



SCOTIA MOMENTUM® MASTERCARD®* CARDHOLDER AGREEMENT

Effective as of June 30, 2022

ACCEPTANCE OF THIS AGREEMENT

This Cardholder Agreement and the Disclosure Statement that we provide you for your account, and any updates, amendments or replacements to these documents, that applies to your account that we provide to you (together, the **“Agreement”**) sets out the terms and conditions under which we will provide credit to you (after you have consented to our opening the account). A copy of this Cardholder Agreement is also available online: www.scotiabank.com/revolvingcreditagreement.

Please read the entire Agreement and keep it for your records.

Details including the rates, fees and other charges about your Mastercard credit card account (the **“Account”**) are provided in the Disclosure Statement and in other disclosure documents which we provide to you from time to time. Throughout this Agreement, the words **“we”**, **“us”**, **“our”** and **“Scotiabank”** or **“the Bank”** means The Bank of Nova Scotia and any of our subsidiaries or affiliates, the issuer of your Card and Account.

The words **“you”** and **“your”**, unless we indicated otherwise in this Agreement, mean you and any person who has been authorized by you to receive and use the Card (also referred to as an **“Authorized User”**). If, at your request, we issue supplementary Cards to others for your Account, **“you”** will also mean each one of you. All of you individually and together agree to and accept the terms of this Agreement. In addition, this Agreement is binding on your personal and legal representatives.

Please sign the back of your Card when you receive it. You will be bound by this Agreement even if you do not sign your Card. If we have issued a Card to you, provided you with a renewal or replacement Card and you keep or use the Card, it means that you understand, agree and accept the terms of this Agreement. You also agree to and accept the terms of our Privacy Policy provided to you.

OTHER DOCUMENTS, TERMS AND CONDITIONS INCLUDING FOR OPTIONAL SERVICES

You also agree to accept the terms of any rewards program or any other benefits, discounts or other programs related to your Account that we may provide you from time to time. These terms are provided to you separately from this Agreement and are for services that are provided by us at no additional cost to you. We reserve the right to introduce, modify, terminate or extend any such programs or benefits or discounts, or their terms, at any time. You also understand that optional services may be available for your Account at additional cost to you. These optional services may have separate agreements that you must accept and these services may be supplied by third parties independent of us. We are not liable for them in any way.

Definitions: These are additional definitions that also apply to this Agreement:

“Account” means the credit card account established in the name of the Primary Cardholder to which this Agreement applies and includes all Cards issued on the Account.

“Agreement” means this Cardholder Agreement, the Disclosure Statement, and any updates, amendments or replacements to these documents.

“Authorized User” means a person to whom a Card has been issued at the authorization of the Primary Cardholder.

“Balance” (also referred to in this Agreement as the **“debt”**) means the total amount of all Transactions, fees, interest and other amounts charged to the Account or otherwise payable under this Agreement, less any payments or other credits which have been posted to your Account. See below for information on the **“New Balance”** that appears on your Statement each month.

“Balance Transfer” means a transaction where funds from your Account are used, at your request, to pay the outstanding balance on another credit card, or other account belonging to you as determined by us and as a result, transfer that balance to the Account but does not include recurring bill payments made as pre-authorized charges to your Account as these are usually treated as Purchases. A Balance Transfer cannot be used to pay another Scotiabank account.

“Card” means the credit card we issue to you, including any renewal or replacements of that credit card that we may issue from time to time, and any other payment device(s) we may provide to enable you to access the Account or obtain credit from the Account including account numbers or *Scotia*® Credit Card Cheques.

“Cardholder” is a person to whom a Card has been issued, including an Authorized User.

“Cash Advance” means a Transaction where funds are advanced from the Account and includes:

- a Cash Advance obtained at an Automated Banking Machine (ABM), at a branch, over the phone, online or through a mobile device;
- a Balance Transfer;
- a Cash-Like Transaction;
- using a *Scotia*® Credit Card Cheque; or
- using telephone or online banking to pay bills or transfer funds from your Account.

“Cash-Like Transactions” means a transaction for the purchase of items that are similar to cash, or directly convertible into cash. Cash-Like Transactions include casino gaming chips, money orders, wire transfers, travelers’ cheques and gaming transactions (including betting, off-track betting, race track wagers, and some lottery tickets).

“Credit Limit” means the credit limit for the Account shown initially on your Disclosure Statement and then on your Statement, as changed by us from time to time, as permitted under this Agreement.

“Disclosure Statement” means the initial disclosure statement disclosing the fees, interest rates and other charges that apply to the Account that we provide to you when the Account is opened and with a new or replacement Card.

“New Balance” means the monthly new Balance posted to your Account for a statement period that is displayed on your Statement under the heading **“New Balance”**.

“Payment Due Date” means the date shown on your Statement when your Minimum Payment is due.

“PIN” means your personal identification number for use with the Card or the Account, including a password, security code or other identifying device or access number.

“Primary Cardholder” means the person who applied for the Card and whose name is on the Account.

“Purchase” means a transaction where we advance money equal to the purchase price of goods or services charged to your Account including any optional services.

“Statement” is the monthly account statement that we provide to you relating to the Account.

“Statement Date” means the date of your statement.

“Transaction” means any use of a Card or the Account or to make any other charges to the Account including a Purchase or Cash Advance and including through any means such as online or mobile device.

USING YOUR ACCOUNT

If your Account is in good standing, you can use your Card or the Account for a Transaction wherever the Card or Account is accepted up to the maximum amount we have set as your Credit Limit. You agree to use your Account only for valid and lawful purposes and not for illegal or fraudulent purposes. You agree to use your Account for personal, household or family purposes only. It is not our responsibility to make sure you use your Account only for permissible purposes and you remain responsible for paying for any debt on the Account even if it is not permissible. You authorize us to pay for and charge your Account for all debt on your Account.

Ways to use your Account include:

Purchases: You may use your Account to make Purchases.

Cash Advances (including Balance Transfers, Scotia Credit Card Cheques and Cash-Like Transactions): You may obtain Cash Advances at any automated bank machine (ABM) that allows you to use the Card by using your Card and PIN. You may also obtain Cash Advances from financial institutions, businesses or merchants that accept the Card. Cash Advances include Balance Transfers, Scotia Credit Card Cheques and Cash-Like Transactions. Cash Advances (including Cash Advances fees) are not treated as Purchases on your Account and are subject to the terms of this Agreement that apply to Cash Advances.

Scotia Credit Card Cheques: We may provide you with Scotia Credit Card Cheques as a way to use your Account. Cheques are treated as Cash Advances and are subject to the terms of this Agreement that apply to Cash Advances.

Balance Transfers: You may transfer balances from other accounts or loans with other credit card issuers or other lenders to your Account or other Balance Transfers we allow but you may not transfer balances to your Account from other accounts with us or any of our related companies. If a portion of a requested Balance Transfer will exceed your available Credit Limit, we may process a partial Balance Transfer up to your available Credit Limit. Balance Transfers are treated as Cash Advances and are subject to the terms of this Agreement that apply to Cash Advances.

Mail, Telephone or Internet Purchases: You may use your Account for a Purchase through the mail, telephone or Internet. If a Transaction is charged to your Account without presenting the Card (such as for mail, internet orders or telephone Purchases), your obligation to us will be the same as if the Card was used and a sales draft was signed by you, or using your PIN.

Contactless or Mobile Transactions: You may use your Account through a “contactless” Card Transaction, which means a participating merchant allowed you to use your Card without a PIN. You can also use your Card or Account through a mobile device at a participating merchant with a mobile PIN. Your obligation to us for that Transaction is the same as if the Card was used together with a PIN, including to protect your Card as described under “Loss, Theft or Unauthorized Use”.

Authorized Users: If you allow someone to use your Account, that person will be an Authorized User. You should think carefully before allowing anyone to become an Authorized User because you, as the Primary Cardholder, are allowing that person to use the Account as you can. You, the Primary Cardholder, and not the Authorized User, are responsible for the use of your Account and each Card issued on your Account, including a Card issued to an Authorized User. You, the Primary Cardholder, are responsible for paying all charges on your Account even those made by an Authorized User.

You provide your consent for us to communicate (verbally, in writing or otherwise) with any Authorized User regarding all details and matters related to your Account. If you have previously authorized someone to use your Account and have subsequently withdrawn your authorization, you, the Primary Cardholder, remain responsible for all debt incurred by that person’s use of your Card. You must notify us to terminate an Authorized User’s use of your Account. If you notify us, we may close the Account and/or issue a new Card with a different account number. You should also recover and destroy any Cards or any other means of access to your Account by that Authorized User.

Limiting Use or Access to your Account

We have the right, at any time, to block, suspend, terminate, freeze or otherwise deny access to or use of the Account or any benefits or privileges to the Account, all without any reason and without telling you in advance, whether or not we have terminated the Agreement or demanded on the debt. This includes your request through a telephone, online, mobile or digital access service, ABM, a Card, including by a contactless payment method, or any other means.

We may do any of the above, even if you are not in default or we have never done so in the past, including if:

- (i) we suspect fraud by you or on your Account, believe that you did or may commit fraud or we have reason to believe that you are a victim of fraud or identity theft, to prevent future losses;
- (ii) we suspect you may, or you did, use your Account for any unlawful or fraudulent purpose, or you may cause a loss to us including by not paying your debt;
- (iii) we are required by law, including if related to online gambling or countries that are subject to sanctions;
- (iv) you violate the terms of any agreement related to this Account or any related service, benefit or feature;
- (v) you are using your Account in a manner unsatisfactory to us or not following the terms of your Agreement or any of our policies and requirements;
- (vi) we choose to because your Account is inactive; or
- (vii) we choose to for any other reason.

We are not responsible if you are unable to access or use the Account (including by using a Card) for any reason, including at a merchant or online.

We may, without prior notice to you and for any reason, set a limit (even to zero) on the amount you can access from a credit account including a Cash Advance limit.

Your Credit Limit and Not Exceeding your Credit Limit

We determine your Credit Limit. You agree that the debt on your Account will not exceed the Credit Limit. The initial Credit Limit is shown on the initial Disclosure Statement. Your current Credit Limit is shown on your Statement. You may ask for a Credit Limit increase by calling us at the telephone number(s) that appear on the back of your Card or on your Statement.

If you exceed your Credit Limit, an Overlimit fee applies, as set out in the Disclosure Statement. We may, but are not required to, authorize charges that go over the Credit Limit. If we allow you to exceed your Credit Limit, you must pay any amount over your Credit Limit immediately when we ask you to. This Agreement applies to any amount over your Credit Limit.

From time to time we determine your eligibility for an increase to your Credit Limit. We may increase your Credit Limit if we have your express consent to do so. We can also reduce or cancel your Credit Limit, or allow you to exceed your Credit Limit without notice to you (unless we must notify you by law including notifying you through your Statement). A change to your Credit Limit will not change your obligation to pay us. You remain responsible for the entire debt owing on the Account whether or not it exceeds the Credit Limit.

We reserve the right to refuse to honour any use of the Card or the Account which would cause you to exceed your Credit Limit.

We can, without giving you prior notice, reduce (decrease) your Credit Limit, including to zero, for any reason, even if you are not in default.

Transactions in Foreign Currency

We will bill you in Canadian currency for any amount incurred in a foreign currency on your Account. The exchange rate for any foreign currency amount is determined by Mastercard International Incorporated ("Mastercard") on the date that the transaction is settled with Mastercard. This exchange rate may be different from the rate in effect on the transaction date. When the amount is posted to your Account, in addition to the exchange rate, you will be charged a foreign currency conversion mark-up for each converted amount. The mark-up is disclosed in your Disclosure Statement and applies to both debit and credit Transactions. Any amount incurred in a foreign currency on your Account may be converted into another currency (such as U.S. Dollars) before it is converted to Canadian Dollars and posted to your Account. Credits to the Account involving a foreign currency will also be converted directly to Canadian Dollars, or first to U.S. Dollars and then to Canadian Dollars, depending on the foreign currency as described above. Whether or not foreign currency will be converted directly to Canadian Dollars or not before being posted in your Account is determined by Mastercard and is subject to change. If the Card is used for a Transaction in a foreign currency, and the Transaction is subsequently cancelled or refunded, the credit to the Account will not be exactly the same as the original Transaction because we do not reverse the foreign currency conversion fee and the exchange rate may be different on the date when the cancelled or refunded Transaction is posted to your Account. Once the credit has been processed, you will be required to pay any remaining balance of the Transaction resulting from an exchange rate differential.

For Account payments and Scotia® Credit Card Cheques, the exchange rate is the posted rate charged to our customers at any branch of The Bank of Nova Scotia on the date the Transaction occurs. For any reversal of these Transactions, the exchange rate will be determined in the same manner as of the date that the Transaction is reversed.

The conversion rate shown on your Statement only displays up to the first eight decimals following the decimal point, even though we use the more detailed calculation explained above to convert into Canadian dollars.

Refusal to Authorize Transactions

We may, but are not required to, decline a Transaction on your Account because of operational considerations, if your Account is in default, to protect against potential fraudulent or unlawful activity, or in our discretion, for any other reason. The Card may not work from time to time in certain foreign countries due to sanctions or other legal restrictions.

If a Transaction is declined either by us or a third party, even if you have sufficient credit available, we are not responsible for any losses that may result.

For online Transactions, we may require that you register your Account with an authorization system to protect you and us. If you do not register, we may not be able to honour your online Transactions.

Loss, Theft or Unauthorized Use

You will inform us immediately by telephone about any actual or suspected loss, theft or unauthorized use of your Card or Account, the account number or PIN. You agree that we will consider all Transactions authorized by you until you advise us otherwise.

If your Card or PIN is lost or stolen, you are not liable for unauthorized use of your Account or the Card, provided that, after we have investigated the matter, we determine that you meet the following criteria: (i) you and any Cardholder have not demonstrated gross negligence (or, if you are a Quebec resident, gross fault) in fulfilling your obligations to safeguard your Card, PIN or Account (including any personal authentication information created or selected by you) including those under the section "Keep your PIN Confidential" (PIN) and Password Confidential" in this agreement and (ii) you did not receive any benefit from the use. If you meet the criteria, we will consider it "unauthorized use".

Also, if your Card or PIN is used for a matter related to theft, fraud or misuse, you are liable for that use, including all Transactions and interest, if we determine that it was authorized use as described above. If you have previously authorized someone to use your Card or Account and have then withdrawn your authorization, you continue to be liable for that use. You agree to cooperate and help with any investigation that we initiate into unauthorized use you report before we will consider reimbursing you for any losses. This cooperation may include filing a report with law enforcement authorities.

When you tell us that a Card or PIN was lost or stolen, we will block the Account to prevent unauthorized use. As such, you will not be liable for any Transactions made on the Account that occur after you tell us that a Card or PIN was lost or stolen because we will consider that unauthorized use.

Keep Your PIN Confidential

You agree to keep your PIN confidential and separate from your Card at all times. No one but you is permitted to know or use your PIN. If you fail to do this, or if you select a PIN that in our view can be easily guessed (such as using your name, date of birth, a number sequence that is easily identifiable such as "1,2,3,4" or using other identifiable information about you) or if you keep your Card and PIN in a way that would enable an unauthorized person to use them together, you are responsible for their unauthorized use as described under "Loss, Theft or Unauthorized Use".

Ownership of Card

At all times, the Card remains our property and you do not have the right to assign or transfer your rights and obligations under this Agreement, your Account or a Card to anyone else.

Observing Your Card's Expiry Date

Your Card contains an expiry date. You agree not to use it after the expiry date. If you do, you agree to pay for any Transactions incurred from that use.

Automated Banking Machines

The availability of ABM services and the Cash Advance amount you can withdraw each day may vary from time to time and without prior notice to you. We are not liable if ABM services are not available or for any loss or damage you may suffer because of your use of an ABM.

PAYMENTS

Providing You with Statements

We will provide a Statement if there has been a Transaction during the last month (statement period) or if there is a New Balance on the Account that you owe us. The number of days covered by each Statement may vary (normally between 28 and 33 days) as a result of several factors, including holidays, weekends and the different number of business days in each month. We will send a Statement, on a regular periodic basis, at least once a month. If your Account goes in default and we demand payment in full, we will no longer provide a Statement however interest will continue to apply to your Account. We will send Statements only to the Primary Cardholder.

Paying your Account

When you use your Account or when you authorize others to use it including an Authorized User, you will incur a debt that you owe to us. We will add interest and other fees and charges (as disclosed in the Disclosure Statement) to your debt and these amounts will form part of your debt. The Primary Cardholder is responsible for, and agrees to repay, all debt owing to us as required by this Agreement.

Each month, you are required to pay at least the current Minimum Payment by the Payment Due Date, as disclosed on your Statement and any overlimit or past due amounts must be paid immediately when you receive your Statement. Failure to pay these amounts may impact your ability to use your Card and any promotional offers including optional financing programs you may have with us.

We may require a different Minimum Payment and we will give prior notice if we do. A different Minimum Payment may apply based on the Borrower's province or territory of residency in our records. If the Minimum Payment changes due to a residency change, that different Minimum Payment will apply after you notify us of that change. You must advise us of a change to your residency as described in the section "Notices/ Change of Information Relating to You". Review your Disclosure Statement and Statement for more details about the Minimum Payment. You can make payments by mail, online, mobile banking, by telephone, through an ABM or another financial institution, or any other way acceptable to us. Payments are not processed to the Account until we receive them. Depending on the method used, payments may take several days to reach us. Payments do not adjust your Available Credit until we receive and process them to your Account. You are responsible to make sure your Minimum Payment is received by us on time so that we have sufficient time to process it to your Account by the Payment Due Date. Any Past Due or Over-Limit Amount will be added to your Minimum Payment and must be paid as soon as you receive your Statement.

You agree that you will not make payments on your Account using funds borrowed from Scotiabank or drawn on any other credit account. If a cheque or other payment does not clear for any reason, we will reverse the amount of the payment, back date it to the transaction date and we can charge you any fees that apply as described in the Disclosure Statement.

If you want repayment from any other cardholder - or any other person - for any or all of the debt paid or owing on your Account, it is your responsibility - not ours - to make those arrangements directly.

Applying Your Payments

If different annual interest rates apply to different amounts billed and owing on your Statement, any payment by you that is greater than the total Minimum Payment shown on the Statement will be allocated, on a pro-rata basis, among those amounts in the same proportion as each amount bears to the outstanding New Balance on the Statement and then on a pro-rata basis among amounts not yet billed to the Account.

Applying Credit Receipts

If you use your Account for a Transaction that is then cancelled and you receive a credit, as soon as we receive that information we will reduce your debt by the amount of the credit.

Credit Balances

You may request a refund of a credit Balance at any time. We may reduce the amount of any credit Balance by the amount of new charges or fees charged to your Account. We do not pay you interest on any credit balances.

Right to Offset

If you have more than one account with us (including the Account) and if any account is not in good standing, you agree we may offset your credit balance in one account against the debt owing in the other account which is not in good standing.

Pre-Authorized Debits

You may authorize a merchant to automatically charge your Account for repeat Transactions by pre-authorized debit (for example, monthly utility charges, memberships and insurance premiums).

If a pre-authorized debit is stopped for any reason (including because your Account is closed or suspended for any reason) or your account number changes, you are responsible for notifying the biller and paying them directly. If your account number changes, we may, but are not required to, pay charges from your new account number that you authorized billed to your old account number. You must cancel a pre-authorized debit directly with the merchant. You should check your Statement to ensure that a cancelled pre-authorized debit has been discontinued. Please contact us if they are not.

If you establish a recurring bill payment or any pre-authorized debit for a payment with a merchant and your Card, account number or Card expiry date changes, you agree that we may, but we are not required to, provide that merchant with your new account number or Card expiry date using the updating service provided to us through the payment network associated with your Card. Not all payments you establish directly with a merchant are treated as a recurring bill payment. Some are treated as Purchases and some as Cash Advances. You can also contact us for more information or to find out if your Transaction is a recurring bill payment.

Making Payments during Postal or Other Interruptions

Even when 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 including through notices at our branches or online websites or radio, telephone or newspapers. Your Statement will be considered delivered to you on the day it is available to you for pick up, whether or not you do so.

Promotional Offers including Promotional Low Rate Offers

From time to time we may offer promotions for your Account including a promotional rate where the interest rate that applies to the offer is lower than your preferred annual interest rates. Promotional low rate offers may apply to Cash Advances (including Balance Transfers, Scotia Credit Card Cheques and Cash-Like Transactions) or Purchases. These promotional low rate offers may have a fee associated with them. The exact promotional low rate fee will be disclosed to you at the time the offer is made. Any promotional offer is subject to the terms of this Agreement, as modified by the terms of that promotional offer and this Agreement continues to apply to any debt incurred under a promotional offer even after the promotional period expires.

Optional Financing Programs

Purchases on your Account may also be eligible for an optional financing program at time of the Purchase. These types of offers are subject to the terms of this Agreement and the following additional terms: (1) you must pay the amounts required under the offer when due (payments received will be applied as described under "Applying Your Payments"); (2) the terms set out below and/or any additional terms contained in any promotional material or sales slip; and (3) unless otherwise disclosed in writing, your Account not falling 2 consecutive statement periods past due (a "Promotion Termination Event"). If a Promotion Termination Event occurs, your optional financing program offer will terminate and the unpaid balance of your financed Purchase amount will accrue interest at the annual interest rate then in force for Purchases from the date indicated in each offer. Unless otherwise disclosed in writing, upon the expiry of any optional financing program you are participating in, any unpaid amount financed under offer will be posted to your Account's New Balance (as a Purchase), and will accrue interest at the annual interest rate then in force for Purchases.

The promotional financing period disclosed to you at the time of your Purchase for the offer could be shorter depending upon the timing and amounts of your payments and other Transactions, including other optional financing programs you are participating in. Please refer to "Applying Your Payments" section of this Agreement for additional details on how your payments will be applied to your Account.

"Equal Payments, No Interest" Offer

Minimum Purchase and/or administration fee may be required. Equal monthly Purchase installment under this offer (which may include the administration fee and taxes if not paid upfront) are determined by dividing the amount of the Purchase financed by the number of months in the offer (the final monthly Purchase installment may be a higher or lesser amount). The administration fee and taxes (where applicable and payable upfront) and your first monthly Purchase installment will be posted to your Account and will appear as a charge in the "Account Activity" section on the first Statement you receive after your promotional Purchase and is due by the Payment Due Date set out in that Statement. Thereafter during the promotional period each month your monthly Purchase installment will be posted to your Account and will appear as a charge in the "Account Activity" section of your Statement. Once posted to your Account, each monthly Purchase installment will form part of your New Balance and will be included in your Minimum Payment calculation.

Interest will accrue on the financed Purchase amount from the promotional purchase date at the annual interest rate then in force for Purchases but will be waived if you pay the New Balance on your Statement in full each month on the Payment Due Date. If you do not pay the New Balance on your Statement in full each month on the Payment Due Date, that portion of the interest accrued from the posting date on the unpaid **monthly** Purchase installment amount will no longer be waived and will be charged to your Account. The applicable posting date for each monthly Purchase installment will be set out in the "Account Activity" section on your Statement during the promotional period.

If a Promotion Termination Event occurs, the unpaid balance of the financed Purchase amount will post to your Account and appear as a charge in your "Account Activity" section in the next Statement after such event and is due on the Payment Due Date set out in that Statement. If you do not pay the New Balance on that Statement, in full, by the Payment Due Date that portion of the interest accrued from the posting date on the entire unpaid **balance** remaining on the financed Purchase amount will no longer be waived and will be charged to your Account. The applicable posting date is set out in the "Account Activity" section on the first Statement you receive after the Promotion Termination Event.

INTEREST RATES, SERVICE FEES AND OTHER CHARGES

We will tell you the interest rates, service fees and other charges that apply to the Account on the Disclosure Statement. If we change any of these rates, fees or other charges, or any of the terms of this Agreement, we will give you prior written notice as required by law and as described under "Changes to this Agreement".

How We Calculate Interest

We calculate interest on any amount owed from the transaction date until that amount has been paid in full. However, we do not charge interest on new Purchases that appear on your Statement for the first time if we receive payment in full of your New Balance (as shown on your Statement) by the Payment Due Date on that Statement as described under "Charging Interest on Purchases". This interest-free grace period does not apply to Cash Advances. We charge interest on Cash Advances as described under "Charging Interest on Cash Advances (including Balance Transfers, Scotia Credit Card Cheques and Cash-Like Transactions)".

If interest is charged, we calculate it using the annual interest rate(s) that applies to your Account. Interest is calculated using the average daily balance method. Your average daily balance is calculated at your statement period's end by adding together the Balance at the end of each day, then dividing the total by the number of days in the statement period. To calculate the interest charged for the month, you multiply the average daily balance by the daily interest rate obtained by taking the annual interest rate and dividing by the number of days in a year (365 or 366 in a leap year); then you multiply the result by the number of days in the statement period. If there are different daily interest rates, each rate is multiplied by the portion of the interest-bearing debt to which it applies. The total is the amount of interest we charge you on your Statement. Any unpaid interest on your Statement is added to the amount you owe us on your next month's Statement and we charge interest on interest.

Interest charges are payable both before and after you default or we obtain a judgment for any amount that you owe us.

If we do not receive the Minimum Payment by the Payment Due Date as shown on your Statement two (2) times in any twelve (12) month period, then:

- a) The annual interest rate(s) that applies to the Account will go up by the percentage rate as disclosed on your Disclosure Statement; and
- b) You will lose the benefit of any lower rate promotional offer (excluding an optional financing program) on the Account (including any offer made but not yet accepted by you).

The increased standard rate(s) will apply starting on the first day in the third statement period following the missed payment that caused the rates to increase. You will continue to pay these higher standard interest rate(s) until you have paid the Minimum Payment on or before the Payment Due Date shown on your Statement for twelve (12) consecutive Statements and then, your preferred annual interest rate(s) will apply starting on the first day of your next statement period after those twelve consecutive statements.

Interest rates are subject to change. Any change to the applicable annual interest rate(s) will be disclosed on your Statement and prior notice of that change will be provided to you as described under "Changes to this Agreement".

Charging Interest on Purchases

We will not charge interest on new Purchases and new annual fees, new dishonoured payment fees, new dishonoured Credit Card Cheque fees, new overlimit fees and new draft/statement fees (the "New Fees") made on your Card during the statement period shown on your Statement on which those new Purchases and New Fees first appear if we receive payment of the outstanding New Balance in full on or before the Payment Due Date (each as shown on your Statement).

You can avoid interest charges on new Purchases and these New Fees by always paying the "New Balance" on your Account as shown on your Statement in full every month by the Payment Due Date. You will lose your interest-free status if we do not receive payment of that New Balance in full by the Payment Due Date. This means that we will charge you interest on the new Purchases and these New Fees that appeared on that Statement, from the original transaction date until the date they are paid in full. These interest charges will appear on your next Statement.

You can avoid interest charges on new Purchases and these New Fees by always paying the "New Balance" on your Account as shown on your Statement in full every month by the Payment Due Date. You will lose your interest-free status if we do not receive payment of that New Balance in full by the Payment Due Date. This means that we will charge you interest on the new Purchases and these New Fees that appeared on that Statement, from the original transaction date until the date they are paid in full. These interest charges will appear on your next Statement.

Charging Interest on Cash Advances (including Balance Transfers, Scotia Credit Card Cheques and Cash-Like Transactions)

We will charge you interest on each Cash Advance from the transaction date to the date the Cash Advance is repaid in full. There is no interest-free grace period for Cash Advances and applicable Cash Advance fees.

Payment Due Date and Grace Period

The Payment Due Date is shown on your Statement. It is always at least 21 days from your Statement Date. This time period may extend depending on your payment activity. For example, if we do not receive payment of the New Balance shown on your Statement on or before the Payment Due Date, the Payment Due Date on your next Statement will be 25 days after your Statement Date. **Any interest still applies during this period.** When we receive payment in full of your New Balance on or before the Payment Due Date, the number of days between the Statement Date and the Payment Due Date on your next Statement will revert to your standard Grace Period (defined below). If the Payment Due Date falls on a Saturday, Sunday or holiday in Canada, we will extend the Payment Due Date to the following business day. **Any interest still applies during this period.**

The grace period starts on the day after your Statement Date and ends on your Payment Due Date ("**Grace Period**"). You have a Grace Period of at least 21 days to make your payment.

DEFAULT/COLLECTION

We may close your Account and require you to return or destroy your Card and to pay your Balance and any other amounts owing immediately and without prior notice if you become insolvent, bankrupt or do not carry out your obligations under this Agreement, including making a payment when it is due. If we require the legal services of a third party to collect the debt you owe to us, we may add the reasonable cost of these legal services to your debt and you agree that you will pay us all of these costs.

We may delay enforcing our rights under this Agreement and may accept later payments, partial payments and payments marked as "paid in full" or containing similar wording without losing any rights that we have under amounts that you owe to us on the Account.

For Quebec Residents only: This clause is required by the Quebec Consumer Protection Act and is only applicable to Quebec residents with a personal credit card account:

(Clause of forfeiture of benefit of the term)

Before availing itself of this clause, the merchant must forward the consumer a notice in writing and unless the merchant is exempted in accordance with section 69 of the General Regulation, it must forward the consumer a statement of account.

Within 30 days following the receipt by the consumer of the notice and, where necessary, of the statement of account, the consumer may:

- a) either remedy the fact that the consumer is in default;
- b) or present an application to the court to have the terms and conditions of payment prescribed in this contract changed.

It is in the consumer's interest to refer to sections 104 to 110 of the Consumer Protection Act (chapter P-40.1) as well as to section 69 of the General Regulation made under that Act and, where necessary, to communicate with the Office de la protection du consommateur.

CLOSING YOUR ACCOUNT

We can cancel this Agreement and close your Account at any time by notifying you we are doing so.

However, if you are not following the terms of this Agreement or our requirements for the Account, including if you fail to make payments on the Account, we may withdraw your rights over the Account or cancel this Agreement for any reason, at any time, without notice to you.

Also, if your Account remains inactive (for example, there is no outstanding Balance on your Account and there have been no Transactions on your Account for such period as we may determine from time to time), we may close your Account without notice and require you to re-apply for a new account with us.

You can cancel this Agreement by advising us at the telephone number on the back of your Card or using the contact information on your Statement.

If you cancel this Agreement or if we withdraw your rights or cancel this Agreement, you must immediately pay all outstanding debt on the Account and destroy the Card or other means to access your Account. You are still responsible for charges to your Account, even if they are made or processed after your Account is closed and you will be required to pay the outstanding debt on your Account as set out in this Agreement. Until you pay us the debt in full, this Agreement will remain in effect.

NOTICES/CHANGES OF INFORMATION RELATING TO YOU

We will send the Card, Statements and other notices and disclosures to the Primary Cardholder at the address last shown in our records. If there is a change to the name, address or other information that we may need to keep our records up to date, you will tell us in writing, or by any other means which we may permit.

You will tell us in writing, by telephone or by any other means we permit, if you change your address (including your email address), your province or territory of residency, your home, cellular or business telephone number (as applicable) or any other information you previously provided (including information about your financial situation). You will also give us any other information that we require to keep our records up to date. If you do not tell us about a change to your address (including province or territory of residency) or other information, we will use the last address we have on record for you (including email) or other information and you may not receive information from us including statements or other Disclosure Statements. If we are unable to deliver any communications to you or are returned to us, we may stop sending you communications until you provide us with your updated contact information.

CHANGES TO THIS AGREEMENT

We can change this Agreement, the Disclosure Statement (including the annual interest rates, fees or other charges), or the terms of any promotional offers including optional financing programs that we make available with the Account and in addition we may change any section or term of this Agreement under the following headings:

- Acceptance of this Agreement
- Other Documents, Terms and Conditions including for Optional Services
- Definitions
- Using your Account
- Payments
- Interest Rates, Service Fees and Other Charges
- Default/Collection
- Closing your Account
- Notices/Changes of Information Relating to You
- Changes to this Agreement
- Errors in your Statement
- Problems with Purchases
- Enforcing this Agreement
- Assignment
- Language

by providing the minimum advance notice as required by law to the Primary Cardholder at the last address in our records.

We consider we have given notice in writing about anything under this Agreement when we send the information by regular mail, or hand deliver it, or by any other means that we permit (and where applicable, you expressly consent to (including electronically)). Where we send the notice by regular mail, we consider you to have received the notice within 5 business days.

When we give notice to the Primary Cardholder, we consider that we are also giving notice to Authorized Users. It is the Primary Cardholder's responsibility to advise Authorized Users of these notices.

Our notice will describe the changes and their effective date. You may refuse changes we are making and cancel this Agreement after receiving our notice. To do so, you must cancel this Agreement by contacting us at the telephone number on the back of your Card or using the contact information on your Statement no later than 30 days after the changes are effective.

Unless otherwise permitted by law, we will provide you with a notice at least 30 days in advance of any change setting out the change, the effective date the change comes into force and your right to refuse the change and to cancel the Agreement without cost, penalty or cancellation indemnity to you other than for a change to the annual interest rate(s) and any annual fee or any other change where your consent is not required by law.

You must notify us within 30 days of the effective date of the change if you do not agree with that change. If you notify us within that 30 day period that you do not agree with the change, we will cancel the Account and the Agreement and any debt owing on the Account that remains unpaid will immediately become due.

Unless prohibited by law, we will consider that you have accepted the change if you do not notify us within 30 days of the effective date of the change or if your Account remains open, your Account is used or if any debt owing on the Account remains unpaid after the effective date of a change, it will mean that you have agreed to the change.

ERRORS IN YOUR STATEMENT

You are responsible for reviewing your Statement and each entry recorded on it. If you believe there is an error on a Statement you must contact us by telephone at the number on the back of your Card or using the contact information on your Statement within 30 days from the Statement Date. If you do not notify us within such 30-day period, we will treat the Statement as complete and correct (except any amount that has been credited to the Account in error).

PROBLEMS WITH PURCHASES

If you have a problem with a merchant about a Purchase on your Account, you must still pay for that Purchase, plus any interest that is incurred, and settle the problem directly with that merchant. While we are not required to do so, you may contact us about a problem with a Purchase on your Account if you are not able to resolve it directly with that merchant.

ENFORCING THIS AGREEMENT

We can delay enforcing or not enforce any of our rights under this Agreement without losing our right to enforce them in the future. If any of the terms of this Agreement are found to be unenforceable, all other terms will remain in full force.

ASSIGNMENT

We may transfer any or all of our rights under this Agreement, by way of assignment, sale or otherwise. If we do, we may disclose your personal information and other information concerning your Account to anyone to whom we transfer our rights. You consent to us sharing your personal information in this manner.

LANGUAGE

It is the express wish of the parties that this Agreement and any related documents be written in English. Les parties ont expressément demandé que la présente convention et tous les documents s'y rattachant soient rédigés en anglais.

For Quebec Residents Only: This clause is required by the Quebec Consumer Protection Act and is only applicable to Quebec residents with a personal credit card account:

(1) If the consumer uses all or part of the credit extended to make full or partial payment for the purchase or the lease of goods or for a service, the consumer may, if the open credit contract was entered into on the making of and in relation to the sale, lease or service contract, and if the merchant and the open credit merchant collaborated with a view to granting credit, plead against the lender any ground of defence urgeable against the merchant who is the vendor, lessor, contractor or service provider.

The consumer may also, in the circumstances described in the first paragraph, exercise against the open credit merchant, or against the merchant's assignee, any right exercisable against the merchant who is the vendor, lessor, contractor or service provider if that merchant is no longer active or has no assets in Québec, is insolvent or is declared bankrupt. The open credit merchant or the merchant's assignee is then responsible for the performance of the obligations of the merchant who is the vendor, lessor, contractor or service provider up to the amount of, as the case may be, the debt owed to the open credit merchant at the time the contract is entered into, the debt owed to the assignee at the time it was assigned to him or the payment the open credit merchant received if he assigned the debt.

(2) A consumer who is solidarily liable with another consumer for the obligations arising from an open credit contract is released from the obligations resulting from any use of the open credit account after notifying the merchant in writing that he will no longer use the credit extended and no longer intends to be solidarily liable for the other consumer's future use of the credit extended in advance, and after providing proof to the merchant, on that occasion, that he informed the other consumer by sending him a written notice to that effect at his last known address or technological address.

Any subsequent payment made by the consumer must be applied to the debts contracted before the notice was sent to the merchant.

(3) A consumer who has entered into a preauthorized payment agreement with a merchant under which payments are made out of credit obtained under a credit card contract may end the agreement at any time by sending a notice to the merchant.

On receipt of the notice, the merchant must cease to collect the preauthorized payments.

On receipt of a copy of the notice, the card issuer must cease debiting the consumer's account to make payments to the merchant.

(4) The consumer is not liable for debts resulting from the use of a credit card by a third person after the card issuer has been notified, by any means, of the loss, theft or fraudulent use of the card or of any other use of the card not authorized by the consumer. Even if no notice was given, consumer liability for the unauthorized use of a credit card is limited to \$50. The consumer is held liable for the losses incurred by the card issuer if the latter proves that the consumer committed a gross fault as regards the protection of the related personal identification number.

(5) Without delay at the end of each period, the merchant must send the consumer a statement of account. The merchant is not required to send a statement of account to the consumer at the end of any period if there have been no advances or payments during the period and the outstanding balance at the end of the period is zero.

(6) If the consumer makes a payment at least equal to the outstanding balance at the end of the preceding period within 21 days after the date of the end of the period, no credit charges may be required from the consumer on that outstanding balance, except as regards money advances. In the case of a money advance, charges may accrue as of the date of the advance until the date of payment.

(7) The consumer may demand that the merchant send, without charge, a copy of the vouchers for each of the transactions charged to the account during the period covered by the statement. The merchant must send the copy of the vouchers requested within 60 days after the date the consumer's request was sent.

(8) Until the consumer receives a statement of account at his address or technological address if expressly authorized by the consumer, the merchant must not claim credit charges on the unpaid balance, except as regards money advances.

It is in the consumer's interest to refer to sections 103.1, 122.1, 123, 123.1, 124, 126, 126.2, 126.3, 127 and 127.1 of the Consumer Protection Act (chapter P-40.1) and, if further information is necessary, to contact the Office de la protection du consommateur.

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