

Scotiabank®

BUSINESS
BANKING
SERVICES
AGREEMENT

COMPANION BOOKLET

JULY 2021

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Part 1 Welcome to Scotiabank

We would like to take this opportunity to welcome you to Scotiabank. It is our commitment to become your business banker. We look forward to working with you to add value to your business.

Please read this Business Banking Services Agreement (“Booklet”) carefully. This booklet is a companion document to your Statement – About the Business and Statement – About You or Business Account – Service Request, or Application – Banking Services for business – Credit Application and (where applicable) the Credit Agreement for business and contains important terms and conditions which form part of your agreement with the Bank. These terms and conditions, unless specifically identified as pertaining to a particular product or financial service, apply to all Scotiabank business banking products and services, which we may provide to you from time to time. You should keep a copy of this Booklet for your future reference.

Our Commitment to Business Banking Customers

Our commitment is to provide you with products and services that are practical, straightforward and give you more control over your business financial needs. As part of this commitment, we want to ensure that your business relationship with us is open.

Some Definitions you need to know

We, our, us, Scotiabank and the Bank mean The Bank of Nova Scotia and, as appropriate, any of our Canadian subsidiaries.

“You” and “your” mean the business customer, except in the “About You” section on page 3 where “you” and “your” mean the owner, officer, partner, co-borrower, or guarantor providing personal information and except in the Scotiabank Group Privacy Agreement where “you” and “your” mean an individual who has made application to us for, enrolled in or signed an application in respect of any personal or business banking, insurance, brokerage or financial product or service offered by us (“Service”), including any co-applicants, guarantors or personal representatives.

Part 2 Business and Personal Information

This section outlines the terms and conditions relating to information, both personal and business, provided to us.

In this section, you and your mean the owner, partner or guarantor providing personal information to Scotiabank and the business customer.

About the Business Customer

The business customer:

- › Authorizes us to collect further information about the business customer from time to time in connection with any banking relationship the business customer is applying for, will apply for, or already has with us.
- › Authorizes Scotiabank to use the business information to adjudicate and administer the products and services requested and agrees that we may do this during our banking relationship with the business customer.
- › Authorizes us to collect and disclose information about the business customer from and to other credit reporting agencies, credit bureaus, other credit grantors, any person the business customer has or proposes to have financial relations with, and as otherwise permitted or required by law, and agrees that we may do this both during our banking relationship with the business customer and after it has ended.
- › Authorizes Scotiabank to tell the business customer about Scotiabank products and services, and to disclose this information about the business customer to other members of the Scotiabank Group (where the law allows this) so that they may directly offer the business customer their products and services both during our banking relationship with the business customer and after it has ended.
- › Authorizes us to check the information the business customer has given us from time to time.
- › Authorizes and directs any person we may contact in this regard to provide us with such information.
- › Confirms receipt of Scotiabank’s Business Accounts – Your Guide to Fees and Interest Schedules (applicable if this application includes a request for a business account).

About You

As the owner, officer, partner, co-borrower, or guarantor providing personal information, you:

- › Agree these terms and conditions apply in connection with any banking relationship you, or the business customer, are applying for, or already have with us (the “Banking Relationship”).
- › Agree that, if you are applying for, or are providing a guarantee in respect of any Scotiabank business banking products or services, and while you or the business customer are a Scotiabank customer you will be bound by and abide by the Scotiabank Privacy Agreement, a copy of which has been included in this booklet, or which can be obtained at www.scotiabank.com/privacy or at any Scotiabank branch.
- › Certify that, if you (with anyone else, if applicable) signed the Statement – About the Business, or the Application – Banking Services for business or the Business Account – Service Request on behalf of the business customer, you (with any other signatories) are authorized to do so by the business customer.
- › Certify that the business customer (if an entity that is not a natural person) is authorized to borrow money and grant security (not applicable to third party guarantors).
- › Certify that any information and documents (including evidence of incorporation or formation of an entity that is not a natural person) submitted by you to us are true, correct and complete.

Personal Guarantee (Guarantee By Persons Other Than Co-Borrowers)

Subject to the exclusions below, you (in your capacity as an owner, officer, director, or partner of the business customer agree that, if the business customer is incorporated, or a partnership, you guarantee and are personally responsible for, repayment of the business customer’s obligations to Scotiabank arising from the business customer’s banking relationship with Scotiabank. The guarantor also agrees to be bound by the terms and conditions in this book, the Business Banking Services Agreement, in particular the section of the Credit Agreement which outlines the guarantor’s obligations. This provision applies to obligations incurred by the business customer in connection with account products or services, but does not apply:

- › In circumstances where you are a co-borrower with the business customer (in which case you are primarily liable and acknowledge you have received sufficient consideration from Scotiabank by making credit available to you); or
- › To obligations incurred under a separate guarantee or in connection with the “Guarantee” section of the Credit Agreement for Business (in which case those obligations supersede what is provided here).

Part 3 Scotiabank Financial Services Agreement

1. Your Agreement with Us

- 1.1 You acknowledge that this Agreement is entered into between you and us for valuable consideration and sets out the terms under which we will operate your accounts, carry out your instructions, and provide certain financial products and services to you.
- 1.2 “You”, “your” and “Customer” mean the business customer who signs or otherwise agrees to be bound by this Agreement. “We”, “our”, “us”, the “Bank” and “Scotiabank” means The Bank of Nova Scotia. Please refer to Appendix A for other definitions used in this Agreement.
- 1.3 When you sign the Scotiabank Financial Services Agreement Signature Form, you are bound by the terms and conditions of this Agreement in relation to all of your accounts with us and each instruction (including Payment Instructions) given on the account(s). When you sign any Service Agreement, you are bound by the terms and conditions of this Agreement in relation to the account(s) and service(s) described in the Service Agreement, including each instruction given on the account(s) or service(s). Each such account and service subject to the terms and conditions of this Agreement is a “Service”. This Agreement supersedes and replaces any previous Scotiabank Financial Services Agreement between you and us relating to the Services.
- 1.4 In the event of conflict or inconsistency between any provision of this Agreement and the corresponding provision in any Service Agreement or Service Materials, the applicable provision in this Agreement will always govern and prevail, unless the relevant Service Agreement or Service Material expressly states otherwise.
- 1.5 If you are a partnership, joint venture or other type of organization that is not incorporated, each individual or entity which is a member (but not the limited partners of a limited partnership) is responsible for all of your obligations, indebtedness and liability to us under this Agreement and each Service Agreement, even if the partnership, joint venture or other organization is dissolved or terminated or the membership or partners or constituting documents change. If you consist of more than one Person, each Person will be jointly and severally responsible for your obligations, indebtedness and liability to us.

2. The Services and Service Materials

- 2.1 Our agreement to provide any particular Service will be given by notice to you or signified by our starting to provide the requested Service.
- 2.2 You must: (i) promptly give us any information we reasonably request from you from time to time in connection with any Service or Service Agreement and (ii) immediately notify us of any changes to the information and documentation you give to us.
- 2.3 You agree not to use any of our Services or give any instructions for any unlawful or improper purpose, or otherwise in violation of applicable laws and rules, including Sanctions. You agree to perform your obligations under this Agreement and each Service Agreement in accordance with applicable laws and rules.
- 2.4 Except as contemplated in Section 2.5 below, you agree to make your own arrangements to provide the equipment and software you need to meet your desired levels of service, security and reliability. All equipment and software must meet our requirements and specifications for the Service we are providing. All purchase, installation and maintenance costs will be at your expense.
- 2.5 You agree to follow or use, as applicable, the most current procedures, forms, user guides, software, equipment and other information and materials, whether in written or electronic form (collectively, the “**Service Materials**”) that we provide or make available to you for any Service. The following additional terms apply to the Service Materials:
- You will have a non-exclusive license to use the Service Materials solely for the Service(s) for which they are provided. You are not entitled to assign this license and the license for each Service Material will end immediately upon the termination of our provision of the relevant Service(s). You do not acquire any ownership or copyright interests or rights in the Service Materials.
 - You will not disassemble or reverse engineer any software comprising any part of the Service Materials. You will not copy, remove, modify, transfer, adapt or translate the Service Materials without our consent.
 - You will treat as confidential any software and written material forming part of the Service Materials and will not disclose them to any third party. This obligation will not apply to information that is in the public domain or that you can obtain from a third party without a breach of any obligation by that third party to us.

- 2.6 Except as expressly stated in this Agreement, each Service Agreement, and any related Service Materials, no representations, warranties and conditions of any kind, whether express, implied or statutory, are made by the Bank with respect to the Services. We expressly disclaim implied warranties of merchantability and fitness for a particular purpose. We do not warrant that the Services will operate error-free or without interruption or Disabling Codes.
- 2.7 You confirm that all credits to your account(s) are and will be beneficially owned by you and that the Services will not be used to conduct business on behalf of any Person other than the Customer (except as specified in a Service Agreement or as otherwise agreed in writing by the Bank).
- 2.8 Unless agreed by the Bank in a Service Agreement or otherwise in writing, amounts standing to the credit of any of your accounts will not bear interest payable to you.

3. Your Instructions and Authorizations

- 3.1 You authorize us to act on any instruction (including Payment Instructions) received from you or in your name, or on your behalf, or using your Authentication ID with respect to any Service or this Agreement, even if it differs in any way from any previous instruction sent to us, and to rely on such instruction as being valid, correct, authorized by, and binding on you.
- 3.2 We may at any time without prior notice refuse to act upon any instructions (including Payment Instructions) if: (i) to do so would cause you to exceed any daily processing limits or other restrictions to the applicable Service, (ii) there are not sufficient Cleared Funds in your account(s), (iii) the instructions are incomplete or inconsistent, illegible or do not comply with the rules of any applicable Clearing and Payment System or any other reasonable requirements for completion we specify to you, (iv) to do so may contravene a court order, garnishment, trust provision, or cause us to fail to comply with any laws and rules, or (v) otherwise for any proper or lawful reason.
- 3.3 You authorize us to record any telephone or other verbal communication, and that such recording may be used as conclusive evidence of the content of that communication in any legal proceeding.
- 3.4 We may, but are not obligated to, act on any oral instructions or any instruction (including Payment Instructions) that contains insufficient, inconsistent or incorrect information, does not comply with all requirements of the applicable Clearing and Payment System, or is otherwise not properly given.

- 3.5 You acknowledge and agree that, subject to Section 3.4 above, if the words and numbers of a Payment Instruction differ, the words shall prevail and be deemed to be correct. If there is a discrepancy between any Payment Instruction and the written confirmation of it or any such instruction is otherwise ambiguous, such instruction as we understood it will be taken as correct.
- 3.6 You must: (i) ensure that all your instructions to us meet our requirements with regard to form (and formatting requirements), signatures, verification and authorization, and (ii) give us specific authorization or additional information if reasonably required by us.
- 3.7 We are authorized to rely on any signature appearing on an instruction that is, or purports to be, a signature of the Customer or any Representative of the Customer, including any signature affixed by mechanical, electronic, or other non-manual means, as being valid, authorized by, and binding on, the Customer.
- 3.8 You shall be solely responsible for all instructions from, and actions of, your Representatives in relation to each Service.

4. Your Payment Obligations

- 4.1 You are responsible for settling payment of your Payment Instructions. Unless you have made specific arrangements with us, you will ensure that your accounts have sufficient Cleared Funds to settle any Payment Instructions at the time that you give us the instruction. The reported balances for your account may include amounts which are not Cleared Funds.
- 4.2 We may process your Payment Instructions and any charges to your accounts in any order we determine for efficient processing and that complies with applicable laws and rules. Where more than one Payment Instruction is presented for payment on your account, the order of processing may affect whether any such Payment Instruction is honoured if there are insufficient Cleared Funds in the account.
- 4.3 You acknowledge that we must clear Payment Instructions using one or more Clearing and Payment Systems and are bound by the rules of any Clearing and Payment Systems we use. These rules affect our ability to honour your request to Cancel Payment Instructions or stop payment on any such instructions and the procedures we must follow to settle your Payment Instructions and clear funds for you. You acknowledge and agree that these rules shall in no way whatsoever operate or be construed to impair or limit any rights and remedies we have against you.
- 4.4 We reserve the right to clear and transfer Payment Instructions through any financial institution, Clearing and Payment System, or other Person, and in any manner, we deem appropriate,

whether they are drawn on your account or negotiated by you. You agree to grant us sufficient time to settle all instructions and acknowledge that we may, in our discretion, delay crediting your account or place a hold on any credit to your account until we receive the Cleared Funds for the Payment Instruction.

- 4.5 If we cannot charge a payment, chargeback, fee or expense to your account(s) with us because of insufficient funds or for any other reason, or if we ask you to, you must immediately pay us any amounts you are required to pay under this Agreement or any Service Agreement, plus interest at the overdraft rate published in the Schedule of Rates or such other rate as may be agreed from time to time between you and us. Interest will be calculated on a daily basis and will be payable monthly or as we may otherwise require.
- 4.6 We may, but are not required to, confirm or obtain endorsements for Instruments. If a Service we provide involves accepting and processing unendorsed third party cheques, we may do so. You will reimburse us for any amount we cannot collect as a result of a problem in clearing an unendorsed third party cheque.
- 4.7 You waive presentment, notice of dishonour, protest, and notice of protest of any Instrument. You will be liable to us on any Instrument as if it had been duly presented, protested and notice of dishonour and protest had been given as provided by applicable laws and rules.

5. Cancellation of Payment Instructions

- 5.1 We may treat all Payment Instructions as final when given to us.
- 5.2 You may not reverse, change, recall, stop or cancel (collectively called "**Cancel**") any Payment Instruction without our consent. We will use commercially reasonable efforts to comply with your cancellation instructions, but you acknowledge that: (i) we must follow the rules of all applicable Clearing and Payment Systems and (ii) we will have no obligation to hold the affected funds or return the funds to you unless we are able to have the Payment Instruction cancelled and Cleared Funds are returned to us.
- 5.3 Each cancellation instruction must follow the procedures and forms set out in the Service Materials, or such other procedures or forms we may provide to you from time to time for this purpose, and must be received by us before final settlement.
- 5.4 You are responsible for any cost of a cancellation at the rates set out in the Schedule of Rates or such other rates as we may agree with you from time to time.

6. Debits (including Chargeback and Set-Off)

- 6.1 You irrevocably authorize us to charge and debit the following to, and against, any of your accounts with us:
- the amount you ask us to pay in any Payment Instruction;
 - the amount of any Payment Instruction we have paid to you or credited to any of your accounts that is dishonored, rejected, returned or reversed (or otherwise not paid) in whole or in part for any reason (including fraud, loss or endorsement error) together with all related costs;
 - the amount of any counterfeit or otherwise invalid currency deposited or transferred to any of your accounts;
 - payment of any amount you owe us, including fees, charges, costs, expenses, and taxes; and
 - the amount of any deposit credited to any of your accounts in error or otherwise improperly.
- 6.2 We may at any time and from time to time, without notice to you, set-off and apply any credit balance you may have in any of your accounts with us or any other obligation of any kind that we or any of our affiliates may have to you (whether or not presently due), against any indebtedness, liability or obligation of any kind that you may have to us or to any of our affiliates (whether or not presently due) and you hereby irrevocably authorize us to do so. This right is in addition to any other rights that we may have with respect to set-off or combining accounts.

7. Foreign Currency

- 7.1 We may, in our discretion, accept payments or permit Payment Instructions to be given on your account in a currency other than the currency of the applicable account, but upon doing so, we may convert the incoming currency to the currency of the applicable account and in that regard, we may sell to you or purchase from you the amount of the other currency required to settle your instruction. The sale or purchase will be at our customer rate of exchange in effect at the time. Any costs for this exchange will be added to the sale amount payable by you or deducted from the purchase amount otherwise payable to you. We will charge the resulting total sale amount of credit the resulting net purchase amount to your account. We are not responsible for any loss you may incur due to changes in foreign currency exchange rates or funds not being available due to foreign currency restrictions.

8. Overdrafts

- 8.1 On occasion we may allow, in our discretion, one or more of your accounts with us to be overdrawn even though you do not

have an overdraft facility. Interest is calculated daily on the closing overdrawn balance at the overdraft rate published in the Schedule of Rates. In addition, an overdraft handling fee may apply for each Payment Instruction or other item which places your account in an overdrawn position and for each additional item that is paid while the account is overdrawn (normal transaction fees still apply). The overdraft handling fee is also published in the Schedule of Rates. Each such overdraft, together with accrued interest and related fees, will be immediately due and payable in full.

9. Verifying Your Accounts

- 9.1 We will provide you with periodic statements of your accounts in printed or electronic form.
- 9.2 You must review each statement carefully to check and verify all entries have been properly recorded. If you believe there are any errors, omissions or other discrepancies of any kind whatsoever, whether or not arising from unlawful or improper actions, you must tell us in writing within 30 days of the statement date. Except for errors, omissions and discrepancies that you identify to us in writing within that 30 day period (but in that case, subject to Section 16 of this Agreement), and except for amounts mistakenly or improperly credited to your account (which we may correct at any time), after that 30 day period it will be conclusively settled that:
- all entries and the balance shown in your statement is correct;
 - all instructions affecting your account are authentic, duly authorized, properly issued and otherwise valid;
 - all amounts charged to your accounts are properly charged to you, including all interest and service charges, whether or not the statement discloses how interest and charges are calculated;
 - you are not entitled to be credited with any amount not shown on your statement; and
 - the use of any Service shown is correct.
- 9.3 After that 30 day period: (i) you cannot claim, for any purpose, that any entry on your statement is incorrect and will have no claim against us for reimbursement relating to an entry, even if the instruction charged to your account was forged, unauthorized or fraudulent or was improperly charged for any other reason whatsoever, and (ii) we will be released from any claim whatsoever relating to your statement, including whether for negligence, breach of contract, or otherwise.

9.4 We will tell you in the Service Materials or by way of written or electronic notice if the nature of any Service requires more frequent statements, exchange of information, reports or verification than described generally for the account. The account verification conditions described above will apply regardless of the reporting frequency.

9.5 We will mail your statements of account to your latest address on our records or make them available for pick-up at the branch or electronically, as may be agreed in writing from time to time. You will notify us promptly, in writing, of any change of your address. If you do not receive a statement, or pick it up where this has been agreed, within 10 days after the end of the statement period, you must let us know within 15 days after the end of the statement period. If you do not let us know, you will be deemed to have received the statement 5 days after the end of the statement period, for all purposes, including the 30 day period to review the statement and advise us of any error.

10. Security Procedures

10.1 You agree to comply with all security procedures we communicate to you from time to time in relation to the Services, including those in this Agreement, each Service Agreement, and the Service Materials.

10.2 You agree to keep any tokens, keys, access codes, security devices, digital certificates, passwords, PIN, and verification procedures created or issued in relation to the Services (collectively, your **"Authentication ID"**) safe and confidential, and change them at least as often as specified in the security procedure.

10.3 We may, at our option, with no obligation to do so, establish and use procedures as we deem appropriate to verify the source and authenticity of instructions given to us, including contacting any of your authorized signatories, before acting on it.

10.4 You must immediately inform the Bank of any actual or suspected unauthorized use of any Service and if any of your Authentication ID becomes known to any third person who is not authorized to possess and use such Authentication ID, and you must promptly report to the Bank any other errors or irregularities in any Service. You agree to provide us with all information necessary for us to investigate any actual or suspected unauthorized use, error or irregularity in relation to any Service, including any documentation or testimony we may reasonably request.

10.5 You agree to maintain security systems, procedures and controls to effectively prevent and detect:

- › theft of funds and Instruments;

- › forged, fraudulent and unauthorized instructions (including Payment Instructions); and
- › losses due to fraud, forgery, unauthorized access to any Service or other improper or unlawful actions (including unauthorized access to your Authentication IDs and equipment used in giving instructions).

Without limiting your agreement immediately above, you will:

- › ensure that all Instruments are numbered sequentially;
- › ensure that all Instruments are secured in the same way as large amounts of cash;
- › ensure that cheque imprinters, facsimile signature devices, other equipment, and Authentication ID that might be used in giving instructions are effectively secured when not in authorized use;
- › ensure that access to Authentication ID and related procedures required for giving instructions is limited to those who need access for their authorized duties on your behalf with us;
- › conduct periodic audits of your systems, procedures and controls, and notify us promptly of all deficiencies and/or failures detected or identified as a result;
- › ensure that those Persons responsible for reviewing the statements we provide you are not the same Persons responsible for preparation or security of Instruments, instructions and related matters; and
- › diligently supervise and monitor the conduct and activities of all employees and other persons having any role in the preparation of instructions (including Payment Instructions), security relating to banking functions or other matters relating to your accounts.

10.6 The Customer is responsible for advising all applicable Persons of the delivery methods which may be used in connection with the Services. The Customer agrees with and assumes full responsibility for the risks associated with the communication methods used in connection with the Services, including the risks that the use of mail, courier, or unencrypted electronic communications (including fax and email): (i) may not be secure, private and confidential, (ii) may not be reliable and may not be received by the intended recipient promptly or at all, and (iii) may be subject to interception, loss and alteration.

11. Electronic Communications and Electronic Signatures

11.1 You authorize us to accept electronic communications and electronic signatures from you or on your behalf, and consent

- to receiving electronic communications from us, in relation to this Agreement, any Service Agreement, and the Services.
- 11.2 You agree that all electronic communications shall have the same legal effect as if in paper format with handwritten signatures and will constitute a “writing” for the purposes of all applicable laws and rules.
- 11.3 You acknowledge that (i) the form, format and delivery of each electronic communication will permit you to retain, store and subsequently access and retrieve such electronic communication without the requirement of any specialized or proprietary equipment or software from us and (ii) it is your responsibility to acquire and maintain the necessary computer equipment and software to deliver, receive, store, retain and subsequently access each electronic communication. You acknowledge that we may, but are not obligated to, store and maintain, and may delete, at our discretion, any electronic communication.
- 11.4 Our methods of storing, maintaining and retrieving any electronic communication, including any electronic signatures associated with such electronic communication, and our data systems, maintain the integrity of the electronic communication. You agree that electronic communications maintained by us will be admissible in any legal or other proceedings as conclusive evidence as to the contents of those electronic communications in the same manner as an original paper document. To the fullest extent permitted by applicable laws and rules, you waive any defence, or waiver of liability, based on the absence of a written document in paper format, with handwritten signatures.
- 11.5 At our discretion, we may require: (i) electronic communications be delivered using technology acceptable to the Bank including the use of a secure electronic signature, and (ii) any electronic communication from you or on your behalf to be delivered to us in paper format or with handwritten signatures. If we require that you acknowledge your agreement by clicking the appropriate button, you will follow any instructions that we provide to indicate your agreement (which may include typing your name and/or clicking “I Agree” or similar button).
- 11.6 When your handwritten or electronic signature is delivered by facsimile, email or other electronic or digital transmission, such transmission shall constitute delivery of an executed copy of the document. If you use an electronic signature to indicate your agreement, you shall ensure that your electronic signature is attached to or associated with the relevant electronic communication.
- 11.7 In accordance with our internal documents retention policies as amended and replaced from time to time, we may retain a

copy (in any form, including photocopy, electronic image, and CD-ROM) of any and all documents in respect of your Services, instead of any original paper copies. You agree that our records containing such copies will be considered to be conclusive evidence of the original documents and their contents for all purposes.

12. Our Service Obligations

- 12.1 Subject to Section 14, we are under no obligation to provide you with any Service. Each Service will be provided in our sole discretion.
- 12.2 You authorize us to retain the services of any financial institution, Clearing and Payment Services provider, delivery service, communications provider, or other third party service provider as we consider necessary or desirable in connection with the Services.
- 12.3 You acknowledge that our provision of each Service will be subject to applicable laws and rules and agree that we may comply with: (i) any lawful demand from a governmental or regulatory authority, Clearing and Payment System, or to the extent applicable to the provision of any Service to you, any other Person and (ii) any garnishment, attachment, levy, administrative order, subpoena, summons, or other legal or administrative process.

13. Fees and Charges

- 13.1 You agree to pay the fees, charges and interest promptly when due, as set out in the Schedule of Rates or any other agreed fee arrangement, any Service Agreement, and each statement relating to your accounts. You also agree to pay all taxes we must collect on the Services we provide to you. If any Service to you is cancelled in the first 15 days of a month, you will be charged, and you agree to pay, a prorated fee for that month equal to 50% of the average monthly billed amount for such Service over the prior 3 month period. If any Service to you is cancelled after the 15th day of a month, you will be charged and you agree to pay a monthly fee for that month equal to 100% of the average monthly billed amount for such Service over the prior 3 month period.
- 13.2 We may change any of our fees, charges or interest rates. If we do, we will give you notice at least 30 days before they go into effect.
- 13.3 We will advise you of fees, charges, interest and other amounts we deduct from your accounts.
- 13.4 You agree to pay us for any out-of-pocket or other expenses we incur at your request or in the course of providing a Service

to you. These expenses include communication charges, transmission charges, and transportation or delivery charges incurred by us.

- 13.5 If the fees and charges you pay are based on your agreement to maintain a specified level of transaction volumes or deposits, you agree that:
- we reserve the right to revise the fees and charges if actual transaction volumes during any 12 month period differ by more than 15% from the specified levels;
 - we reserve the right to revise the fees and charges if actual average deposit balances during any 12 month period (beginning 3 months after the contract starting date) differ by more than 15% from the specified levels; or
 - if you cancel the applicable Service under this arrangement before the first anniversary of the Service Agreement, we reserve the right to collect the full amount of fees and charges that you would have been expected to pay over the full 12 month period.
- 13.6 If we pay you interest on your deposit balances based on your agreement to maintain a specified level of transaction volumes or deposits, you agree that we reserve the right to revise the interest arrangement if:
- actual transaction volumes during any 12 month period differ by more than 15% from the specified levels, or
 - actual average deposit balances during any 12 month period (beginning 3 months after the contract starting date) differ by more than 15% from the specified levels.

14. Holds, Changes, Suspensions and Termination

- 14.1 We have the right to make additions, deletions or other changes to any Service and to amend or replace any Service Materials. We will give you notice at least 30 days before making any such changes that materially alters the nature of a Service. Your continued use of the relevant Service after the effective date of the change is an acknowledgement by you that you agree to and accept such change.
- 14.2 We will give you at least 30 days' prior notice of any amendment we make to the terms of any Service Agreement or this Agreement. Your continued use any Service after the effective date of such amendment, you will be deemed to have accepted the amendment.
- 14.3 This Agreement and any Service Agreement may be terminated by you or us for any reason, upon at least 30 days' prior written notice to the other, subject to our overriding right of termination

in Section 14.4. Any notice of termination of this Agreement will be deemed to also constitute written notice of termination of any outstanding Services and Service Agreements.

- 14.4 We may immediately cancel or suspend any or all Services and terminate any Service Agreement and this Agreement (including freezing or placing a hold on any funds in any account) at any time without notice if: (i) required by any laws and rules, (ii) you default on any obligations to us under this or any other agreement to which you and we are parties, and applicable grace periods (if any) in such agreement shall have lapsed, (iii) any representation or warranty made by you to us in this Agreement or any other agreement is or becomes untrue, (iv) you become insolvent or bankrupt, (v) a receiver is appointed over a significant amount of your assets, (vi) we have reason to suspect that you are engaged in any improper or unlawful activity in connection with the Services, or are the victim of fraud or identity theft, (vii) we have notice of a possible claim or interest under any court order, statutory demand, or other governmental legislation, or (viii) we believe that it is necessary to terminate our relationship with you in order to protect our customers or employees from physical harm, harassment or other abuse, or any other circumstance or event which we believe has created or could create reputational risk or harm to the Bank.
- 14.5 If any Service is cancelled, you will be liable for all instructions (including Payment Instructions and pre authorized payments) issued before it was cancelled and for all payments required to be made by this Agreement and the relevant Service Agreement (if any).
- 14.6 If any Service is cancelled, you will promptly: (i) delete from your computer hardware any Service Materials for the Service consisting of software and (ii) return to us in good condition any keys, equipment and Service Materials which we have provided to you regarding the Service.
- #### **15. Inactive Accounts**
- 15.1 We may elect not to send a statement to you regarding any account if there is no activity other than charges assessed or interest accrued, as applicable, in the account since either the date it was opened or the date of the last statement we have sent you.
- 15.2 If you have not had any contact with us concerning an account for at least one year, we may elect to designate the account as inactive. Inactive accounts cannot be accessed through any automated banking machine or similar Service. You will need to contact the Scotiabank branch where the account

is located to reactivate access to an inactive account. We may charge reasonable service fees to maintain an inactive account. We may close an account if you have not had any contact with us concerning the account and there has been no activity in the account for at least one year, and the balance of the account is nil. We will comply with applicable laws and rules concerning abandoned accounts, which may require us to transfer balances to the federal government.

16. Limits of our Liability

- 16.1 You acknowledge that our fees for Services may be small in relation to the value of your instructions from time to time and our willingness to provide the Services is based on the liability limitations contained in this Agreement and the Service Agreements. Without limiting the effect of any greater limitations on our liability provided elsewhere in this Agreement or in any Service Agreement, you agree that Scotiabank's liability for any Loss you suffer or incur in connection with the provision of any Service, or refusal to provide any Service, shall be limited exclusively to actual proven damages arising directly from Scotiabank's gross negligence or wilful misconduct. Under no circumstances will Scotiabank be liable for any indirect, consequential, incidental, special, punitive, aggravated, or exemplary Losses (including loss of data, lost profit, and opportunity costs), anticipated or actual, and whether or not the likelihood of such Loss was or ought to have been known to us at any time during the provision of the relevant Service. Any Loss for which we may be liable to you will be calculated from the time we should have made the funds available to you until the time we did make them available, or until you should have reasonably have discovered their loss, whichever is earlier.
- 16.2 Notwithstanding the foregoing, Scotiabank will not be liable for, and is hereby released from, any Loss resulting (in whole or in part) from:
- the actions of, or failure to act by, you and your Representatives, including your failure to fulfil any of your obligations under this Agreement or any Service Agreement, or to comply with any instruction we may provide to you from time to time in connection with any Service;
 - the actions of, or failure to act by, correspondent banks, Clearing and Payment Systems, delivery service, utility or communications provider, or any other Person;
 - mistakes, errors, omissions, inaccuracies in or inadequacies of any information furnished to or obtained by Scotiabank in connection with the Services;

- any Instrument or instruction that is forged (in whole or in part), has a material alteration or is otherwise fraudulent or unauthorized;
- any cause beyond our control, including Force Majeure or electrical, computer, mechanical or telecommunications malfunction or failure;
- a breach of any applicable laws and rules by you, or any Compliance Action taken by us, in relation to your use of any Services, including resulting from any instruction by you to us; and
- the transmission of any Disabling Code and any related damage to your or any other Person's computer system.

17. Indemnity

- 17.1 Except to the extent caused directly from our gross negligence or wilful misconduct, you agree to indemnify and hold Scotiabank harmless from any and all Losses suffered or incurred by Scotiabank arising out of or relating to the Services, including:
- any Compliance Action;
 - any Payment Instruction honoured, processed, negotiated, settled, changed, cancelled, reversed or refused;
 - your failure to properly provide information or comply with this Agreement or any Service Agreement or any breach of a representation or warranty made by you to us; or
 - our compliance with any garnishment, attachment, levy, administrative order, subpoena, summons, or other legal or administrative process.
- 17.2 Scotiabank will notify you if any claim arises for which you have agreed to indemnify us. We will each cooperate in dealing with the claim, including making available all necessary information, documentation, and witnesses. You agree that any costs (including any legal fees, disbursements, third party costs, or monies paid as a result of judgment or settlement) will be at your expense. You may defend a claim on our behalf subject to the following conditions: (i) you obtain our prior written consent before commencing the defence, (ii) your interests must not conflict with ours, (iii) you will not cause us to be exposed to further possible Loss, and (iv) you will not agree to any settlement of the claim without our prior written consent.

18. Notices

- 18.1 Except as otherwise provided in this Agreement or any Service Agreement, we may give you any notices by any means of written or electronic communication, or by posting notice in our

branches or on our website, and any of those will be adequate delivery of such notice. We will use your last contact information on our records and, except as otherwise provided by laws and rules, you will be deemed to receive such notice five days after mailing, or at the time of delivery of a personal delivery, the sending of an electronic communication, or the posting of the notice in our branches or on our website.

- 18.2 You designate electronic mail and the internet banking services to which you have subscribed or will subscribe (each a “**Designated Information System**”) as information systems through which we can deliver notices, documents and other information that we are required by applicable laws and rules to provide to you in relation to the Services, including product and service features, rates, fees, and our policies, procedures and practices (“**Regulatory Notices**”). With immediate effect, you consent to receiving Regulatory Disclosures through the Designated Information System. You may revoke your consent at any time. You are responsible for informing us of any changes to your Designated Information System, including any changes made to your contact information related to the Designated Information System. It may take up to 10 Banking Days for your revocation or notice of change to take effect. Regulatory Disclosures through a Designated Information System will be retained by us and made available to you for 7 years. You are responsible for printing or downloading a copy of each Regulatory Disclosure.
- 18.3 Unless otherwise specified in an applicable Service Agreement, you must deliver any notices or communications concerning this Agreement or any Service to the branch where your applicable account is located.

19. No Assignment

- 19.1 You may not assign this Agreement or any Service Agreement without our prior written consent.
- 19.2 The terms and conditions in this Agreement and each Service Agreement are binding on you and your heirs, executors, administrators and other legal representatives, successors and permitted assigns, as applicable.

20. Collection, Use, Disclosure and Retention of Information

- 20.1 You authorize us to collect, use, disclose and retain information about you from time to time for any purpose relating to our relationship with you, including:
- › to open and operate your account(s) and provide other Services to you;
 - › to comply with regulatory requirements (including “know your customer” requirements);

- › to verify the information you have given from time to time;
- › to comply with valid requests for information about you from regulators, government agencies, public bodies, auditors, and other Persons who have a right to issue such requests;
- › identifying products and services of our affiliates or subsidiaries that may be of interest to you;
- › to prevent or protect against any fraud or illegality, or as otherwise required or permitted by applicable laws and rules;
- › to comply with legal process or subpoena;
- › in response to credit enquiries from financial institutions or any other Persons with whom you have or propose to have financial or other business dealings;
- › to maintain the accuracy and integrity of information held by credit reporting agencies;
- › if it is otherwise reasonably necessary to protect our interest under this Agreement or any Service; and
- › as otherwise set out in the Scotiabank Privacy Agreement.

You also authorize any Person we may contact in connection with the above purposes to provide us with such information.

- 20.2 If you have dealings with any of our affiliates or subsidiaries, you authorize us and such affiliates and subsidiaries to (where not prohibited by applicable laws and rules) share information about you in our respective records with each other so that we may each consolidate information about you for use by each of us for any of the purposes described in Sections 20.1.
- 20.3 You request and authorize us and our affiliates and subsidiaries to each communicate with you directly, including via electronic communications, with information and offers on products or services we or they offer from time to time that may be of interest to you. You may choose not to receive such communications from us, or our affiliates and subsidiaries, by notifying the branch at which your account with us is maintained or as otherwise instructed in the communication. You will not be refused any Services or other benefits if you withdraw your consent.
- 20.4 You represent and warrant to us that, to the extent any information we obtain about you from time to time consists of personal information of your employees, officers, directors, authorized signatories or other Representatives, you have obtained the consent of such individuals for the collection, use and disclosure by us and our affiliates and subsidiaries of their personal information for the purposes you have authorized in this Section 20, including their consent to receive communications set out in Section 20.3.

20.5 You may obtain more information about our privacy practices, including how we collect, use and disclose personal information, by contacting the branch at which you maintain an account with us or by reading the Scotiabank Privacy Agreement available at www.Scotiabank.com.

21. Your Representations and Warranties

21.1 You represent and warrant to us on a continuing basis for the term of this Agreement:

- (a) you are duly organized, validly existing and in good standing under the laws of the jurisdiction of your incorporation or organization, are duly qualified to do your business and in good standing in each jurisdiction where qualification is necessary for your business, and you have not commenced any dissolution or reorganization proceedings;
- (b) you have all necessary power and authority and obtained all consents, authorizations, registrations, and approvals required to enter into and perform your obligations this Agreement and each Service Agreement, and this Agreement and each Service Agreement have been duly authorized, executed and delivered by you;
- (c) the execution, delivery and performance by you of this Agreement and each Service Agreement: (i) does not contravene any provision of your constating or other charter documents, by-laws, resolutions of directors or shareholders, or any shareholder agreement (as may be applicable), (ii) does not contravene or violate any laws and rules of your jurisdiction of incorporation or formation (as applicable) or any other legal requirement applicable to you, and (iii) will not constitute, or result in any breach of, or default under, or be in conflict with, any deed, indenture, franchise, licence, judgment, agreement or instrument to which you are a party or by which you are bound;
- (d) all written information and data you have provided to us in connection with this Agreement or in any Service Agreement (as updated from time to time) are true and correct in all material respects and do not omit to state a material fact necessary in order to make the statements contained in such information and data, taken as a whole, not misleading;
- (e) the Customer and each Person using a Service on the Customer's behalf possess the necessary signing authority and other power and authority to bind the Customer; and
- (f) to the best of your knowledge, neither you nor any of your subsidiaries, directors, officers, employees, agents, or affiliates

is a Sanctioned Person nor do you, nor any such other entity or individual, operate, possess, own, charter, or use a vessel that is listed, designated or sanctioned under any Sanctions.

22. Compliance Action – Sanctions

22.1 You acknowledge and agree that:

- (a) we and our affiliates and subsidiaries and third party service providers are required to act in accordance with, and it is our policy to comply with, the laws and rules of various jurisdictions, including those which relate to Sanctions and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion; and
- (b) we may take any action (a “**Compliance Action**”) that we, in our sole discretion, consider appropriate, to act in accordance with Sanctions or other laws and rules. Such Compliance Action may include but is not limited to the interception and investigation of any payment, communication or instruction, or other information; the making of further enquiries as to whether a Person is subject to any Sanctions; and the refusal to process any transaction or instruction that does not conform with Sanctions.

23. Tax Status

23.1 Customer represents and certifies that it is a Canadian resident for tax purposes, unless it has advised Scotiabank otherwise in writing. If Customer becomes a non-resident of Canada for Canadian tax purposes, Customer will notify Scotiabank promptly (but no less than within 30 days) and advise of its new country of residence.

23.2 If the Customer is a non-resident of Canada, Customer acknowledges that transactions outside Canada may have tax consequences in Canada. Prior written advice should be obtained for such transactions from qualified tax advisors in Customer's domicile. A copy of such advice may be requested by Scotiabank prior to opening of accounts, permitting a transaction, or anytime thereafter. Scotiabank will withhold taxes only where required to do so by law, otherwise Customer is responsible for any taxation that may be incurred on accounts or transactions.

23.3 Unless the Customer informs Scotiabank otherwise in writing, Customer represents and warrants that it is not a US Person for the purposes of the US Federal income tax and Customer is not acting for, or on behalf of, a US Person. Customer acknowledges that a false statement or misrepresentation of tax status by a US Person could lead to penalties under US law. If Customer is or becomes a US Person, Customer agrees to notify Scotiabank

promptly but not less than within 30 days and file such additional forms and take all other steps as Scotiabank shall requests, including providing Scotiabank with a completed IRS Form W-9.

- 23.4 You acknowledge that the information you may have provided regarding your tax jurisdiction and Tax Identification Number (TIN) is true and complete and that you undertake to advise Scotiabank immediately of any change in circumstance that causes the information provided to be incorrect. This information may be reported to the Canada Revenue Agency who may in turn provide the information to the appropriate tax authorities of any additional country in which you have tax filing obligations.

24. Intellectual Property

- 24.1 Unless otherwise indicated, all trademarks, logos and other intellectual property rights in or relating to the Services are the property Scotiabank. Except as provided in this Agreement or any Service Agreement and related Service Materials, you shall not reproduce, transmit, sell, display, distribute, establish any hyperlink to, provide access to, modify, or commercially exploit in whole or in part any part of a Service or Service Material, without our prior written consent.
- 24.2 Neither party will use the other's name, trademarks or other intellectual property in any advertisement, marketing or other public message without the other party's prior written consent.

25. Other General Terms

- 25.1 This Agreement and each Service Agreement is governed by the laws of the Province of Ontario and the laws of Canada applicable therein.
- 25.2 In this Agreement and each Service Agreement: (i) the words "include", "includes", and "including" will be interpreted to mean "including, without limitation", (ii) headings of particular sections are inserted only for convenience and will not be applicable to the interpretation of the section, (iii) where the context requires, words and phrases written in the singular will be construed to include the plural and vice versa, and (iv) when the laws of the Province of Quebec are applicable, the words "joint and several" shall mean "solidarily".
- 25.3 If any provisions of this Agreement or any Service Agreement is unlawful or unenforceable for any reason, each such will be without force or effect without invalidating or affecting the validity and enforceability of the remaining provisions of this Agreement or the Service Agreement, as applicable. To the extent permitted by applicable law, each of you and we hereby waive any provision of law that renders any provision in this Agreement or any Service Agreement unenforceable.

- 25.4 You acknowledge and agree that nothing in this Agreement or any Service Agreement creates any agency, fiduciary, joint venture or partnership relationship between us and you or any other Person. This Agreement and each Service Agreement is only for the benefit of Scotiabank and the Customer, and is not intended to confer any legal rights, benefits, or remedies on any other Person except to the extent otherwise provided in this Agreement or any Service Agreement.
- 25.5 To the extent that you have or hereafter acquire any immunity (including sovereign, crown or similar immunity) from jurisdiction of any court, suit or legal process (whether from service of notice, injunction, attachment, execution or enforcement of any judgment or otherwise), you irrevocably waive and agree not to claim such immunity.
- 25.6 You agree to do, execute, acknowledge and deliver such acts, deeds and agreements as may be reasonably necessary or desirable to give effect to the terms of this Agreement and each Service Agreement as we may request from time to time.
- 25.7 We retain all our rights under any law respecting loans, set-off, deposits and banking matters, even if they are not described in this Agreement or any Service Agreement.
- 25.8 Our rights under this Agreement, each Service Agreement, and applicable law are cumulative, and we can exercise any right without losing any other right. We can delay enforcing any right without losing that right. We can also waive any right on one occasion, or on multiple occasions, without losing our ability to exercise that right in the future.
- 25.9 Notwithstanding any termination of this Agreement, Sections 13, 14.5, 14.6, 16, 17, 18, 19.2, 20, and 25 (together with the related definitions in Appendix A) shall survive and remain in full force and effect.
- 25.10 This Agreement and each Service Agreement (including any signature forms, schedules, or other related documents) may be executed in one or more counterparts, each of which when taken together shall comprise one and the same agreement. This Agreement and each Service Agreement, once signed by you and accepted by us, shall be a binding agreement between us.
- 25.11 It is the express wish of the parties that this Agreement, and every Service Agreement, and any supplemental documents be drawn up and executed in English. C'est la volonté expresse des parties que cet accord et chaque contrat de Service et tout document complémentaire être élaboré et exécuté en anglais.

Appendix A - Definitions

As used in this Agreement, the following words and phrases have the following meanings:

“**Agreement**” means this Financial Services Agreement (including this Appendix A), as amended, extended, restated or otherwise modified from time to time.

“**Authentication ID**” has the meaning ascribed to it in Section 10.2.

“**Banking Day**” means any day that is not a Saturday, Sunday, statutory or civic holiday (federal or provincial), or any other day on which banks are required or permitted to be closed in the Province(s) or Territory(ies) where the applicable account(s) is located and/or Service is provided.

“**Cancel**” has the meaning ascribed to it in Section 5.2 and “cancellation” has the comparable meaning.

“**Cleared Funds**” means cash or any funds from any deposit which have been finally settled through the Clearing and Payments System that we use for settling payments in connection with Payment Instructions.

“**Clearing and Payment Systems**” means the payment and clearing settlement systems applicable to any of the Services, including the Payments Canada, NACHA, S.W.I.F.T., and CDS Clearing and Depository Services Inc.

“**Compliance Action**” has the meaning ascribed to it in Section 22.1(b).

“**Designated Information System**” has the meaning ascribed to it in Section 18.2.

“**Disabling Code**” means any contaminating or other destructive code, design, routine or other mechanism (including clock, timer, counter, virus, worm, software lock, drop dead device, Trojan horse routine, trap door, or time bomb) that may be used to access, modify, replicate, distort, delete, damage or disable any electronic or other digital channel, including any related hardware or software.

“**electronic communication**” means any agreement, transaction, instruction, document, information, disclosure, notice, confirmation, inquiry, request, response, or other communication that is sent or stored by means of any electronic or other digital transmission.

“**electronic signature**” means a signature that consists of one or more letters, characters, numbers or other symbols in digital form incorporated in, attached to or associated with an electronic communication and includes a secure electronic signature as may be prescribed by applicable law or otherwise required by us.

“**Force Majeure**” means any event, act or omission beyond the reasonable control of such party (exercising reasonable foresight and diligence), including labour dispute, act of God, flood, fire, lightning,

severe weather, earthquake, act of terrorism, war, revolution, civil commotion, act of public enemies, blockade, embargo, pandemic disease, or the application of any laws or rules.

“**instructions**” means a request, direction, or other instruction with respect to any Service or this Agreement, and includes where the context applies, any Payment Instruction.

“**Instrument**” means any document evidencing or that can be used to evidence a Payment Instruction, including cheques, money orders, promissory notes and other bills of exchange and other orders (written or electronic) for the payment of money, clearing item or other value item (including any image or reproduction).

“**laws and rules**” means as to any Person or Service: (a) the laws, statutes, codes, acts, ordinances, orders, regulations, directives, guidelines, and other requirements of all domestic and foreign governmental and regulatory authorities having jurisdiction over the Person or Service (including the Office of the Superintendent of Financial Institutions (Canada) and any Province, Territory or other government of Canada) and (b) the rules, standards, conditions, and other requirements of any Clearing and Payment Systems applicable to the Person or Service (including Rule H-1 and Rule F-1 of the Payments Canada applicable to cash management pre-authorized debits); each as may be amended or replaced from time to time. You can access the rules of Payments Canada available to the public on the internet at www.Payments.ca.

“**Losses**” means all liabilities, losses, damages, claims and demands (including third party claims and demands), fines, damages, penalties, expenses incurred (including legal expenses based on the solicitor’s fees charged) and other costs claimed against or sustained or incurred by any Person.

“**OFAC**” means the Office of Foreign Assets Control (of the US Department of the Treasury).

“**Payment Instruction**” means a request to transfer funds to or from, or receive funds in, any of your accounts with us, whether in Canadian dollars or other currency agreed to by us, whether pursuant to Instruments, endorsements, pre-authorized payments, deposits, electronic transfers, electronic data transmissions, or any other orders for the payment or receipt of money, including transfers between accounts and which may have the signature electronically or mechanically produced or imprinted as an alternative to handwritten signature but in all cases must be given by a method that is acceptable to us, in our discretion, at the time they are given.

“**Person**” means, as the context requires, any individual, firm, partnership, company, corporation or other body corporate, government, governmental body, agency, trust, instrumentality, unincorporated body of persons or association.

“**Regulatory Notices**” has the meaning ascribed to it in Section 18.2.

“**Representatives**” in relation to the Customer, includes the Customer’s employees, officers, directors, co-ordinators, users, cardholders, contacts, delegates, and agents.

“**Sanctioned Country**” means at any time a country, region or territory which itself is the subject or target of any Sanctions.

“**Sanctioned Person**” means a Person that is, or is directly or indirectly owned or controlled by a Person or Persons that is, listed, designated or sanctioned under any Sanctions or any Person operating, organized or resident in a Sanctioned Country.

“**Sanctions**” means any trade, economic or financial sanctions laws, regulations, executive orders, embargoes or restrictive measures imposed, administered or enforced by a Sanctions Authority.

“**Sanctions Authority**” means any one or a combination of: (a) the United Nations; (b) the United States of America; (c) Canada; (d) the United Kingdom and each respective member of the European Union; and (e) the governments and official institutions or agencies of any of (a) to (d) above, including the Security Council of the United Nations, OFAC, the United States Department of State, Global Affairs Canada and Her Majesty’s Treasury of the United Kingdom.

“**Schedule of Rates**” means the schedule, guide or other document we deliver to you or otherwise make available to you in our branches or on Scotiabank’s website (as updated from time to time) setting out the standard fees, interest, and other charges applicable to the Services, which document shall be deemed to comprise part of this Agreement.

“**Service**” has the meaning ascribed to it in Section 1.3.

“**Service Materials**” has the meaning ascribed to it in Section 2.5.

“**Service Agreement**” means each offer letter or agreement (including each Cash Management and Payment Services Agreement and the service schedules attached thereto, or otherwise comprising a part thereof, from time to time) from time to time signed by you, or otherwise accepted by the Bank from you, for the provision of one or more financial products or services to you and made subject to the terms and conditions of this Agreement; each as may be amended, extended, restated or otherwise modified from time to time.

“**US Person**” means a US person as defined under the US Internal Revenue Code, including as applicable: (i) a US citizen (including persons with dual citizenships), (ii) US lawful permanent resident (e.g., a person who has obtained a green card or who has been granted the right to

lawful permanent residence in the US), (iii) persons who meet the substantial presence test for US residency for US tax purposes, (iv) US corporation, (v) US partnership, and (vi) any trust (revocable or irrevocable) of which one or more US persons have the authority to control all substantial decisions and a US court can exercise primary supervision over the administration.

Part 4 Credit Agreement

This section contains terms and conditions that apply when you are approved for small business credit products and services.

We may cancel the approval if we find, in our sole discretion, there has been any material change to your financial status, as disclosed in the Credit Application, or if there has been any misrepresentation of facts in the Credit Application or other documentation, or as per section 14.3 or 14.4 of this Booklet.

1. Your contract with us

If the business customer consists of more than one individual or entity, you agree that:

- › every such person is responsible jointly and severally (in Quebec, solidarity) for the payment and performance of each obligation described in the agreement or derived therefrom
- › the Bank can choose among you to decide who will pay back the obligations.

Small Business Credit Cards: If we approve you for one of the following small business credit cards and the associated accounts: ScotiLine® *for business* Visa* card, Scotiabank Passport™ Visa Infinite Business* card, *Scotia Momentum*® *for business* Visa* card, a ScotiaGold Passport® *for business* Visa* card or Scotiabank® GM®* Visa* Business Card or any other small business credit card account (and associated cards) that we may offer from time to time (each a “Small Business Credit Card Account” and all cards issued on each a “small Business Credit Card” or “card”), you agree to be bound by the terms of the Revolving Credit Agreement that apply to those accounts and cards. We will provide you with a copy of the Revolving Credit Agreement and that may include by attaching a copy of that agreement to the card barrier for the Small Business Credit Card that we issue to you.

You understand and agree that you are liable for all charges incurred on your Small Business Credit Card Account with any supplementary card that you request that we issue in connection with the account. We will also issue renewal and replacement cards for such supplementary card, unless the card is cancelled by you or Scotiabank.

Business Credit Cards: If we approve a Scotiabank Visa Business Card, you agree to be bound by the terms of the Scotiabank Visa Business Card Agreement which is provided to you before your card is issued, and to the Scotiabank Visa Business Card Cardholder Agreement that is provided each cardholder when a Scotiabank Visa Business Card is issued and delivered to them.

Scotia Flex *for business* and *for agriculture*: If we approve you for a Scotia Flex *for business* or Scotia Flex *for agriculture*, you agree to

be bound by the terms of the Credit Agreement for Business and Addendum to Credit Agreement for Business Scotia Flex. Scotiabank’s mortgage over your real property must be the only charge and must be in priority to other registrations against your property (unless we give written consent otherwise).

Agreements that apply: All agreements referred to in this section, including the Revolving Credit Agreement and the Scotiabank Visa Business Card Agreement and Scotiabank Visa Business Cardholder Agreement are referred to in this section as the “agreement”.

2. Your promise to pay

You promise to pay the Bank the full amount of the obligations described in the agreement, the interest on it when due and payable and any applicable fees and charges levied by us from time to time. You also promise to pay us any expenses that we incur to realize on security or collect payments from you and costs of preparing and registering (or discharging) any security or notice with respect to any security.

3. Advances

If we approve a credit line, you may borrow up to the limit specified by us, and for ongoing credit risk management purposes, you agree to maintain with the Bank all your business operating accounts as long as you have a credit line with us. We can, however, cancel all or part of your credit line at any time and not permit you to borrow after that. Cancellation does not relieve you of any obligations under this agreement until the credit line balance has been paid to us in full. Regardless of such cancellation, you are responsible for paying us for all debits or other charges made or processed following cancellation.

Advances are made on your credit line when funds are debited from your account resulting in a negative balance or an increase to an already negative balance (also called an “overdraft”). Your indebtedness for a credit line is the amount of the negative balance.

The amount of an overdraft is repaid when you deposit funds to the relevant account and the amount of a credit line may be readvanced if it is repaid. We are not required to advance to you more than the limits that are agreed by us but we may do so from time to time, in our sole discretion.

If we approve a term loan, the Bank advances the money in one or more amounts as outlined by us and on the conditions outlined in this Agreement.

4. Payments

You agree to pay back your indebtedness to us, including without limitation principal, interest, fees and charges according to the terms of the agreement.

If your credit facility is repayable on demand, you agree to immediately pay back the entire amount of the credit facilities at any time if we ask you to do so. If we ask you to pay back less than the entire amount of the credit facilities you will do so as well.

For non-agricultural credit lines, by the last day in any given statement period, you must pay to us (a) the interest accrued from the previous statement period (subject to a minimum payment of \$50), plus (b) any over-limit amounts (any amounts that we have permitted you to borrow that is above your authorized limit). If your total payment is more than total accrued interest and over-limit amounts, then the overage amount will be applied to reduce the principal amount you have borrowed. For any non-agricultural credit lines, the total minimum amount you need to repay (by crediting funds to the overdraft account) will be communicated on your statement, if applicable. We may require a different monthly payment and will notify you of this beforehand. Any overdue payment or overlimit amount must be paid in full no later than 30 days of the statement date, and the total minimum deposit amount includes your current minimum deposit amount, plus any overdue or overlimit amounts.

Any agricultural credit lines are repayable on demand. Any interest that accrues on such credit lines will be charged and added to the outstanding amount of the credit line. If the Bank, in its sole discretion, permits you to borrow above your credit limit, any over-limit amount must be paid in full by no later than 30 days of the statement date.

If you borrow via a term loan, we may demand repayment of some or all of your indebtedness (including for greater certainty, any accrued interest or other applicable charges) at any time. If the Bank does not demand repayment during the term, the entire amount of the indebtedness remaining unpaid is due and payable at the end of the term specified in the agreement or earlier if you default on any of the terms in the agreement, or in any other agreement with us.

If we demand repayment of the entire amount, we will give you reasonable notice.

We may deduct payments you owe us from your account(s) with the Bank.

5. Fees and charges

You are specifically responsible for paying any late payment fees (if applicable) and interest charges on all payments you do not make when they are due. You agree to pay us these late payment fees plus interest charges that are published by us from time to time.

If there are any amounts due and payable by you to us, we can deduct them from any of your accounts with the Bank. This includes any fees and charges described in this agreement (but may also include any other fees and charges the Bank may charge).

We may change the fees and charges published by the Bank or described in this agreement. If we do, we will post a notice of the new fees and charges in each branch, at least 30 days before they go into effect.

6. Record of your indebtedness

We will keep a record of the amount of principal, interest costs and fees you owe us. This record will show the amount of each advance we make to you and the amount of each payment of principal and interest costs you make to us. For a credit line we will give you this information monthly. For all other indebtedness, we will give you this information, when you ask for it.

Unless we have made a clear mistake, this record is conclusive evidence of the amount you owe the Bank. You are still responsible for paying the amount you owe, even if there is a mistake in our record or in the statements we provide.

7. Interest

You must pay interest on your advances at the rate specified by us from time to time, which rate may include prime plus (or minus) an additional amount (a “spread”). If the interest rate is based on “prime”, that means the prime lending rate of the Bank. Our prime lending rate is the variable per annum reference rate of interest as announced and adjusted by us from time to time for loans made by us in Canada in Canadian dollars and available at www.scotiabank.com.

For all term loans, the interest paid, inclusive of the spread, will never be below 0.001%, even if you have a negative spread. For example purposes only, if prime is 0.25% and your interest rate is prime minus 0.50%, the interest rate that will accrue on your term loan will be 0.001% and we do not need to pay you interest for amounts you borrow. We calculate your interest daily on the daily balance you still owe us. Interest is due and payable as follows:

- › for credit lines, interest is payable monthly on the 22nd day of each month unless you request a different payment date
- › for an overdraft protection, interest is payable monthly on the date your business account statement is prepared and printed
- › for term loans with non-monthly blended payments or loans under the Canadian Small Business Financing Act (CSBFA) or the Canadian Agriculture Loans Act (CALA) with non-monthly principal plus interest payments, interest is payable at the time of the principal payment
- › for all other term loans, interest is payable monthly on the date of the principal payment.

Interest is paid in arrears and, for each obligation, is due both before and after your obligation matures and before and after any default or judgement.

If you don't pay the interest when it is due, we may charge you interest on the interest. If we charge this additional interest, it is payable at the same rate as specified in the agreement and at the same time as specified in the agreement. This additional interest may increase your effective rate of interest.

During a leap year, interest accrues for the leap day.

8. Prepaying your term loans

If you have a floating rate loan prepayment is permitted without penalty at any time in whole or in part. Prepayments on floating rate loans are noncumulative and are to be applied against installments of principal in the inverse order of their maturities.

If you have a fixed rate loan that stipulates a closed/lock-in period, no prepayment is permitted during the closed/lock-in period. Prepayment is permitted if your fixed rate loan is open (has no closed/lock-in period) or after a completed specified closed/lock-in period and the cost to pay-off some or the entire principal amount of your term loan early is the higher of the "Interest Differential" (see below), or the cost of three-months' interest at the rate specified in your credit agreement calculated on the amount you want to pre-pay. Prepayments are non-cumulative from year to year and are to be applied against installments of principal in the inverse order of their maturities. If you wish to amend or renew your loan before the end of the term, this will be considered repayment of the full outstanding amount of your loan and is subject to the costs described above.

"Interest Differential" means the amount, if any, by which interest at the rate applicable to the term loan exceeds interest at the prevailing rate at the time of prepayment calculated on the amount of the principal prepayment for the remaining term of the loan. (The "prevailing rate at the time of prepayment" is defined as that rate at which the Bank would then lend to you, based on the same security, for the remaining term of the loan.)

If you have a term loan with a fixed interest rate that is guaranteed by the Government of Canada under the CSBFA, you can make a 10 percent principal prepayment without penalty or notice once a year on the anniversary date of the loan. The 10 percent amount is based on the original principal balance of the loan.

9. Overdraft Protection for business™

Overdraft Protection *for business* (ODP) is a temporary credit arrangement involving a specified business account.

If we have approved you for ODP, we will, subject to the restrictions in your account agreement, honour debit entries (eg. cheques, electronic funds transfers, etc.) ("debits") drawn on your specified deposit account, within your approved ODP limit. You agree to pay interest on the amount of the overdraft at the rate specified by us, plus any applicable

fees (both of which can found in the Guide to Fees and Interest Schedules for business accounts).

You agree to reduce your overdraft to zero within 30 days after it is created.

We do not have to honour any debit if the action would result in your specified overdraft limit being exceeded, if your specified deposit account has been overdrawn for more than 30 days, or if we have made a demand for payment of any or all of your indebtedness to us (whether under this agreement or elsewhere). In addition, we can cancel ODP for your specified account at any time without notice and refuse to honour any further debits that create an overdraft. Cancellation does not relieve you of any obligation under this agreement until the overdraft amount has been paid in full and you are responsible for paying us for all debits or other charges made following cancellation.

On occasion, we may allow your account to be overdrawn even though you will exceed your authorized ODP limit (unprotected overdraft). An Overdraft Handling Fee applies for each item which places your account in an unprotected overdraft position and for each additional item that is paid while the account is in an unprotected overdraft position (normal transaction fees still apply). The amount of the Overdraft Handling Fee is published in the Guide to Fees and Interest Schedules for business accounts. Unprotected overdrafts are payable in full immediately.

If we allow you to exceed your authorized ODP limit from time to time, that permission shall not be considered to be a permanent increase in your credit limit.

If we have not agreed to provide ODP, we do not have to honour any debits that create an overdraft. We do not have to tell you that we are not going to honour a debit in these cases.

10. Declarations and Agreements

Everyone signing the Statement – About the Business, or the Application – Banking Services *for business* and, where applicable, the Credit Agreement *for business* is making the following declarations and acknowledges that the Bank is relying on such declarations in deciding to loan the business customer. These declarations are specifically needed for any loan in the agreement, including loans that are guaranteed by the Government of Canada under the CSBFA, CALA:

- › the owner of the business is properly described in the agreement
- › to the best of your knowledge, the information in the applicable loan request or credit application is complete and correct
- › to the best of your knowledge your loan application complies with all the applicable provisions of the CSBFA, CALA and will continue

to comply until your loan is repaid in full

- › if the loan is guaranteed under CALA, you hold an interest in a farming operation as prescribed by CALA.

If the loan is approved, you agree:

- › to use the proceeds of the loan for the purposes you specified in the agreement and not for anything else
- › to give us any information we require to satisfy ourselves that you have used the loan for the purpose stated in the agreement
- › to properly use, maintain and repair your property (secured to the Bank)
- › not to put a mortgage, lien or charge on any property purchased with the loan money or pledged or given as security for the loan unless you have our prior permission in writing
- › not to dispose of any property you purchase with the loan money or pledged or given as security for the loan unless you have our prior permission in writing
- › to give us any additional information we reasonably require about your business, such as copies of documents and business records
- › to give us, from time to time and at your expense, any security and insurance we require to secure the loan and the interest on it
- › to pay the cost of any insurance we may reasonably choose to obtain or renew if you do not provide or keep up the insurance we require
- › to pay the cost of the necessary registration, filing, or discharge of our security and gathering of evidence about the priority of our security.

If the loan is approved, you:

- › authorize us to register or file the security, or notice thereof, if necessary, and obtain evidence that satisfies us about the priority of the Bank's security
- › authorize us to sell the property which is the security given for the loan, or to realize on it in any way that is authorized by applicable law, if you default in any payment or other obligation under the agreement or under any other agreement with us from time to time (We will subtract our expenses from the money we get from the sale or realization. We will then apply the balance of the money to your debt. If there is not enough money to pay off your debt, you must pay the shortfall to the extent permitted by law. Under CSBFA, this is currently a maximum of 25 percent of the original balance of the loan for an individual or one or more individual guarantors who have guaranteed a CSBFA loan.)
- › acknowledge that the terms of the government guarantee may require us to sell or realize the security given for the loan in a short

time, and we are not allowed to grant any period of time for you to correct your default, except as required by law

- › authorize us to give all the information about your loan or the agreement to any person involved in the administration of the CSBFA, CALA. We will give the information only to a person appointed by or on behalf of the Government of Canada
- › acknowledge that all the loans you may have which are guaranteed by the Government of Canada are not and cannot be more than the applicable limit announced by the Government of Canada.

11. Your obligations

You are required to satisfy a number of legal obligations to us when you borrow money from us. You agree to:

- › pay us the money you owe us when it is due or on demand
- › pay all amounts you owe to other people to protect your property from other liens or claims
- › tell us right away if you can't pay the amount you owe us
- › tell us right away if you commit any default under these terms and conditions or any other agreement with us
- › tell us before you change the ownership or nature of your business or use of any property
- › tell us if any information in the agreement or any statements or declarations provided to us changes
- › tell us right away if you move the property which is security for your indebtedness under the agreement, but only tell us when you change the main base of operation for this property if the property you move normally goes from one location to another
- › give us any information we request on your business or property
- › give us, when we request, your current financial statements, personal financial or net worth statement and any other information we may reasonably require from time to time
- › make sure your guarantor, when we request, also provides current financial statements, personal net worth statements and any other relevant information we may reasonably require from time to time
- › keep the property you have put up as security in first class order and repair, and replace all worn, broken or defective parts
- › let us or our representatives on your premises at any time so we can inspect your property
- › insure your property with an all-risks insurance policy satisfactory to us that protects your property from all hazards, including fire, theft and collision for motor vehicles
- › amend your all-risks insurance policy to put our interest as "loss payee", and deliver satisfactory proof of insurance or our form of insurance certificate to us

- › keep your property free of any mortgages, liens, charges, or security interest, except the ones granted to us
- › tell us right away if you are involved in a lawsuit or another creditor makes a claim against you
- › keep proper accounting records
- › give us all the other certificates, agreements and assignments we may request from time to time (that relate to these terms and conditions or the terms and conditions of the agreement and the granting of security for your indebtedness)
- › observe and conform to all laws and requirements of any federal, provincial or any other governmental authority that relate to the environment and the operation of your business activities, and notify us of any failure to do so
- › not change your name or address without giving us written notice
- › undertake and pay the expenses of any environmental investigation, assessment or clean-up which we require
- › notify us of any unfavourable change in the environmental condition of your business premises or equipment
- › notify us of any unfavourable change in the environmental impact of your business activities
- › authorize us to make, at any time, credit enquiries which may involve full information disclosure, and you hereby waive to the extent permitted by law any right to privacy or confidentiality of credit information.

12. Security Agreement

By signing the Statement – About the Business, or the Application – Banking Services *for business* or Indirect Agriculture Financing – Credit Application and where applicable, the Credit Agreement *for business*, you grant us a mortgage and charge, and hereby grant, bargain and sell to the Bank for security purposes and grant a hypothec and security interest in the property, both current and acquired in the future (other than consumer goods) that is provided for in the Statement – About the Business, or the Application – Banking Services *for business* or the Credit Agreement *for business*.

Our security interest also includes all your rights, interests and benefits in that current property and property acquired in the future and specifically secures your obligations under any agreement with us.

The security interest you grant us is in the form of a fixed and specific mortgage. We may register your grant of security against the secured property in such registries as we choose, including personal property registration systems.

If the collateral covered by the security interest includes your book debts, you assign and transfer to us all book debts, such as accounts receivable.

Where required by the Bank or law, we will physically hold the property as security for your obligations to us, which may include securities in uncertified form by notice to the clearing corporation. The grant of security, mortgage and hypothec includes any grant, bargain and sale required to complete this grant of security and mortgage. It also includes our right to have and to hold property for the purposes of this agreement. If we hold securities in our possession, we are not required to keep them separate from other securities held.

If the Bank holds property, we are not responsible if the property decreases in value for any reason. Your security on money or cash equivalents entitles us to seize the money or cash equivalents and immediately set-off against your indebtedness.

The business customer grants Scotiabank a security interest, and a hypothec if property is located in the Province of Quebec, on all present property and property acquired in the future, (other than consumer goods) including inventory, furniture, fixtures, office, equipment, industrial equipment, machinery, plant, tools, vehicles, intangible personal property, securities, documents of title, instruments, chattel paper, money and accounts receivable. If any of your property is located in the Province of Quebec, the security interest includes a hypothec on the property described in the agreement for an amount equal to 150% of the aggregate of the initial limits for all Lines of Credit, ScotiaLine® *for business* Visa* card, Scotia Momentum® *for business* Visa* card, ScotiaGold Passport® *for business* Visa* card and the Scotiabank Visa Business Card, Scotiabank Passport™ Visa Infinite Business* card and Scotiabank® GM®* Visa* Business Card as described in the first page of the Application – Banking Services *for business* – About the Business or the Statement – About the Business. This provision does not apply when the Credit Agreement for business is used. Except as otherwise agreed, this security interest and hypothec:

- › Is granted when the limits for all credit lines ScotiaLine® *for business* Visa* card, Scotia Momentum® *for business* Visa* card, Scotiabank Passport™ Visa Infinite Business* card and Scotiabank® GM®* Visa* Business Card, ScotiaGold Passport® *for business* Visa* card and overdraft facilities (“Credits”) approved under this application plus the limits for any existing Credits total more than \$50,000; and,
- › Secures all Credits approved under this application and any existing Credits.

The mortgages and security interest you grant to us are to secure payment and performance of all your obligations to us that are described in this agreement, and any other agreement you enter into with us. These obligations include but are not limited to:

- › the repayment of the principal amount of all your indebtedness to us

- › the payment of interest to us, including without limitation, interest on overdue interest and any identified fees or charges
- › the payment of all our costs, charges, expenses and fees, including without limitation, legal fees on a solicitor and client basis, that relate to the agreement or the enforcement or realization of security.

All attachments, accessories, parts, repair parts and other equipment, to the extent applicable, become part of the property secured and described in the agreement as being covered by the security interest you grant us.

The grant of security over any property described in the agreement includes all proceeds, money and property from the secured property including insurance proceeds whether it is cash or other proceeds of any nature and kind. It also includes all your records relating to your business and the property that is secured.

If you are a corporation, the Limitation of Civil Rights Act and the Land Contracts Act of the Province of Saskatchewan do not apply to this agreement.

The time for attachment of any security interest created has not been delayed. The security interest attaches, which means it takes effect, when you sign the agreement.

You acknowledge that you have received and read a copy of these terms and conditions.

You waive the right to receive a copy of any financing statement, financing change statement or verification statement we may register or receive.

13. Guarantee and obligations of the guarantor

Each guarantor agrees to be bound by the following terms of guarantee:

- › the guarantee is a continuing guarantee, is not released by any change in capacity or death of the guarantor and is security for the indebtedness that is guaranteed to us
- › this agreement of guarantee is given for valuable consideration
- › the guarantor agrees that he or she is responsible to us to the maximum extent permitted by applicable law for all indebtedness and obligations outlined in the agreement, including all interest, fees, legal and other costs and all charges and expenses
- › we are entitled to demand payment from a guarantor even if we have not tried to get payment from the business customer, any other person, any other security or any other guarantee or guarantor
- › we do not need to demand or get payment from all guarantors; we can demand and get the whole amount from any guarantor or guarantors we choose (this is often called joint and several liability and in Quebec, solidarity).

If the business customer defaults on any payment owed to us, we are

entitled to treat all guaranteed liabilities as due and payable. We may then immediately demand and collect the total guaranteed amount from the guarantor.

The guarantor must pay us immediately after we demand payment and the guarantor's liability to make payment arises forthwith after such demand. We will demand payment in writing and will mail or deliver our letter to the guarantor's address.

Until we are paid in full, the guarantor agrees its interests including all amounts owing by you (the business customer) to the guarantor are fully postponed to us, waives all rights to take legal action against the business customer and to exercise rights of subrogation, which are the rights to take our position and security. We are not required to marshal property, which is the act of realizing security in a certain order.

The guarantor's liability includes the liability to pay any interest the customer has not paid, and interest from the date of demand. This interest is charged at the applicable rate in the agreement. The guarantor must also pay all of the costs and expenses we incur to get the money the customer owes us, including any costs and expenses of collecting from the guarantor including without limitation legal fees on a solicitor and his/her own client basis.

The guarantor is not released from the guarantee if, from time to time, we change the terms of the business customer's indebtedness, or if we deal with the customer on different terms than the agreement. These changes include the terms of the credit arrangements and the granting of time, extensions, renewals, indulgences, releases and discharges. We do not have to notify the guarantor if we make any of these changes.

This guarantee is not discharged or affected by any change in the capacity or status of the business customer, including bankruptcy or other insolvency, even if we advance more money after the bankruptcy or insolvency.

This guarantee is in addition to any security and any other guarantee we hold. The liability under the guarantee may be limited, however, only if the limitation is set out in the agreement.

Default events and remedies

14. Default events

We have the right to require immediate payment at any time if the agreement specifies that a credit facility must be paid on demand.

If a credit facility is not a demand loan, we still have the right to demand immediate payment of the entire amount if any of the following events happen. These events are called default events:

- › you fail to pay, when it is due, any payment required by the agreement

- › a guarantor fails to pay any amount owing to us on any obligation to us
- › you fail to observe or perform any provision of these terms and conditions or any other agreement with us
- › you fail to comply with the terms of the security granted to us
- › you, or a guarantor, become insolvent or commit an act of bankruptcy
- › you, or a guarantor, make an assignment or bulk sale of all or a substantial part of your or, its property
- › you sell the property which is secured under the agreement, except in the ordinary course of business
- › a creditor moves to have you or a guarantor declared bankrupt
- › you take a step or a guarantor take(s) a step to make an arrangement with creditors, wind up business or appoint a receiver
- › anyone legally takes possession of a significant portion of your or a guarantor's property, particularly the property which is security for your indebtedness, or obtains a judgement permitting him or her to do so
- › any security required to be provided in the agreement is not valid and in force
- › in our opinion, there is any unfavourable change in your financial condition, the financial condition of any guarantor or the operation of your business
- › any declaration, representation or warranty the business customer or a guarantor makes to us or to the Government of Canada under the CSBFA, CALA is false in any material way
- › if applicable, you or a guarantor fails to comply with all applicable provisions of the CSBFA, CALA with respect to your loan
- › any property secured is in danger of being lost, damaged or confiscated
- › any guarantee of the credit facilities is withdrawn, determined to be invalid or made ineffective for any reason
- › you are in breach of any term of any other agreement you have entered into with us from time to time, even if it does not relate to the agreement
- › you complete any reorganization, amalgamation or merger without our prior permission in writing
- › there is a change of control in the ownership of your business
- › in our opinion, there is any unfavourable change in the environmental condition of your business premises or equipment
- › in our opinion, there is any unfavourable change in the environmental impact of your business activities.

15. Default remedies

If a default event occurs, we are entitled to demand that you immediately pay back the full amount you owe us. We are also entitled to exercise the rights in the agreement, or in law.

As well, we are entitled to realize on any security you granted to us under these terms and conditions and any other agreement you enter into with us from time to time. We are not required to take any action, however, and any delay or failure to do so does not release your obligations.

"Realize" includes the right to take possession, sell or lease, foreclose, seize and keep the property which is secured. We may choose how we want to realize. You are responsible for all our costs, including legal fees on a solicitor and his/her own client basis, and for interest on such expenses we have paid. We will charge this interest at the same rate as the interest rate in the agreement. We can deduct expenses from your account(s) with us.

If a default event occurs, we also have the following remedies:

We do not have to make any more advances to you or provide any banking services.

We can declare you to be in default under any other agreement with us.

We have, in addition to the rights and remedies in this agreement, all the rights and remedies provided by law and under any statute that applies, including all rights of legal and equitable set-off. This includes without limitation, the applicable personal property security legislation in every province and territory of Canada where you have property.

We are entitled to take possession of the property which is secured, and we can enter any of your premises to do so. If we incur any costs to take possession of the secured property, we can charge those costs to your account, and they will be added to the amount you owe us. The security you grant to us covers these costs.

We may hold, insure, maintain, repair, process, protect, preserve, prepare for disposition and dispose of the property. If we do, we will charge the costs to your account, and they will be added to the amount you owe us. The security you grant to us covers these costs.

We may appoint a receiver or a receiver-manager if we choose to do so. The receiver or receiver-manager will have all our rights, benefits and powers provided by these terms and conditions or any law, including the right to sell or lease property.

Once the receiver or receiver-manager has been appointed, he or she has the power, but not the obligation, to operate your business, and may borrow money for that purpose. The receiver or receiver-manager will be your agent, however, and we will not be responsible for any misconduct or negligence on his or her part. If we appoint a

receiver or receiver-manager, we will charge the costs to your account, and they will be added to the amount you owe us. The security you grant us will cover these costs and any money borrowed by the receiver or receiver-manager.

16. Sale of secured property

We are entitled to seize or foreclose and take the property which is the security for your indebtedness. If we do, we will consider the indebtedness to be repaid to the extent required by law.

We can choose how to deal with the property once we can Realize. We are entitled to Realize at any time after you default on any of the requirements of the agreement or we have demanded payment and you have failed to pay in full. We are only required to give you the notice required by law.

We can sell the property in any way we choose, including private sales and auctions. We may purchase the property for ourselves in any sale process and we can accept deferred payment terms in any sale.

If we sell the property, we may apply the proceeds of the sale to the costs and expenses including without limitation receivership costs and legal fees on a solicitor and his/her own client basis, and then to repay your obligation to us as we determine. After that, we will pay you any remaining amount as required by law.

You must pay any remaining amount if the proceeds from the sale or the value of property seized or foreclosed is not enough to repay your entire obligation to us. We are only required to be reasonable in the sale, seizure or foreclosure process. We are not required to get the best price or wait to sell if the market isn't good.

Other

17. Amendments

You and we may amend the agreement at any time but each amendment must be in writing and signed by each of you and us. Any amendment made to the agreement may change the business arrangements between you and us, including the legal relationship. A change in the interest rates like the kind contemplated in Section 7 (including both prime and the amount added to prime) does not require agreement between you and us.

18. Governing law

This agreement is governed by the laws of the province or territory where your main business office is located as indicated in the Business Account – Service Request, Statement – About the Business or the Application – Banking Services *for business* or Indirect Agriculture Financing – Credit Application or the Credit Agreement for business and the laws of Canada applicable therein. The limitation period for this agreement is extended to six years where permitted by provincial or territorial laws.

19. Assignment

The agreement is binding on you and any person who succeeds you or takes on your obligations by assignment.

You must not assign the agreement without getting our prior written permission. For example, you must not change your business from a proprietorship or partnership to a corporation as this is an assignment.

The Bank may assign your obligations and our rights under the agreement.

20. Financial review

We may conduct reviews of your business and financial affairs from time to time, and inspections of your property at any time. We will give you reasonable notice of the time of any review or inspection.

21. Additional agreements

If we need further agreements for this credit arrangement, you will provide them on our request, and we can register those agreements.

22. Scotia Leasing Agreements / Conditional Sales Agreements

If we approve a Scotia Leasing lease agreement, equipment financing agreement, or conditional sales agreement (any one a “Lease Agreement”) financing transaction, you agree to be bound by the terms of the Lease Agreement documentation which will be executed between you and Scotiabank at the time of drawdown.

In the event of a conflict, the terms and conditions of the executed Lease Agreement supersede the terms and conditions of the Credit Agreement for business with regards to such lease agreements and/or conditional sales agreements.

Part 5 Revolving Credit Agreement

(ScotiaLine® for business Visa* card, Scotia Momentum® for business Visa* card, ScotiaGold Passport® for business Visa* card and Scotiabank Passport™ Visa Infinite Business* card and Scotiabank® GM®* Visa* Business Card)

You agree to be bound by the terms of the Revolving Credit Agreement which you will receive with your Scotiabank credit card carrier to which your approved ScotiaLine® for business Visa* card, Scotia Momentum® for business Visa* card ScotiaBank Passport™ Visa Infinite Business* card and Scotiabank® GM®* Visa* Business Card or ScotiaGold Passport® for business Visa* card will be attached when the card is issued and delivered to you by us. The Bank's Revolving Credit Agreement is posted and available for your review online at www.scotiabank.com/revolvingcreditagreement and www.banquescotia.com/accordcreditrenouvelable

Part 6 Scotiabank Visa Business Card Agreement

In this Agreement, you and your refer to the Company, refer to the business customer and its Designated Cardholders We, our, us, and the Bank refer to The Bank of Nova Scotia. If you agree to this Agreement, or sign the reverse of the card when we issue you a Visa* card or cards ("Card" or "Cards"), or provide Company with a renewal or replacement Card or Cards, and you keep or use the Cards, you agree to the terms and conditions of this Agreement, and where applicable, the Scotiabank Group Privacy Agreement (available at www.scotiabank.com). Your credit application is incorporated into and forms part of this Agreement.

COMPANY'S RIGHTS AND OBLIGATIONS

Using the Card

You can use the Cards we supply to you, wherever they are accepted to buy goods or services ("Purchases"), and for other purposes we may authorize from time to time. At your request, we will supply you with additional Cards for Purchases or cash advances. A percentage value of cash advance must be input by the Designated Card Coordinator when ordering a Card. The value selected can be between 0-100%. Only the Designated Card Coordinator(s) are able to set this value for the cash advance feature.

Using the online Scotiabank Visa Business Card Management application, the Company will designate for us certain employees ("Designated Cardholders") to whom we will issue a Card embossed with the name of the Company and the Designated Cardholder name. If you ask the Bank to not emboss a Designated Cardholder's name on a Card, that may impact the insurance coverage that applies to transactions including coverage for Purchases made on that Card. The Bank recommends the embossing of the Designated Cardholder on each Card. You may impose use restrictions for any Cards issued to you, so long as your Card use restrictions comply with this Agreement, Visa regulations, and applicable law. The Company is solely responsible for all activities of its Designated Cardholders, and is responsible for obtaining from its Designated Cardholders any Agreements or commitments you consider necessary to govern their use of the Cards.

Only Designated Cardholders may obtain cash advances from financial institutions that accept the Card. By using the Card with a personal identification number ("PIN"), Designated Cardholders can also obtain cash advances at any automated bank machine ("ABM") that we designate and displays the Visa* logo. If a Card is used by a

Designated Cardholder to obtain a cash advance, you are assumed to have authorized the transaction.

You agree that all transactions, including all Purchases made using the Cards and all cash advances made using the Cards, will be for your business purposes. Your violation of this provision does not relieve you of your obligations to repay us for all such amounts along with any interest, fees or other amounts you may owe us pursuant to this Agreement.

Identification

Company warrants that, prior to requesting cards for any potential Designated Cardholder, Company shall have obtained, verified, and recorded information that verifies the identity of each potential Designated Cardholder. Further, Company warrants that any card request sent to the Bank by the Company shall only be for a potential Designated Cardholder that has been screened, whose identity has been verified and who is allowed to be issued a Card by, but not limited to, applicable Federal laws related to the prevention of money laundering and funding of terrorism as required of financial institutions.

Scotiabank Visa Business Card Coordinator

The Company will designate up to two (2) of your employees as “Scotiabank Visa Business Card Coordinator(s)” (the “Card Coordinator(s)”) by completing and sending us a signed “Scotiabank Visa Business Card Coordinator Designation” form(s). All dealings and communications between you and the Bank in connection with the Cards will be conducted through the Card Coordinator(s). We may rely exclusively on any directions, authorizations and other communications we receive from a Card Coordinator whether communicated verbally, electronically or in writing. The Card Coordinator(s) will be responsible for notifying us of all Designated Cardholder misuse or termination, Designated Cardholder name changes, Card use restrictions, any change in address of the Company or a Designated Cardholder and any other information which we require to keep our records up to date.

Data and Privacy

Company understands that the Bank may outsource the processing and housing of Program information and data to a jurisdiction outside Canada. Company further understands that law enforcement authorities in the jurisdiction, under applicable legislation or statutes in the jurisdiction, may access the information and data.

From time to time, the Designated Cardholder acknowledges and consents that the Company may request and receive reports showing data and information regarding the Company’s Program that may contain data and personal information pertaining to the purchases, travel arrangements and other activities of the Company’s Designated

Cardholders. The Designated Cardholder acknowledges that they have been given notice of this use of information. The Designated Cardholder explicitly consents to the collection, use and disclosure of such data and personal information to the Bank, the Company and other third parties. By signing this Agreement, the Company warrants to the Bank that the Company will abide by any and all applicable legislation including all laws governing privacy and personal information. The Company warrants that it will inform Designated Cardholders prior to requesting this information from the Bank, however failure to do so will not reduce the ambit of the consents given in this Agreement.

Repaying the Amounts You Owe

When you use the Cards or allow others to use them, you incur a debt owed to us (“debt”). Interest, service charges and annual fees that we may charge you under this Agreement will be added to Company’s debt and are not refundable, even if this Agreement is cancelled or terminated. If we use the services of a third party to retrieve any Card from you, we may add the cost of the Card retrieval to your debt. You agree to repay us in full any debt you owe to the Bank. All amounts payable under this Agreement are the responsibility of the Company.

Making Your Monthly Payments

The Bank will provide you with access to an electronic monthly statement (the “Corporate Statement”) containing information about each transaction during the statement period. The Bank is also authorized by you to issue to each Designated Cardholder access to an electronic monthly memo statement (the “Cardholder Monthly Statement”). All indebtedness incurred through the use of our Cards is billed and payable in the Card currency.

You agree to pay us, in full, the sum of all debt shown in your electronic Corporate Statement, in the currency stated in the statement. Interest is payable on cash advances from the transaction date indicated on the Corporate Statement to the date payment is received in full. Payment in full is due by the due date shown on your Corporate Statement or electronic notification, and any outstanding amounts will be debited from your business account on the due date shown on your Corporate Statement or electronic notification.

Requesting Cardholder Services

You have requested the features, benefits and services provided automatically with the Card. You understand that optional services may be available at an additional cost to you. You understand that firms independent of us may supply some Card features, benefits or services and that we are neither responsible nor liable for them. We are not liable if the Card(s) are not accepted or honoured at any time.

Adhering to our Scotiabank Visa Business Card Guidelines

You will adhere to our Scotiabank Visa Business Card Guidelines (the “Guidelines”) as may be provided to you. These Guidelines provide you with information on the operation of a successful Scotiabank Visa Business Card Program. In the event of any inconsistency between the terms of this Agreement and our Scotiabank Visa Business Card Guidelines this Agreement shall prevail.

Cash Back Reward program (For Canadian Dollar Cards ONLY)

There is an annual Cash Back program, as described below; associated with each Card that is part of a Canadian Card Currency Program (the “Cash Back Program”). The Cash Back Program is based on the monthly billing cycles in each 12-month period from September 16 to September 15 (the “Cash Back Rebate Period”). At the end of the Cash Back Rebate Period, the Bank will credit the Customer with the amount of the Cash Back earned (the “Cash Back”) by October 31st, on an annual basis, as described below.

Cash Back will only be paid once a year and will be based on transactions recorded for each Designated Cardholder under your Cash Back Program less Cash Advances, annual fees and other fees or service charges, refunds, returns or other similar credits, unauthorized transactions and fraudulent transaction and if applicable interest.

Annual Spending levels per card	Cash Back rate	Maximum Cash Back (per Program)
\$0 - \$749999	No Cash Back	N/A
\$7500+	1.00%	\$25,000

Cash Back is paid to each Card in the Program that has reached the annual spend of \$7,500. For example, if a Card in the Program reaches \$8,500 in annual spend you will receive a rebate of \$85. However, if a Card has only received an annual spend of \$6,500 during the Cash Back Rebate Period, that Card will earn no Cash Back as it has not met the minimum spend requirement of \$7,500 per Card. Note: The maximum cash back is \$25,000 per year at the program level (which includes all Cards issued for your program).

Maximum Rebate

The maximum Cash Back that can be earned is \$25,000 (calculated based on the Cash Back that is awarded to all Cards issued for your Program). We reserve the right to modify the Cash Back Program from time to time in our sole discretion without notice to you. Each Card must be in good standing at the time the Cash Back is awarded (payout) otherwise the Cash Back will not be awarded by the Bank.

Calculation of your annual Cash Back

Cash Back will be calculated at the rate of 1% of the amount of all Designated Cardholder qualified transactions (on an aggregate Customer basis) less cash advances, annual fees and other fees or service charges, refunds, returns or other similar credits, unauthorized transactions and fraudulent transactions and if applicable interest (the “Net Cash Back”).

If your Net Cash Back (on an aggregate basis) is in a negative position at the end of the annual Cash Back Rebate Period, we will not pay any Cash Back for the Cash Back Rebate Period.

Reporting on the Cash Back Program

- › Your Card Coordinator will receive a monthly notification from us showing those eligible transactions that qualify for

Cash Back for each Designated Cardholder

- › The Bank reserves the right to determine, in its sole discretion, whether a transaction qualifies for Cash Back.

Payment of the Cash Back

- › Payment of the Net Cash Back will be done annually after the Cash Back Rebate Period each October 31st.
- › Payment of the Net Cash Back will be made electronically to the Account and not to the individual Designated Cardholder.
- › To receive your Net Cash Back, your Account must be in good standing at the time of payment under the Cash Back program.

Cash Back Program

- › If you cancel your Cards and exit the Cash Back Program at any time, you will not be entitled to any Cash Back unless you continue to have a Scotiabank business account that is open and in good standing with us as of the applicable award (payout) date of October 31st and in that case, the Bank will credit that other Scotiabank business account with the Cash Back.

Telling us about Loss, Theft or Unauthorized Use

You will inform the Scotiabank Visa Business Card Service Centre (as indicated in your Card Coordinator Guide) by telephone or in writing immediately upon discovering the loss, theft or unauthorized use of any Visa Card or PIN issued to the Company or Designated Cardholder. If you even suspect unauthorized use of any card or PIN, you will notify us immediately. Should you choose to advise us in writing, the date of receipt by the Bank of the notification shall be the actual notification date. If any Card is lost or stolen, you will be liable for debts, including accrued interest, resulting from their use prior to your notification to the Bank that they have been lost or stolen.

Changing Addresses

You will advise us of any change in the address of Company or a Designated Cardholder and you will give us other information that we may need from time to time to keep our records up to date.

Keeping the Personal Identification Number (PIN) Confidential

You and the Company's Designated Cardholders agree to keep each PIN assigned to a Card in safe keeping and confidential and to keep them separate at all times. If you or the Company's Designated Cardholders do not keep each PIN confidential, or you store the Cards and the PINs in a way that would enable someone other than a Designated Cardholder to use them together, you will be liable for all debt, including accrued interest, which may arise from their use in such circumstances. In order to ensure confidentiality of the PINs each Designated Cardholder must choose passwords that are not easily identified.

Telling us about Errors

If you think your Corporate or Cardholder Monthly Statement contains any errors, or if you need more information about a transaction on a statement you must contact us by phone at the Scotiabank Visa Business Card Centre, 1-888-823-9657 or fax us at 1-416-701-7022 within 10 days of the date of the Company or Cardholder Monthly Statement. After that time, the statement will be considered to be correct unless you can provide us with written proof that it is not. We will require the following information:

- › The cardholder name, account number and significant date (password).
- › The dollar amount of the suspected error and an explanation of why you believe there is an error.

Settling disputes

If a dispute arises about a transaction for which any of the Company's Visa cards were used, you must first attempt to settle it directly with the merchant or business concerned. You are also responsible for returning defective merchandise and ensuring proper credit is received. If this dispute is not resolved to the Company's satisfaction we may investigate any such dispute by your contacting the Scotiabank Visa Business Card Service Centre within 70 days of transaction date to initiate. If we investigate a dispute we will remove the disputed item(s) from the Company's statement and you do not have to pay the portion of its debt owed in connection with a disputed transaction amount up to sixty (60) days while our Scotiabank Visa Business Card Centre investigates such dispute. However Company will remain obligated to pay the balance of its Corporate Statement debt, which is not in dispute. Interest continues to be charged during this period. If you are held to be liable, any amount in question becomes payable at the earlier of the time investigation is completed to the Bank's reasonable satisfaction, or 60 days from the

payment due date for the Corporate Statement on which the amount in question first appeared, whichever is earlier. We make no representation or promise in regards to settling a dispute.

Cancelling Cards

You will promptly advise the Scotiabank Visa Business Card Service Centre if a Designated Cardholder ceases to be authorized to use the Card. We can cancel this Agreement and require you to give your Cards back to us or to someone acting on our behalf, upon our demand. Cancellation of cards by either party does not relieve you of your responsibility to pay any debt you may owe the Bank. When a Designated Cardholder has used the Card to authorize preauthorized payments on a continuing basis you are responsible for all such charges to the Card until you terminate such preauthorized payment arrangements with each payee. The Card Coordinator will require each Designated Cardholder to provide a current list of all such preauthorized payment arrangements that are to be paid by the Designated Cardholder by use of the Card. On the cancellation of the Card by the Card Coordinator(s) following the cancellation of a Designated Cardholder's use of the Card (either during employment or following termination of the employment of a Designated Cardholder) or on termination of this Agreement, the Card Coordinator(s) will notify the payees of all such preauthorized payment arrangements that all future preauthorized payments on the Card are immediately cancelled and will be returned by the Company if processed on behalf of the payee.

Observing your Cards Expiry Date

You agree not to use any Card after the expiry date embossed on a Card. If a Card is used after its expiry date, you agree to pay any debts that are related to or arise from such use.

Not Exceeding your Credit Limit

In connection with the use of all the Cards supplied to you, the Bank has assigned you an Aggregate Credit Limit set out in the Credit Agreement for business with you. Each Card is subject to an individual Card credit limit ("Individual Credit Limit") set out in the online Scotiabank Visa Business Card Management Application. You are responsible for ensuring the Aggregate Credit Limit and the Individual Credit Limits are not exceeded. The Bank may change the Aggregate Credit Limit as determined by the Bank in consultation with the Card Coordinator and in conjunction with a credit review.

Insurances

Insurance certificates will be delivered to each Card Coordinator, as applicable, at the time of card issuance.

Our Rights and Obligations

Charging Interest on Purchases, Cash Advances and Service Charges

You agree to pay us interest as set out below.

You must make payment in full of the amount due shown on the Corporate Statement notification and Cardholder Monthly Statements (representing Purchases, cash advances interest service charges transaction or other fees) by the due date shown on the monthly statement notification. We will debit your designated Bank account for the full amount due on the due date shown on the monthly statement.

Interest is payable on cash advances from the transaction date indicated on the Statement to the date payment is received in full. The interest rate applicable to cash advances is 19.99%. You will also be charged a transaction fee of \$5.00 CAD/USD (in your program currency) per cash advance made on the Card at ABMs where Visa credit cards are accepted. If Company makes payment in full on or before the due date, we will not charge you interest on any Purchase, service charge, transaction fee or other fee that appears on the statement. If payment is not made in full, Purchases, service charges, transaction fees or other fees are subject to interest from the transaction date indicated on the Statement to the date it is repaid in full.

Our rate of interest, applicable to all transactions except cash advances is our “Scotiabank Visa Business Card interest rate”. This interest rate is the Bank’s prime lending rate, from time to time, as of the first business day of each calendar month plus 10.00% per annum, and is applied for the remainder of the current Statement period up to and including the current Statement period’s Statement date, if payment in full is not received on or before the due date.

The Bank’s prime lending rate is posted and available for your review in the Bank’s branches and online at www.scotiabank.com.

Adding Interest to Company’s Debt

We calculate interest on Company’s average daily balance for each Statement period and we add it to Company’s debt and report it on Company’s statement as set out above. We calculate the amount of interest for each statement period by multiplying the average daily balance of the debt on which interest is payable by either the Scotiabank Visa Business Card interest rate or the Bank’s prime lending rate, as applicable (which is determined based on whether the debt is cash advance or other), divide this by 365 days to get the amount of interest charged per day. This is then multiplied by the number of days in the monthly statement cycle to get a monthly interest charge. We get the Average Daily Balance by taking the beginning balance of the debt on which interest is payable each day during the statement cycle period, add any new transactions as of the date of the transaction, and subtract

any payments and credits we apply to your debt as of the date each is applied. Then we add up all of the daily balances for the statement period and divide the total by the number of days in the statement period to get the Average Daily Balance. Interest calculated on Cash Advances is prime, calculated from the date the cash advance transaction takes place until payment is made. This is reported on your statement as a Cash Finance Charge and interest calculated on Purchases service charges transaction fees or other fees due to late payment is reported as a Purchase Finance Charge.

Rush Card Fee

You may request that we rush deliver a Card to a Designated Cardholder. If we do so, you will pay a fee of \$35 per rush Card delivery. The rush card fee will be charged to the Designated Cardholder’s Monthly Statement and will also appear on the Company’s Monthly Statement on the date the request is processed. Rush cards will be delivered within 3-5 business days when Card(s) is ordered before 3 p.m. EST on the date requested.

Telling you about Interest Rates, Service Charges and our Fees

You will pay the Bank fee(s) for the Cards as specified below:

Gold Card Annual Fees (per Card)	Silver Card Annual Fees (per Card)
Canadian Dollar Program (CAD):	
\$105 (CAD)	\$75 (CAD)
U.S. Dollar Program (USD)	
\$105 (USD)	\$75 (USD)

Fees to be charged at setup and annually thereafter.

Reporting option is determined at the Company level, not the Card level. The first annual fee for the Cards issued will appear on your first monthly statement and is not refundable. We may change any service charges or transaction fees from time to time and will give you 60 days prior notice of any such changes.

Please note that VRU (Voice Response Unit) Card Activation is a mandatory feature within the Scotiabank VISA Business Card Program. All cardholders will receive nonactivated cards. They will be required to call The Bank’s Support Number and activate their cards via an automated process in order to use their cards.

Applying Payments

We apply payments first to interest charges that we have billed, then to any billed fees and service charges, then to any billed cash

advances. Next we apply payments to any billed Purchases on which interest is payable then to billed Purchases on which interest is not yet payable. We then apply payments to unbilled current cash advances and finally to any unbilled current Purchases.

Applying Credit Vouchers

If a business gives you a credit, we will reduce Company's debt by that amount when the credit is received by us. We apply Company's credits first to any billed cash advances then to billed Purchases on which interest is payable. We then apply your credits to any unbilled current cash advances and finally to any unbilled current Purchases.

Foreign Currency Transactions

All your debt incurred through the use of a Canadian dollar Card will be billed and payable in Canadian currency. All Canadian dollar Card transactions completed in a currency other than Canadian dollars will be converted and posted to the Corporate Statement in Canadian currency. This includes debit and credit vouchers.

Visa International determines the foreign currency exchange rate for Cards on the date a transaction item is received and debited or credited to Company's Designated Cardholder's Card(s). The exchange rate at the date of conversion may be different from the rate in effect on the date the transaction was made. (For information purposes, the exchange rate includes an additional amount equal to 2.50% of the converted amount, which is applied to both debit and credit transactions).

Any gains made and any losses incurred by Company on foreign currency transactions following a debit and a credit on a Card due to currency rate fluctuations between the date the debit is posted to the Company's Card and the date any subsequent credit is posted to Company's Card are for the account of Company and shall be payable to or by Company (as the case may be). We will not assume any risk of foreign currency exchange gains or losses from cross currency conversions resulting from Company's use of the Cards.

Automatic Banking Machines (ABMs)

The amount a Designated Cardholder may withdraw each day as a cash advance from an ABM is limited to the amount of the individual Card Credit Limit and is also subject to the ABM withdrawal limit set by the Bank or by other financial institution. The amount a Designated Cardholder may withdraw each day as a cash advance on the Card in an over the counter transaction at a financial institution is limited to the amount of the individual Card Credit Limit and is also subject to the daily allowable cash advance credit limit which we assign for your Cards. Over the counter transactions using a Card are subject to Card verification and authorization by the financial institution processing the transaction. The Bank is not liable for any losses the Company may suffer as a result of unauthorized cash advances obtained by

Designated Cardholders using the Cards at any time. The Company is responsible for the repayment to the Bank of all cash advances obtained by a Designated Cardholder, including interest thereon, prior to your notification to the Bank that a Card has been lost or stolen.

Visa Canada regulations state that an ABM acquirer should not add a surcharge or fee to the cash advance transaction amount through the use of the Card, unless local law expressly provides that an ABM acquirer be permitted to impose a surcharge.

Preparing and Sending Monthly Statements

Monthly Corporate and Cardholder statements are only prepared on business days, so the time between statements may vary from 27 to 34 days depending upon the number of business days in the month in which a statement is issued. If the end of the cycle date falls on a weekend or holiday, the statements will be prepared on the business day prior.

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 this Agreement.

Termination

We may cancel this Agreement and/or require you to pay your debt immediately if: You do not carry out your obligations under this Agreement or any service Agreement which forms part of this Agreement; you become bankrupt, insolvent or any actions are taken to place you in bankruptcy, receivership, etc.; upon legal attachment, seizure, lien or execution against you or your property; or if any Card or PIN is used contrary to this Agreement. Termination of this Agreement does not relieve your liability for making all payments required under the Agreement.

Termination for Convenience

The Company or the Bank may on thirty (30) days prior written notice to the other party hereto terminate the Agreement for convenience. In the event of such termination, the Bank shall be repaid the full balance of all Cardholder accounts, and any other amounts payable under the Agreement will be immediately due and payable in full.

Termination for Credit Risk

The Bank may on written notice to the Company terminate this Agreement due to a decline in the credit worthiness of the Company which in the reasonable opinion of the Bank increases the credit risk of the Bank in regard to the credit to which the Bank is exposed under

this Agreement. The termination of this Agreement shall be effective at the date and time set out in the notice of termination. The Company agrees that any material deterioration in the credit worthiness of the Company is a cause for immediate termination of this Agreement by the Bank.

Overhead Costs or Profits

Whether the Bank terminates the Agreement with or without cause, in no event shall the Bank be responsible for termination expenses, for overhead costs associated with the Agreement, for any profits the Company or the Affiliates would have earned if it or they had completed the term of the Agreement, or for any special, consequential, punitive, incidental or indirect damages.

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.

Warranties And Representations

We make no warranties, representations or conditions whatsoever, except as stated in this Agreement. We will not be liable for any damages of any kind related to your use of the Cards, or any of the features, benefits or services contemplated in this Agreement, even if you have notified us in advance of such possible damages.

We will not be liable for the inability to perform the whole or any part of the features, benefits or services contemplated under this Agreement, which is reasonably beyond our control. In no event, will we be responsible for the activities of any third party. No claim arising from this Agreement may be brought by you more than one (1) year after your disputed matter occurred or a longer period if required by local laws.

Notice of Agreement Changes and Guideline

We may change this Agreement or the features, benefits or services that are available with the Cards at any time, but we will give you written notice (in writing or electronically) of such changes and in case of a material change we will give you at least 30 days written notice (in writing or electronically) of such change, except before we make any such changes except in the case of features, benefits or services supplied by firms independent of us, which may be changed any time without notice. You agree that we will have satisfied our written notice obligation to you about anything contemplated under this Agreement, or any other matter relating to the Cards, when we send such notice to you at the address first written above by electronic transmission or mail, or hand deliver it, to the most recent Company address on our records. You also agree that our giving written notice to you constitutes written

notice being provided to all users of the Cards. We may from time to time issue you guidelines related to the proper use of the Cards, or other services contemplated under this Agreement and you must comply with those guidelines.

Applicable Law

This Agreement and the transactions contemplated hereby, and any claim, dispute or controversy (whether in contract, tort or otherwise) at any time arising from or relating to this Agreement or the transactions contemplated hereby, are governed by and construed in accordance with applicable Canadian federal law and the applicable laws of the Province in which the Company resides. The legality, *enforceability and interpretation of this Agreement and the amounts contracted for, charged and reserved* under this Agreement will be governed by such laws.

English Language

Applicable in the province of Quebec only. It is the express wish of the Company and the Bank that this Agreement and any related documents be drawn up in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais. The parties signing on behalf of the Company certify that they are legally able to sign on behalf of the Company.

Part 7 *ScotiaCard*[®] Cardholder Agreement

This *ScotiaCard* Cardholder Agreement sets out the terms that apply to your *ScotiaCard* banking card. It replaces all previous versions of the *ScotiaCard* Cardholder Agreement and it applies if we send or provide you with a replacement or reissue you a *ScotiaCard* banking card.

When you receive the *ScotiaCard*, select a PIN for the *ScotiaCard*, sign the reverse of the *ScotiaCard*, activate or use the *ScotiaCard*, that means you have received and read this Agreement and that you agree with, and are bound by, its terms.

Definitions You Need to Know

ABM(s) means designated automated banking machine(s).

Account means a deposit account, credit card account, investment or brokerage or loan account you have with us that can be accessed using your *ScotiaCard*.

Agreement means this *ScotiaCard* Cardholder Agreement as amended, modified or replaced from time to time.

Automated Banking Services means the services you use and receive through the following channels where you can access your designated Accounts by using your *ScotiaCard*:

- › ABMs;
- › Direct Payment Terminals;
- › Mobile Banking;
- › Online Banking;
- › Telephone Banking;
- › Card Not Present Transaction channels;
- › Any other automated banking channel we may offer from time to time.

Bill Payment Company refers to a business, company, utility company or other party that has an arrangement with Scotiabank to be a payee of bill payments through the service for which you have been registered by Scotiabank for branch or Automated Banking Services bill payment access.

Business Day refers to regular weekdays only and excludes Saturdays, Sundays or statutory federal holidays.

Cardholder means the person to whom a *ScotiaCard* has been issued by the Bank.

Card Not Present Transaction means an online order, mail order or telephone order transaction (including payments and other funds transfers such as refunds) using the *ScotiaCard* and whereby you provide the *ScotiaCard*, *ScotiaCard* expiry date and/or CVV2 to the authorized merchant.

CVV2 means the three-digit security code on the back of the Card, where applicable.

Delayed Authorization Point-of-Service Debit (Delayed Authorization POS) - means a transaction made using your *ScotiaCard* at a delayed authorization point of sale terminal which results in a debit being processed to your account at a later time.

Direct Payment refers to payments (or other funds transfers, such as refunds) made with your *ScotiaCard* using *Interac*[†] Debit, *Visa*^{*} Debit, *NYCE*, *Interac*[†] Flash or any other system we may designate from time to time to pay for goods or services by using your *ScotiaCard* at a Direct Payment Terminal.

Direct Payment Terminal means a point of sale terminal at which Direct Payments can be completed using your *ScotiaCard*.

Electronic Signature refers to each secret and confidential combination of numbers and/or letters selected by you, for your use, as a means of confirming your identity and authorizing transactions performed, and services accessed, by using your *ScotiaCard*. Your Electronic Signature includes, but is not limited to, your PIN and/or any other security codes such as access codes, passwords or passcodes which allow for your access to the Automated Banking Services. Reference to “Electronic Signature” throughout this Agreement refers to all Electronic Signatures that you have.

Inactive Accounts means those deposit Accounts having no customer-initiated transactions for 24 consecutive months.

Interac Flash Transaction means payments or other funds transfers (including refunds) made at a Direct Payment Terminal using an *Interac* Flash-enabled *ScotiaCard* without using an Electronic Signature.

Mobile Banking^{†††} means the Scotiabank mobile banking application downloaded to your Mobile Device or www.scotiabank.com through the Internet browser on your Mobile Device.

Mobile Device means an internet-enabled smart phone or any other wireless handheld computing device that we allow you to use to access Automated Banking Services.

Online Banking means the Scotiabank services that can be accessed by your personal computer (and modem) through the Internet at *Scotia OnLine* (www.scotiabank.com).

PIN means the secret and confidential personal identification number you have selected for your *ScotiaCard*.

ScotiaCard means the *ScotiaCard* banking card, and any replacement *ScotiaCard* banking card, that we have issued to you and that has a unique card number that is:

- (i) associated with an Account(s);
- (ii) used with or without, as applicable, your Electronic Signature or Written Signature to access Automated Banking Services.

ScotiaCard also means the unique card number itself.

Telephone Banking means *TeleScotia*® automated telephone banking, the automated brokerage telephone service or any other telephone banking services that may be offered by Scotiabank from time to time.

Written Signature means the written signature that you provide to authenticate yourself, and confirm receipt of, a transaction record for certain types of Direct Payments made using the Visa* Debit functionality on your *ScotiaCard*, where applicable.

We, our, us, Scotiabank and the Bank means The Bank of Nova Scotia and, as applicable, any of our Canadian subsidiaries, including but not limited to Scotia Securities Inc. and Scotia Capital Inc.

You and your mean the person to whom we have issued a *ScotiaCard*.

Visa Debit refers to the payment feature on selected *ScotiaCards* that allows you to shop online and internationally and pay directly from your bank account.

Security of Your *ScotiaCard* and Electronic Signature

Protecting the security of your *ScotiaCard* and your Electronic Signature is important. You are responsible for maintaining their confidentiality and safekeeping. This includes:

- › keeping the *ScotiaCard* in your possession;
- › keeping the *ScotiaCard* in a safe place and not letting anyone else use it;
- › keeping the *ScotiaCard* in your sight, and taking the *ScotiaCard* and transaction record (when applicable), once a transaction at a Direct Payment Terminal or ABM is complete;
- › keeping your Electronic Signature confidential and memorizing it or, if you must write it down, keep it separate from your *ScotiaCard* at all times such that they cannot be used together;
- › selecting an Electronic Signature that cannot be easily guessed;
- › not using an Electronic Signature that is a combination selected from your name, date of birth, telephone number(s), bank account number(s), address or social insurance number;

- › taking all reasonable precautions to ensure that no one else sees or learns of your Electronic Signature when using the Automated Banking Services;
- › always signing out or logging out of an Online Banking or Mobile Banking session using the applicable sign out or log out function;
- › not leaving your computer or Mobile Device unattended while signed in to Online Banking or Mobile Banking;
- › not voluntarily disclosing your Electronic Signature to anyone else at any time, including any family member, friend, law enforcement agency, or financial institution employee;
- › not consenting to or allowing someone else to forge your Written Signature;
- › not storing your Electronic Signatures on your computer or Mobile Device; and
- › not using third party password generators.

You may use your *ScotiaCard*, PIN or Online Banking credentials to identify yourself to a third party, such as a government office, where this method is authorized by us and where this ability is available.

You must ensure that you regularly update your passbook and check your Account statements and balances to verify all transactions have been properly recorded. If entries do not accurately reflect your transaction activities, such as missing or additional transactions you must contact us immediately by visiting the nearest Scotiabank branch or through Telephone Banking.

A Lost, Stolen or Compromised *ScotiaCard* or Electronic Signature

You will notify us immediately if:

- › your *ScotiaCard* is, or you suspect that it is, lost or stolen;
- › someone else has, or you suspect that someone else has, used your *ScotiaCard*, Electronic Signature or forged your Written Signature;
- › your *ScotiaCard* or Electronic Signature has, or you suspect that it has, become known to someone else or has otherwise been compromised.

You may notify us by visiting the nearest Scotiabank branch or by contacting us at the telephone numbers shown at the end of this Agreement.

In addition to notifying us, you should change your Electronic Signature. For example your PIN may be changed at the nearest Scotiabank branch or at our Scotiabank ABMs that allow you to make a PIN change. Online Banking and Mobile Banking passwords or passcodes can be changed by using the applicable reset password or reset passcode function.

Expiry Date

Your *ScotiaCard* has an expiry date. A new *ScotiaCard* will be re-issued to you before the expiration date on the *ScotiaCard*. You agree not to use your *ScotiaCard* after its expiry date.

Automated Banking Services

Once your *ScotiaCard* is activated, you can access the Automated Banking Services by using your *ScotiaCard* and your Electronic Signature, or Written Signature where applicable. You may also use your *ScotiaCard* without the Electronic Signature or Written Signature for *Interac* Flash Transactions and Card Not Present Transactions at participating merchants. You will have the same rights and responsibilities for transactions that do not require an Electronic Signature or Written Signature as you would have had using your *ScotiaCard* and Electronic Signature or Written Signature.

In addition to the various other Automated Banking Services you will have access to by using your *ScotiaCard*, you will be able to obtain cash advances at designated ABMs from your Scotiabank Visa* card, your *ScotiaLine*® for business Visa* card, your Scotiabank American Express card, your *ScotiaLine*® personal line of credit and your *ScotiaLine*® personal line of credit for students accounts if:

- › Automated Banking Services access via your *ScotiaCard* to these designated Accounts has been pre-arranged;
- › your Accounts are in good standing, and
- › your Account credit limit will not be exceeded by doing so.

You can also use your *ScotiaCard* to access your designated investment Accounts (including your GICs and your Accounts with Scotia Securities Inc.) and brokerage Accounts with ScotiaMcLeod®, HollisWealth™ and Scotia iTRADE®♦ through the Automated Banking Services.

You authorize Scotiabank to accept your instructions given through the Automated Banking Services as if you had given the instructions to us signed and in writing.

For certain purposes, when dealing with your investment Accounts, we may restrict access to some of your other Account options.

Branch Access to Accounts

You can access your designated Accounts by presenting your *ScotiaCard* together with your Electronic Signature, your passbook, your personalized Scotiabank cheque, or such other identification as we reasonably require, at any Scotiabank branch within Canada. If you do not have a *ScotiaCard*, you will need sufficient identification to enable the branch to verify your identity and your home branch may need to be contacted to facilitate the transaction.

Inactive Accounts

Inactive Accounts cannot be accessed through any Automated Banking Service(s). You will need to visit a branch to reactivate your access to Inactive Accounts.

Transaction Charges & Fees

You agree to pay and we may deduct, without notice, from any of your Accounts (even if this creates or increases an overdraft) the following:

- › a transaction charge at the prevailing rate (as determined by us from time to time) for each transaction for which your *ScotiaCard* has been used through the Automated Banking Services. A notice of the charges and fees is provided in the Day to Day Banking Companion Booklet and, for business Accounts, in the document called "Your Guide to Fees and Interest Schedules" provided with the Business Banking Services Agreement;
- › the transaction charges or service fees imposed by other financial institutions (inside or outside Canada) for each transaction conducted through their ABMs or Direct Payment Terminals in which your *ScotiaCard* has been used. You should contact other financial institutions for information on their transaction fees or service fees they charge for using their ABMs.

Transaction Limits

We may establish and change limits, dollar or otherwise, from time to time, that apply to your use of the *ScotiaCard* and on the various transactions which may be available through the services, without prior notice to you. Cumulative limits currently in effect are:

- › Limits for ABM cash withdrawals or cash disbursements from your bank Accounts and advances from your credit card Accounts, by using your *ScotiaCard* are as indicated on your *ScotiaCard* Banking Access Enrollment/Maintenance Form;
- › Direct Payment limits and the Cashback limit are as indicated on your *ScotiaCard* Banking Access Enrollment/Maintenance Form.
- › ABM Deposit Limits
 - › \$99,999 per transaction
- › ABM transfer and ABM bill payment limits
 - › \$100,000 and \$49,999 per day respectively
- › Online Banking, Mobile Banking, *TeleScotia* Telephone Banking transfers
 - › \$100,000 limit for transactions between Accounts in the same currency.
 - › \$10,000 CAD daily limit for cross-currency transfers (currently unavailable on mobile banking).

- › Online Banking, Mobile Banking, *TeleScotia* Telephone Banking bill payments
 - › \$49,999 per transaction
- › *Interac* Flash
 - › up to \$100 per transaction at authorized merchants.
- › Electronic Transfer Limit
 - › as indicated on your *ScotiaCard* Banking Access Enrollment/Maintenance Form.
- › Online Purchase Limit (includes Card Not Present Transactions, Visa Debit online transactions and *Interac* Online transactions)
 - › as indicated on your *ScotiaCard* Banking Access Enrollment/Maintenance Form.

All fees and limits for Western Union money transfers or foreign currency transfers can change from time to time and can be viewed at Online Banking.

Transaction Records/Confirmation Numbers

At the completion of each Automated Banking Services and branch transaction, you will be given a transaction record, unless otherwise requested, or you will be provided with a reference number. If your *ScotiaCard* is used for a Direct Payment or Card Not Present Transaction, we may arrange for a third party, such as a merchant, to give you the transaction record. For some Direct Payment transactions you will need to provide your Written Signature on the transaction record. Your use of your *ScotiaCard* and Electronic Signature are subject to our verification and acceptance.

You agree that cheques or any other form of debit voucher transaction performed through any Automated Banking Services, at any Scotiabank branch other than at the branch where you maintain your Account(s), will not be returned to you, but rather a description of the transaction only (e.g. cheque, debit voucher or debit memo) will be reflected in your monthly statement or passbook.

Interac Flash - Description

***Interac* Flash** is a feature available on your *ScotiaCard* that enables Cardholders to use the *ScotiaCard* to pay for small purchases, up to \$100 at select merchants, by holding your *ScotiaCard* over a Direct Payment Terminal that supports *Interac* Flash. You do not have to insert your *ScotiaCard* or enter a PIN.

Note: If your *ScotiaCard* was issued before March 2013, your maximum purchase limit is \$50 at most merchants and \$100 at gas stations. Should you exceed the maximum amount at any merchant, you will be prompted for your PIN in order to complete the transaction. *Interac* Flash Transactions are only for the payment of goods and services – “cashback” transactions are not permitted.

Interac Flash - Enabling and Opting Out

When you are first issued a *ScotiaCard* with *Interac* Flash enabled, this feature will be activated the first time you conduct a successful PIN transaction at a Direct Payment Terminal, at an ABM or a branch.

You must have a pre-selected chequing Account linked to your *ScotiaCard* for *Interac* Flash to be enabled. If you requested to have the *Interac* Flash enabled on your current *ScotiaCard* any replacement *ScotiaCards* will also have the *Interac* Flash feature enabled.

You can have *Interac* Flash disabled on your *ScotiaCard* by contacting the Scotiabank Call Centre at 1-800-4SCOTIA or by visiting your nearest branch. If you request to have the feature disabled, any replacement *ScotiaCards* issued after the request will also have the *Interac* Flash feature disabled.

You may request to have the *Interac* Flash feature enabled at any time through the same contact methods. There is no charge to have the *Interac* Flash feature added to, disabled or enabled on your *ScotiaCard*.

Visa Debit

For *ScotiaCard* debit cards that have Visa Debit functionality, Visa Debit transactions will be processed through the pre-selected chequing Account linked to your *ScotiaCard*.

Liability

1. Your Liability

Reference to the *ScotiaCard* below also includes use of the *ScotiaCard* with Electronic Signature or Written Signature, as applicable.

- a) You are responsible for all debts, withdrawals, deposits, transactions, advances, other Account activity and losses resulting from:
 - › all authorized transactions which means transactions in which the *ScotiaCard* was used by you or by persons to whom you have made your *ScotiaCard* available or who received possession of your *ScotiaCard* with your consent;
 - › all authorized transactions made using your *ScotiaCard* at a delayed authorized point of sale terminal which results in a debit being processed to your account at later time;
 - › any error or fraudulent use of the *ScotiaCard* by you, or authorized by you, including any errors or fraudulent or worthless deposit or other transaction using the Automated Banking Services;
 - › failing to comply with your obligations to protect your *ScotiaCard* and Electronic Signature as described in the section above entitled “Security of Your *ScotiaCard* and Electronic Signature” or if you did not otherwise take reasonable steps that could have prevented the loss;

- › failing to notify us immediately if you become aware that your *ScotiaCard* or Electronic Signature has been lost, stolen or compromised (as described in section entitled “Lost, Stolen or Compromised *ScotiaCard* or Electronic Signature” above);
 - › any other unauthorized use of the *ScotiaCard* to which you have contributed and is not otherwise exempted under a provision of this Agreement; and
 - › any other failure by you to comply with the terms of this Agreement.
- b) You are not liable for losses resulting from:
- › technical problems and other system malfunctions;
 - › errors, fraud or negligence caused by us;
 - › unauthorized transactions after the *ScotiaCard* has been reported to us as lost, stolen or compromised;
 - › unauthorized transactions after the *ScotiaCard* is cancelled or expired;
 - › unauthorized transactions, where you have unintentionally contributed to such use, provided that you notify us immediately upon becoming aware of the transaction and fully co-operate in any subsequent investigation (the word “unintentionally” in this clause excludes any non-compliance with your obligations under the “Security of Your *ScotiaCard* and Electronic Signature” section of this Agreement); and
 - › transactions using your *ScotiaCard* where it can be shown that you have been the victim of fraud, theft, trickery, force or intimidation provided that you notify us promptly of the incident, fully cooperate in any subsequent investigation and provided that you have not contributed to the loss.
- c) Your liability will not exceed the established transaction limits (including daily and weekly limits) for the applicable Automated Banking Services, however your liability may exceed the actual or available funds in an Account. This may occur, for example, if an Account has a line of credit or overdraft protection or is linked with another Account or multiple other Accounts (for example another banking Account or a credit Account).
- d) Where you are liable for the transactions on your Account(s) pursuant to the terms and conditions described in this “Your Liability” section, you understand that this liability is in addition to any liability for those transactions that you have under any credit agreements (including the Revolving Credit Agreement) and other banking agreements that apply to your Accounts.

2. Our Liability

WE ARE NOT LIABLE TO YOU FOR ANY DELAY, LOSS, DAMAGE OR EXPENSE THAT YOU INCUR OR ANY INCONVENIENCE WHICH RESULTS FROM OUR PROVIDING OR FAILING TO PROVIDE ANY SERVICE, EXCEPT WHERE SUCH LOSSES RESULT FROM:

- › WILLFUL MISCONDUCT OR GROSS NEGLIGENCE BY THE BANK;
- › ERRORS, TECHNICAL PROBLEMS OR SYSTEM MALFUNCTIONS FOR WHICH THE BANK IS SOLELY RESPONSIBLE.

ALSO, WE ARE NOT RESPONSIBLE FOR YOUR ACTS OR OMISSIONS OR THOSE OF ANY THIRD PARTY. FURTHERMORE, THE BANK SHALL IN NO WAY BE LIABLE FOR ANY ACCIDENT, ACT OF AGGRESSION, THEFT, LOSS OR DAMAGE YOU MAY SUFFER WHILE USING AUTOMATED BANKING SERVICES OR OTHER SERVICES, WHETHER YOU ARE ON BANK OR OTHER PREMISES.

TO THE EXTENT THAT WE MAY BE LIABLE TO YOU, WE WILL ONLY BE LIABLE FOR DIRECT DAMAGES. TO THE EXTENT NOT PROHIBITED BY LAW, IN NO EVENT WILL WE BE LIABLE TO YOU FOR ANY INCIDENTAL, SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST PROFITS, LOST OR DAMAGED OR CORRUPTED DATA, BUSINESS INTERRUPTION OR ANY OTHER COMMERCIAL DAMAGES OR LOSSES ARISING OUT OF OR RELATED TO YOUR USE OF ANY SERVICE, HOWEVER CAUSED AND REGARDLESS OF THE BASIS OF THE CAUSE OF ACTION INCLUDING, BUT NOT LIMITED TO, CONTRACT OR TORT (INCLUDING NEGLIGENCE, STATUTE OR ANY OTHER CAUSE OF ACTION) AND EVEN IF YOU HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

OUR LIABILITY IS SUBJECT TO THE LIMITATIONS SET FORTH IN THIS SECTION AND IN ANY OTHER SECTION OF THIS AGREEMENT.

We are not liable to you if an ABM or if a store, retailer or merchant does not accept your *ScotiaCard* at any time or if you cannot use your *ScotiaCard* or your Electronic Signature at any time or for any reason, including if we cancel or temporarily deactivate your *ScotiaCard* or decline to authorize a transaction because we have detected activity in your Account or the use of the *ScotiaCard* that we consider to be unusual.

No Warranties

Neither the Bank, nor any access service provider nor any other information technology service provider, makes any express or implied warranties concerning the Automated Banking Services including, but not limited to, any warranties of merchantability, fitness for a particular purpose or non-infringement of any third party proprietary rights unless disclaiming such warranties is prohibited by law.

Accepting Our Records

Our records as to whether an Automated Banking Services or branch transaction has been performed, and our determination of the details of that transaction, will be considered correct and binding on you, unless you provide us with evidence to the contrary within 30 days of the date of a disputed transaction.

Posting of Transactions, Cancelling Transactions and Updating Bill Payment Information

Any Automated Banking Services transaction (excluding automated bill payments) conducted in Canada before 12:00 a.m. (midnight) local time Monday through Saturday will normally be posted to your applicable Account as of the date of the transaction, unless that day is a holiday. Transactions conducted on Sundays or holidays will normally be posted to the applicable Account as of the next Business Day.

Any transaction conducted on a Saturday involving a Scotiabank chequing account or a current or business account will normally be posted to the designated Account as of the next Business Day.

Transactions conducted outside Canada may be posted to your designated Account at a later date.

For transactions conducted using Visa Debit, transactions are posted to and funds debited from your Account on the date the transaction is authorized by us. If there is a difference between the original authorized amount and the final settled amount of the transaction, your Account may be credited with the original authorized amount and subsequently debited for the final settled amount of the transaction.

Any automated bill payment request made on or before 8:30 p.m. Eastern Standard Time, Monday through Friday will be posted to your designated Account on the day of the transaction. An automated bill payment made after 8:30 p.m. Eastern Standard Time, Monday through Friday or anytime on Saturday, Sunday or a holiday, will be posted to your designated Account on the next Business Day.

Any automated bill payment request will be deemed to have been received by us on the date the transaction is posted to the designated Account.

We are not responsible for the processing of or any of the posting procedures or practices of your designated Bill Payment Companies and we are not responsible if they charge you late fees or interest penalties. When you make a bill payment at one of our ABMs, branches, through the Automated Banking Services, you are responsible for ensuring that the Bill Payment Company (including account numbers and payee names) required by us to complete your payment instructions to that Bill Payment Company is accurate at all times. We may, without notice to you, update your bill payment profile information if we are advised of a change by the Bill Payment Company.

The debit to your Account for post-dated bill payments and fund transfers are processed at 6:00 p.m. Eastern Standard Time on the date to which your payment is post-dated.

Transactions involving Accounts with insufficient cleared funds at the time of processing may be rejected.

You acknowledge that once you have confirmed the details of a payment or transfer, you may not revoke or stop the payment or the transfer unless it is a post-dated payment or transfer you have set up in Online Banking, Mobile Banking or *TeleScotia* Telephone Banking. Such postdated payments and transfers can be cancelled directly through Online Banking until 6 p.m. Eastern Standard Time on the day they are scheduled to take place. You can also request cancellation of a postdated payment or transfer by speaking directly with one of our Customer Service representatives at the latest one (1) Business Day before the scheduled payment or transfer date.

You are responsible for notifying us of any changes to billing Account information.

Where a store, retailer or merchant becomes liable to make any refund to you, we will credit the designated Account with the refunded amount only upon our receipt of a properly issued credit voucher or other appropriate verification or authorization of the refund from the store, retailer or merchant.

We may at our discretion and without prior notice, refuse a request for authorization of any *ScotiaCard* transaction, and may notify third parties of such refusal as we think necessary. In exercising such discretion, we may take into account in calculating the funds available, any funds which we may decide have been credited or debited to an Account.

We may place a hold on branch or ABM deposits pending verification.

Processing Foreign Currency Direct Payments, Card Not Present Transactions, Withdrawals and Advances

You can use your *ScotiaCard* to access your bank Accounts for the following foreign currency transactions from these Accounts:

- › Direct Payments at designated Direct Payment Terminals that are outside of Canada;
- › Card Not Present Transactions (*ScotiaCards* with Visa Debit functionality) through authorized merchants that are located outside of Canada; and
- › Cash withdrawals from designated ABMs that are outside of Canada.

You can use your *ScotiaCard* to access your Scotiabank Visa card Accounts, *ScotiaLine* access card and Scotiabank American Express card Accounts for the following foreign currency transactions on those Accounts:

- › Cash advances, other than from *Scotiabank*® U.S. Dollar Visa card Accounts, from designated ABMs that are outside of Canada; and
- › Cash advances from designated ABMs within Canada in Canadian dollars from your *Scotiabank* U.S. Dollar Visa card Account.

For foreign currency transactions, other than cash advances from designated ABMs within Canada in Canadian dollars from your *Scotiabank* U.S. Dollar Visa card Account, a converted Canadian dollar amount will be deducted from your applicable Account based on an exchange rate set by the applicable payment network and determined on the transaction settlement date. For cash advances from designated ABMs within Canada in Canadian dollars from your *Scotiabank* U.S. Dollar Visa card Account, a converted U.S. dollar amount will be deducted from your applicable Account based on an exchange rate set by the applicable payment network and determined on the transaction settlement date. The exchange rate at the time of settlement may be different from the exchange rate in effect on the transaction date. Payment networks include Visa International, Visa Inc., ACXSYS Corporation, or other payment networks as appropriate. Foreign currency transactions are subject to the following foreign currency transaction fees:

- › Foreign currency transactions on your bank Accounts using your *ScotiaCard*, including Visa Debit transactions, are subject to a fee that is disclosed in the “Your Guide to Fees and Interest Schedules” booklet.
- › Foreign currency transactions on your *Scotiabank* Visa card Accounts, or *Scotiabank* American Express card Accounts, by using your *ScotiaCard* will be subject to the foreign currency transaction provisions of the Revolving Credit Agreement.

If you use your *ScotiaCard* for a transaction in a foreign currency and the store, retailer or merchant gives you a credit voucher (for example in the case of a refund), the two transactions (the purchase and the refund) may not balance exactly because of exchange rate and currency fluctuations between the date of the purchase and the date of the credit (or refund).

We will not assume any risks associated with foreign currency exchange gains or losses from cross-currency conversions resulting from the use of your *ScotiaCard*. Any gains made or losses incurred by you in connection with foreign currency transactions because of currency rate fluctuations between the date the transaction is posted and the date any subsequent credit is posted to the designated Account are your responsibility and shall be payable to you or by you (as the case may be).

Changing Designated Accounts

We may designate one or more of your Accounts for the FastCash™ or other services available through our Automated Banking Services. You can cancel or change a designation at any time by letting us know through *TeleScotia* Telephone Banking or by visiting the nearest *Scotiabank* Branch.

Changing or Cancelling Banking Services

We may at any time, without notice, withdraw any ABMs or Direct Payment Terminals from use, cancel or vary the whole or any part of the services we offer you through the use of the *ScotiaCard*.

No Automated Banking Services transactions will be processed after cancellation of the Automated Banking Service.

Adding or Changing the Terms of this Agreement

You acknowledge that we can add, change or replace the terms and conditions of this Agreement from time to time. Notice of additional, amended or replaced terms and conditions may be given to you in any of the following ways:

- › a notice addressed to you at your last address in our records;
- › a notice prominently displayed at all *Scotiabank* ABMs;
- › a notice on the *Scotiabank* website;
- › a notice in a readily accessible place in our branches;
- › a notice in your monthly statement;
- › an electronic notice or message sent to the Communications Centre of Online Banking or Mobile Banking; or
- › such other methods as we may permit.

Your continued use of the Account, the Automated Banking Services or any other service with us, acknowledges that you agree to and accept the new terms and conditions of the *ScotiaCard* Cardholder Agreement and all agreements related to the Account or service as amended, modified or replaced. *Scotiabank* has the right to send you a new *ScotiaCard* with new features without prior notice.

Resolving Disputes

We are not responsible for any failure to supply, or lack of suitability of quality of, any goods or services purchased from Bill Payment Companies, merchants or others through the Automated Banking Services. All disputes between you and a Bill Payment Company, merchant or others, including your rights to compensation or any offset rights (set-off), shall be settled directly by you with the Bill Payment Company. We do not verify, nor are we required to verify, that any purpose for which the payment is made has been fulfilled by the Bill Payment Company as a condition of honouring your payment request on your Account.

For all unauthorized claims, we will investigate the transaction and a determination regarding whether any reimbursement will be made based upon the investigation. We will respond to the Cardholder's report of an unauthorized *ScotiaCard* transaction within 10 Business Days. We may require a signed statement during the course of the investigation. Or, where appropriate, we may require a signed affidavit from the Cardholder, which may result in a temporary suspension of the 10 day limit, until the requested information is received.

No funds, or only partial funds will be reimbursed if our investigation determines that on the balance of probabilities, the Cardholder contributed to the unauthorized use of their *ScotiaCard*. If we cannot settle the complaint in your favour, you will be informed of the reasons for Scotiabank's position in the matter.

If a problem with a *ScotiaCard* transaction is not resolved to your satisfaction or you have not received a response to a claim of an unauthorized *ScotiaCard* transaction within the time period, please refer to the Complaint Resolution section of this Booklet.

Other Agreements, Fees and Charges

You acknowledge that, in addition to all fees, charges, terms and conditions set forth in this Agreement, your Accounts are also subject to all fees, charges, terms and conditions set forth in any other agreements and documentation applicable to your Accounts and/or your use of services provided by us. Examples of such agreements and documentation include the Revolving Credit Agreement (for Small Business Credit Card Accounts, Small Business lines of credit accounts, and all other credit), the Personal Credit Agreement Companion Booklet (for credit, loan and mortgage Accounts), the Day-to-Day Banking Companion Booklet (for personal banking Accounts), the Business Banking Services Agreement (for business banking Accounts), the Investment Companion Booklet (for investment Accounts), the Digital Access Agreement, the Scotiabank Privacy Agreement and any other agreements, documentation or terms and conditions that apply to your Accounts and/or your use of the services provided by us.

If there is a conflict between this Agreement and such other agreements, documentation or terms and conditions, this Agreement will prevail as it relates to the use of your *ScotiaCard* and the services contemplated in this Agreement.

In Quebec

The party(ies) to this Agreement has/have requested that this document be drawn up in English. Les parties ont demandé que ce contrat soit rédigé uniquement en anglais.

Customer Service

For any question or concern (including regarding a lost, stolen or compromised *ScotiaCard*; inquiring about fees, rates or services) please visit the Scotiabank branch nearest to you or call the numbers below:

Service in English	1-800-4SCOTIA (1-800-472-6842)
Toronto	416-701-7200
Service en français	1-800-575-2424
Région de Toronto	416-701-7222
TTY/TDD Service Only	1-800-645-0288

For more information about Automated Banking Services, fees or rates you can also visit us online at www.scotiabank.com.

Your *ScotiaCard* provides access to Automated Banking Services, wherever you see these symbols:



Scotiabank voluntarily adheres to the Canadian Code of Practice for Consumer Debit Card Services. For information about the Code visit www.cba.ca

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* Visa Int. / Licensed User.

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††† Mobile banking capability requires an Internet-enabled mobile device. Your wireless carrier's standard text messaging and data charges apply, as defined by your service plan with your carrier.

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®* Registered trademarks of General Motors LLC. The Bank of Nova Scotia is an authorized user of General Motors LLC marks for the GM Card Program.

Open Communication

We pledge to be straightforward and honest in all our communication and documents, providing you with a clear explanation on all our products and services. If you would like information on any Scotiabank product or service, we invite you to speak to the Branch Manager or Account Manager, Small Business at your Scotiabank branch.

When you obtain one of our services, we will provide you with agreements that clearly detail the terms and conditions of the services you have. We will explain in writing why we ask for the information on our application forms, and other documentation and how and when we use it. When we have information on our services that is of interest to you, it will be made available on our website www.scotiabank.com/smallbusiness in person or over the phone.

We listen to you

We know that small businesses create more jobs than any other sector of the economy today. You're important to Canada, you're important to Scotiabank – and we're committed to ensuring that your relationship with us is built on trust, respect and open communication. We understand that everyone is in business to succeed, no matter what type of business you own. When you have a question or concern about any of our services, please ask us.

Privacy and confidentiality

We are committed to respecting your confidentiality. We will maintain the highest standards of confidentiality, releasing information only with your express and written permission, unless otherwise required or permitted by law.

In committing to Privacy and Confidentiality of your information, we are guided by stringent government legislation, regulation and directed to ensure we have the necessary processes and policies in place. If you need more information, please ask for our brochure "The Scotiabank Group & You – A Question of Privacy".

Credit process

We're committed to a simpler credit process by:

- › **Making it easier.** Scotiabank is continually looking for ways to make getting credit easier for you and to present our mutual agreements in plain language. We'll also give you information on how to apply, what the requirements are, and tell you approximately how long you can expect to wait for a decision.

- › **Putting it in writing.** When your credit application is approved, we'll spell out the terms and conditions of your finances in writing. You'll know exactly how our relationship works and who is responsible for what.
- › **Evaluating change in circumstances together.** At times, a change in your circumstances may affect our credit relationship with you. Please be assured that we're always open to discussing alternatives – and you will be provided with at least 15 days' notice of any changes to the terms and conditions of your business credit arrangement.

If you have any concerns or questions that require review of your account(s), request a copy of our "Resolving Your Complaint" brochure, which is available in every Scotiabank branch.

Part 8 Remote Instructions Terms of Use

Remote communications carry risks of interception and impersonation. You are responsible for ensuring that your selected method of communication (e.g. e-mail or fax) is confidential and secure. For more information, please refer to sections 3.b and 5 below.

1. Purpose of These Remote Instructions Terms of Use

These remote instructions terms of use (the “**Terms of Use**”) set out the terms and conditions that apply when we receive Remote Instructions through Permitted Means in connection with a Product or Service that is provided or administered by us. These Terms of Use replace any other agreement(s) relating to providing instructions remotely including any Telephone/Fax/Email Agreement.

A current copy of these Terms of Use is available online at https://www.scotiabank.com/content/dam/scotiabank/canada/common/documents/Remote_Instructions_Terms_of_Use.pdf. You should review these Terms of Use on a periodic basis and before you provide us with Remote Instructions.

2. Definitions and Interpretation

a. Definitions: Below are some key definitions we use in these Terms of Use and what they mean:

“**Digital Access Agreement**” means the terms and conditions that apply when you use or access a Product or Service through a mobile device, computer or any other electronic device (or other digital service we make available from time to time), including when we permit you to use a card or account number or password, personal identification number (PIN) or other access code;

“**Permitted Means**” means telephone, e-mail (including secure e-mail), facsimile transmission or video conference, in each case using a number, address, link or other means of access that we designate for the purpose of providing us with instructions in connection with a Product or Service and any other communication process we may permit from time to time at our sole discretion, but does not include any access or instructions that are subject to the Digital Access Agreement;

“**Product or Service**” means any product or service that we provide or administer to you including bank accounts, non-registered and registered investment accounts, personal and small business credit accounts including loans, credit cards or lines of credit, creditor insurance and business investment products;

“**Product or Service Agreement**” means the terms and conditions, disclosures, notices and any other agreements or documents that we provide to you and/or you accept or enter into in relation to a Product or Service, including documents and agreements that are incorporated into them, as amended, replaced, renewed or supplemented from time to time;

“**Remote Instructions**” means any instructions, consents, agreements or other documents (including any Product or Service Agreement) that we may allow you to provide by Permitted Means in connection with a Product or Service, including:

- ▶ Applying for or opening a new Product or Service;
- ▶ Amending, paying out or cancelling an existing Product or Service;
- ▶ Providing instructions relating to a Product or Service including redeeming or renewing, transferring balances between accounts or changing personal or business information related to a Product or Service;
- ▶ Any other instructions, consents or agreements we permit you to provide by Permitted Means from time to time.

“**we**”, “**our**”, “**us**” or the “**Bank**” means The Bank of Nova Scotia and/or, as appropriate (and unless expressly excluded), any of our Canadian subsidiaries or affiliates including Scotia Securities Inc. and any of their or our employees (including officers), directors, agents or authorized representatives; and

“**you**” or “**your**” means each person, corporation or other entity who is the holder of a Product or Service, a borrower for a Product or Service (including any co-borrower or co-signor) pursuant to a Product or Service Agreement, the authorized signatory or authorized representative for a Product or Service or those who applies for a Product or Service.

- b. Interpretation:** The words “includes” or “including” mean “including but not limited to” and “including without limitation”. Headings in these Terms of Use are for ease of reference only and do not affect the interpretation of anything in these Terms of Use.
- c. Digital Services and the Digital Access Agreement:** If you use a Card and/or our Digital Services (as those terms are defined in the Digital Access Agreement) to provide instructions to us, the Digital Access Agreement will apply to those instructions and not these Terms of Use.

3. Providing Remote Instructions

- a. Authorization:** When you apply for or have a Product or Service, you agree that these Terms of Use apply when you provide us with Remote Instructions and you authorize us to accept those Remote Instructions in connection with that Product or Service on the terms and conditions set out in these Terms of Use.
- For a Product or Service that is jointly held, you agree that any one of you may give us Remote Instructions for the Product or Service without prior notice to or consent of all of you, except if consent from all of you is required by us, or is required under the Product or Service Agreement or under applicable law. If you are a corporation or another entity that is not a natural person, Remote Instructions can only be given by the authorized representative(s) of the corporation or entity designated under the Product or Service Agreement (unless we agree to receive Remote Instructions from any other person if you request).
- b. Instructions are Valid and Final:** You acknowledge that Remote Instructions received by us are valid and final. We may, acting reasonably, rely on any Remote Instructions that we believe come from you and fulfill them without further inquiry even if you did not actually give the Remote Instructions. Such Remote Instructions will have the same legal effect as if they came from you and will be legally binding on you.
- c. Recording:** You acknowledge that if you provide Remote Instructions over the telephone or, where available, other electronic means (including video), your call or video may be recorded for quality, training or verification purposes.
- d. Voicemail:** If you attempt to provide Remote Instructions to us solely by voicemail, we will not act upon those Remote Instructions unless we specifically advise you that we will act on those Remote Instructions.
- e. Fees:** We can collect or charge any amounts that we have disclosed to you in your Product or Service Agreement as service charges or fees or other rates or charges for completing the Remote Instructions.

4. Receiving Remote Instructions

When we receive Remote Instructions, you agree that we may, but are not obligated to, do any of the following:

- a. Authentication:** We may ask you to give us certain information that will assist us in determining that you are authorized to give Remote Instructions.

- b. Refusing to Act:** We can refuse to act on any Remote Instructions for any reason, including if we cannot confirm that you are authorized to give them, or if we decide they are not appropriate for any reason or if you do not comply with any requirement under these Terms of Use to our satisfaction. We may take reasonable steps to try to notify you or otherwise inform you when we will not act on Remote Instructions as received.
- c. Additional Information and Documents:** We may require you to provide us with more information in order to carry out the Remote Instructions. We may require you to accept or sign (including in person) any agreements or other documents that we determine are required in connection with the Remote Instructions or to fulfill those Remote Instructions. If you do not provide the required information or documents, we may not be able to fulfill the Remote Instructions.
- d. Confirmation by You:** We may require you to promptly confirm any Remote Instructions given under these Terms of Use if requested by us, including by signing a form or other document.
- e. Confirmation by Us:** We may send you a confirmation that the Remote Instructions have been received, that we will fulfill the Remote Instructions or that they have been fulfilled. We may also send you other information, documents and/or notices relating to the Remote Instructions.
- f. Delivery of Documents:** We may send or provide the confirmation referred to in section 4.e and any other information, documents and/or notices related to the Remote Instructions through any communication method you used to provide us with the Remote Instructions or by any other means we determine. We recommend you keep a copy of any such confirmation, information, documents and/or notices for your records.

5. Your Responsibilities

- a. Accuracy and Receipt of Instructions:** You are responsible to ensure the accuracy and to confirm our receipt of any Remote Instructions you give to us.
- b. Information Security:** You acknowledge that e-mail, facsimile or other electronic communication may not be secure means of communication and you assume the risk that the Remote Instructions provided in this way may be intercepted, read, retransmitted or altered by a third party or delivered late, not received or lost. You are responsible for maintaining security measures, procedures and controls to prevent the transmission of unauthorized Remote Instructions by someone other than

you. You must advise us as soon as possible if you know or believe that any Permitted Means you have used to provide Remote Instructions have been accessed and/or used by any unauthorized person or if you believe any Remote Instructions have been provided to us by an unauthorized person.

- c. Losses:** Except in the case of our gross negligence or wilful misconduct, you agree that we are not responsible for any losses, costs, liability or damages of whatever kind that may result or you may incur from:
- i. our complying with these Terms of Use, including if we act on and fulfill any Remote Instructions;
 - ii. not fulfilling any Remote Instructions for any reason or refusing to act on any Remote Instructions;
 - iii. any failure, delay or error in receiving and/or acting on any Remote instructions;
 - iv. the loss, interception, alteration or misuse of confidential or personal information you include in any Remote Instructions before we receive the Remote Instructions or any such information;
 - v. fulfilling any Remote Instructions if the Remote Instructions were provided by a person we believed to be you; or
 - vi. your acts or omissions or those of any third party in respect of the Remote Instructions.

To the extent not prohibited by law, in no event, even if we are negligent, are we liable for any special, incidental, consequential or indirect damages.

6. How These Terms of Use can be Changed or Terminated

- a. Changes:** We may from time to time amend or vary these Terms of Use without notice to you (unless required by applicable law), including the type of Remote Instructions we may accept or fulfill pursuant to these Terms of Use. We may notify you of changes we have made to these Terms of Use in one or more of the following ways:
- › A notice displayed at all Scotiabank ATMs;
 - › An announcement through an automated telephone message or a digital channel such as a mobile app;
 - › A notice on the Scotiabank website or your Scotia OnLine portal;
 - › A notice in our branches;
 - › A notice in your monthly statement for your Product or Service; or
 - › Such other method as we may permit.

Unless otherwise required by applicable law, we consider you to have accepted a change to these Terms of Use if you provide us with Remote Instructions or you do not cancel or close your Product or Service following the effective date of the change.

- b. Termination:** We may terminate these Terms of Use at any time without prior notice to you. If we have terminated these Terms of Use, we may (but are not required to) notify you of this termination in any way outlined in section 6.a.

7. General Provisions

- a. Conflicts:** These Terms of Use do not amend any Product or Service Agreement that you have with us or establish with us in the future and are intended to supplement your Product or Service Agreements. If there is a conflict between these Terms of Use and a Product or Service Agreement; (i) these Terms of Use will prevail if the conflict is about Remote Instructions; and (ii) otherwise the Product or Service Agreement will prevail unless the Product or Service Agreement expressly says otherwise. For the purpose of this section, the Product or Service Agreement does not include Telephone/Fax/Email Agreement.
- b. Who is Bound by These Terms of Use:** These Terms of Use are binding on you, your heirs, legal or personal representatives and permitted assignees.
- c. Choice of Language:** You have requested that this document be drawn up in English. Vous avez exigé que ce document soit rédigé en anglais.

Part 9 Resolving Your Complaint

This section explains who to contact first and what steps to take if you have a complaint.

Step One:

Talk to us at your Branch or Customer Contact Centre 1800-4SCOTIA or 1-800-472-6842

If the person you speak to at the branch/customer contact centre is not able to resolve your concern to your satisfaction, please speak directly to a management officer, who has the authority to resolve the majority of problems that arise.

Step Two:

Contact the Office of the President

If the management officer has been unable to resolve your complaint satisfactorily, a representative of the President & CEO will be pleased to assist you.

E-mail mail.president@scotiabank.com
 Mail The President, Scotiabank,
 44 King Street West
 Toronto, ON M5H 1H1
 Fax 1-877-700-0045 (in Toronto 416-933-1777)
 Telephone English 1-877-700-0043 (in Toronto 416-933-1700)
 French 1-877-700-0044 (in Toronto 416-933-1780)

Step Three:

Contact Scotiabank's Ombudsman

Scotiabank's Ombudsman has been appointed to undertake an impartial review of all unresolved customer complaints. If you have gone through the first two steps and remain dissatisfied, submit your complaint to the Ombudsman in writing.

E-mail ombudsman@scotiabank.com
 Mail Scotiabank Ombudsman
 44 King Street West
 Toronto, ON M5H 1H1
 Fax 1-866-787-7061

Still not satisfied?

You may contact an External Complaints Body for banking complaints; ADR Chambers Banking Ombudsman (ADRBO)

ADRBO has been appointed to undertake an impartial review of unresolved banking complaints. If you are not satisfied with our Ombudsman's response, you can refer your complaint to the ADRBO. While we would expect to resolve your complaint within 90 days, if our best efforts have been unable to provide a resolution in that time, you may refer your complaint to the ADRBO.

E-mail contact@bankingombuds.ca
 Mail ADR Chambers Banking Ombudsman
 P.O. Box 1006
 31 Adelaide St. E.
 Toronto, Ontario M5C 2K4
 Telephone 1-800-941-3655
 Fax: 1-877-803-5127

Contacting the Financial Consumer Agency of Canada (FCAC)

The FCAC supervises federally regulated financial institutions to ensure they comply with federal consumer protection laws. For example, financial institutions must provide consumers with information about fees, interest rates and complaint-handling procedures. They must also provide proper notice of closing a branch and, subject to certain conditions, must cash a federal government cheque up to \$1,500 and open a deposit account when acceptable identification is presented. If you have a complaint about such a regulatory matter, you can contact the FCAC in writing at:

Mail Financial Consumer Agency of Canada
 427 Laurier Avenue West, 6th Floor
 Ottawa, Ontario K1R 1B9
 Telephone English 1-866-461-3222
 French 1-866-461-2232
 Fax 1-866-814-2224 / 1-613-941-1436
 Website www.fcac-acfc.gc.ca

Codes of conduct and Public Commitments

Scotiabank is committed to a number of voluntary codes of conduct and public commitments designed to protect consumer interests, such as those listed below.

Copies of the full text of the codes and commitments are available on the Scotiabank website at www.scotiabank.com.

Borrowing

Credit Cards

- › **VISA Zero Liability Policy**
- › **MasterCard Zero Liability Policy**
- › **American Express Fraud Protection Guarantee Overview**
A commitment that consumers will pay nothing for certain fraudulent credit card transactions.
- › **VISA E-Promise**
A commitment to assist consumers in getting their money back for unsatisfactory purchases made online, by phone or by mail.

Mortgages

- › **Commitment to Provide Information on Mortgage Security**
A commitment to explain the differences between Collateral and Conventional.
- › **Plain Language Mortgage Documents - CBA Commitment**
A commitment to ensure the readability of residential mortgage documents.
- › **Code of Conduct for Federally Regulated Financial Institutions - Mortgage Prepayment Information**
A Code of Conduct that outlines the type of information customers will receive to help them make an informed decision about mortgage prepayment.

Day-to-Day Banking

- › **Canadian Code of Practice for Consumer Debit Card Services**
Industry and consumer practices and responsibilities related to the use of debit cards in Canada.
- › **Interac Zero Liability Policy**
A commitment to protect consumers against unauthorized transactions.
- › **Low-Fee Retail Deposit Account Memorandum of Understanding**
A commitment to provide a standard low-fee account to consumers.
- › **Commitment on Modification or Replacement of Existing Products or Services**
A commitment to provide consumers with assurances related to the modification or replacement of existing products and services.
- › **Commitment on Powers of Attorney and Joint Deposit Accounts**
What you need to know about “Power of Attorney” & “Joint Deposit Account”

Investing

- › **Guidelines for Transfers of Registered Plans**
Industry standards for the transfer of deposit type registered savings plans between financial institutions.
- › **Undertaking - Principal Protected Notes Regulations**
A commitment to provide cancellation rights to consumers who purchase principal protected notes by electronic means or by telephone.

Online Services

- › **Online Payments**
Industry and consumer practices and responsibilities related to the use of Interac Online.
- › **Principles of Consumer Protection for Electronic Commerce: A Canadian Framework**
A guide to protecting consumers in online transactions.

Protection

- › **CBA Code of Conduct for Authorized Insurance Activities**
Industry standards for bank representatives offering credit, travel and personal accident insurance products in Canada.

Small Business

- › **Model Code of Conduct for Bank Relations with Small- and Medium-Sized Businesses**
Industry standards for bank dealings with small- and medium-sized businesses.

Other

- › **Code of Conduct for the Credit and Debit Card Industry in Canada**
- › **Code of Conduct for the Delivery of Banking Services to Seniors**
This voluntary code of conduct sets out principles that apply to banks to guide them when they deliver banking products and services to Canada’s seniors.

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- ®* Registered trademark of General Motors LLC. The Bank of Nova Scotia is an authorized user of General Motors LLC marks for the GM Card program.