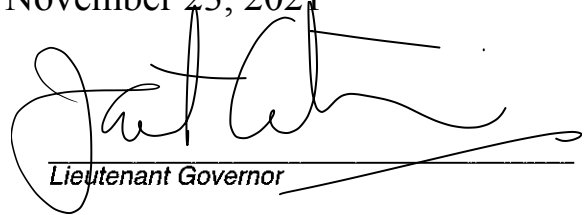


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 634

, Approved and Ordered November 23, 2021



Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that

- (a) the Payday Loans Regulation, B.C. Reg. 57/2009, is amended as set out in the attached Schedule 1,
- (b) effective May 1, 2022, the following provisions of the *Business Practices and Consumer Protection Amendment Act, 2019*, S.B.C. 2019, c. 22, are brought into force:
 - (i) sections 1 (a) and 3;
 - (ii) section 10 except as it enacts section 112.21 (2) (k) of the *Business Practices and Consumer Protection Act*, S.B.C 2004, c.2;
 - (iii) sections 11, 13, 14 and 15;
 - (iv) section 16 except as it enacts section 189 (4) (v) of the *Business Practices and Consumer Protection Act*, S.B.C 2004, c.2,
- (c) effective May 1, 2022, the Business Practices and Consumer Protection Regulation, B.C. Reg. 294/2004, is amended as set out in the attached Schedule 2, and
- (d) effective May 1, 2022, the Payday Loans Regulation, B.C. Reg. 57/2009, is amended as set out in the attached Schedule 3.



Minister of Public Safety and Solicitor General and
Deputy Premier



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Business Practices and Consumer Protection Amendment Act, 2019*, S.B.C. 2019, c. 22, s. 23;
Business Practices and Consumer Protection Act, S.B.C. 2004, c. 2, ss. 194 (3), 197.1 (1), 197.2,
199 (1) and 201

Other: OIC 656/2004; OIC 144/2009

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SCHEDULE 1

- 1** *The Payday Loans Regulation, B.C. Reg. 57/2009, is amended by adding the following section:*

Exemption – loan broker

- 3.1** Part 6.1 of the Act, and this regulation, do not apply to a loan broker when the loan broker arranges, negotiates or facilitates an extension of credit that is not a payday loan.
- 2** *Section 20.1 is repealed.*

SCHEDULE 2

- 1** *The Business Practices and Consumer Protection Regulation, B.C. Reg. 294/2004, is amended by adding the following sections:*

Prescribed provisions of the Act – high cost credit products

- 5.2** For the purposes of section 164 (1) (a) and (5) (a) *[administrative penalties]* of the Act, the following provisions of the Act are prescribed:
- (a) section 112.20 (6) *[receipt on cancellation for amount repaid or returned];*
 - (b) section 112.25 (2) *[receipt for prepayment];*
 - (c) section 112.30 (2) *[payout of balances on cash cards];*
 - (d) section 112.30 (3) *[receipt for returned cash card];*
 - (e) section 112.31 (5) *[failure to provide refund].*

Prescribed provisions of the High-Cost Credit Products Regulation

- 7.4** For the purposes of section 164 (1) (a) and (5) (a) *[administrative penalties]* of the Act, the following provisions of the High-Cost Credit Products Regulation are prescribed:
- (a) section 11 *[high-cost credit grantor licence for each location];*
 - (b) section 13 *[display of high-cost credit grantor licence];*
 - (c) section 14 *[business name];*
 - (d) section 16 *[reporting changes to the director];*
 - (e) section 17 *[retention of documents];*
 - (f) section 24 *[cancellation of optional product].*

- 2** *The following Part is added:*

PART 5 – CONSUMER FINANCIAL EDUCATION FUND

Prescribed purpose for expending Consumer Financial Education Fund

- 16** For the purposes of section 141.5 (d) *[payments from Consumer Financial Education Fund]* of the Act, the purpose of paying grants to organizations for the provision of

financial education to consumers respecting high-cost financial services, including payday loans, high-cost credit products and cheque cashing services, is prescribed.

Director's report

- 17 Each year the director must publish a report in respect of the Consumer Financial Education Fund for the previous calendar year or other period determined by the director that includes the following information:
- (a) the total amount paid to the fund in the period by applicants for a licence under the High-Cost Credit Products Regulation or the Payday Loans Regulation;
 - (b) the total amount of any interest or other income of the fund in the period;
 - (c) the total amount paid from the fund in the period
 - (i) for the purpose of providing financial education to consumers respecting high-cost financial services, including payday loans, high-cost credit products and cheque cashing services,
 - (ii) to pay grants to organizations for the provision of financial education to consumers respecting high-cost financial services, including payday loans, cheque cashing services and high-cost credit products,
 - (iii) for the purpose of increasing compliance with Parts 6.1 [*payday loans*], 6.2 [*government cheque cashing fees*] and 6.3 [*high-cost credit products*] of the Act, and
 - (iv) to pay the costs of administering the fund.

SCHEDULE 3

1 Section 4 of the Payday Loans Regulation, B.C. Reg. 57/2009, is amended

- (a) *in subsection (2) by striking out “and” at the end of paragraph (a), by adding “, and” at the end of paragraph (b) and by adding the following paragraph:*
- (c) subject to any applicable amount set by the administrative authority, payment of \$200 to the Consumer Financial Education Fund.
- (b) *by adding the following subsections:*
- (4) If the term of the licence to be issued is less than one year, the payment to the Consumer Financial Education Fund under paragraph (c) of subsection (2) is to be pro-rated on a monthly basis.
 - (5) If the term of the licence to be issued is greater than one year, the payment to the Consumer Financial Education Fund under paragraph (c) of subsection (2) is to be made in respect of each year in the term.

2 Section 14 is repealed and the following substituted:

Notice in loan agreement

- 14 For the purposes of section 112.06 (2) (t) of the Act, a payday lender must ensure that a payday loan agreement includes the following statement:

Payday lending is regulated by the Province of British Columbia. Payday lenders must be licensed and follow requirements under the *Business Practices and Consumer Protection Act*. If you have a complaint about a payday lender or would like to know more about your rights as a borrower, please contact Consumer Protection BC (the Business Practices and Consumer Protection Authority).