

REVOLVING CREDIT AGREEMENT

You and your refer to the borrower and any co-borrowers, cosignors and/or guarantors under this agreement. We, our us and the Bank refer to The Bank of Nova Scotia. The credit card and line of credit will be called collectively the "credit account". "Primary borrower" refers to the person listed first on any statement/agreement.

This agreement governs all of our credit cards as well as our lines of credit ("credit line"). In the case of a ScotiaLine VISA card, the terms applicable to cards will apply as well.

If we issue a Scotiabank VISA® card ("card") to you; provide you with a renewal or replacement card; establish a credit line in your name; or provide you with Scotia VISA or credit line cheques ("cheques") and you keep or use the card, cheques, or credit line, it means that you agree to be bound by the terms of this agreement. You also agree to the terms of the Scotiabank Group Privacy Agreement which has been provided to you. Your application for credit forms part of this agreement.

YOUR RIGHTS AND OBLIGATIONS

Using the credit account

You agree that the credit line may only be used for personal, household or family purposes unless this credit line is issued to a business in which case it may also be used for business purposes.

You may not use your card or credit line for any transaction which is illegal, including the purchase of goods or services, prohibited by local law applicable in the Cardholder's jurisdiction.

You can use the card and cheques, wherever they are accepted. We are not liable if your card or cheques are not accepted by a merchant or a business.

When the card is used with your PIN (Personal Identification Number) to make a purchase at enabled point of sale terminals or to obtain a cash advance at an Automated Banking Machine (ABM), including using your ScotiaCard together with a PIN through designated ABMs, or by using your Verified by VISA Password to make purchases on-line, you are deemed to have authorized the transaction.

You may draw on your credit account using a cheque or through any other method that we permit, including using your ScotiaCard together with a PIN through designated ABMs, or by using your Verified by VISA Password to make purchases on-line.

Repaying the amounts you owe

When you use the credit account through the means we permit, or authorize others to use it, you incur a debt. We will add interest, service charges and annual fees that we can charge you under this agreement to your debt which will form part of it. If we require the services of a third party to retrieve the card or cheques from you, we may add the cost of the retrieval, enforcement and/or legal costs to your debt. You agree to repay any debt owed to us.

Making a minimum monthly payment

If you do not repay your debt in full by your statement payment due date, you agree to make a minimum monthly payment. We will tell you the minimum required payment on a separate notice and on your monthly statement. We may require a different monthly payment and will notify you of this beforehand. Any overdue payment or over limit amount must be paid as soon as you receive your statement.

Making payments when mail service is disrupted

Even when normal mail service is disrupted, you must continue to make payments. If appropriate, we will tell you where to do so, and where to pick up your statement, by advertising on radio or television or in newspapers. Your statement will be considered to have been delivered to you on the day it is available for you to pick up, whether or not you do so.

Requesting Credit Services

You have requested the features, benefits and services provided automatically with the credit account. You understand that optional services may be available at additional cost to you and that these services may be governed by separate agreements or authorizations by which you agree to be bound. You also understand that some of these services are supplied by firms independent of us and that we are not liable for them in any way.

Tell us about loss, theft or unauthorized use

You will inform us immediately by telephone and in writing about any actual or suspected loss, theft or unauthorized use of your card, Password, PIN or cheques. You agree that we may assume you have authorized all transactions unless you tell us otherwise.

For cards, if your card is lost or stolen, you will not be liable for any unauthorized use, as long as the unauthorized use does not involve use of your Password or PIN. If your Password or PIN is used in such a transaction, you will be liable for the full debt, including interest arising from such use. If you have previously authorized someone to use your card, or cheques, and have subsequently withdrawn your authorization, you will continue to be liable for all debts incurred by their use until they have been surrendered to the Bank.

For cheques, if your cheques are lost or stolen, you will also be liable for any unauthorized activity until you advise us of the loss of your cheques or the unauthorized activity.

Keeping your Personal Identification Number (PIN) and Password confidential

You agree to keep your PIN and Password separate from your card at all times. If you do not keep your PIN or Password confidential, or if you select a PIN or Password that can be easily discovered, such as a number the same or similar to an obvious combination such as your date of birth, bank account numbers or telephone numbers, or if you keep your card and your PIN or Password in a way that would enable someone else to use them together, you will be liable for all debt, including interest, arising from their unauthorized use.

Changing your Address

You will tell us in writing, or by any other means which we permit, if you change your address and will give us other information that we may need from time to time to keep our records up to date.

Telling us about errors in your statement

If your statement contains any errors, you will tell us in writing, or by any other means we permit, within 15 days of the date of the statement. After that time, the statement will be considered to be correct unless you can provide us with written proof that it is not.

Settling disputes

If a dispute arises about a transaction which you authorized, you must settle it directly with the merchant or business concerned. In addition, you may contact us through any of the methods we offer, to discuss the transaction in question.

Pre-Authorized Payments

You are responsible for providing a merchant with whom you have set up a pre-authorized payment plan with correct and up-to-date information. This includes a change in account number or expiry date. We will not be liable for any pre-authorized transactions that cannot be posted to your account and you are still liable to the merchant for making payment. It is your responsibility to contact a merchant when you wish to cancel a pre-authorized transaction. You should check your monthly statements to ensure that cancelled transactions have been discontinued.

Cancelling this agreement

You can cancel this agreement by telling us in writing that you want to do so. We can cancel this agreement without a reason by giving you 30 days' written notice. We can also cancel this agreement without written notice or any notice whatsoever if you are not handling your credit account in accordance with this agreement or our requirements. In addition, we can also cancel your card, credit line or cheques and require you to return them to us, or to someone acting on our behalf, when we ask for them. The card and cheques are our property. If either of us cancels this agreement, you still have to pay your debt and any other amounts you owe us in full immediately.

Observing your card's expiry date

You agree not to use the card or cheques after the card's expiry date. If they are used, you agree to pay any debts that are incurred.

Credit limit

We will set a credit limit for your credit account. The limit is indicated in a separate document and on your monthly statement. We can increase or reduce your credit limit or allow you to exceed your credit limit without telling you in advance. We may refuse to honour any use of the credit account which would cause you to exceed your limit. However, we are not obligated to do this.

Being jointly and severally liable

Each person who is bound by this agreement is jointly and severally liable for performing all of the obligations under this agreement and each person may give us any instructions regarding this agreement without the agreement of any other person. In addition, this agreement will be binding on your personal and legal representatives.

The limitation period for this agreement is extended to the greater of six years (3 years in Quebec) or any longer period permitted by provincial or territorial law.

OUR RIGHTS AND OBLIGATIONS

Paying interest on a credit balance

If you have a *ScotiaGold Passport™* VISA® card or ScotiaGold Passport™ for business VISA®, we will pay the primary borrower interest on an entire credit balance of \$1,000 or more at the same rate as we pay on Daily Interest Savings Accounts. We will calculate the interest daily, pay it monthly and show it as a credit on your monthly statement. The interest rate we pay will be posted at Bank branches and will change from time to time.

Charging interest on purchases with your card

For cards, we won't charge any interest on purchases and service charges if we receive your payment for the full balance of the statement on which the purchases and service charges first appear on or before the due date set out in the statement. If we don't receive your payment within this time period, we will charge interest at our then current annual rate on each purchase or service charge from the transaction date to the date it is repaid in full.

Charging interest on advances

In the case of cash advances from a card, advances taken by a cheque, or any advance under a credit line, we will charge you interest on each advance from the transaction date indicated on your statement to the date it is repaid in full. Purchase of custom cheques for lines of credit are charged to your account and are also treated as advances.

Interest

For both cards and credit lines, we will tell you the applicable interest rates. We may change interest rates from time to time in accordance with applicable law. If your credit account has standard and preferred rates, to qualify for the preferred interest rate, you must repay your credit account in accordance with its terms, otherwise, the standard interest rate will apply. If you are paying the standard interest rate, the interest rate will revert to the preferred interest rate once you have continuously complied with your obligations under this agreement for six consecutive months (subject to change).

Interest for credit lines is composed of two factors. The first is our prime rate which is announced by us from time to time. In addition to our prime rate, we will also set an adjustment factor. We will change our prime rate from time to time and will post a notice of this in our branches. We may also change your adjustment factor but we will give you prior written notice of this, stating the effective date of the change.

Adding interest to your debt

We calculate interest on your debt daily but we only add it to your debt once a month on each statement. We calculate the amount of daily interest by adding any new advances and subtracting any payments and then multiplying the unpaid balance of the debt on which interest is payable by the annual interest rate then dividing by 365 or 366 in a leap year. Interest is charged on a leap day in a leap year. Interest is charged at the rate applicable under the agreement both before and after the final payment date, maturity, default and judgment, until the credit account has been paid off in full.

Telling you about interest rates, service charges and our annual fee

We will send you a notice that will tell you about interest rates, service charges and, if applicable, our annual fee. All service fees will be charged to your account. The annual fee will appear on your first monthly statement and annually thereafter and is not refundable. If we change any of these rates or amounts, or introduce new fees, we will give you prior notice as required by law.

Applying your payments

We apply your payments, as applicable, first to interest charges that we have billed, then to any billed annual fees and service charges, then to any billed cash advances. Next we apply them to any billed purchases on which interest is payable and then to billed purchases on which interest is not yet payable. We then apply your payments to any unbilled cash advances and finally to any unbilled purchases. Please note that if you have multiple low rate offer(s) on your account, payments will be applied to the first activated offer, except offers that apply to the remainder of your cash advances, purchases or account balance.

Applying credit vouchers

For cards, if a business issues a credit voucher, we will reduce your debt by the amount of the voucher when we receive it.

Dealing with transactions in a foreign currency

We will bill you in Canadian currency for debts incurred in a foreign currency. Debit and credit vouchers issued or payments made in a foreign currency will be converted and posted to your account in Canadian currency.

For cards, debit or credit vouchers in a foreign currency are charged or credited to your account at the exchange rate determined by VISA International on our behalf. This exchange rate may be different from the rate in effect on the transaction date. This rate includes an amount equal to a percentage of the converted amount, in Canadian currency, disclosed from time to time in your Monthly Statement, applied to both debit and credit transactions.

For advances made using a cheque or for payments on your credit account, the exchange rate will be the posted rate charged to customers at any of our branches.

Automatic Banking Machines ("ABMs")

The cash advance amount you can withdraw each day from an ABM, and the available ABM services, can vary from time to time without notice. We are not liable for any loss or damages you may suffer because of your use of an ABM or because of any failure to provide ABM services.

Preparing and sending monthly statements

Monthly statements are only prepared on business days, so the time between statements will vary depending on the number of business days in the month. We will send, on a regular periodic basis, at least once a month, a statement addressed to the primary borrower only. If your account goes in default and we demand the balance in full, we will no longer send monthly statements. However, interest will continue to accrue on your account.

Requiring you to pay your total debt

We may terminate the credit account and require you to pay your total debt immediately, without prior notice or demand, if you do not carry out your obligations under this agreement, including any of the following events: a) you fail to make any payment when it is due; b) you fail to pay, when we ask, any amount we are entitled to charge you for making repairs, maintaining insurance or clearing claims against any real or personal property you have pledged as security; c) you break any of your promises under any security agreement related to the credit account, you die, become insolvent or bankrupt; d) any real or personal property you have pledged as security is lost, stolen, destroyed or substantially damaged or seized in any legal proceeding; e) any real or personal property you have pledged as security reduces in value to a level we consider unacceptable; f) anything else happens that we believe endangers your ability to pay or that we believe endangers any real or personal property you have pledged as security in any way. If any of the events described under this section occur, we have no further obligation to pay any cheques.

Changing this agreement or the services we offer

We can change this agreement or the services that are available with the credit account, but we will give you notice in writing before we do so. We do not need to give you notice if we change ABM services. We consider that we have given you notice in writing about anything under this agreement when we send you the information by fax transmission or regular mail, or hand deliver it, to the last address any one of you gave us in writing or by any other means that we permit. When we send notice to the last address we have on file for you we consider you to have received the notice within 5 days, if we send it by regular mail. When we give notice to the primary borrower, we consider that we are giving notice to all co-borrowers.

Offset

We may debit any other account you have with us with the amount of any payment you are required to make to us under this agreement and credit the amount to the outstanding debt under this agreement.

Security

If this credit account is secured by a mortgage, hypothec or security agreement, you will not further encumber the property without our permission. If you sell the property which is subject to the mortgage, hypothec or security agreement, you agree that you will immediately repay to us all amounts owing under the credit account.

If we have to take collection proceedings under this agreement, you agree that you will pay us our legal costs for any action to collect the amounts due and our reasonable costs, including legal fees, which we incur in order to protect or realize security which you have given.

Language

The parties have requested that this agreement and all documents related to it be drawn up in English. Les parties conviennent et exigent expressément que ce contrat et tous documents émis en vertu de celui-ci soient rédigés en anglais.