

- * No Change in Credit Card Rates
- * Rewards Points Compared
- * Rewards Now Available on Some Low Rate Cards

Compiled by the Office of Consumer Affairs of Industry Canada from information given by card issuers and accurate as of June 9, 1997.

Information : David Waite (613) 952-8019

To get copies of this bulletin in your region, contact:

Atlantic	Charlotte Murray	(902) 426-7542
Quebec	Michel Bibeau	(514) 283-8385
Ontario	Irene Meek	(416) 973-5040
Prairies	Lydia Shevchuk	(204) 983-2826
British Columbia	Nicola Fletcher	(604) 666-1404

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Consumer Advisory

Rewards Points Compared

This Consumer Advisory is an update of information on credit cards offering reward points presented last June. The interest rates on some of these cards have fallen by one percentage point and rewards may now be available as an extra feature on low rate cards (see below). Rewards points cards are of most benefit to those who pay off their balance each month and who would in any event be purchasing the goods or services offered in conjunction with the card. For others, who carry a monthly balance, low rate cards with lower fees are a better option. No one who carries a monthly balance should be tempted to use their cards more in order to accumulate reward points.

- **CIBC Club Z Visa Card** (Rate 18.5%; no fee) - 15 club Z points earned per \$1 spent (cannot be used at Zellers). Value per point not available but the Club Z catalogue should be consulted.
- **CIBC Ford Classic** (Rate 17.5%; no fee) - 5% of retail purchase amounts go towards a new Ford car to a maximum of \$700 per year and \$3500 in total.
- **CS CO-OP/AIR MILES MasterCard** - (Rate 18.4%; \$35 fee) 1 AIR MILE point earned for every \$20 spent. Minimum of 500 points needed for a flight. Can also be used for car rentals (approx. 2400 points for a week) and for hotels (300 to 1650 points per stay).
- **Visa Boni Desjardins Classic** - (Rate 18.5%; \$20 fee) 1 bonus dollar earned per \$1 spent. Bonus dollar applicable for various Desjardins financial service fees.
- **Bank of Montreal/AIR MILES MasterCard** - (Can be added to any standard, basic or low rate Bank of Montreal MasterCard) To receive 1 AIR MILE for every \$20 spent, an additional \$35 annual fee is required. To receive 1 AIR MILE for every \$40 spent, no additional fee is required.
- **Bank of Montreal/First Home MasterCard** - (Can be added to any standard, basic or low rate Bank of Montreal card; no fee) 5% of retail purchases (to max. of \$500/year) goes towards a Bank of Montreal mortgage. Up to 2.5% of the mortgage amount can be applied towards the down payment on a first home (to a maximum of \$2500).
- **Royal Bank Visa Classic II** (Rate 16.5%; \$15 fee waived till Jan. '98) - 1 point earned per \$1 spent. Min. of 2500 points required to redeem Eaton's or RadioShack gift certificates equal to 1% of total purchases (to max. of \$500/year). Special offers/ discounts of up to 25% at selected retail stores nation wide.
- **Royal Bank Canadian Plus Visa** (17.5% rate, \$120 fee) 1 Canadian Plus Point for every dollar spent on the credit card. Minimum of 15,000 points required for a flight. Also, provides special offers/ discounts of up to 25% at selected retail stores across Canada.
- **Toronto Dominion/ GM Visa Card** (Rate 17.5%; no annual fee) -earn 5% of every purchase up to \$500 per cardholder year for a maximum of \$3,500 over seven years, to be applied to the total purchase price or lease down payment of any eligible new GM vehicle.
- **American Express AIR MILES Credit Card**- (9.9% rate for 6 months, 17.95% thereafter; no annual fee) 1 AIR MILES travel mile for every \$20 spent. Minimum number of AIR MILES travel miles needed for a flight is 500. Can also be used for car rentals (approx 2400 points for a week), for hotels (between 300- 1650 points per stay) and other merchandises/ services.
- **Diners Club/enRoute Aeroplan Miles** - (30% late penalty rate, \$65 fee) 1 Aeroplan mile earned for each dollar spent. Minimum of 15, 000 miles required for a free flight.

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General Credit Cards (as of June 9, 1997)

Card Issuer	Annual Fee	Interest Rate	Grace Period	Interest Calculated from Date of Purchase
MasterCard	\$	%	Days	
Bank of Montreal Standard	0	18.40	23	x
Basic	0	15.40	19	x
Low Rate Option	25	9.40	19	x
Canada Trust	8 ¹	16.50	21	x
CS CO-OP	0	18.40	21	x
National Bank Standard	0	18.40 ²	21	x
Economic Option	12	14.00	21	x
Low Rate Option	25	9.25	21	x
National Trust Basic	0	16.75	21	x
Low Interest Option	30	9.50	21	x
Niagara Credit Union	0	17.50	21	x
Low Rate Option	25	9.25	21	x
Canadian Tire	0	18.90	21	x
VISA				
Scotiabank Standard	8	16.75	21	x
Value Visa	29	9.25	25	x
CIBC	0	16.50	21	x
Select Visa	29	9.9	17 ³	x
Desjardins Standard	0	17.50	21	x
Low Rate Option	25	9.50	21	x
Laurentian Bank	0	17.50	21	x
Reduced Rate Option	24	9.50	21	x
Royal Bank Standard	0	16.50	21	x
Low Rate Option	25	9.50	21	x
TD Bank Standard	0	17.50	21	x
Emerald Visa	12 ¹	9.25	0	x
Vancouver City Savings	0	16.50	21	x
American Express				
Standard	0	9.9 (6 months) 13.95 (Preferred) 17.95 (Standard)	21	x
Optima	15	16.25	21	x

¹ Under certain conditions, fee may be reduced or waived entirely.

² According to the results of credit analysis, the rate may be different.

³ 21 days in B.C. and Quebec.

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Other Credit Cards

Card Issuer	Fees (\$ annual)	Interest Rates (% annual)	Grace Period (days)	Interest Calculated from	
				Date of Purchase	Date of Statement
Canadian Tire	--	28.8	30		x
Eaton's	--	28.8	30		x
Home Card	--	28.8	30		x
Hudson's Bay	--	28.8	25-30		x
Imperial Oil (Esso)	--	24.0	30		x
Petro-Canada	--	24.0	30	x	
Sears	--	28.8	25-30		x
Simpsons	--	28.8	25-30		x
Zellers	--	28.8	25-30		x

Charge Cards*

Card Issuer	Fees (\$ annual)	Late Penalty Rates/Delin- quency Rate (% annual)	Grace Period (days)	Late Penalty Calculated from	
				Date of Purchase	Date of Statement
American Express	55	30	30		x
Diners Club/enRoute	65	30	30-60		x
Irving Oil	--	24	25		x

* As of June 9, 1997. Since credit card terms and conditions may change, you should contact card issuers directly for the latest information.

Definitions

Credit Cards: Cards that provide revolving credit. Minimum monthly payments are required.

Charge cards: Cards requiring payment in full each month.

Fees: Charges such as transaction fees, administration fees or annual fees.

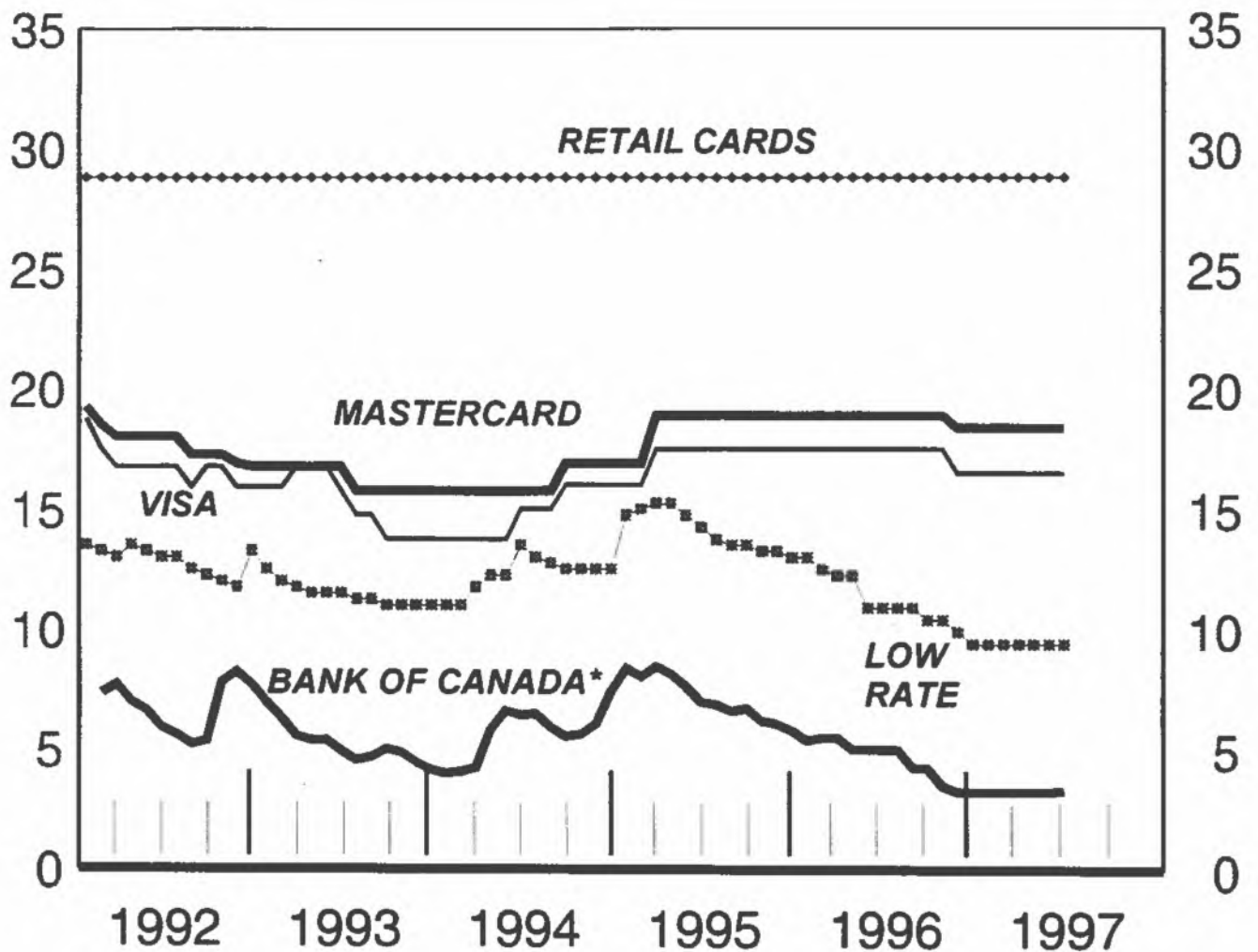
Interest/Penalty Rate: The nominal annual rate at which interest or penalty payments are calculated.

Grace Period: The number of days between the statement date and the payment due date.

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Credit Card Rates and the Bank of Canada Rate

Rate (%)



• One Visa, one MasterCard, and one Low Rate Card issuer are used as examples. Rates of other cards vary.

* The Bank of Canada rate is the rate at which banks can borrow money from the Central Bank.

Terms and Conditions

Remember these facts and save money:

Bank, Trust Company and Credit Union Cards

- Interest is charged daily. So, if you make payments between statements, you save money.
- Interest is charged on cash advances from the day you borrow until they are paid in full.
- Interest is not charged on purchases showing up on your statement for the first time if the entire statement balance is paid by the due date.

And don't forget:

- When the balance is not paid in full by the due date, interest is charged on the daily balance from the date purchases have been posted to the account until it is paid in full.

Other Credit Cards

- In most cases you pay less interest if you pay off at least half the balance each month. Retail stores (except in Quebec), subtract payments equal to 50% or more of the balance from the balance on the statement before charging interest. In Quebec, interest is calculated daily so in that province, you save money if you make payments between statements.
- Interest is compounded, so if you miss a payment, the next month you will pay interest on the balance plus interest. For example, at the current rate of 2.4% per month, one month's interest on \$100.00 is \$2.40. If no payment is made on this at all, the next month's interest will be charged on \$102.40 and will amount to \$2.47.

Charge Cards

- Irving Oil calculates penalties on the outstanding daily balance.
- The American Express and Diners Club/enRoute account balances are due on receipt of statement. A delinquency assessment equal to 30% per annum is charged on unpaid balances. Cards are cancelled if balances remain unpaid.