

Frequently Asked Questions (FAQs)

Changes to CUETS Financial Mastercard Credit Card Accounts

Pricing changes coming into effect August 1, 2017

Below are answers to questions you may have about the pricing changes that come into effect August 2017 for consumer credit card accounts. These FAQs are intended for use by credit union staff only.

1. What are the pricing changes?

In applicable provinces, the following pricing changes will take place:

- (i) The Over Limit Fee for all consumer credit cards will increase to \$35 per statement period;
- (ii) The Annual Interest Rate for retail purchases is changing to 19.99% for all consumer credit cards, with the exception of Low Rate credit card products. The Annual Interest Rates for Cash Transactions (Balance Transfers and Cash Advances) are being aligned to 24.99% for all consumer credit cards except for Low Rate products.

2. Are all cardholders affected by the new pricing?

No. The impacts vary depending on the type of product and the province the cardholder or applicant resides in. Low Rate products are excluded from changes to Annual Interest Rates. We have made a business decision to exclude existing cardholders and new applicants who reside in Quebec, Nova Scotia, Nunavut or Yukon from all pricing changes and such cardholders will not receive a notification letter. New applicants from April 1, 2017 to July 31, 2017 will initially be excluded from changes.

3. How will cardholders learn about the pricing changes?

CUETS Financial will mail a notification letter to all impacted cardholders. Letters to cardholders who were approved **prior to April 1, 2017 will be mailed beginning June 15, 2017** to ensure they receive a minimum 30 days written notice before the changes come into effect. The letter will be mailed in three waves (June 15, 2017, June 20, 2017 and June 22, 2017). Cardholders who are approved **between April 1, 2017 and July 31, 2017 will be notified in December 2017 for pricing changes taking effect in February 2018**. Cardholders will only be notified of the changes that impact their account(s).

4. Why is CUETS Financial making these changes?

We regularly review our accounts to ensure our pricing is competitive and supports the long-term viability of the program. These changes come as a result of a recent review. The adjusted pricing model will help ensure we are positioned to adapt to shifting market forces. It also makes our products more streamlined while maintaining competitive pricing.

5. When do the pricing changes come into effect?

New pricing for Over Limit Fees and Annual Interest Rates come into effect in August 2017 for most cardholders. Here is a summary of key dates for new and existing cardholders.

Affected Groups	Effective Date
New applicants	August 1, 2017
Existing cardholders (approved prior to April 1, 2017)	August 2017 billing cycle
Cardholders approved during spring campaign (April 1, 2017 – July 31, 2017)	February 2018

6. Is there any action required by existing cardholders who are affected by these changes?

No. By using their account as they normally do, keeping a balance on it or keeping the account open after the effective date means they have accepted the applicable changes. Cardholders who do not wish to accept these changes, can call 1-800-561-7849 to close their Account without cost or penalty. If a cardholder decides to close their Account, they are still required to pay the outstanding balance, including any fees, charges and interest owing at the time of closure.

7. How can cardholders minimize or avoid fees on their credit card account?

Cardholders can minimize or avoid fees and interest by making at least the Minimum Payment or by paying the New Balance in full by the Minimum Payment Due Date and by monitoring their account to ensure that they do not exceed their credit limit. Cardholders can view their real-time balance by using our Online Card Services. They simply visit cucardsonline.com, select "Enroll Online" and follow the prompt to set up their account. If they are already enrolled they can log on to Online Card Services and select "Account Information" to view their account details. Refer to the sample cardholder letter for more tips, including setting up email alerts as reminders for when payments are due or when they have reached or exceeded their credit limit.

8. Who can cardholders contact for information about the current rates and fees on their account?

If cardholders have any questions, we're here for them. Please refer your members to contact us at Card Services, toll-free, at 1-800-561-7849. Our agents are available 24 hours a day, seven days a week.

9. Are the rates and fees changing for CUETS Financial Business Mastercard credit card accounts?

No. There are no pricing changes for new or existing Business Mastercard credit card products.

10. Are the rates and fees changing for the credit union staff Mastercard credit card?

No. There are no pricing changes for credit union employees who have, or apply for a staff Mastercard credit card.

11. What action does our credit union need to take?

Your support is needed to ensure that paper and online materials reflect the new pricing model on August 1, 2017. This includes updates to your credit union's website, where applicable, and ensuring revised applications are in full circulation on August 1, 2017. Instructions to destroy, replace and update collateral will be communicated in an upcoming communication.

More questions?

Contact Credit Union Support at 1-866-422-2221 (option 4) from Monday to Friday 8:00 a.m. to 5:00 p.m. CST. Alternatively, you can contact CUETS Resolution Management by calling Card Services at 1-800-567-1701 from Monday to Friday, 8:00 a.m. to 5:00 p.m., CST or by email at resolution-management@cuets.ca.

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