But for the Plan

(Consumer - Lost Travellers Cheques)

Mr. Green (not his real name) prefers to use travellers cheques while vacationing abroad. In preparation for a trip to the Philippines, he attended his home branch of a local credit union where he purchased $3,000.00 USD in travellers cheques.

After visiting the credit union, he went straight home. The same day he noticed that the travellers cheques were missing. He retraced his steps, which included digging around in more than one snowbank, to no avail. He then immediately contacted his branch and the issuing company, to report the loss.

The issuing company stated that it would reimburse Mr. Green if he signed an indemnity form. But Mr. Green did not want to give an indemnity, so he contacted our office in St. Catharines for advice and assistance. There he met with Jonathon Dick, a very experienced Staff Lawyer, and asked some very good questions:

1. *Why should I be responsible if someone fraudulently uses the cheques?*
2. *Isn't the point of using travellers cheques to protect me?*
3. *Isn't the issuing company misrepresenting its services? After all, they advertise:*
   "For peace of mind, carry (our brand)"
   "Your money is always safe with Travellers Cheques"
   "Protect yourself against identity theft"
   "May be refunded if lost or stolen upon proof of ID and proof of purchase"

Jonathon reviewed the relevant documents, and found no evidence that Mr. Green signed an agreement to indemnify the issuing company at the time of purchase. So, upon receiving Mr. Green's instructions to proceed, he wrote a series of letters to various representatives of the issuing company.

Eventually, several months later, the issuing company returned the funds in full to Mr. Green without requiring Mr. Green to sign an indemnity agreement. The total cost to Mr. Green was approximately $100.00. But for the Plan, it may not have been cost effective for Mr. Green to protect himself in this way. Mr. Green was so pleased with the result, he brought in donuts for the staff!

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... Submitted by Jonathon Dick,
Staff Lawyer
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