

## SKIP A PAYMENT TERMS AND CONDITIONS

<u>Eligibility</u>: Eligibility for the participation in the "Skip A Payment Promotion" (the "Payment Extension") is restricted to Scotiabank customers who have any Scotia Plan Loan and whose Scotia Plan Loan payments are current and not in default at the time of application for participation. Participation in this promotion is entirely voluntary.

Offer Period: To qualify for the Payment Extension your application must be submitted and approved before the monthly payment(s) that you wish to skip is due. December 2009 and January 2010 are the two eligible months for the Skip A Payment promotion. ScotiaBank may extend this offer without notice and at its discretion.

Offer Withdrawal or Change: ScotiaBank reserves the right at its absolute and sole discretion to withdraw or change, delete or add to any of these terms and conditions from time to time without notice. Without limiting the generality of the foregoing, Scotiabank may also withdraw or change the terms of this offer if it does not receive your completed application within the offer period, or if it cannot confirm your identity or verify the information provided to it in the application or otherwise, or if it determines that you do not meet the conditions established for this offer, or if you do not meet the eligibility requirements.

<u>Offer Conditions</u>: The Payment Extension is not guaranteed. Before we approve you for a Payment Extension, we may review, among other things, your credit and account history, as well the information you provided to confirm that you meet the criteria for this offer. Based on this review, ScotiaBank may refuse to grant you a Payment Extension.

<u>Disclaimer of Liability:</u> ScotiaBank shall not be liable for any failure on its part to perform its obligations in connection with this Skip A Payment Promotion or for any inconvenience, loss, or damages suffered by any of the participants, any third party or to any person in connection with the Skip A Payment Promotion whether due to any reason within or beyond the control of ScotiaBank.

**Skip A Payment Terms**: If your application is approved, ScotiaBank will grant you a one or two month extension of the scheduled payments due under your loan agreement. The Payment Extension is <u>not</u> a waiver or release of any payments due under your Scotia Plan Loan. The Payment Extension only extends the period of

repayment of your loan by moving the payments you are permitted to "skip" to the and of your loan term.

For example, if the term of your loan was originally 12 months and you are permitted to skip one month, the payment you "skipped" will be moved to now be paid at the 13th month. Any payment which you are permitted to skip will consist of principal only; you must still pay the appropriate amount of interest which you would have paid during the skipped month. For example, if you are permitted to skip a month and your next scheduled payment would have been due on November 15, 2009, that payment will now be due December 15, 2009 but you will be required to pay November 15th's interest at the time you are granted the Payment Extension at a rate calculated on the total outstanding amount, including the principal amount of the skipped payment(s) at the time the extension is granted.

You will still be responsible for payment of all remaining monthly payments pursuant to your Scotia Plan Loan with ScotiaBank and the term of your loan will extend an additional one or two months in order for you to pay the skipped payment(s). As a result of the skipped payment(s) and the additional one or two month extension of your scheduled payments, the Payment Extension may change the number, amount and the total of your payments due and previously disclosed under your Scotia Plan Loan and may increase the total amount that you will actually pay under your loan.

Scotiabank will provide you with the amended payment schedule, including the number, amounts, and total of payments. The terms and conditions of this Skip a Payment Promotion will become part of your Scotia Plan Loan with Scotiabank and will apply equally. In case of an inconsistency between the terms and conditions of the Skip A Payment Promotion and your Scotia Plan Loan, the terms and conditions of your Scotia Plan Loan will prevail. In other respects, the Payment Extension does not in any way modify, substitute or amend your Scotia Plan Loan with Scotiabank, which remains in full force and effect.

Applicant's name	Signature	Date
Co-Applicant's name	Signature	Date
COMPLETED BY BANK:	Date Loan Nu	mber

Scotiabank 11/2009