What You Need to Know About Coercive Tied Selling (<u>Forced Purchases</u>)?

The Bank Act requires banks to inform customers in plain language that coercive tied selling is illegal.

(1) <u>What is Coercive Tied Selling?</u>

Section 459.1 of the Bank Act prohibits Banks from practicing coercive tied selling. The bank shall not impose undue pressure on, or coerce, a person to obtain a product or service from a particular person, including the bank and any of its affiliates, as a condition for obtaining another product or service from the bank. You cannot be unduly pressured to buy a product or service that you don't want, from a bank or one of its affiliates, to obtain another bank product or service.

(2) <u>What is not Coercive Tied Selling?</u>

First Commercial Bank, looks for ways to show our interest in your business and appreciation for your loyalty. Sales practices, such as favourable pricing and bundling of products and services, offer potential and existing customers better prices or more favourable terms. These practices should not be confused with coercive tied selling, as defined by the Bank Act.

Favourable bank product or service tied to other sale:

A bank may offer a product or service to a person on more favourable terms or conditions than the bank would otherwise offer, where the more favourable terms and conditions are offered on the condition that the person obtain another product or service from any particular person. A bank may be able to offer you preferential pricing a higher interest rate on investments or a lower interest rate on loans-if you use more of its products or services. Or the banks may offer you bundled financial services or products so that you can take advantage of package prices that are less than the sum of the individual items.

How Do We Manage Our Credit Risk:

To ensure the safety of their depositors, creditors and shareholders, banks must carefully manager the risk on the loans they approve. Therefore, the law allows us to impose certain requirements on borrowers as a condition for granting a loan- but only to the extent necessary for us to manage our risk.

(3) <u>Contact numbers for any questions, complaints or concerns?</u>

First Commercial Bank takes pride in developing experiences, products, knowledge and trust. We will ensure that our customers are provided with and offered with the best products and services suitable to their needs. We will no t impose any undue pressure on, or coerce, on any particular customers.

We urge you to let us know if you believe that you have experienced coercive tied selling in any dealings with us.

You can contact us at:

Telephone: (604) 207-9600

Fax: (604) 207-9638

Email: i908@firstbank.com.tw

Address: #100-5611 Cooney Road
Richmond, BC V6X 3J6

Please include your full name, address and telephone numbers on your complaint. We will take responsibility for your complaint at the point where the problem occurs.

If we need to refer your complaint to someone else within the Bank, that person will take responsibility for resolving it.

If you feel that your issue has not been resolved you can contact the Financial Consumer Agency of Canada (FCAC).

FCAC supervise federally regulated financial institutions, such as First Commercial Bank to ensure they comply with federal consumer protection laws. The FACA also helps educate consumers and monitors industry codes of conduct and public commitments designed to protect the interest of consumers.

Federal consumer protection laws affect you in a number of ways. For example, financial institutions must provide you with information about their fees, interest rates, cost of borrowing and complaint handling procedures.

You can reach FCAC by:

Telephone: 1-866-461-3222   (English)
1-866-461-2232   (En Français)

Website: www.fcac-acfc.gc.ca

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

Note: FCAC will determine whether the financial institution is in compliance. It will not however, resolve individual consumer complaints.