Bill 10: Significant amendments to the Consumer Protection Act and heightened risk for merchants

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The *Act to protect consumers against abusive practices in ticket reselling and online subscription renewal* (“**Law 10**,” formerly Bill 10, “**Bill 10**”) was adopted on June 11, 2026, and assented to on June 12, 2026.

Law 10 is part of the legislature’s efforts to strengthen Quebec’s consumer protection regime. It will come into force on September 12, 2026.

However, certain provisions took effect as soon as June 12, 2026, in particular section 10, which provides for the addition of new section 272.1 to the *Consumer Protection Act* (“CPA”).

Some measures in Law 10 are aimed at commercial transparency and making the consumer experience more straightforward. Others, such as the introduction of the new section 272.1 of the CPA, are likely to substantially reconfigure consumer law in Quebec.

The Parliamentary Committee significantly amended Bill 10 during its detailed review on May 7, 2026. The most consequential amendment was making the new section 272.1 of the CPA “declaratory,” overriding the Court of Appeal’s interpretation in *Union des consommateurs c. Air Canada*, 2025 QCCA 480,[1] currently under appeal before the Supreme Court of Canada.

Ticket reselling: stricter rules focused on disclosure

Law 10 introduces a structured regime for ticket resale platforms without prohibiting the business model. The focus is on the quality of information provided to consumers. These requirements will take effect on September 12, 2026.

The new provisions impose a transparency requirement from the moment consumers access a website and throughout the entire transaction process. They must be informed that they are using a

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resale platform—and not dealing directly with the original seller—and must be given clear information about the type of ticket, its original price and applicable terms and conditions.

With this provision, the legislature is requiring that prices be broken down rather than banning certain fees. The chosen model continues to allow commercial flexibility, provided that the price structure is fully disclosed.

Contracts involving sequential performance: tighter regulation of the contract lifecycle

Law 10 also introduces new requirements regarding contracts involving sequential performance, in particular online subscriptions. These requirements will take effect on September 12, 2026.

The law requires merchants to provide a cancellation mechanism that is not only accessible, but also designed not to create an undue obstacle. In addition, merchants are required to notify consumers before the end of a promotional period or before a new price takes effect.

Note: The requirement to provide notice before the end of a free or discounted period does not apply to contracts already in effect as of September 12, 2026.

These provisions reflect a desire to tighten control over the performance of contracts, rather than just their formation. For merchants, this means they need to review their digital interfaces and internal processes to ensure ongoing compliance.

Beyond technical adjustments, there is also a litigation risk, as these new obligations could serve as grounds for legal action under the CPA, especially when the cancellation mechanism is perceived as difficult or hard to access.

Clauses prohibiting consumer reviews

Law 10 also prohibits provisions that prevent consumers from publishing or communicating reviews of a good or service, or of the merchant's conduct.

This prohibition took effect on June 12, 2026.

It aims to eradicate contractual practices that restrict consumers' freedom of expression in the digital environment.

The decision in *Union des consommateurs c. Air Canada*, 2025 QCCA 480, and the new section 272.1 of the CPA

In its decision rendered on April 22, 2025, in Union des consommateurs c. Air Canada, the Court of Appeal reiterated that a merchant who advertises a partial price and then demands a higher price at the time of payment violates section 224 of the CPA, which requires that the advertised price reflect the total amount payable.

The Court acknowledged that a violation such as this may give rise to the remedies provided for in section 272 of the CPA, particularly because of the presumption of fraudulent effect[2]. It concluded that the practice of breaking down the price is likely to influence consumer behaviour and may, as such, trigger the application of the presumption.

However, the Court of Appeals refused to automatically award compensation equal to the difference between the advertised price and the price paid. It stressed that, despite the applicable presumption, the consumer must demonstrate quantifiable harm, in accordance with the general principles of civil law. It thus cast aside the notion that a violation of the CPA must automatically result in restitution.

The Court also pointed out that the remedies provided for in section 272 of the CPA are compensatory in nature and must not result in the consumer's enrichment. It did, however, award

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$10 million in punitive damages for the conduct in question, deeming it vital to deter its repetition.

This decision aligns with the balance set out in *Fortin c. Mazda Canada Inc.*, 2022 QCCA 635[3] and other rulings, namely that the seriousness of violations of the CPA must be recognized, but damages must still be proven.

It is precisely this balance that the new section 272.1 of the CPA, as amended on May 7, 2026, calls into question.

In its final form, section 272.1 of the CPA provides that a merchant who demands payment of a sum in violation of the CPA must refund that sum, regardless of whether a service was provided in return.

What is crucial here, however, is the fact that the provision was made declaratory. By doing so, the legislature has reaffirmed what it considers to be the true state of the law, effectively overriding the Court of Appeal's interpretation in *Air Canada*.

The legislature's position directly challenges the conclusion that restitution is not automatic but contingent on proof of prejudice. The term "declaratory" paves the way for the immediate—or even retroactive—application of this remedy.

For merchants, the implications are considerable. Section 10, which adds section 272.1 to the CPA, came into force immediately on assent. As a result, it will likely—in some cases—nullify or render largely ineffective one of the main defences recognized by the Court of Appeal, namely the argument based on the absence of quantifiable prejudice.

The scope of the new section 272.1 of the CPA is even more impactful given that the appeal of the decision in *Air Canada* is currently pending before the Supreme Court of Canada, with leave having been granted on February 5, 2026. The legislature thus intervened even as the country's highest court is set to rule on the scope of remedies under the CPA.

Conclusion

The adoption of Bill 10, and it subsequent assent, marks significant turning point for merchants subject to the *Consumer Protection Act*. The law will mainly come into force on September 12, 2026, but certain provisions, including the new article 272.1 of the CPA and the prohibition of certain clauses targeting consumer notices, came into force on June 12, 2026.

While the new rules governing the resale of tickets and contracts involving sequential performance primarily impose stricter operational requirements, the new section 272.1 of the CPA more directly affects the core of civil liability for merchants.

By casting the Court of Appeal's approach in *Air Canada* aside, the legislature has established a more automatic restitution regime, which is likely to significantly heighten financial and litigation risks for merchants.

The progress of the case before the Supreme Court will need to be closely monitored, as the Court will be called upon to clarify the relationship between this legislative intervention and the principles applicable to remedies under the CPA.

In this context, businesses would be well advised to (i) assess the immediate impact of section 272.1 of the CPA on their pricing practices and the risks arising therefrom and (ii) review their business practices, transactional interfaces and contractual documentation by September 12, 2026, to anticipate the entry into force of the other provisions of Law 10.

If you have any questions or wish to discuss the impacts of Law 10 on your business, we invite you

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to contact members of Lavery's commercial litigation team.

Takeaways

1. Entry into force: two dates to remember

Law 10 was adopted on June 11, 2026, and assented to on June 12, 2026
Entry into force of most provisions: September 12, 2026, but some measures have already been in effect since June 12, 2026, including the new section 272.1 of the CPA and the prohibition of clauses preventing consumer reviews.

2. New operational obligations to come into force on September 12, 2026

Ticket resale

The provisions focus on disclosure, such that the consumer must:

Be informed that they are using a resale platform
Be given clear information about the ticket, its original price, and any terms and conditions
Be given a price breakdown, as fees are not prohibited but must be itemized

Contracts involving sequential performance and online subscriptions

The cancellation mechanism must genuinely be accessible, without undue obstacles. Notice must be given before the end of a promotional or free period and before a new price takes effect. The notice regarding a free or discounted period coming to an end does not apply to contracts already in effect on September 12, 2026.

3. Heightened risk for merchants with the change in section 272.1 of the CPA opening the door to legal action

The new section 272.1 of the CPA provides that a merchant who demands payment of a sum in violation of the CPA must refund that sum, regardless of whether a service was provided in return.
Most importantly, the provision is made "declaratory" to depart from the Court of Appeal's approach in *Union des consommateurs c. Air Canada* (2025 QCCA 480), significantly limiting defences based on the absence of quantifiable harm and opening the door to immediate and even retroactive application, increasing the financial and legal risk.

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1. 2025 QCCA 480 (CanLII) | Union des consommateurs c. Air Canada | CanLII
2. Richard c Time, 2012 SCC 8
3. 2022 QCCA 635 (CanLII) | Fortin c. Mazda Canada inc. | CanLII

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