

**Bulletin**  
**Regulations Respecting Gift Cards**  
February 2010



This bulletin is issued by the Program Management and Corporate Services Division to clarify some aspects of the *Regulations Respecting Gift Cards* under the *Consumer Protection Act*. Bulletins are provided for reference purposes only and do not replace the law found in the Act or regulations. The Regulations Respecting Gift Cards can be found online at <http://www.gov.ns.ca/just/regulations/regs/3252009.pdf>

**Background**

In December 2009 gift card regulations were introduced in Nova Scotia. These regulations prohibit expiry dates and fees on gift cards and gift certificates and outline required disclosure on gift cards and certificates. The new regulations will take effect on February 1, 2010. The purpose of the regulations is to protect the value of consumers' gift cards, improve disclosure to the consumer, prohibit hidden fees and more closely harmonize requirements with most other provinces in Canada.

**Applicability**

Certain prepaid cards differ from traditional gift cards and gift certificates and are not intended to be captured by the regulations.

They include:

- pre-paid cards issued for telephone services,
- credit card branded prepaid cards that are valid under a network brand name and redeemable anywhere that network brand name is accepted, such as Visa or Mastercard branded prepaid cards,
- pre-payments for specific events or groups of events, such as hockey games,
- gym memberships,
- coupons and points or loyalty cards.

These exceptions and inclusions are the same as those followed in most other provinces and will be applied in Nova Scotia in order to promote further harmonization across Canada.

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**Disclosure Requirements**

*Contact Information*

Contact details (e.g., telephone number or website) are sufficient information for the consumer to check on the balance of the card. No other statements are required.

*Return policy*

The regulations require that the return policy that applies to items purchased with a gift card be included on the card itself. The intent is to ensure disclosure to the consumer particularly in cases where the return policy on items purchased with a gift card differs from items purchased using other forms of payment.

This provision responds to those cases where retailers have a different, more restrictive return policy on items purchased with a gift card. In some cases, for example, retailers have a regular return policy that allows customers to return merchandise for a full refund within 30 days, while the return policy for items purchased with gift cards is more restrictive, e.g. items purchased with a gift card may be returned for store credit only. Because this is an important condition of use the consumer may not be aware of, this information must be disclosed on the card itself.

If it is not possible to include the policy on the card itself, directing the consumer to a website or telephone number where he or she can get that information will be sufficient. Gift card terms and conditions on the website must detail the return policy that applies to purchases made with a gift card.

This provision does not apply to gift cards for certain businesses, for example restaurants, that do not ordinarily have return policies.