

CANADIAN TIRE BANK CARDMEMBER AGREEMENT



23. RESPONSIBILITY FOR MERCHANTS, GOODS OR SERVICES: The Issuer shall not be held responsible for any defects in, or the poor quality of, merchandise or services obtained by use of a Card, nor for any losses resulting from any Cardmember's disclosure to the merchant by mail or by telephone of a Card number, and any claim or dispute between any Cardmember and the merchant, including their right to compensation, must be settled between the Cardmember and the merchant.

24. OWNERSHIP OF CARDS: All Cards remain at all times the property of the Issuer and cannot be transferred. Subject to applicable law, the Issuer shall have the right at any time without prior notice to any Cardmember to cancel any Card, to revoke or withdraw all rights or privileges of any Cardmember in respect of a Card and to demand immediate return of any Card. All Cards shall be surrendered to the Issuer upon demand. Upon cancellation of any Card issued to the Cardmember, the Cardmember shall cease to be eligible for credit under the terms of this Agreement.

25. CANCELLING THE AGREEMENT: You may give us notice by telephone or in writing requesting that the Account be closed. In that event, or in the event that the Issuer chooses to terminate this Agreement, you will continue to be responsible for all charges incurred and interest owing on your Account in accordance with the terms of this Agreement. If a Card is used after the Account is closed, you are liable for all charges and interest thereon even though the Account is closed.

26. NON-WAIVER: No acceptance by us of any payment by you and no failure, refusal or neglect by us to exercise any right under this Agreement or to insist upon full compliance by you with your obligations under this Agreement shall constitute a waiver of any provision of this Agreement.

27. SEVERABILITY: If any provision of this Agreement shall be found to be unenforceable, each Cardmember agrees that the balance thereof shall continue in full force and effect.

28. CANADIAN TIRE MONEY ON THE CARD: The Canadian Tire 'Money' On The Card[®] Program (the "Program") has been established by Canadian Tire Corporation, Limited and all benefits under the Program are provided by and may only be claimed from Canadian Tire Corporation, Limited in a manner permitted under the Program. The program is subject to change or terminate without notice. The Issuer is acting as agent of Canadian Tire Corporation, Limited in entering into this Agreement with you in relation to the Program, but has no liability to you for any Program benefits. The Issuer also administers the Program under licence from Canadian Tire Corporation, Limited.

29. OPTIONAL SERVICES: From time to time we may offer Cardmembers optional services or benefits at additional cost to Cardmembers ("Services"), some of which may be provided by other companies. The Services shall be subject to the terms and conditions applicable to them, which will be set out in separate agreements. The Cardmember understands that we are not liable for any Service provided to you by another company. We may, at any time in accordance with applicable law, amend or modify any Service offered under this Agreement or may at any time withdraw or terminate any such Service.

30. ASSIGNMENT: The Issuer may at any time, and without notice to you, assign your Account, any sums due or owing on your Account, this Agreement or our rights and obligations under your Account or this Agreement to any person or entity, together with files and other information relating to your Account or this Agreement.

31. GOVERNING LAW: This Agreement shall be governed by the federal laws of Canada and the applicable laws of the province or territory of your residence.

32. COMPLAINT RESOLUTION: Canadian Tire Bank has established a written procedure to handle customer concerns or complaints. If you would like a copy of our complaint handling procedure, please contact us using the toll-free number located on the reverse of your Card.

Alternatively, you may write to us at:

Canadian Tire Bank
P.O. Box 13000
Station Main
Welland, Ontario, L3B 6C8
Fax: 905-735-2644

Also, if you have a complaint about any obligation of Canadian Tire Bank under a consumer provision of the *Bank Act*, you may file a written complaint with the Financial Consumer Agency of Canada (FCAC) at:

Financial Consumer Agency of Canada
6th Floor, Enterprise Building
427 Laurier Ave. West
Ottawa, Ontario K1R 1B9

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This document is provided to you by Canadian Tire Bank and Canadian Tire Financial Services Limited.

For new Cardmembers: this Agreement will be effective upon your first use of the Card. For existing Cardmembers: this Agreement will replace all previous agreements governing the use of your Card, and this Agreement will govern all use of your Card effective thirty (30) days following our mailing of this Agreement to you.

1. DEFINITIONS: In this Agreement,

- (a) "ABM" means automatic banking machine or automated teller machine;
- (b) "Account" means your account maintained by the Issuer with respect to one or more Cards;
- (c) "Agreement" means this agreement between us and you together with the Disclosure Statement as amended or modified from time to time;
- (d) "Balance Transfer" means, in response to an offer by the Issuer which is accepted by a Cardmember and subject to the Issuer's approval, payment by the Issuer of a debt owed by a Cardmember to someone other than the Issuer, the amount of which payment is then added to the Cardmember's Account as a balance owing and is payable by the Cardmember in accordance with the terms of this Agreement;
- (e) "Card" means each consumer credit card issued under the name "Canadian Tire" by the Issuer, or any affiliate of the Issuer, on the Account (including supplementary Cards) and any renewal, substitution or replacement of such card;
- (f) "Disclosure Statement" means the statement provided to Cardmembers which discloses certain information pertaining to the Account, including fees and annual interest rate;
- (g) "Personal Information" means any information about an identifiable individual;
- (h) "PIN" means the personal identification number, if any, issued for use with a Card;
- (i) "Primary Cardmember" means, where applicable, the Cardmember who has signed an application for a Card, as primary Cardmember, and for whom the Account is established;
- (j) "Transaction" includes purchases, payments, credits, Internet orders, mail orders, phone orders, cash advances, Balance Transfers and any other charges made on the Card including non-interest finance charges but excluding interest;
- (k) "we", "Issuer", "us" or "our" means Canadian Tire Bank, its successors and assigns; and
- (l) "you", "your" or "Cardmember" means the Primary Cardmember as well as each other person to whom a Card is issued for the use of that member's Account.

2. USE OF THE CARD: The Card allows you to (a) obtain credit from the Issuer by means of payment by the Issuer for merchandise or services to approved merchants honouring the Card, (b) with the prior approval of the Issuer, obtain cash advances at various locations worldwide that allow you to use the Card, including through the use of an ABM, and (c) with the prior approval of the Issuer, obtain Balance Transfers.

Notwithstanding the foregoing, we do not assume any responsibility in the event a Card is not honoured by any financial institution or

merchant and we make no warranties whatsoever with regard to the functionality of any ABM.

Where a person uses a Card and/or PIN with your authorization or knowledge, such use will be considered to be use of the Card and/or the PIN by you for the purposes of this Agreement.

If you use your Account number applicable to the Card to make a purchase without presenting the Card (for example, orders by mail, telephone or the Internet) the legal effect will be the same as though you presented your Card and signed a sales slip in respect of that purchase.

You agree not to use the Card after any expiry date indicated thereon. However, if it is used, you agree to pay any resulting debt plus interest in accordance with this Agreement.

The Primary Cardmember, together with anyone who has been issued a Card on the Account at the request of that person and with the consent of the Primary Cardmember, or whose name appears on the Account, may be jointly and severally liable for all Cardmember obligations under this Agreement. Each Cardmember may access the Account without the concurrence or knowledge of the others.

Anyone who has been issued a Card on the Account shall also be a Cardmember for the purposes of this Agreement and there shall be one Account for all such Cards.

3. PAYMENT: You are responsible for the payment to the Issuer of the amount of any credit obtained from the Issuer in respect of Transactions, and for the payment of interest and charges on Transactions, all in accordance with the terms of this Agreement.

4. MINIMUM PAYMENT: If the annual interest rate applicable to balances on your account is greater than 25.99%, you are required to make a minimum monthly payment each month in an amount which is equal to:

- (a) the greater of: (i) \$10.00 or (ii) 4% of the balance (or such other percentage as may be specified in writing by the Issuer in accordance with applicable law); plus
- (b) any amount past due.

If the annual interest rate applicable to balances on your account is 25.99% or less, you are required to make a minimum monthly payment each month in an amount which is equal to:

- (a) the greater of (i) \$10.00 or (ii) 3% of the balance (or such other percentage as may be specified in writing by the Issuer in accordance with applicable law); plus
- (b) the greater of: (i) any amount past due or (ii) any amount over your credit limit.

Regardless of the annual interest rate applicable to balances on your account, you may pay the full balance owing, or any amount greater than the minimum payment due, at any time. Balances under \$10.00 are due in full.

5. APPLICATION OF PAYMENTS: Any payment by the Cardmember will be applied against the Cardmember's indebtedness in the following order: (a) billed interest; (b) billed Balance Transfers; (c) billed cash advances; and (d) billed remaining Transactions. The remainder, if any, will be applied first against Balance Transfers,

then cash advances, and then against other Transactions, none of which have yet appeared on a statement but all of which have been posted to your Account before the payment was posted. Transactions made following the current statement date are carried forward to the next statement.

6. STATEMENTS OF ACCOUNT: Statements of Account will be furnished approximately monthly. The number of days covered by each statement may vary as a result of several factors, including holidays, weekends, and the different number of days in each month, and will be between 28 and 33 days. The statement will be either mailed to the address of the Primary Cardmember at the address for such member last shown in the books of the Issuer or, if a Cardmember requests electronic delivery of their statement and such request is acceptable to the Issuer, an electronic statement will be sent in accordance with that request and in lieu of a paper statement.

7. DELAYS IN SENDING STATEMENTS: Subject to applicable law, if we are delayed in or prevented from delivering a statement because of an interruption in postal service or any other event beyond our control, you should contact us on or after the regular statement date of each month during the interruption to determine what payments will be due on the next payment date. Where permitted by law, payments will continue to be due in accordance with paragraphs 3 and 4 of this Agreement.

8. INTEREST: The annual interest rate applicable to your Account is as stated on the Disclosure Statement. Such annual interest rate may be amended as provided herein and in accordance with applicable law. In calculating the amount of interest that will be payable by you, the Issuer will apply the rate of interest applicable to your Account to interest bearing Transactions, as adjusted for payments and other credits to the Account.

(a) If the annual interest rate applicable to balances on your Account is 25.99% or less, or if you are a resident of Quebec, the following applies to calculation of interest on your Account:

If payment in full of the outstanding balance on a statement of Account is received by the Issuer on or before the due date shown on the statement of Account (the “grace period”, which date shall not be less than 21 days nor more than 26 days after the statement date), interest shall only be payable on:

- (i)** cash advances made during the current and previous statement periods; and
- (ii)** all other Transactions from previous statement periods that were not fully paid within the grace period following the statement on which such Transactions first appeared (not applicable in Quebec).

However, if payment in full of the outstanding balance on a statement of Account is not received by the Issuer’s payment centre within the grace period, interest shall be payable on all Transactions made during the statement period, and on all unpaid Transactions from previous statements.

Except in the case of cash advances, interest is accrued and calculated from the posting date of the Transaction (but is not charged on the first statement on which the Transaction appears). In the case of cash advances, interest is accrued and calculated from the date the advance is made (and is charged on the first statement on which the cash advance appears and on subsequent statements until paid in full). The rate of interest applicable to your Account is applied to the average daily balance for the period covered by the statement, which may include credit charges from the preceding period. Interest is compounded daily.

(b) If the annual interest rate applicable to balances on your Account is greater than 25.99%, and if you are not a resident of Quebec, the following applies to calculation of interest on your Account:

If payment in full of the outstanding balance on a statement of Account is received by the Issuer’s payment centre on or before the due date stated on the statement of Account (the “grace

period”, which date shall be 25 days after the statement date), interest shall not be payable.

However, if payment in full of the outstanding balance on a statement of Account is not received by the Issuer’s payment centre within the grace period, interest shall be payable on the previous month’s balance. Payments equal to 50% or more of the previous month’s balance will be deducted before the current month’s credit charges are calculated. Interest is compounded monthly.

Regardless of the annual interest rate applicable to balances on your Account, notice of changes in the interest rate will be sent, in accordance with applicable legislative notice requirements, to the address of the Primary Cardmember at the address for such member last shown in the books of the Issuer, or by electronic delivery to the Cardmember if the Cardmember has requested electronic delivery of their statement.

9. BALANCE TRANSFERS: Balance Transfers will be treated in all respects as cash advances, except as follows: interest rate, order in which payments are applied, and credit limit. The interest rate applicable to a Balance Transfer request accepted by us will be as disclosed in the related Balance Transfer offer. Unless otherwise disclosed in the related Balance Transfer offer, the credit limit for Balance Transfers will be your current credit limit. In addition, no cash advance fee will be payable in respect of a Balance Transfer.

10. LOST AND STOLEN CARDS: If the Card is lost or stolen, the Cardmember shall not be liable for unauthorized use of the lost or stolen Card, subject to the provisions of Section 12 below. The Cardmember shall notify the Issuer immediately either orally or in writing of such loss or theft of the Card, or if the Cardmember’s PIN is disclosed to any unauthorized person.

In the event a Card issued to the Cardmember is lost or stolen and the Cardmember requests a temporary replacement Card or an emergency cash advance, each such temporary replacement Card shall be deemed for all purposes to be the Card replaced and each such emergency cash advance shall be deemed for all purposes to be an advance of money effected through using the Card under the terms of this Agreement, notwithstanding that the temporary replacement Card is not issued by the Issuer or bears a number different from the number of the Card replaced. All Transactions on the temporary replacement Card shall be deemed to be Transactions on the Card and the Cardmember is responsible for the repayment to the Issuer of the amount of any Transaction obtained through use of such temporary replacement Card, for payment to the Issuer of the amount of any credit obtained from the Issuer in respect of Transactions, for the amount of such emergency cash advance, and for the payment of interest and charges on Transactions, all in accordance with the terms of this Agreement. The Issuer makes no representations or warranties that a temporary replacement Card will be issued on request or that any emergency replacement Card will be honoured by any merchant or that all Card services will be available to the Cardmember upon use of any temporary replacement Card.

11. DEFAULT: In addition to the provisions of paragraphs 24 and 25 of this Agreement, upon: **(a)** a Cardmember failing to comply with any term or condition stipulated in this Agreement; **(b)** the insolvency, bankruptcy or death of any Cardmember; or **(c)** attachment, execution or levy against any Cardmember or any Cardmember’s property, the Issuer may terminate this Agreement with the Cardmember in accordance with applicable law and, in such event, the full amount of all Transactions and interest shall become due and payable at the expiry of thirty (30) days following receipt by the Primary Cardmember of notice of such termination and all Cards shall be immediately returned to the Issuer.

12. AUTHORIZED USE OF CARD: If a Cardmember fails to maintain confidentiality of any PIN or has failed to keep any PIN and the Card separate, the Cardmember will be deemed to have authorized the use of the Card for each Transaction made, and the Cardmember

will be responsible for each Transaction made on the Cardmember’s Account by use of the Card in an ABM prior to notification of unauthorized use being provided by the Cardmember either orally or in writing, except where applicable law does not permit Cardmembers to bear responsibility in these circumstances. In such cases, the Cardmember will not be responsible for unauthorized use of a Card resulting from failure to keep a PIN confidential or to keep a PIN and Card separate provided that the Cardmember has notified the Issuer either orally or in writing that such unauthorized use of the Card has occurred within thirty (30) days after the date of issue of the first statement to the Cardmember that includes Transactions resulting from such unauthorized use.

13. CREDIT LIMIT: The credit limit of which the Cardmember has been notified has been established as an initial credit limit. The Cardmember acknowledges that the Issuer may, at any time, subject to applicable law, adjust any credit limit established. Subject to applicable law, the Cardmember agrees that the Issuer may choose to temporarily increase the Cardmember’s credit limit at any time that a purchase on the Account would result in a balance greater than the existing credit limit. The Cardmember agrees not to permit the outstanding balance to exceed the applicable credit limit.

14. AMENDMENT OF TERMS: Subject to applicable law and the terms and conditions of this Agreement, the Issuer may, from time to time, upon not less than thirty (30) days’ written notice sent to the address of the Cardmember at the address for the Cardmember last shown in the books of the Issuer, amend or modify any of the obligations or rights of the Cardmember, such amendment or modification to become effective at the date stipulated in the notice. Notwithstanding the foregoing, the Issuer may immediately make any of the following changes to this Agreement: **(a)** adjust the credit limit; **(b)** extend the grace period; **(c)** decrease non-interest charges or default charges; or **(d)** change any information concerning optional services provided under this Agreement.

15. CASH ADVANCES AND ABMs: Where authorized by the Issuer, you may obtain cash advances from various locations worldwide that allow you to use the Card, and, by using the Card together with any PIN provided to you by the Issuer, you may obtain cash advances at any ABM bearing any logo shown on the Card, or other logos that we may designate from time to time. Each Cardmember shall use the Card and the PIN for Transactions at an ABM in accordance with the terms and conditions herein and our instructions from time to time and all Cardmembers’ ABM Transactions shall be governed thereby.

We reserve the right to set minimum amounts for cash advances, and maximum cash advance limits, both of which may vary by location where the cash advance is obtained. The Issuer reserves the right at its sole option at any time without notice to withdraw ABM access and/or to cancel the Cardmember’s cash advance privileges.

Cardmembers shall not disclose their PIN to any person and shall keep their PIN separate from the Card. Since the use of the Card at an ABM requires the PIN, we advise you to memorize it and keep no record of it. If you forget your PIN or want to change it, call our Customer Service Department.

Transaction records issued through an ABM are solely for the Cardmember’s convenience. Subject to applicable law, in the event of any dispute as to the accuracy of any such record, the Issuer’s decision based on its internal records shall be conclusive and binding on the Cardmember. Regardless of the location where the Cardmember obtains a cash advance, or the means by which a cash advance is obtained, the Issuer reserves the right to charge a handling fee for each cash advance obtained in order to defray the cost of providing the cash advance service. The actual amount of the handling fee charged is disclosed to Cardmembers on the Disclosure Statement or by way of separate notice. The Cardmember understands that the cash advance and the handling fee will be charged to the Cardmember’s Account and will be subject to the terms and conditions of this Agreement including, without restriction, the terms and conditions relating to the minimum monthly payment and/or credit charges on the unpaid balance of the Account.

16. QUASI-CASH TRANSACTIONS: If you use the Card for any of the following purposes, these Transactions will be treated as cash advances: gambling purposes (which includes all Transactions in a casino), purchasing lottery tickets, money transfers, and tax payments. There may be other Transactions that are treated as cash advances; if in doubt, ask the merchant accepting the Transaction how it is being posted.

17. CHEQUING PRIVILEGES: At participating stores, Cards may also be used for the purpose of identification when payment is made by personal cheque. If a payment for purchases, or a payment on account, is made by a personal cheque and such cheque is returned dishonoured, the Cardmember hereby agrees that the amount of such cheque, plus a handling fee as set out in the Disclosure Statement, may be charged to the Account and that the amount so charged will be subject to the terms and conditions of this Agreement including, without restriction, the terms and conditions relating to the minimum monthly payment and/or credit charges on the unpaid balance of the Account.

18. CHANGE OF ADDRESS: Each Cardmember shall notify the Issuer immediately of any change of address, including any change of e-mail address if the Cardmember has requested (which request is accepted by the Issuer) that statements be delivered electronically.

19. PERSONAL INFORMATION: Personal Information about the Cardmember will be collected, used, and disclosed in accordance with the Canadian Tire Financial Services Privacy Communication (“the Communication”). In particular, we collect, use and disclose Personal Information about the Cardmember so that we can open, maintain, service, process, analyze, audit and make collections on your Account, assess and update your credit-worthiness on an ongoing basis, protect all parties from error and fraud and comply with legal and regulatory requirements. As described in the Communication, Personal Information may be shared with other parties who administer the delivery of Cardmember services and to market and sell other Canadian Tire branded products and services. The Communication is updated from time to time. Cardmembers are referred to the most current version of the Communication which shall be available from Canadian Tire Bank.

20. FOREIGN CURRENCY TRANSACTIONS: All Transactions entered into or authorized by the Cardmember in a foreign currency through use of a Card shall be reimbursed by the Cardmember to the Issuer in Canadian currency and conversion thereto will be made by the Issuer at the MasterCard conversion rate in effect on the date the Transaction is posted to the account. This rate may differ from the one in effect on the date of the Transaction. All payments made by or on behalf of the Cardmember in a foreign currency will be converted to Canadian currency at the current conversion rate. This conversion rate will be increased by the percentage disclosed in the Disclosure Statement and will be charged to the Cardmember’s Account. In the event of a return, an amount as converted to Canadian currency at the current conversion rate and as increased by the percentage disclosed in the Disclosure Statement will be credited to the Cardmember’s account.

21. NON-INTEREST FINANCE CHARGES: The Issuer has the right to assess non-interest finance charges (including default charges as allowed by law) to the Cardmember on the Account, all as described in the Disclosure Statement or as otherwise disclosed to the Cardmember from time to time. Such charges are not refundable if your Account is cancelled in accordance with paragraph 24 or 25 of this Agreement.

22. CREDITS: Upon receipt, by the Issuer, of a credit note issued by a merchant for merchandise or services obtained by means of a Card, the Issuer shall credit the Account with the amount of such credit note. In the event the Issuer has not received said credit note at the date of the current statement, the Cardmember shall remain responsible for payment of the balance owing in accordance with the terms and conditions of this Agreement.