



## Prohibited Conduct – What you need to know

### Our commitment to you

At Peoples Bank, we expect all our employees and persons acting on our behalf to comply with the law by not practicing any prohibited conduct. We provide our employees and third parties with information and training programs on acceptable sales practices.

### What is prohibited conduct?

Section 627.04 of Canada's Bank Act prohibits banks from taking advantage of any person or using coercive selling practices. Coercive tied-selling is when a bank imposes undue pressure or coerces a person to buy a product or service they don't want from the bank or one of its affiliates to obtain another bank product or service.

Undue pressure means any pressure, in the form of a practice or communication or otherwise, that could be reasonably considered to be excessive or persistent in the circumstances.

The following examples help explain sales practices that are prohibited.

1. Your bank's mortgage specialist tells you that you qualify for a home mortgage. However, you are also told that the bank will approve your mortgage only if you transfer your investments to the bank or its affiliates. You want the mortgage, but you do not want to move your investments.
2. Your bank's credit officer tells you that you qualify for a Registered Retirement Savings Plan (RRSP) loan. However, you are also told that the bank will approve the loan only if you use the money to buy the bank's mutual funds. You want the loan, but you want to invest the money somewhere else.

Sales practices such as bundling and preferential pricing are acceptable and should not be confused with coercive tied-selling. The following examples help explain sales practices that are *not* prohibited.

1. After approving your application for a home mortgage from the bank, your bank's mortgage specialist tells you that this mortgage would be available at a lower interest rate if you transferred your investments to the bank or its affiliates. Preferential pricing is acceptable as the approval of your mortgage is not conditional on your taking another bank product or service. Rather, you are offered preferential pricing to encourage you to give the bank more business.
2. You plan to open a bank account that charges you for individual transactions. The banking representative offers you a package of services that includes a comparable bank account, a credit card with no annual fee and a discount on purchasing travel insurance. The total price for the package is less than if you purchased each part of the package separately. Bundling products in this way is permitted because you have the choice of buying the items individually or in a package.

## **How to contact us**

We urge you to let us know if you believe that you have experienced prohibited conduct in any dealings with us.

Please use the contact details below if you have any questions, problems, or concerns.

Toll-Free: 1-833-318-7878

Email: [complaints@peoplesbank.ca](mailto:complaints@peoplesbank.ca)

Mail: Customer Service Department, Peoples Bank, Suite 1400 – 888 Dunsmuir Street, Vancouver, BC V6C 3K4

In-person: Suite 100-888 Dunsmuir Street, Vancouver, BC V6C 3K4