



## SCOTIABANK CREDIT CARDS INSTALLMENT PLANS – TERMS AND CONDITIONS

Your Scotiabank credit card account is eligible for Installment Plans (the “**Eligible Account**”) under these Installment Plans Terms and Conditions. **Please review them carefully before you select and consent to an Installment Plan on your Eligible Account.**

In these Installment Plans Terms and Conditions, references to “**you**” mean the primary borrower (or if applicable, a co-borrower) on the Eligible Account, references to “**us**”, “**we**”, “**Bank**” or “**Scotiabank**” means The Bank of Nova Scotia and our affiliates. Other capitalized terms have the meaning in these Installment Plan Terms or Conditions or in your Credit Agreement (as defined below).

**What is an Installment Plan:** An installment plan (“**Installment Plan**” or “**Plan**”) is a feature that we make available on an Eligible Account. An Installment Plan will allow you to choose to convert into an Installment Plan a purchase posted on your Eligible Account that totals at least \$100 in Canadian dollars (including taxes), or such other amount as we may designate, and advise you of, from time to time (the “**Eligible Purchase**”)

**Credit Limit:** Converting an Eligible Purchase to an Installment Plan does not change your credit limit on your Eligible Account.

**Rewards:** You will not lose any rewards (such as points or cash back) earned on your Eligible Purchase when you convert it to an Installment Plan.

**Terms and Conditions that apply:** Your Installment Plan will be subject to these Installment Plan Terms and Conditions when accepted by you and any other terms and conditions that we may notify you of that also apply to the Installment Plan (the “**Terms and Conditions**”). We may amend the Terms and Conditions and will notify you of those changes as described in the “Changes to Terms and Conditions” section in these Terms and Conditions. These Terms and Conditions are in addition to the credit agreement and other agreements or disclosures that apply to your Eligible Account (including the Revolving Credit Agreement and the disclosure statement for your Eligible Account) (the “**Credit Agreement**”). The Credit Agreement continues to apply to your Eligible Account and Eligible Purchase even if you choose to accept an Installment Plan and including when the Installment Plan expires or is cancelled. If there is a conflict between the Terms and Conditions and your Credit Agreement, the Terms and Conditions will apply.

**Eligible Purchases:** We will identify an Eligible Purchase posted on your Eligible Account in a statement period (as shown on your statement) and permit you to convert the amount of the Eligible Purchase to an Installment Plan through our Scotiabank Online or Scotiabank mobile banking services. To convert the Eligible Purchase to an Installment Plan, you will be required to agree and consent to the Terms and Conditions that will include the Payment Terms described below.

**Payment Terms that apply:** When you select an Eligible Purchase and agree and consent to convert it to an Installment Plan under the Terms and Conditions, you are agreeing to convert the Eligible Purchase into fixed monthly installment payments (as further described below) and have certain other Payment Terms (as described below) apply to that Eligible Purchase.

Those Payment Terms include (i) any applicable interest rate that apply to the Plan (the “**Installment Interest Rate**”); and (ii) any fees that apply to that Plan (the “**Installment Fees**”) over a fixed period of time that we may offer you and that you agree to select from us (the “**Payment Period**”). Most Payment Periods we offer are for 3, 6 or 12 months (or we may offer you a different Payment Period for your Plan). Once you select an Installment Interest Rate, Installment Fee and the Payment Period that we have offered you, those selections will apply to the Eligible Purchase under the Installment Plan (the “**Payment Terms**”).

You agree to pay the fixed monthly minimum payments under the Plan on that Eligible Purchase over the Payment Period at the applicable Installment Interest Rate and applicable Installment Fees. If an upfront one-time set-up Installment Fee is charged for your Installment Plan, it will not be refunded if you cancel the Installment Plan.

Any applicable Installment Interest Rate applies from the Enrollment Date until the amount under the Installment Plan is paid in full. See the section “Fees and Interest; How we Charge Interest under an Installment Plan” in these Terms and Conditions for more details on when and how we charge interest on your Installment Plans.

We must receive those payments for the Installment Plan including the minimum payment applicable to the Plan, by the payment due date, in the amounts and on the dates as shown on your statement for your Eligible Account.

It may take 1 to 2 business days after you have selected an Eligible Purchase for it to be processed and enrolled on your Eligible Account as an Installment Plan (the “**Enrollment Date**”) and to appear on your Scotiabank Online and Mobile app. Your Enrollment Date also appears on your statement under the details about each of your Installment Plans.

**Changing the Installment Plan Selected:** You cannot change the Terms and Conditions of an Installment Plan you selected once you have accepted them. You can however choose to cancel the Installment Plan at any time, during the Payment Period. See the section “Cancelling an Installment Plan” in these Terms and Conditions for more details on how to cancel a plan and what happens when you do.

**Who can accept and consent to an Installment Plan:** Eligible Purchases can only be converted to an Installment Plan by you as the primary borrower on an Eligible Account.

**Eligibility for Plans:** Installment Plans are only available:

- a) for an Eligible Account as identified by us (those select consumer Scotiabank American Express or Visa\* credit card accounts that we designate as eligible for an Installment Plan);
- b) if your Eligible Account is in Good Standing (as defined below)
- c) if you have an Eligible Purchase on your Eligible Account and you select to convert that Eligible Purchase to an Installment Plan in the time period provided to do so (see “Timing to Select an Installment Plan”); or

d) if you are not a Quebec resident.

We may change the eligibility for a Plan from time to time.

**“Good standing”** means that (i) your Eligible Account is not past due, not in default and you are not in breach of any terms of the Credit Agreement (including the revolving credit agreement) that applies to your Eligible Account; (ii) your Eligible Account is also not past due, in default or in breach of any Terms and Conditions of any Installment Plan that you are participating in, including our receiving payment of the full amount of each fixed monthly payment under the Plan (referred to as the **“Current Installment Payment”** on your statement) owed under any Installment Plan by the payment due date shown on your statement ; and (ii) you are handling your Eligible Account as required by the Credit Agreement or our requirements;

**Timing to Select an Installment Plan:** Eligible Purchases are identified for you in the statement period in which they are first posted to your Eligible Account and have not yet appeared on your statement. You must convert that Eligible Purchase to an Installment Plan during the same statement period in which it was posted to your Eligible Account and before the Eligible Account’s next statement date. After that, the Eligible Purchase is no longer eligible for an Installment Plan. Once you convert an Eligible Purchase to a Plan and it is activated and processed to your Eligible Account as of the Enrollment Date, you will see that Plan on your statement.

**Minimum Payments and Other Payments:** Any Installment Fee that is part of your Plan will form part of your Minimum Payment in the first statement (and any subsequent statement in which an Installment Fee applies) following the Enrollment Date for your Installment Plan.

The total amount of your Installment Plan (comprised of the **Total Installment Amount including Total Fees**) includes the following:

- Amount of the Eligible Purchase (including any applicable taxes)
- Plus, any Installment Fee(s) that apply

The above Total Installment Amount Including Fees will be divided over the months in your Payment Period in fixed monthly payments of equal amounts, except for the first monthly payment on your Installment Plans, which may be higher or lower than the other Installment Plan monthly payments due to rounding.

**By way of example only:**

Amount of Eligible Purchase:	\$200
Total Installment Fees on Plan (1% - total fee):	<u>\$ 2</u>
Total Eligible Purchase Amount	\$202
Payment Period = 3 months	

Calculation of equal monthly Minimum Payments for Plan:

$\$202 / 3 = \$67.33333$  (\$67.33) per month

(the first month of the Payment Period is where rounding to \$67.33 will be required)

These fixed monthly payments are included in your Minimum Payment on your statement each month (and appear on your statement under the heading **“Current Installment Payment”**) and is part of the **“New balance”** on your statement owed in the statement period that appears on your statement. The Current Installment

Payment is billed on each statement starting with the first statement provided to you following the Enrollment Date of the Installment Plan.

Note that if you have no other amounts owing on your Eligible Account on that statement, other than the Current Installment Payment under an Installment Plan, then the “\$10” amount that is typically part of your Minimum Payment (as disclosed on your disclosure statement for your Eligible Account) will not be added to your Minimum Payment on that statement.

When you have an Installment Plan on your Eligible Account, your **total Minimum Payment** on your statement includes the Current Installment Payment that you owe and we must receive each month by the payment due date plus the minimum payment that applies to your Eligible Account if you do not have an installment Plan, and that is calculated as described in your Disclosure Statement for your Eligible Account plus any amount that is past due or Overlimit on your Eligible Account that must be paid immediately when you receive your statement.

We must continue to receive your Minimum Payment by the payment due date shown on your statement, including when you are participating in an Installment Plan. Remember to allow for a few days for your payment to be processed depending upon the payment method you are using. See your Revolving Credit Agreement for more information about your requirement to pay, and for us to receive, your Minimum Payment by your payment due date.

**Fees and Interest; How we Charge Interest under an Installment Plan:** We may charge a one-time set-up Installment Fee for an Installment Plan or a monthly Installment Fee that applies during the Payment Period of the Installment Plan. We will disclose that Installment Fee to you at the time you select and agree to an Installment Plan. Any Installment Fee will be charged interest at the annual interest rate that applies to Purchases on your Account. The Installment Fee will be charged at the time the Eligible Purchase is converted to an Installment Plan and if a monthly Installment Fee applies, it will be charged each month during your Installment Period. The Installment Fee will form part of your Minimum Payment in the first statement (and any subsequent statement if it is a monthly fee) following the Enrollment Date. See the “**Minimum Payment and Other Payment**” section in these Terms and Conditions for more details.

How we charge Interest under an Installment Plan including on an Eligible Purchase is described below:

**Prior to the Enrollment Date:** You will not pay interest on the Eligible Purchase for any statement period in which you convert that Eligible Purchase to a Plan, if we receive payment of the full balance (the “New balance”) on the statement following your Enrollment Date where the Plan first appears. The New balance on that first statement will include: (i) the first fixed monthly payment (the “**Current Installment Payment**”) that applies to your Installment Plan; and (ii) any remaining balance on your Eligible Account, less the amount of the outstanding balance under the Installment Plan (the “**Outstanding Installment Balance**”) on your Eligible Account (that appears under the heading “**Outstanding Installment Balance**” on each statement). If we do not receive such payment in full, we will charge interest on the Eligible Purchase from the transaction date of your Eligible Purchase until the Enrollment Date, at the annual interest rate that applies to Purchases on your Eligible Account.

**From the Enrollment Date to the last day in the Installment Offer's Payment Period:** Once you convert your Eligible Purchase to an Installment Plan, as of the Enrollment Date, your Eligible Purchase (divided into fixed monthly payments) and any Installment Fees that form part of the Installment Plan are charged interest each month from the Enrollment Date at the Installment Interest Rate that applies to your Plan until the last day in your Payment Period.

**After an Installment Plan is Cancelled or Expires:** After an Installment Plan expires or if it is cancelled by you or us, any amount that remains unpaid on your Installment Plan (the "**Remaining Outstanding Installment Balance**"), if any (including any Installment Fee or Installment Interest that was not paid in full as of the end of the Payment Period), will be re-applied to the balance on your Eligible Account.

You will not pay interest on the Remaining Outstanding Installment Balance if we receive payment of the full balance (the "New balance") on your statement on which we re-applied that Remaining Outstanding Installment Balance to your Eligible Account. If we do not receive such payment, we will charge interest on that Remaining Outstanding Installment Balance from the date of expiration or cancellation of the Installment Plan until the amount is paid in full at the annual interest rate that applies to Purchases on your Eligible Account.

Any applicable interest we charge under an Installment Plan, including the Eligible Purchase and Installment Fee, is added to your Eligible Account at the end of each statement period. **We do not charge interest on interest.**

**Applying your Payment to an Installment Plan:** When you have an Installment Plan on your Eligible Account, you cannot allocate payments on your Eligible Account between your Installment Plan and any other balance of your choice. We apply payments as described below.

Payments we receive on an Eligible Account that have an Installment Plan will be applied first to the current fixed monthly payment that applies to the Installment Plan (the "**Current Installment Payment**") in the order as described below.

Your Current Installment Payment is shown each month on your statement. The remainder of your total Minimum Payment on your Eligible Account will be applied in the order as described under "Applying your Payment" in your Revolving Credit Agreement.

When we refer to "billed" below it means it appears on a statement and "unbilled" means it has been charged to the Eligible Account but does not yet appear on a statement. When we refer to applying payments to Eligible Purchases it also includes the fees that apply to them.

When you have an Installment Plan on your Eligible Account, we apply all payments made to your Eligible Account for which you have an Installment Plan **first** to your **Current Installment Payment** (before any payments are applied to the remainder of your minimum payment) in the following order, each month, as applicable:

- first, to any Installment Fees that we have billed for any Installment Plan to the Installment Plan that expires first;
- second, to the amount of any low rate **billed** Eligible Purchases under an Installment Plan

based on the order in which they expire first; and

- third, to any amount of any low rate **unbilled** Eligible Purchases under an Installment Plan in the order in which they expire first;
- fourth, in the event there is any interest charges,
  - (i) to the lower rate billed Eligible Purchases under an Installment Plan
  - (ii) then to the higher rate billed Eligible Purchases under an Installment Plan.

If a payment is allocated to more than one Installment Plan with the same Installment Interest Rate, then it will be applied to your Installment Plan: (i) first to the Plan with the lowest installment interest; and (ii) then to the Installment Plan that will expire first.

We apply any payment for an Installment Plan that is made monthly in **excess** of the Current Installment Payment in the order that is described under the “Applying your Payment” section in your Revolving Credit Agreement.

If your only payment owing on your statement is the Current Installment Payment and you make a payment in **excess** of the Current Installment Payment, your Eligible Account will be in a credit balance. See the “Credit Balance” section in these Terms and Conditions for more information.

You can always pay your balance in full on your Eligible Account at any time even when you have an Installment Plan. See the “Credit Balance” section in these Terms and Conditions for more information if you pay your Installment Plan in full before the Installment Period expires.

**Credit Balance:** If you decide to pay the full amount of your Installment Plan that is not yet due (or more than your Current Installment Payment that is owed monthly under the Plan), that amount will be treated as a credit balance on your Eligible Account. Paying the full amount of your Installment Plan does not cancel the Plan. You must cancel the Installment Plan otherwise you will see a credit balance on your Eligible Account for the amount of the Installment Plan that you have paid in full. If you wish to cancel your Installment Plan, see the “**Cancelling an Installment Plan**” section in these Terms and Conditions for information on how to do so.

If your Eligible Account is in a credit balance due to such payment, we will apply that credit balance to transactions that have not yet posted to your Eligible Account and that credit balance will be applied as set out as in your Revolving Credit Agreement on how we treat a credit balance on your Eligible Account.

**Vouchers:** If you receive a credit or refund or other reduction for any portion of the amount of an Eligible Purchase that is part of an Installment Plan, it will not be considered a payment to your Eligible Account and will only be applied to reduce any outstanding balance that you still owe on your Eligible Account.

**Cancelling or Ending an Installment Plan (including when it expires):** You may cancel your Installment Plan through Scotiabank Online or mobile banking at any time after it has been posted to your Eligible Account by giving us notice that you wish to do so. Please allow 1 to 2 business days for us to process any cancellation request.

Once you cancel an Installment Plan, the Remaining Outstanding Installment Balance under the Installment Plan will be re-applied to the balance owing on your Eligible Account.

You still owe us payment of that Remaining Outstanding Installment Balance even if you have cancelled the Plan.

We will cancel your Installment Plan (even before it expires) immediately without prior notice if:

- your Eligible Account is not in Good Standing
- your Eligible Account is closed for any reason; or
- you become a resident of Quebec.

We may also cancel an installment Plan immediately for any other reason with or without notice (unless notice is required by law).

If you switch your Eligible Account to another Eligible Account, the Installment Plan will be moved to your new Eligible Account and continue until the end of the Installment Period. However, in some cases, when you request a switch to another Eligible Account, you may be required to cancel the Plan before we can process that switch, and if so, you will be asked to cancel the Plan and then the Remaining Outstanding Balance under the Plan will be re-applied to the balance owing on your existing Eligible Account before your switch is complete. Ask us about whether you may be required to cancel the Plan when you request to switch your Eligible Account.

If you switch your Eligible Account to a non Eligible Account the Installment Plan will be immediately cancelled (either by us or we may require you to cancel the Plan before we process your switch to the non-Eligible Account) and your Remaining Outstanding Balance under the Plan will be re-applied to the balance owing on your existing Eligible Account.

If either you or we cancel an Installment Plan, you must still pay the amount that remains unpaid under that Installment Plan and any other amounts you owe us in full immediately. All terms of the Credit Agreement also continue to apply to those amounts.

If a Card on your Eligible Account is lost or stolen or replaced due to fraud, your Installment Plan will not be cancelled, but you may no longer be able to create any new Installment Plans on your Eligible Account due to the card number changes.

**Changes to Terms and Conditions:** We may change, either permanently or temporarily, any Terms and Conditions of a Plan by providing you notice of that change. We will notify you of changes by any method that we determine such as sending you a notice in your statement or electronically including by email or online including through Scotia Online or Scotiabank mobile banking or by posting a notice of the change electronically on our websites where we offer Installment Plans. You will be deemed to have accepted any such change following its effective date if you do not close your Eligible Account, do not cancel or do not pay your Installment Plan(s) in full. Terms and Conditions of a Plan that we may offer you are subject to change by us, even after they are posted on our Scotiabank Online or Scotiabank mobile banking app, but before you accept them.

**Language:** You have requested that this document be drawn up in English. Vous avez exigé que ce document soit rédigé en anglais.

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