

# Quick Tips



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### Cancelling a Contract

- 1.** *Research the product or service before you buy.*
- 2.** *Buy from companies you know and trust. Ask around and see what other people have experienced.*
- 3.** *Compare prices, guarantees and warranties.*
- 4.** *Get all contracts or promises in writing and keep all documents and receipts.*
- 5.** *Check references and buy from companies you know and trust.*
- 6.** *If you don't understand the contract, ask to have it explained so that it makes sense to you.*
- 7.** *Keep down payments to a minimum – 10 per cent of the total estimate is fair.*
- 8.** *Remember – if it sounds too good to be true, it probably is.*

#### Additional consumer protection advice is available at [www.mgs.gov.on.ca](http://www.mgs.gov.on.ca):

- Your Consumer Rights
  - Buying Merchandise
    - At Home
- Memberships and Services
  - Motor Vehicles
  - Personal Finances
    - Travel
    - Scams
  - Identity Theft
  - File a Complaint



## What You Need to Know About Contracts

For general ministry information, visit [www.mgs.gov.on.ca](http://www.mgs.gov.on.ca), or call (416) 326-8555 or toll-free 1-800-268-1142 (in Ontario). TTY/Teletypewriter users only: (416) 325-3408 or toll-free 1-800-268-7095

Please send your comments, feedback and inquiries to: [cbsinfo@cbs.gov.on.ca](mailto:cbsinfo@cbs.gov.on.ca)

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## Smart consumers are good for business

**Ontario is a leader in consumer protection and has set out clear rules for consumers and business. Know your rights – shop smart and protect yourself in the marketplace.**

### Contracts

The Consumer Protection Act, 2002 covers the four most common types of contracts:

- Direct Agreements that are entered into away from the place of business.
- Internet Agreements that are entered into on the Internet – for example, a website where consumers place online orders.
- Remote Agreements that are entered into when the business and the consumer are not present together – for example, by phone, fax or mail.
- Future Performance Agreements for services including gym memberships, where delivery, performance or payment in full is not made when the consumer enters the agreement.

You are protected under the law when you enter a contract, and a few precautions can eliminate common complaints.

### Quick tips:

- Research the product or service before you buy.
- Buy from companies you know and trust. Ask around and see what other people have experienced.
- Compare prices, guarantees and warranties.
- Get all contracts or promises in writing and keep all documents and receipts.
- Check references and buy from companies you know and trust.
- If you don't understand the contract, ask to have it explained so that it makes sense to you.
- Keep down payments to a minimum – 10 per cent of the total estimate is fair.
- Remember – if it sounds too good to be true, it probably is.

### Your rights:

- The final cost cannot be more than 10 per cent higher than the original estimate – unless you agree to the price increase verbally or in writing.
- You have 10 days to cancel a contract for any reason, and it must be done in writing. You will have to be able to prove that you cancelled the contract – proofs of registered mail, fax or an e-mail receipt are best.
- You cannot sign away your consumer rights and no one can take them from you.
- You can cancel a contract if goods or services are not provided within 30 days of the date promised.

For more information and sample letters visit the Ministry of Government Services' website at [www.mgs.gov.on.ca](http://www.mgs.gov.on.ca).

### Need Help?

Before you file a formal complaint with the Ministry of Government Services, please take the following steps:

1. Contact the company and explain your specific complaint.
2. Put it in writing and keep proof of delivery of your complaint and any other communication with the company.
3. If you are still not satisfied, file a formal complaint by visiting our website at [www.mgs.gov.on.ca](http://www.mgs.gov.on.ca) and going to Online Services.

### For More Information

To learn more on this and other consumer topics, please visit the website of the Ministry of Government Services at [www.mgs.gov.on.ca](http://www.mgs.gov.on.ca), or call **(416) 326-8555**, or toll-free at **1-800-268-1142**. TTY is **(416) 325-3408** or toll-free at **1-800-268-7095**.