers to use at least 50% of their regular monthly voice, text, and data allotments during the standard trial period of 15 calendar days, or 100% for the extended trial period of 30 calendar days for persons with disabilities; and
 - Definitions of prepaid and postpaid services – WSPs must treat any wireless services that may be billed all or in part after use and for which overage charges can be incurred as postpaid services under the Code.
437. For all contracts, regardless of when they were entered into, WSPs must adhere to the following revised Code provisions as of **1 December 2017**:
- Preamble

- A.1 – WSPs must communicate with customers in a way that is clear, timely, accurate and uses plain language;
- B.1(ii) and B.2(v) – Related documents must be provided in an alternative format to postpaid and prepaid customers with disabilities upon request, at no charge;
- B.1(iii)(a) and related definitions – Key contract terms include voice, text, and data services that the customer agreed to upon entering the contract and will receive for the duration of the contract;
- B.1(iii)(d)ii-iv; B.2(iv)(a)ii-iv.; C.1(iii)(g) and G.2 – How the ECF applies to postpaid and prepaid tab contracts;
- C.1(ii) – Information in the CIS cannot replace information in the contract;
- C.1(v) – CIS must be provided in alternative formats to customers with disabilities upon request, at no charge;
- D and related definitions – Consent needed from account holder or authorized user for WSP-initiated changes to key contract terms and conditions; account holder must be notified;
- E and related definitions – Account holder and device user to be notified when roaming internationally; consent needed from account holder or authorized user to exceed caps; caps apply on per-account basis; caps apply to data roaming add-ons, data add-ons, and flex plans; WSP cannot charge for a service that the account holder or authorized user did not expressly purchase;
- F.1(ii) – Devices must be unlocked upon request, at no charge;
- G.6(ii) – New information disclosure requirements for the 90-day notification at the end of a fixed-term contract;
- I.1(iii) – WSP must reconnect service disconnected in error no later than one business day after they are made aware of the error;
- I.2 – Notice of disconnection applies to some suspensions of service; and
- J – WSPs must allow at least seven calendar days after prepaid balance expiry to top up the account for any prepaid service.

438. Unchanged provisions of the Code remain in effect as of the date of this decision.

439. As for those existing Code provisions that have been clarified in the present decision, the CCTS is to apply the clarified interpretations of these provisions immediately.

Effective date of the revised Code

440. Most WSPs agreed that a revised Code could be implemented within six months. The targeted changes adopted by the Commission are generally based on proposals discussed at length on the record of the proceeding. They do not include some of the proposals that WSPs submitted would require the most time and resources to implement, such as the proposal to sell devices separately from wireless services. The Commission considers that the approximate six-month time frame balances the needs of WSPs to make changes to their systems and practices, and the associated costs, while ensuring that consumers benefit from changes to the Code, and that the important policy objectives of the Code, and consequently of the Act, are advanced, within a reasonable amount of time following this decision. A longer implementation timeline would unduly delay these desirable outcomes.
441. In the original Wireless Code policy, WSPs were given six months to implement the whole Code, in an environment where no mandatory code of conduct had previously existed. Here, the Commission is only making targeted changes to pre-existing obligations in an environment where a thoroughgoing mandatory code already exists.
442. The Commission considers that if a particular WSP is faced with unique barriers to the implementation of a specific provision in the Code that would make it technically impossible or financially unreasonable for the WSP to implement that provision by the effective date (**1 December 2017**), it can file an application to obtain an extension of this timeline. The WSP must provide detailed evidence and rationale that shows that its circumstances are unique and that the burden it faces is exceptional and unreasonable.

Application of the Code to new and existing contracts

443. Those amendments that are to apply only to new, amended, or extended contracts generally deal with protections that a consumer could only benefit from upon agreement to a new contract. Those amendments that the Commission has determined are to apply both to new and existing contracts as of **1 December 2017** are those that, generally speaking, would benefit a consumer throughout the course of their contract. Further, most of the changes to be applied to new and existing contracts deal only with how WSPs are to communicate with or provide information to existing customers.
444. The Commission has made findings throughout this decision that these changes to the Code will increase the protections available to consumers, and improve their ability to make informed decisions in the competitive market, including the potential decision to switch service providers. It follows, therefore, that the objectives of the Code and the ultimate dynamism of the market will be advanced

by the broad application and timely introduction of these changes. Applying these new protections only to new contracts would frustrate the advancement of the telecommunications policy objectives to which the Code responds. The Commission, however, is required by the Act to exercise its powers with a view to implementing these policy objectives. Accordingly, the Commission determines that certain amendments - in particular, those set out in paragraph 437 - must apply to all contracts as of **1 December 2017**.

Transitional guidance for clarified provisions of the existing Code

445. Given that the Commission has made certain determinations in this proceeding that clarify how certain existing Code obligations are to be interpreted, further guidance is necessary for these existing provisions in respect of the transitional period between the date of this decision and 1 December 2017.

446. Many of these clarifications reiterate Commission determinations made in previous proceedings. Specifically, these clarifications relate to the following existing Code provisions:

- B.1; B.2; C.1; G.2 – How the Code applies to postpaid and prepaid tab contracts;
- B.1(i)(a) and B.1(i)(b) – That the obligation to provide a permanent copy of the contract is not engaged upon automatic renewal of a contract;
- G.5 – The prohibition against 30-day cancellation policies entails the payment of pro rata refunds to postpaid customers who are billed for wireless services in advance;
- I.2 – The notice required before disconnection applies in certain cases of suspension of service; and
- Finally, with regard to the Code’s application, the Commission reiterated its determination that the Code applies to all contracts between an individual and a WSP where the individual is responsible for some or all charges related to the contract.

447. Some clarifications provide additional guidance not explicitly dealt with previously. Specifically, the Commission has explained in this decision how the following existing Code provisions must be interpreted:

- B.1(iii)(a) and associated definitions – WSPs must treat voice, text, and data as key terms, if these services are included in the contract for the duration of the contract term;
- C.1(ii) – Information provided in the CIS does not fulfill any requirement to provide the same or similar information in the written contract;

- D.1-2; E.1-4 and associated definitions – WSPs must obtain consent from the account holder or authorized user of a multi-user plan to incur data roaming or overage charges beyond the Code-established caps, or to change the key terms or conditions of the contract; the data roaming cap and data overage caps apply on a per-account basis, rather than per-device basis; the caps apply to roaming packages, flex-plans, and add-ons; and
- I.1(iii) – WSPs must reconnect customers disconnected in error within one business day of being notified of the error.

448. In all cases these clarifications simply interpret the existing obligations of the Code according to the interpretive guidance already provided for in the Code, and consistent with the Code's objectives. Many of these clarifications generally reflect the manner in which the CCTS already interprets these provisions of the Code, and so any additional burden placed on WSPs as result will not be substantial.

449. In fact, if the CCTS were to stop interpreting these provisions along these lines, it would remove an important consumer protection, contrary to the objectives of the Code. Further, WSPs could have sought clarification from the Commission if they were in disagreement with a CCTS interpretation at any point prior to this review. Accordingly, the CCTS is to apply these interpretations from the date of this decision.

450. The Commission reminds parties that any interested person may file an application seeking to clarify the interpretation of the Code going forward.

Directions

451. The Commission therefore **directs** Canadian carriers that offer and provide retail mobile wireless voice and data services to individuals or small business customers to adhere to the rules set out in the attached Wireless Code, and according to the implementation schedule set out above, as a condition of offering and providing these services pursuant to section 24 of the Act no later than **1 December 2017**.

452. The Commission **directs** persons other than Canadian carriers that offer and provide retail mobile wireless voice and data services to individuals or small business customers (WSP resellers) to adhere to the rules set out in the attached Wireless Code, and according to the implementation schedule set out above, as a condition of providing these services pursuant to section 24.1 of the Act no later than **1 December 2017**.

453. The Commission also **directs** Canadian carriers, as a condition of providing telecommunications services that WSP resellers use to provide retail mobile wireless services, no later than **1 December 2017**, to (i) include in their tariffs, and in service contracts or other arrangements with these WSP resellers, the requirement that the purchaser of the service, and any or all of their wholesale customers and subordinate wholesale customers, abide by the rules set out in the

attached Wireless Code according to the implementation schedule set out above; and (ii) report, in a timely manner, non-compliance by WSP resellers with this obligation, whether actual or suspected, by letter addressed to the Secretary General, including the name and contact information of the WSP reseller, as well as any details regarding the alleged non-compliant behaviour, and to implement any remedial directions from the Commission.

Compliance monitoring and future reviews of the Code

454. The Commission sought comments from parties to the proceeding as to whether the Code should be reviewed again in the future to ensure its ongoing effectiveness.
455. Most parties generally agreed that the Code should be reviewed again in the future in order to assess how the market has changed and determine whether adjustments to the Code are necessary, with the exception of SaskTel.
456. Time frames proposed by parties ranged from three to seven years, with most WSPs and consumer groups agreeing that the review should occur within five years.
457. The CCTS submitted that re-examining the Code every few years is effective: it allows sufficient time to identify changes in the marketplace that may require changes to the Code.
458. The Coalition suggested that future reviews of the Code should occur in five years and be coordinated or combined with the review of the CCTS in 2022-2023, arguing that the mandate and structure of the CCTS should be considered alongside the major instrument it administers (the Wireless Code). The CCTS cautioned against this proposal, stating that it believes it is beneficial to focus on aspects of the CCTS's mandate and structure that require review without having to review the substance of industry codes at the same time, which would significantly distract from this focus.
459. Consumer groups and WSPs agreed that the Commission should continue to collect and publish public opinion research to help assess the effectiveness of the Code and the impacts the Code is having on consumer experiences and behaviour. Consumer groups and academic researchers also suggested other methodologies that may be effective, such as in-field mystery shopper studies.
460. Eastlink, SaskTel, and RCCI were opposed to having to complete annual compliance reports. Bell Canada submitted that compliance reports should be conducted every two years.
461. Consumer groups and the DWCC submitted that WSPs should complete annual compliance reports. MAC submitted that the WSPs should submit reports every six months for the first two years, and the FRPC suggested that they submit reports every three months.

Commission's analysis and determinations

462. The Commission considers that before the next review can be held, WSPs will need time to fully implement any new or modified requirements that result from this proceeding. The time frame for the review should allow for a sufficient period of time to pass that would allow the Commission to assess the effect of these changes on the retail wireless market. The time frame for the next review must also take into account how quickly wireless services, plans, contracts, and devices change. The market is, and is expected to remain, rapidly evolving.
463. There was general consensus that a five-year time frame for the next review is reasonable. The Commission considers that five years will provide sufficient time to assess the revised Code's effect on the market while taking into account the ongoing evolution of the market. The Commission thus intends to initiate the next formal review of the Code within five years of the revised Code coming into effect (**1 December 2017**).
464. The Commission does not consider that it would be appropriate or feasible to combine future reviews of the Code with those of the CCTS. The CCTS's mandate covers not only wireless services, but a variety of telecommunications services and, in the near future, broadcasting services. It would be overly complex for the Commission, stakeholders, and the public to review the CCTS in conjunction with the Wireless Code, the TVSP Code, the Deposit and Disconnection Code,²⁹ and any other industry codes developed in the future to be administered by the CCTS. It would also be inconsistent to review the CCTS and the Wireless Code together, but in isolation from other codes. The Commission therefore intends that future reviews of the Code should remain separate from those of the CCTS.
465. The Commission notes parties' support for public opinion research relating to the Code and suggestions for other evaluation and monitoring methodologies. The Commission intends to continue to monitor the efficacy of the Wireless Code, using the most appropriate tools to do so.
466. With regard to compliance, the Commission considers that there is value in conducting ongoing compliance monitoring, over and above the implementation reports WSPs are already required to submit. Ongoing compliance monitoring allows the Commission to assess whether there are any systemic issues with WSPs' interpretation and implementation of the Code, and to ensure that WSPs are consistently applying the Code. It also offers WSPs an opportunity to flag and promptly address any issues; for more problematic cases of non-compliance, the Commission may conduct a show cause proceeding.
467. The Commission **directs** WSPs to submit compliance reports on an annual basis, **by 31 March of each year**, to support the Commission's role in monitoring WSPs for systemic non-compliance and enforcing the Code.

²⁹ See Telecom Decision 2011-702.

Consistency with the Policy Direction

468. In Telecom Decision 2012-556, the Commission considered that the most efficient, least-intrusive way of ensuring that consumers were sufficiently empowered to participate effectively in the competitive wireless market would be to develop a mandatory code of conduct for WSPs.
469. In the original Wireless Code policy, the Commission determined that the specific measures implemented in the Code were consistent with the requirements of the Policy Direction, including that the Commission rely on market forces to the maximum extent feasible as the means of achieving the telecommunications policy objectives set out in the Act.
470. The record of this proceeding establishes that the Code has not placed undue or unjustified barriers on the operation of WSPs in the competitive wireless market.
471. As far as the changes to the Code set out in the present policy are concerned, the evidence is that these changes are necessary precisely because market forces alone have not ensured that consumers benefit from these additional protections, which are required for their effective participation in the wireless market.
472. These changes are efficient and proportionate to their purpose, and minimally interfere with market forces. That is, the Commission has only changed those areas of the Code and only to the extent necessary to ensure that the objectives of the Code and the Act are properly advanced. The impacts on WSPs and their business models that may be occasioned by these changes have been carefully considered, and the Commission notes that these companies will retain a substantial degree of flexibility in structuring their affairs in the competitive wireless market in order to win, retain, and serve their customers.
473. Further, the Code will continue to apply in a symmetrical and competitively neutral manner, as all WSPs, regardless of the technology they use, the geographic market in which they operate, their size, or the specific retail mobile wireless services that they offer, will be subject to the requirements of the Code as a directly imposed condition of service.
474. The Commission reiterates that the establishment of the revised Code and the furthering of its objectives serve to advance the policy objectives set out in paragraphs 7(a), (b), (f), and (h) of the Act.

Related documents

- *Modern telecommunications services – The path forward for Canada’s digital economy*, Telecom Regulatory Policy CRTC 2016-496, 21 December 2016
- *Review of the Wireless Code*, Telecom Notice of Consultation CRTC 2016-293, 28 July 2016, as amended by Telecom Notices of Consultation CRTC 2016-293-1, 23 September 2016; 2016-293-2, 26 October 2016; 2016-293-3,

5 January 2017; 2016-293-4, 24 January 2017; and 2016-293-5, 17 February 2017

- *Quebecor Media Inc. - Prohibition of 30-day cancellation policies - Application regarding pro-rated refunds for cancelled services*, Telecom Decision CRTC 2016-171, 5 May 2016
- *Review of the structure and mandate of the Commissioner for Complaints for Telecommunications Services Inc.* – Broadcasting and Telecom Regulatory Policy CRTC 2016-102, 17 March 2016
- *The Television Service Provider Code*, Broadcasting Regulatory Policy CRTC 2016-1, 7 January 2016
- *Wireless Code – Requests for clarification on how the disconnection rules apply to suspensions*, Telecom Decision CRTC 2015-376, 14 August 2015
- *Prohibition of 30-day cancellation policies*, Broadcasting and Telecom Regulatory Policy CRTC 2014-576, 6 November 2014
- *Wireless Code – Clarification of how the Wireless Code applies to corporate wireless service plans*, Telecom Decision CRTC 2014-528, 8 October 2014
- *Wireless Code – Request by DiversityCanada Foundation to review and vary Telecom Regulatory Policy 2013-271 regarding expiry of prepaid wireless service cards*, Telecom Decision CRTC 2014-101, 5 March 2014
- *Wireless Code – Request by Quebecor Media Inc. to review and vary Telecom Regulatory Policy 2013-271 regarding the definition of “indeterminate contracts,”* Telecom Regulatory Policy CRTC 2013-598, 8 November 2013
- *Requests for clarification on how the Wireless Code applies to tab contracts*, Telecom Regulatory Policy CRTC 2013-586, 31 October 2013
- *The Wireless Code*, Telecom Regulatory Policy CRTC 2013-271, 3 June 2013
- *Decision on whether the conditions in the mobile wireless market have changed sufficiently to warrant Commission intervention with respect to mobile wireless services*, Telecom Decision CRTC 2012-556, 11 October 2012
- *CISC non-consensus report – Draft Deposit and Disconnection Code*, Telecom Decision CRTC 2011-702, 14 November 2011

Appendix 1 to Telecom Regulatory Policy CRTC 2017-200

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: A.1-3; B.2; E.1, E.4, and E.5; F.1-4; G.1-4; and J.1.

Definitions of terms used in the Code, including the differences between prepaid services and postpaid services, 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 must 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. (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-cprst.ca

Fax: 1-877-782-2924

Preamble

1. 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**;
- (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.

A. Clarity

1. 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.

2. 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.

3. Unlimited services

- (i) A service provider must not charge a customer any **overage 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.

B. Contracts and related documents

1. 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*.
- (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.
 - (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.

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.

2. 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;
- (b) 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;
- (c) the amount the customer paid for the device; and
- (d) 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.

C. Critical Information Summary

1. 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 B.1(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; and
- (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.

D. Changes to contracts and related documents

1. 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.

2. Changes to other contract 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.

E. Bill management

1. 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.

2. 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.

3. 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.

4. 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.

5. 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.

F. Mobile device issues

1. 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.

2. 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.

3. 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; and

- (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.

4. 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.

G. Contract cancellation and extension

1. 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.

2. 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.

3. 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.

4. 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.

5. Cancellation date

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

6. 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.

H. Security deposits

1. 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.

I. **Disconnection**

1. **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 no later than 1 business day after they are made aware of the error and must not impose reconnection charges.

2. **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.

3. 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.

J. Expiration of prepaid balances

1. 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.

The Wireless Code – Definitions

Account holder

A person who is responsible for payment under a contract.

Authorized user

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.

Canadian Radio-television and Telecommunications Commission (CRTC)

A public organization that regulates and supervises the Canadian broadcasting and telecommunications systems to ensure that Canadians have access to a world-class communication system.

Commissioner for Complaints for Telecommunications Services Inc. (CCTS)

An independent organization dedicated to working with customers and their telecommunications service providers to resolve complaints relating to their telecommunications services. The CCTS (i) responds to and resolves complaints from customers in order to ensure that they are treated in a way that is consistent with the Wireless Code; and (ii) collects data on complaints related to the Wireless Code. This data is published on the CCTS's website at www.ccts-cprst.ca.

Commitment period

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.

Contract and written contract

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.

Customers

Individuals or small businesses subscribing to wireless services, including account holders, device users, and authorized users.

Data add-on

A data add-on is a package that a customer can add to their plan for a single billing cycle with no commitment beyond that billing cycle and without changing the plan itself.

Device subsidy

The difference between (i) the lesser of the manufacturer's suggested retail price of a device or the price set for the device when it is purchased from the service provider without a contract; and (ii) the amount a customer paid for the device when they agreed to the contract.

Device user

A person who uses a device associated with a contract, including authorized users.

Disconnection

The termination of wireless services by a service provider.

Early cancellation fee

A fee that may be applied when a customer's service is cancelled before the end of the commitment period.

Fair (or acceptable) use policy

A policy that explains what is considered to be unacceptable use of the service provider's wireless services and the consequences of unacceptable use (e.g. using the service to engage in an activity that constitutes a criminal offence). Violations of a fair or acceptable use policy may result in (i) disconnection or service suspension; or (ii) a modification of the services available to the customer.

Fixed-term contracts

Contracts that have a set duration (usually one or two years).

Flex plan

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.

Indeterminate contracts

Indeterminate contracts do not have a set duration. They automatically renew each month.

Key contract terms and conditions

The elements of 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 that the service provider cannot change without the customer's express consent. Key contract terms are listed in section B.1(iii)a-e of the Code.

Locked

When a wireless device is programmed to work only with the network through which the service provider provides wireless services to the customer.

Minimum monthly charge

The minimum amount that customers will have to pay for wireless services each month if they do not use optional services or incur any additional fees or overage charges. This charge may be subject to taxes, as set out in the contract.

Mobile premium services (or premium text messaging services)

Text message services that customers may subscribe to for an additional charge, usually on a per-message basis.

Multi-user plan

A contract for wireless services in which an account holder pays for the wireless services of at least two device users, regardless of whether the account holder is also a device user (also known as a shared plan or family plan).

Optional services

Services that a customer can choose to add to their wireless plan, usually for an additional charge, such as caller identification (ID) or call forwarding. Optional services include data add-ons and roaming add-ons.

Overage charge

A charge for exceeding an established limit on the use of a service.

Pay-per-use services

Services that a customer can choose to add to their wireless plan, such as international roaming, which are typically measured and charged on a usage basis.

Permanent copy

An inalterable copy (e.g. a paper copy or PDF version) of the contract that is free of hyperlinks that can be changed by the service provider, as of the date of signing or the date of the latest amendment.

Postpaid services

Wireless services that may be billed all or in part after use, for example in a monthly bill, and for which overage charges can be incurred. For greater clarity, any pay-in-advance plan where the service provider may bill the customer for some or all charges after use or where the customer may incur overage charges beyond the prepaid balance is treated as a postpaid plan for the purposes of the Code.

Prepaid services

Wireless services that are purchased in advance of use only, such as the use of prepaid cards and pay-as-you-go services.

Privacy policy

A policy that explains how service providers will handle customers' personal information.

Related documents

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.

Roaming

The use of wireless services outside the service provider's network area.

Roaming add-on

A roaming package 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.

Service coverage maps

An illustration of the extent of the service provider's network, showing where coverage is available.

Service provider

A provider of retail mobile wireless voice and data services.

Subsidized device

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.

Suspension (of a customer's service)

A temporary halt in wireless 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.

Tab contract

A contract 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.

Unlimited services

The unlimited use of specific services (e.g. unlimited local calling), for a fixed price.

Wireless services

Retail mobile wireless voice and data (including text) services.

Appendix 2 to Telecom Regulatory Policy CRTC 2017-200

Your Rights as a Wireless Consumer

The CRTC's Wireless Code establishes basic rights for all wireless consumers.

This checklist will help you to understand how the Code works for you. For more information, visit the CRTC's website at www.crtc.gc.ca.

Many of these rights apply now and more rights will begin to apply as of **1 December 2017**.

Do you pay a bill *after* you use your wireless service? If so, you have the right

- to cancel your contract at no cost after a maximum of two years
- to be the only person to consent to additional charges on a shared or family plan, unless you authorize another user to do so
- to limit your data overage charges to \$50 a month and your data roaming charges to \$100 a month for your entire account, regardless of the number of devices or users associated with the account
- to refuse a change to the key terms and conditions of your contract, including the voice, text, and data services in your contract, the price for those services, and the duration of your contract
- to have your service suspended at no cost if your phone is lost or stolen
- to receive a Critical Information Summary, which explains your contract in under two pages
- to receive a notification when you are roaming in a different country, telling you what the rates are for voice services, text messages, and data usage
- to a contract that uses plain language and clearly describes the services you will receive, and includes information on when and why you may be charged extra

Starting on 1 December 2017, you will also have the right

- to have your phone unlocked by your service provider immediately upon request, at no charge, and newly purchased phones from your service provider must be provided to you unlocked
- to cancel your contract and return your phone at no cost, within 15 calendar days if you have not used more than half of the usage specified in your monthly plan limits, if you are unhappy with your service

Do you pay *before* you use your wireless service? If so, you have the right

- to cancel your contract at no cost after a maximum of two years
- to have your service suspended at no cost if your phone is lost or stolen
- to receive a notification when you are roaming in a different country, telling you what the rates are for voice services, text messages, and data usage
- to a minimum grace period of seven calendar days in order to “top up” and retain your prepaid balance
- to a contract that uses plain language, and clearly describes the conditions that apply to your prepaid balance and how you can check your balance

Starting on 1 December 2017, you also have the right

- to have your phone unlocked by your service provider immediately upon request, at no charge, and newly purchased phones from your service provider must be provided to you unlocked
- to cancel your contract and return your phone at no cost, within calendar 15 days and if you have not used more than half of the usage specified in your monthly plan limits, if you are unhappy with your service

Are you a person with a disability? If so, you have the right to a copy of your contract, privacy policy, fair use policy, and Critical Information Summary in an alternative format at no charge and to a longer trial period (30 calendar days) to ensure that the service and phone meet your needs.

Have a complaint about your wireless service? First, try to resolve the issue with your service provider. If you are still unsatisfied, contact the Commissioner for Complaints for Telecommunications Services Inc.

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-cprst.ca

Fax: 1-877-782-2924