

CANADIAN DOLLAR SCOTIABANK VISA* BUSINESS CARD

Waiver of Liability Terms and Conditions (Effective July 1, 2021)

These terms and conditions are a valuable source of information. Please keep this document available for easy reference.

What is the Scotiabank Waiver of Liability Program?

The Scotiabank Waiver of Liability Program allows Eligible Companies that have established a Card account agreement to request Scotiabank to waive the Eligible Company's liability for certain Unauthorized Charges made by the Eligible Company's Cardholders.

Who Provides this Program?

The Waiver of Liability Program is provided by Scotiabank.

What is the Maximum Amount that can be Waived?

The Scotiabank Waiver of Liability Program allows for the waiver of the Eligible Company's liability for Unauthorized Charges up to \$100,000 per Card, subject to these terms and conditions and the limitations set out in this document.

Definitions

"Affidavit of Waiver" means a written request sent to the Administrator from the Eligible Company requesting that liability for the Unauthorized Charges be waived under the Program in accordance with these terms and conditions.

"Card" means a Canadian Dollar Scotiabank Visa* Business Card - Gold Card or Silver Card issued by Scotiabank to the Eligible Company.

"Cardholder" means the designated employee of an Eligible Company who is over 18 years of age and who is authorized to use the Card for Eligible Company business only.

"Charges" means the amounts, billed or unbilled, including purchases and cash advances, charged to the Cardholder's Card.

"Date of Notification of Employment Termination" means (i) the date the Eligible Company, gives to a Cardholder or receives from a Cardholder, a written notice of immediate or pending employment termination of a Cardholder or (ii) the date on which the Cardholder leaves the Eligible Company's service, whichever is earlier, or if the Cardholder is a member of a bargaining unit of a union and the employer contract includes grievance procedures, the date the Eligible Company files a grievance with the labour arbitrator recommending the Cardholder's employment be terminated.

"Eligible Company" means a corporation, partnership, sole proprietorship, or any other entity which has signed and still has an active and in force Card account agreement with Scotiabank.

“Administrator” means Active Claims Management Inc.

“Program” means the Canadian Dollar Scotiabank Visa* Business Card Waiver of Liability Program, as described in these terms and conditions.

“Unauthorized Charges” has the meaning set out below in paragraph A of these terms and conditions.

What are Unauthorized Charges?

A. "Unauthorized Charges" are Charges to a Cardholder's Card made by a Cardholder:

- a) which are charged without the approval of the Eligible Company and/or which do not benefit the Eligible Company directly or indirectly in whole or in part; or
- b) for the Eligible Company or bought for someone else if instructed or approved by the Eligible Company and the Eligible Company has reimbursed the Cardholder but the Cardholder has not paid Scotiabank.

Provided that such Unauthorized Charges:

- i) are billed within the seventy-five (75) days preceding the Date of Notification of Employment Termination, or preceding the date Scotiabank receives the request from the Eligible Company to cancel the Card account on which Unauthorized Charges were incurred; or
- ii) are unbilled up to fourteen (14) days after Scotiabank has received a request to cancel the Cardholder's Card but were incurred prior to such request being received and provided the Eligible Company must have notified Scotiabank within two (2) business days of the Notice of Termination of Employment; and
- iii) are discovered not later than 75 days after the termination of the Program or the Eligible Company's participation in the Program.

B. Auditors fees incurred with the Administrator's written consent solely to substantiate the amount of the waiver request are covered.

What Charges will we not Waive?

We will not waive the following Charges which are excluded under the Program, whether they are Unauthorized Charges or authorized Charges.

1. Charges made by partners, owners, or principal shareholders who own more than five percent (5%) of the Eligible Company's outstanding shares, or persons who are not employees of the Eligible Company at the time Charges were incurred.
2. Interest or fees imposed by Scotiabank on outstanding unpaid Charges.
3. In cases where Scotiabank invoices the Cardholder, any amount on a cheque submitted by a Cardholder which is not paid by the Cardholder's financial institution, if the Cardholder has, within the last twelve (12) months, submitted any other cheque to Scotiabank which was not paid by the Cardholder's financial institution.
4. Charges to purchase goods or services for the Eligible Company or bought for someone else if instructed

or approved by the Eligible Company will not be waived. However, these Charges may be waived if Scotiabank bills the Cardholder directly, where the Eligible Company has reimbursed the Cardholder and the Cardholder has not paid Scotiabank.

5. Charges billed by the Cardholder more than fourteen (14) days after Date of Notification of Employment Termination.
6. Charges billed by the Cardholder more than fourteen (14) days after Scotiabank receives the request by the Eligible Company to cancel the Card.
7. Charges billed on, or after the Date of Notification of Employment Termination if such Notification of Employment Termination was not sent to Scotiabank within two (2) business days of the Date of Notification of Employment Termination.
8. Charges billed where the Eligible Company has not notified Scotiabank in writing to cancel the Card within two (2) business days of the Eligible Company's intention to cancel or no longer authorize usage of the Cardholder's Card.
9. Charges resulting from either a lost or stolen Card or Charges to a Card account which is closed, frozen or ninety (90) or more days delinquent.
10. Any Charge made by a person who has been named at any time by the Eligible Company in an Affidavit of Waiver.
11. Cash advances, after the Date of Notification of Employment Termination or immediately after Scotiabank receives the request by the Eligible Company to cancel the Card, in excess of \$300.00 per day per Cardholder, or a maximum of \$1,000.00 per Cardholder, whichever is less.
12. Any interest on amounts owing by the Eligible Company.

What are the Responsibilities of an Eligible Company?

The Eligible Company must pay any Card account outstanding balance (including any amount the Eligible Company believes to be an Unauthorized Charge and for which it has made a waiver request) while any waiver request under the Program is pending.

Upon approval of a waiver request received by the Administrator, the Eligible Company will be reimbursed (or credited) in respect of the amounts so approved, but only if the Eligible Company meets all of the following requirements:

Notification to Scotiabank

1. The Eligible Company must use its best efforts to retrieve the Card from the Cardholder.
2. The Eligible Company must cancel the Card within two (2) business days (i.e. 48 hours beginning from 11:59 pm on the Date of Notification of Employment Termination, not including weekends and statutory holidays) of:
 - (i) the Date of Notification of Employment Termination or;
 - (ii) its intention to cancel and/or no longer authorize usage of the Cardholder's Card.

The Eligible Company may cancel the Card by:

- (iii) having the Eligible Company program coordinator cancel the Card through Scotiabank's CentreSuite application; or
- (iv) calling the Scotiabank Business Card Service Centre at 1-888-823-9657.

Notification to Cardholder

In cases where Scotiabank sends its statements directly to the Cardholder, the Eligible Company must deliver to the Cardholder in writing, a notice stating the Cardholder's Card has been cancelled, and instruct the Cardholder to:

- i) immediately discontinue all use of that Card;
- ii) immediately pay any outstanding amounts owed to Scotiabank; and
- iii) immediately return the Card to the Eligible Company.

If the Eligible Company knows that a Cardholder is receiving reimbursement for Charges but is not paying Scotiabank for those Charges, the Eligible Company must promptly give written notice to Scotiabank.

How To Make a Waiver Request

1. A waiver request form/Affidavit of Waiver must be sent to the Administrator within thirty (30) days of the employee's Notification of Employment Termination or the date of the Eligible Company's intention to cancel the Card.
2. The Eligible Company may obtain the waiver request form/Affidavit of Waiver by:
 - (a) visiting the Visa Business Resource Centre at www.scotiabank.com/ca/en/scotiabank-visa-business-resource-centre/documentation.html to download the waiver request form/Affidavit of Waiver; or
 - (b) calling the Administrator at 1-833-389-1090 (toll free).
3. An authorized official of the Eligible Company must send the waiver request form/Affidavit of Waiver to the Administrator by following the instructions found on the waiver request form.
4. All waiver request supporting documents must be filed with the Administrator within six (6) months from the Cardholder's Date of Notification of Employment Termination.

Inquiries

Please direct any Program inquiries to the Administrator.

Active Claims Management Inc
P.O. Box 1237, Stn. A
Windsor, ON N9A 6P8

For any questions or for waiver requests occurring **on or after July 1st, 2021**, please contact the Administrator to speak to a customer service representative at 1-833-389-1090 (toll free) or visit www.manulife.ca/scotia.

Please refer to the Scotiabank Waiver of Liability Program.

Recovery

If the Eligible Company recovers any amounts for Unauthorized Charges from any source after the Eligible Company has filed a waiver request with the Administrator, the Eligible Company will remit all such amounts to the Administrator and such amounts will be applied to the amount of the approved waiver request. The Eligible Company agrees to assign to Scotiabank any rights it may have to collect such amounts from the Cardholder.

Other Coverage

The Program does not waive charges for which there is recovery elsewhere, including under insurance, and/or losses that would have been paid if the Program did not exist. Losses that are above those covered by insurance as noted, but less than the waiver limit under the Program, as provided for in these terms and conditions, are eligible for waiver.

The Program does not constitute insurance. These terms and conditions are not an insurance contract. These terms and conditions govern the Program as between the Eligible Company and Scotiabank.

Termination

This Program will automatically terminate on the earliest of the following:

1. the date the Eligible Company's Card account agreement with Scotiabank is cancelled; or
2. the date this Waiver of Liability Program is terminated upon notice to the Eligible Company, by Scotiabank.

Misstatement

Any fraud, misstatement, or concealment by the Eligible Company in any way relevant to the Program or in the making of a waiver request shall result in the immediate termination of the Eligible Company's participation in the Program.

Currency

All amounts are denominated in Canadian dollars.