Financial®

The legal stuff.

Your PC Financial® Mastercard®

Cardholder Agreement

Certificate of insurance for purchase assurance and extended warranty

Cardholder Agreement

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President's Choice Financial Mastercard®
Cardholder Agreement

Thank you for choosing the *President's Choice Financial Mastercard®*. Your *President's Choice Financial Mastercard®* gives you exclusive benefits like free Extended Warranty and Purchase Assurance, PLUS for every dollar you spend with this card – anywhere – you receive PC Optimum™ points. For more details about how you earn and redeem points, please see your Benefits Guide.

Before you begin using your *President's Choice Financial Mastercard®*, be sure to read your Cardholder Agreement. Your Cardholder Agreement is an important and useful document, which describes in detail the terms and conditions associated with your **President's Choice Financial Mastercard®** account. Your Cardholder Agreement outlines your responsibilities as a cardholder and explains how your *President's Choice Financial Mastercard®* works, including how interest is calculated and how your payments are applied. It also details what you need to do if you believe there is an error on your statement or if your card is lost or stolen. We recommend you read your Cardholder Agreement thoroughly, as use of your *President's Choice Financial Mastercard®* means your acceptance of all stated terms. We also recommend that you read the EQ Bank Privacy Notice, available online at www.eqbank.ca/privacy, as it explains how we collect, use and disclose your personal information. Please download and keep this document in a secure place for future reference. If you have any questions, please call a Customer Service Representative at 1-866-246-7262.

1. Introduction

1.1 What this is

This is your Cardholder Agreement. It replaces any other Cardholder Agreements we may have provided you. It sets out the terms that govern your *President's Choice Financial Mastercard®* Account. **When you use your Account, it means you accept all of the terms stated in this Agreement.**

1.2 Scope

Additional terms regarding your Account are sent out in the following documents:

- Your application,
- The Disclosure Summary,
- The card carrier and/or Welcome Kit,
- Additional notices or disclosure documents that we may provide to you.

The above documents, along with the terms contained in this document, form your Cardholder Agreement. If there is ever a conflict between any of the above-mentioned documents and the terms of this document, the most current version of these terms will govern.

The Cardholder Agreement applies to your *President's Choice Financial Mastercard*® Account, and any card, convenience cheque or other device or technology issued for the Account at any time.

1.3 Why it is important

This is an important document because it outlines your rights and responsibilities as a Cardholder. Reading it, you can learn how your *President's Choice Financial Mastercard*® works, including how interest is calculated and how your payments are applied. It also tells you what to do if you believe there is an error on your statement or if your Card is lost or stolen. Knowing these things can help you save time and money as well as protect your information and your credit rating.

1.4 Changes

We may change each and any provision of this Cardholder Agreement (including any of the documents referenced above in section 1.2) at any time. Notice of the change will be provided to you, in accordance with applicable laws, at the most recent e-mail address or mailing address we have for you. Using your Account once a change has become effective will signify that you agreed to the change. Changes may include, but not be limited to, the interest rates and Fees, how your Account works or features that may be included, added or removed. A change may apply both to the unpaid balance on your Account and to all new transactions.

1.5 What you need to do

Read this Cardholder Agreement including the documents listed in section 1.2 thoroughly and be sure you understand how they apply to you. If you have any questions, call a Customer Service Representative at the number on the back of your card. You should also read the EQ Bank Privacy Notice, available online at www.eqbank.ca/privacy. It explains how we collect, use and disclose your personal information.

Keep these documents in a secure place for future reference.

2. Reading and understanding this document

We have tried to make it easy to read and understand this document. Here are some things that will help.

2.1 Organization

To make things easier, information is presented in the order you will use it. We start with how to set up and use your Account and then move into understanding your statements and how to make payments and what to do if you believe something is not correct. The headings and sub-headings are provided to make it easier to find information.

2.2 Definitions

Just so we understand each other, here are a few important defined words and what we mean when we use them. When these words are capitalized, it indicates we intend them to have the meaning described in this definitions section.

The words "you," "your," "we," "us," and "our" will always have the meaning described below even when not capitalized.

Account
"Account" means a *President's Choice Financial Mastercard*® account, and, where applicable, it also includes any Card, Convenience Cheque or other device or technology issued for the Account.

Additional Cardholder
An "Additional Cardholder" (also sometimes called an "Authorized User") is a person who has been issued a Card on the Account at the request of the Primary Cardholder.

Balance Transfer
A "Balance Transfer" occurs when you use your Account to pay an outstanding balance on a credit card account at another financial institution.

Billed
"Billed" means the transaction has been shown on a statement.

Card
"Card" means any plastic card, convenience cheque or other device or technology that is issued or provided by President's Choice Bank for the Account. It also includes any renewal or replacement plastic card, convenience cheque, device or technology.

Cardholder
"Cardholder" refers to the Primary Cardholder and any Additional Cardholder on the Account.

Cardholder Agreement
"Cardholder Agreement" means the terms of this document and the documents listed in section 1.2 and any future changes to such terms and documents.

Cash-Like
"Cash-Like" refers to certain transactions charged to your Account which are identified to us by the merchant as being similar to a cash transaction and the Fee for "cash equivalent transaction" applies to these transactions. This Fee and the types of transactions for which it may be applied are listed in the Disclosure Summary or in other notices that we may provide to you. Currently these transactions include: wire transfers, money orders, traveller's cheques, permitted gaming, and purchases of lottery tickets and casino gaming chips.

Convenience Cheque
A "Convenience Cheque" is typically a paper cheque that we may issue to you on your Account, with your consent. You can use it to pay for goods or services when a credit card is not accepted as a form of payment. It is treated by us as cash advance transactions and interest is charged from the date they are posted to your Account.

Credit Balance
A "Credit Balance" occurs when payments or credits made on your Account exceed the amount owing on the Account.

Disclosure Summary
"Disclosure Summary" refers to the information box titled "*President's Choice Financial Mastercard*® Account Disclosure Summary." It contains important information about your Account. This information may be changed with notice to you, and any reference in these terms to information in the Disclosure Summary means the information in the current version of the Disclosure Summary.

Fees
The "Fees" applicable to your Account are described in your application, Disclosure Summary, and other disclosure document(s) or notice(s) that we may provide to you.

Foreign Currency Conversion Markup
For foreign currency transactions, the "Foreign Currency Conversion Markup" is a percentage of the amount of the transaction that is charged for purchases and cash advances and deducted from refunds and credits. This percentage is described in your application, Disclosure Summary, and other disclosure document(s) or notice(s) that we may provide to you.

Good Standing
"Good Standing" means being in full compliance with the Cardholder Agreement.

Interest-Bearing Transaction
"Interest-Bearing Transaction" means any transaction on your Account to which interest applies. Different rates of interest may apply to different types of transactions.

PIN
"PIN" means personal identification number. It refers to the code used to authorize transactions when using a credit card with a chip.

Premium
"Premium" is used to refer to the monthly charge for optional insurance on your Account.

Primary Cardholder
The "Primary Cardholder" is the person in whose name the Account exists and who is responsible for the Account.

Statement Period
"Statement Period" refers to the billing period or the days covered by your statement.

We, us and our
"We," "us" and "our" mean President's Choice Bank, the issuer of the *President's Choice Financial Mastercard*®.

You and your
"You" and "your" mean the Primary Cardholder.

3. Your agreement with us

3.1 You understand the terms of this Cardholder Agreement

Using your Account means that you understand, accept and agree to the terms contained in this Cardholder Agreement, and you understand we may change them.

Using your Account also means that you understand and agree to the terms of any third party loyalty programs applicable to your Account, operated by our loyalty program partners. These partners do not act on our behalf, and are solely responsible for the loyalty programs they administer. We are not responsible for any loss or damages you may suffer as a result of your participation in these programs, which may be changed or cancelled from time to time without notice to you, subject to applicable law. To access the current version of these terms, visit pcfinancial.ca and select the "Legal & Privacy" link.

3.2 As Primary Cardholder you are responsible

As the Primary Cardholder, you are solely liable under this Cardholder Agreement. That means you are responsible for all amounts owing on your Account, including any amounts incurred on the Account by any Additional Cardholders, and for complying with this Cardholder Agreement. In legal terms, this Cardholder Agreement is binding on you and your personal and legal

representatives as well as your and their successors and assignees. You are also responsible for ensuring that any Additional Cardholders on your Account understand this Cardholder Agreement as well as the EQ Bank Privacy Notice (see section 18.1 for more details) and the loyalty program terms and conditions. You must ensure they know that these documents apply to them, and use the Account in accordance with this Cardholder Agreement.

3.3 Additional Cardholders have rights and obligations

Additional Cardholders may be permitted to change their own information on the Account or request a replacement Card, but are otherwise not authorized to give instructions to us with respect to the Account. For instance, an Additional Cardholder would not be able to change your information such as your address or request or consent to an increase in the credit limit or close the Account. We may, however, provide information about the Account to the Additional Cardholder as described in section 18.1.2.

4. Use of your Account

When you use your Account, we are lending you money, so we have certain rights and you have certain responsibilities.

As soon as you receive your Welcome Kit, you must sign any signature panel on any Card in your name and ensure that any Additional Cardholders on the Account sign their Cards.

When any Cardholder on the Account pays for goods or services with the Card number but without presenting their Card (such as for purchases by telephone, mail or online) or where a signature, PIN or password is not required, the legal effect is the same as if the Card had been presented and the sales slip was signed or a PIN or password entered.

You may be required to enter additional information to complete certain online transactions. We cannot stop payment on Convenience Cheques, and are not able to stop any other charges to your Account that appear to have been authorized.

4.1 Our rights

We may choose not to authorize any transaction at any time for any reason. We may also request additional information to evaluate a transaction request or to evaluate and adjust the rates of interest, credit limit or other features of your Account.

If we suspect unauthorized or fraudulent use of your Account, we may block use of your Account without prior notice to you. This means you will not be able to use your Account without contacting us.

We may suspend, cancel or close your Account at any time for any reason, without notice.

We are not responsible for any damages related to your Account, including special, indirect or consequential damages, even if they were foreseeable, for example, if your Card is not honoured, a Convenience Cheque is not accepted or your Account cannot be used.

We may, on occasion, send a renewal or replacement Card to any Cardholder on the Account, without your further consent or notice. We may also decide not to renew or replace a Card for any reason.

We may limit the number of Additional Cardholders per Account.

There are certain items, such as Cards, which we may, at our sole discretion, refuse to mail to an address that is not in Canada.

Our failure to exercise any of our rights does not mean that we cannot or will not exercise those rights on another occasion.

4.2 Your responsibilities

You promise to pay us for all amounts charged to your Account. You are responsible even if these amounts owing are incurred before you activate your Account or after the expiry of any Card or after the closure or suspension of your Account. You are liable for all of the charges whether they were made by you, an Additional Cardholder, or someone else that you or an Additional Cardholder permitted to use the Account. You are responsible to keep your Account in Good Standing.

4.2.1 You will pay on time

You agree to pay at least the minimum payment by the payment due date shown on your statement each month.

4.2.2 You will ensure the Account is used appropriately

The Account is designed for personal use, so you agree you will not use it as a business or commercial account.

You will ensure that you, or any Additional Cardholder on the Account, do not use the Account for any unlawful purpose, such as the purchase of goods or services prohibited by law. You will also ensure that it is not used in ways currently prohibited by us, for example:

- allowing any non-Cardholders to use the Account,
- obtaining a refund for goods or services purchased on the Account in any form other than a credit on the Account,
- using the Account if you are bankrupt or insolvent or are unlikely to be able to pay your minimum payment on time.

4.2.3 You will keep the Account secure

You must ensure that you and any of your Additional Cardholders maintain the secrecy of any PIN or password for your Account (which includes passwords or access codes used to access your Account online or to complete online transactions). You and your Additional Cardholders must NOT:

- write any PIN or password on the Cards or on statements for your Account,
- keep them written anywhere such as in a wallet or at home,
- write your card number and any PIN or password together in any document,
- store them in an electronic medium,
- disclose them to anyone, including our Call Centre or any third party, or in response to any e-mails, either on purpose or by accident.

If you or any of your Additional Cardholders do not properly safeguard any PIN or password for your Account, you may be liable for unauthorized transactions on your Account.

4.2.4 You will avoid Credit Balances

You should not allow a Credit Balance to occur on your Account except due to a correction or to a refund for goods or services purchased on the Account. Credit Balances on your Account do not earn interest and are not insured by the Canada Deposit Insurance Corporation (CDIC). We can take reasonable measures to reduce or eliminate your Credit Balance. We are not responsible if you are, for any reason, unable to access a Credit Balance on the Account.

4.2.5 You will keep your information current with us

You must provide us prompt notice of any change in your personal information, including any change in your or any Additional Cardholder's legal name, occupation, telephone number, residential address, and your mailing address if it is different from your residential address. If your mailing address is a rural route or post office box you must also provide us your current physical address. If you have chosen to receive electronic notifications regarding your statements and other related correspondence by e-mail, you must also notify us of any changes to your e-mail address. You should also notify us if other information relating to your contact information changes.

We may request that you confirm or update your personal information at any time, and you must respond to that request.

You are still responsible when we can't contact you. If we send a statement or a notice to you and it is returned because of an invalid address, we may suspend use of the Account and we may not issue further statements or notices to you until we receive a correct or new address from you, and we may suspend use of the Account until we have received the updated information. You are responsible for paying all amounts owing on your Account even if you do not receive statements due to an invalid address or e-mail address.

5. Unauthorized use of your Account / lost or stolen Cards

Your liability may be limited in situations where use of your Account was unauthorized.

5.1 Advise us immediately

We will consider that you have authorized all transactions on your Account until you advise us otherwise.

You must inform us immediately about any actual or suspected loss, theft or unauthorized use of any Card, PIN or password or any other unauthorized use of your Account.

Contact us toll free at 1-866-246-7262 (or collect at 647-426-1343 if you are outside Canada and the U.S.). We may take whatever steps we consider necessary to recover any affected Card, and additionally may report the loss, theft or unauthorized use to the appropriate authorities.

5.2 You will not be responsible for unauthorized transactions, if you take care

You will not be responsible for an unauthorized transaction using your Account, provided:

- your Account is in Good Standing,
- you have exercised reasonable care in safeguarding your Card, PIN, passwords and your Account information (as described in section 4.2.3 above),
- you have not reported two or more unauthorized events in the last twelve months,
- no Cardholder benefits from the transaction,
- you report the unauthorized transaction to us as soon as you become aware of it, and no later than within 30 days from the date of the statement on which the transaction first appears, and
- you co-operate fully with our investigation.

Even if you do not meet these criteria, if the unauthorized transaction was made using a lost or stolen Card, account information, or PIN on your Account, the maximum amount you will be responsible for is the first $50 of transactions that occur between the time of the loss or theft and the time that you notify us. However, if we determine that you have demonstrated gross negligence (or gross fault, if you are a resident of Quebec) in safeguarding your Card, account information or PIN, then you are liable for and must pay the full amount that was charged to your Account.

You will not be liable for any unauthorized transactions made on your Account after you have notified us that any Card, account information, or PIN has been lost or stolen, has otherwise been used in an unauthorized manner or is at risk of being used in an unauthorized manner.

6. Secure Account access

6.1 Setting and changing PINs

When you activate your new Account, you and any Additional Cardholders will be required to set a PIN. When setting or changing your PIN, you and any Additional Cardholders must not select a PIN that is easily identifiable, such as a birth date, a phone number, or a PIN that you use for any other accounts. The PIN you select must also comply with instructions we provide for setting or changing your PIN.

If you have forgotten your PIN, need to set a new PIN or wish to change your PIN, you can do so by calling us at the telephone number listed on the back of your card.

6.2 Establishing online access

As the Primary Cardholder, we recommend that you register to access your Account online. This will allow you to monitor activity on your Account in a timely manner as well as make changes and updates to your Account. Visit our website pcfinancial.ca for information on how to register.

Your Additional Cardholders may also establish online access, monitor activity on the Account and manage their information as described in section 18.1.2 of this Cardholder Agreement.

7. Types of transactions

Different types of transactions are treated differently. The main types of transactions that will appear on your Account are: purchases, cash advances, interest and Fees.

7.1 Purchases

Purchases include all goods and services purchased with your Account, including Cash-Like transactions, plus any applicable Foreign Currency Conversion Markups (if you make purchases in a foreign currency), and the Premiums for optional insurance on your Account.

7.2 Cash advances

Cash advances are transactions in which funds are advanced by us and charged to your Account, and include:

- obtaining cash at a bank machine that accepts Mastercard,
- obtaining cash in person at a teller of a Mastercard issuing institution,
- using a Convenience Cheque,
- completing a Balance Transfer,
- any applicable Foreign Currency Conversion Markup (if you obtain a cash advance in a foreign currency).

7.2.1 Conditions for cash advances

The following conditions apply to cash advances:

- We may limit the number and amount of cash advances and decline them for any reason, including because the advance would exceed the limit we have set for cash advances on your Account or because your Account is not in Good Standing.
- All cash advances will be fulfilled in the order we process them (which may not reflect the order in which we receive them).
- Additional terms may also be set out in the terms of any cash advance offer and on your card carrier.
- Purchases made through cash advances (such as by paying a merchant with a Convenience Cheque) are not eligible for dispute resolution through our processes, are not covered by Extended Warranty or Purchase Assurance and do not earn loyalty points unless otherwise specified.

7.3 Interest

Different rates of interest may apply to different types of transactions.

The rates applicable to your Account, other than promotional rates of interest, are shown in the Disclosure Summary. The most current rates will also appear on each statement for your Account.

We may change the rates of interest applicable to your Account at any time for any reason. In each case, you will be provided with the required notice of the change, unless your Account ceases to be in Good Standing, in which case the default rate(s) of interest will apply to your Account as described in section 16.

7.4 Fees

All Fees on your Account, including the Fees for cash advances and for Cash-Like transactions, are treated in the same manner as purchases.

7.5 Promotional offers

You may occasionally be eligible for certain promotional offers. By participating in a promotional offer, you are subject to any additional terms set out in the promotional offer, and those terms also form part of this Cardholder Agreement.

7.5.1 Promotional items

When a promotional interest rate offer applies to a particular transaction, that transaction will be referred to as a "promotional item." The rate of interest that applies to promotional items (a "promotional rate of interest") is typically lower than the

purchase and cash advance interest rates, but for a limited amount of time. The promotional rate of interest will no longer apply when any of the following occurs

- the promotional offer term expires,
- you do not meet or no longer meet all of the specific terms outlined in the promotional offer,
- when your Account is in default (see section 16 for details).

When the promotional rate of interest no longer applies, the current cash advance or purchase interest rate, as applicable, will apply to any outstanding unpaid promotional items. If your Account is in default, the applicable default interest rate will apply.

8. Pre-authorized transactions

You may, for your own convenience, pre-authorize merchants to automatically place a purchase on your Account, typically on a recurring basis.

8.1 You are responsible for all pre-authorized transactions

You are responsible for all pre-authorized transactions posted to your Account, even those that may be posted after you have requested that your Account be closed or you have requested that a merchant cease posting these preauthorized transactions to your Account.

8.2 You must advise merchants of changes on your Account

When a new Card number or expiry date is issued to you, or to any Additional Cardholder on the Account, you must advise any merchants with whom you have set up pre-authorized transactions of the new Card number and expiry date.

8.3 Some merchants may be automatically notified of changes to your Account

Certain merchants may register with Mastercard Worldwide Inc. to receive automatic updates regarding your Account, such as changes to your Card number, expiry date and status of your Account. Unless you opt out by calling us at the number on the back of your card, those merchants will receive those updates. Since not all merchants register to receive this service from Mastercard® Worldwide Inc., you remain responsible for updating merchants with whom you have set up pre-authorized transactions.

9. Transactions in a foreign currency

9.1 How we convert foreign currency transactions

If you make or return purchases, take cash advances or receive credits or refunds in a currency other than Canadian dollars, then the amount of the transaction will be converted to Canadian dollars before being posted to your Account. Credits to your Account in a foreign currency will also be converted from the foreign currency to Canadian dollars. Each conversion to Canadian

dollars will be made at exchange rates determined by Mastercard® International Inc. in effect on the date that we process the transaction. This exchange rate may be different from the rate in effect on the transaction date. For transactions made in certain foreign currencies, the foreign currency will be converted first to U.S. dollars, then to Canadian dollars.

9.2 Foreign Currency Conversion Markup percentage for foreign currency transactions

When a transaction in a foreign currency is posted to your Account, you will be charged a Foreign Currency Conversion Markup which is a percentage of the amount of the transaction that is charged for purchases and cash advances and deducted from refunds and credits. The Foreign Currency Conversion Markup percentage is disclosed in your Disclosure Summary. The Mastercard® exchange rate and Foreign Currency Conversion Markup percentage are incorporated into the conversion rate and the Canadian dollar transaction amount shown on your statement, and are treated, in all respects, like the type of transaction (a purchase or a cash advance) they pertain to.

9.3 Refunds and credits in a foreign currency

The Foreign Currency Conversion Markup percentage is not returned to you if you receive a refund or credit in a foreign currency. The amount of a purchase and any corresponding refund may differ as a result of the Foreign Currency Conversion Markup percentage and any differences in exchange rates from the date we process the purchase transaction and the date we process the refund transaction. The amount of a purchase may generally be higher than its corresponding refund due to these factors. If the amount of a refund or credit is less than the amount of the original transaction, you are responsible for the difference.

10. Your credit limit

Your credit limit is the maximum amount that you are permitted to charge to your Account. It is disclosed to you on your card carrier and on each statement.

We may set a separate credit limit for different types of transactions, such as a limit for purchases, a limit for cash advances, and another limit for Balance Transfers.

10.1 Do not exceed your limit

Do not let the outstanding balance of transactions on your Account exceed your credit limit. Your available credit decreases by the amounts charged to your Account. We reserve the right to not authorize any use of your Account that would cause you to exceed your credit limit.

However, if we do allow the total you owe on your Account to exceed your credit limit (such as with a merchant hold as described in section 10.2), this does not mean that your credit limit has changed. You remain responsible for, and must immediately pay, any amount that exceeds your

credit limit. Each time your Account is over its credit limit on your statement date, you may be charged the over limit fee shown in the Disclosure Summary.

10.2 Merchant holds impact your available credit

Merchants may request pre-authorization for certain transactions such as hotel or rental car reservations, and the resulting "holds" will decrease your available credit. However, if we authorize the hold and you exceed your credit limit solely as a result of holds placed on your Account, your Account will not be considered to be over the credit limit for purposes of Good Standing and the over limit fee will not be charged to your Account.

10.3 No transaction can exceed your credit limit

The amount of any transaction (such as the amount of a purchase or a Convenience Cheque) cannot exceed your credit limit, even if you have accumulated a Credit Balance on your Account.

10.4 You may request a change to your limit

You may ask for a credit limit increase or decrease online by logging in to your registered Account at pcfinancial.ca or by calling the toll-free number on the back of your card. We may not allow you to decrease your credit limit below your Account balance plus any outstanding authorizations at the time of your request. Credit limit increases are subject to credit approval, and we may decline or authorize only a portion of any credit limit increase you request.

10.5 We may change your limit

We may decrease your credit limit at any time without prior notice. We may increase your credit limit at your request or with your express consent.

11. Your statement

Your monthly statement provides detailed Account information. Review it and report errors promptly.

11.1 Statement Periods vary

Each statement will normally cover between 28 and 32 days depending on holidays, weekends and the number of days in each month.

11.2 Sometimes you will not receive a statement

We will provide you with a statement for your Account for each Statement Period unless:

- There is no activity on your Account, including no transactions, payments, credit or debit balances on your Account during that Statement Period and there is no outstanding balance.

- There is no activity on your Account and you have been notified that your Account has been suspended or closed due to default and we have demanded payment of the outstanding balance.
- Your Account has an outstanding balance of less than $10, there have been no transactions or payments, and no interest or Fees are being incurred or accrued on your Account, in which case we may choose to provide you with a statement once every 3-month period.

11.3 You must report statement errors to us

If you notice any errors on your statement, you must notify us within 30 days of the statement date. See section 19 “How to contact us” for our contact information. If you do not notify us within 30 days of the statement date, then the statement will be deemed complete and accurate, except for any improper credits to the Account (which we may reverse at any time) or any Balance Transfers that are still being processed.

11.4 Missing statements do not relieve you of your responsibility

You agree to continue to make payments in accordance with this Cardholder Agreement even if we are delayed or prevented from providing your statement to you due to a change in your address or e-mail address, a postal strike, an online failure, an inability to communicate with you electronically or for any other reason. During any such period, you must contact us or check your Account balance online, to obtain the information required to meet your payment obligations, and to keep your Account current and in Good Standing.

12. Interest on your Account

You can avoid being charged interest if you:

- always pay your entire current statement balance in full each month by its payment due date, and
- do not use your Account to take cash advances.

12.1 Interest-free grace period on new purchases

No interest will be charged on the following items that are shown for the first time on your current statement, if you pay the entire balance on this statement in full by the payment due date:

- new purchases, including new Cash-Like transactions,
- the Foreign Currency Conversion Markup applicable to those new purchases,
- all Fees, and optional insurance Premiums.

However, if you do not pay the entire statement balance in full by the payment due date, then the interest-free grace period no longer applies to these items and interest will be charged starting from the date of the transaction, and will appear on your next statement.

There is no interest-free grace period on cash advances or the Foreign Currency Conversion Markup on cash advances.

12.2 How we calculate interest

12.2.1 Some terms we use

To help you understand how we calculate interest, first we'll explain two terms we use: "daily interest rate" and "average daily balance."

The **daily interest rate** for each type of Interest-Bearing Transaction is shown on your statement. The daily interest rate is calculated by dividing the applicable annual interest rate by the number of days in the year (365 days, except in a leap year, when it is 366 days).

For each type of Interest-Bearing Transaction, the **average daily balance** is determined by adding together the balance on your Account for that type of Interest-Bearing Transaction each day during the applicable Statement Period, and dividing the total by the number of days in the Statement Period.

12.2.2 Calculations

On your statement date, for each type of Interest-Bearing Transaction, interest is calculated and charged as follows:

- For balances carried over from the previous Statement Period (including Billed interest for purchases but not including Billed interest for cash advances or Fees) and any new cash advances shown on the current statement, interest for the current Statement Period is calculated by multiplying together the applicable (i) average daily balance, (ii) daily interest rate, and (iii) the number of days in the current Statement Period.
- If you did not pay your previous statement balance in full by the payment due date, then interest will also be calculated for the previous Statement Period for any items that were shown for the first time on that statement and to which an interest-free grace period no longer applies. This interest is calculated by multiplying together (i) the average daily balance of those items during the previous Statement Period, (ii) the daily interest rate, and (iii) the number of days in the previous Statement Period.
- All of the interest calculated for each type of Interest-Bearing Transaction is added together, and the total is added to your Account balance at the end of your Statement Period. There is no interest on previously Billed interest for cash advances or Fees.

13. Disputing charges

13.1 Work with the merchant

If you have problems with any product or service purchased through the use of your Account, you must settle the problem directly with the merchant.

13.2 Keep making payments while working with the merchant

You must continue to make payments to your Account while you are resolving the problem directly with the merchant. If you are expecting a merchant to apply a credit to your Account, monitor your Account closely, and if the credit does not appear within 30 days, contact us by signing into your online account or call the number on the back of your card.

13.3 Credits for disputed charges

If you have disputed a charge on your Account and we receive a credit from the merchant, any rights and claims that you have with respect to that disputed amount are automatically assigned to us. This means we will apply any settled dispute amounts to your Account.

14. Payments

Payments must be made in Canadian dollars and may not exceed the amount owed on the Account. You may pay your Account balance in full at any time using a variety of payment methods as indicated on your statement or as we may make available to you. We do not accept cash payments.

If you do not pay the balance in full, the requirements described below must be met to keep your Account in Good Standing.

14.1 Minimum payment requirements

For each Statement Period you must pay at least the minimum payment due shown on your statement by the payment due date shown on your statement.

14.1.1 Minimum payment due

The minimum payment due is any past due amounts, plus:

- if your statement balance is more than $10, the greater of:
    - $10,
    - 2.2% of your total statement balance (5% for new accounts issued to Quebec residents since August 1, 2019, and for all other accounts held by Quebec residents: 4.5% effective on August 1, 2024, and 5% effective on August 1, 2025); or
    - the interest charges and Fees Billed on your current statement plus $1, or
- if your statement balance is $10 or less, the full amount.

14.1.2 Payment due date

Your payment due date will be shown on your statement each month. Your payment due date may vary but will be a minimum of 21 days from your statement date.

14.2 Payment methods

You are responsible for selecting a payment method that ensures your payment is received and applied to your Account by the payment due date. Disruptions or delays by the postal service or electronic communications do not relieve you of this responsibility.

Payments, particularly those made by cheque or in a bank branch, can take more than a week to clear. Generally, payments are applied to your Account on the day that we receive them provided they are received during business hours on a banking day in Ontario. Otherwise, they will be applied to your Account on the next banking day.

Regardless of the method of payment that you choose, your available credit limit may not reflect your payment until your payment has cleared.

14.3 Credits from merchants are not payments

If you return a purchase and we receive a credit from the merchant, we will deduct the amount of the merchant credit from the balance owing on your Account. However, the credit will not be treated like a payment made by you. The credit will not count towards your minimum payment due or towards payment in full of your statement balance. The credit may not necessarily be applied against the item for which you received the credit. If we have charged you any interest on a purchase that was returned and for which a merchant credit was applied to your Account, we may not refund this interest to you.

15. How we apply payments to your Account

15.1 For residents outside of Quebec (and residents of Quebec prior to August 7, 2025)

15.1.1 Payment amounts up to your minimum payment

For payments up to your minimum payment, the amount will be applied to your Account balance in the following order:

- first to interest,
- second to Fees, and
- the remainder, if any, to transactions on the Account, starting with those that have been shown on a statement. Within each type of transaction on the Account, payment amounts, up to your minimum payment, will be applied starting with the items with the lowest rate of interest to the items with the highest rate of interest.

15.1.2 Payment amounts exceeding your minimum payment

Any payment amount that exceeds your minimum payment will be applied against the balance owing on your Account in proportion to the amount of each part of your Account balance that has a different interest rate, in the following order:

- first to any unpaid amounts that have been shown on a statement, based on the proportion of the particular amounts to the total remaining statement balance,
- second to any new amounts on your Account, that are not on your current statement, based on the proportion of the particular amount to the remaining balance owing on your Account.

The remainder of the payment, if any, will become a Credit Balance on your Account.

15.2 For residents of Quebec as of August 7, 2025

Payment amounts up to and exceeding your minimum payment will be applied against the balance owing on your Account based on interest rate, starting with the part of your Account balance that has the highest interest rate and then the next highest interest rate, in the following order:

- first to any unpaid amounts that have been shown on a statement, based on the applicable interest rate in descending order;
- second to any new amounts on your Account, that are not on your current statement, based on the applicable interest rate in descending order.

Within each part of your Account balance with a different interest rate, the payment amount will be applied first to interest, then to Fees, and then to transactions on the Account

The remainder of the payment, if any, will become a Credit Balance on your Account.

15.3 Application of Credit Balances

In the event that you have a Credit Balance on your Account, the Credit Balance will be applied to any new transactions in the order in which they are posted to your Account.

15.4 Acceptance of payments

We cannot stop or reverse any payment made to your Account. We may accept late payments, partial payments and payments marked “paid in full” or with similar wording without losing any rights we have by law or under this Cardholder Agreement to recover the amounts owed to us on the Account.

16. Default

You will be in default under this Cardholder Agreement and your Account will not be in Good Standing if any of the following occur:

- you do not make your minimum payment by the payment due date for two consecutive billing periods,
- you or any Additional Cardholder on the Account uses the Account in a manner that is prohibited by us or by law or in an inappropriate manner,

- you or any Additional Cardholder on the Account do not comply with any other term of this Cardholder Agreement,
- you become bankrupt or insolvent.

If you are in default under this Cardholder Agreement:

- the applicable default interest rate(s) disclosed in the Disclosure Summary will apply to all of your unpaid balances on your Account (including promotional items), as of the first day of the second consecutive Statement Period for which payment has not been made
- any existing promotional offer will no longer apply and:
  - promotional items that were purchases will be treated like purchases in all respects, and
  - promotional items that were cash advances will be treated like cash advances in all respects.
- we can require immediate payment of all amounts owing on your Account upon providing the required notice, if any,
- we can offset balances from any other balance or account you have with us, or any of our affiliated companies, and use it to pay the amount that you owe us, without notice to you,
- in addition, you must pay all legal costs that we incur to collect or attempt to collect the payment from you.

17. Cancellation

17.1 Either party may cancel this Cardholder Agreement

We may cancel this Cardholder Agreement, or close or suspend access to your Account, at any time without telling you in advance. We may refuse to honour any transaction including a Balance Transfer request or Convenience Cheque written on your Account, either before or after cancellation, closure or suspension.

You may also close your Account by telling us in writing by sending a letter to the address noted in section 19 “How to contact us” or calling us at the number on the back of your card.

17.2 You remain responsible for all amounts owing

If your Account is closed or suspended, you remain responsible for all amounts owing on the Account, including any additional interest and pre-authorized payments that may be posted to your Account, and this Cardholder Agreement will remain in effect until you pay us all such amounts.

You are responsible for contacting all merchants with whom you have arranged pre-authorized payments to cancel those payments.

Upon cancellation of this Cardholder Agreement or closure or suspension of your Account, you will no longer be able to receive credit from us.

17.3 You must destroy all Cards and Convenience Cheques

We own all Cards and Convenience Cheques issued on your Account. Upon closure or suspension of your Account, you must immediately and securely destroy all Cards and unused Convenience Cheques issued on your Account in accordance with our instructions or, if we ask you to do so, return them to us.

18. Other things you need to know

18.1 Privacy notice

18.1.1 Your privacy is important to us

As a part of EQ Bank, we have adopted the EQ Bank Privacy Notice, which explains how we collect, use and disclose your personal information. This privacy notice may be changed. A copy of the most current version can be obtained online at www.eqbank.ca/privacy. If you have any questions about this notice, you can contact the Chief Privacy Officer by e-mail at cpo@eqbank.ca or by writing to EQ Bank Tower, 2200-25 Ontario St., Toronto, Ontario M5A 0Y9.

When you provide us information about an Additional Cardholder, you confirm that the individual consents to our collection, use and disclosure of their personal information, including the use and sharing of information as described in section 18.1.2, for the purpose of their use of the Account and any Card we issue.

18.1.2 We will share information with Additional Cardholders

You consent to our sharing certain information, as detailed below, with any Additional Cardholder on your Account.

You acknowledge that any Additional Cardholder on your Account may view, obtain or be provided with information about the Account, including transactions, balances, available credit, Account status and payment details. Additional Cardholders will be able to receive information about the Account, including viewing monthly electronic statements and all of the transactions made by any Cardholder on the Account on an ongoing basis. You cannot limit, restrict or reduce the access or authority available to an Additional Cardholder. Any Additional Cardholder has the same degree of access to the Account as listed in this section, and each Additional Cardholder will be able to access the activity of each Additional Cardholder on the Account.

18.2 Electronic communications

We may accept electronic messages from you or an Additional Cardholder as being "in writing." We accept electronic communications for your convenience and they are still legally binding on you.

To communicate with us by electronic means, you may be required to comply with security measures established by us for our mutual protection.

If you have chosen to receive your statements and other related correspondence electronically, any documents sent to you electronically will be deemed, for legal purposes, to have been provided "in writing" and signed and delivered by us. Similarly, we may rely upon any instructions that we receive electronically, which we believe have been provided by you, such as electronic requests for changes to your credit limit.

18.3 Assignment

We may sell, assign or transfer any or all of our rights or obligations under this Cardholder Agreement, without notice to you, and we may disclose information about you and your Account to the person or entity to which we make any such sale, assignment or transfer, in accordance with applicable laws and regulations.

18.4 Governing law

This Cardholder Agreement will be governed by and interpreted in accordance with the laws of Ontario and applicable laws of Canada. The courts in the Canadian province or territory in which you reside will have exclusive jurisdiction over any disputes arising in connection with the Account or this Cardholder Agreement.

18.5 Language

The parties hereto specifically request that this Cardholder Agreement and all documents related hereto be drawn up and signed in the English language only. *Les parties aux présentes exigent que cette convention ainsi que tous les documents s'y rapportant soient rédigés et signés en langue anglaise seulement.*

19. How to contact us

We value customer feedback and encourage you to contact us. Our Customer Contact Centre handles all questions and comments about *President's Choice Financial Mastercard®*.

Please note that for security reasons, we do not respond to Account-specific questions via our e-mail address. Do not include your Card number in any e-mail to us. For Account-specific questions, please call us or contact us through our secure website pcfinancial.ca. You may contact us by the following methods:

E-mail: talktous@pcmastercard.pcfinancial.ca (General questions only)

Mail: *President's Choice Financial Mastercard*
P.O. Box 4403
Station A, Dept. 5114
Toronto, ON M5W 5Y4

Phone: 1-866-246-7262

20. How to resolve concerns with us

We are committed to handling all complaints in a fair, timely and effective manner. We value your feedback and encourage you to contact us about your complaint to give us an opportunity to resolve your concerns. Please follow these steps if you have a complaint:

Step 1: Our Customer Support team is your first point of contact

You can submit your complaint to our Customer Support team by webform, mail or phone.

Online: Sign in to your account online and use the Complaints webform in the Support Centre

Website: www.pcfinancial.ca/complaints

Mail: President's Choice Financial
P.O. Box 4403, Station A
Toronto, ON M5W 5Y4

Phone: 1-866-246-7262

Our Customer Support team routinely handles and makes operational decisions about complaints and is the first level of our complaints handling process. At any point during this process, you can request that your complaint be escalated to PC Financial Executive Customer Care for handling.

Please contact us by one of the methods described above, and if possible provide the reference number from our acknowledgement (if applicable).

Once a complaint is submitted, you will receive an acknowledgement that your complaint has been received and is under review.

Step 2: PC Financial Executive Customer Care will handle escalated complaints

If our Customer Support team is unable to resolve your complaint, you may ask to have your concern addressed by PC Financial Executive Customer Care. You can contact PC Financial Executive Customer Care by email at customercare@pcbank.ca, by mail at the address in Step 1 above, or by phone at 1-866-822-8775. If possible, please provide the reference number from our acknowledgement (if applicable). If our Customer Support team is unable to resolve your complaint within fourteen (14) days of receipt, we will escalate your complaint to PC Financial Executive Customer Care for handling.

Step 3: Complaint Appeal Office

If your complaint is not resolved to your satisfaction by PC Financial Executive Customer Care you can escalate your complaint to the PC Financial Complaint Appeal Office for review. The PC Financial Complaint Appeal Office will undertake a review of all unresolved complaints.

Although the PC Financial Complaint Appeal Office is not independent from President's Choice Bank, they will assist in obtaining a fair and reasonable resolution. **Please note that the PC Financial Complaint Appeal Office will only be able to accept your request for a review if your complaint has already been dealt with by PC Financial Executive Customer Care.** If you have not completed Step 2 above, your case will be referred back to PC Financial Executive Customer Care for appropriate review prior to involvement of the PC Financial Complaint Appeal Office.

You can contact the PC Financial Complaint Appeal Office directly by email at cao-bap@pcbank.ca, by phone at 1 855 662 8377, or by mail at PC Financial Complaint Appeal Office, EQ Bank Tower, 2200-25 Ontario St., Toronto, Ontario M5A 0Y9.

21. Your right to independent review

Ombudsman for Banking Services and Investments (OBSI)

If you have followed this process and are not satisfied with the outcome of the PC Financial Complaint Appeal Office review, you can contact the Ombudsman for Banking Services and Investments (OBSI), which is independent from President's Choice Bank and provides a dispute resolution service that is free to use. You must escalate your complaint to OBSI within one hundred eighty (180) days after our final response. You can contact OBSI by phone at 1-888-451-4519, by fax at 1-888-422-2865, by email at ombudsman@obsi.ca, or by mail at Ombudsman for Banking Services and Investments, 20 Queen Street West, Suite 2400, P.O. Box 8, Toronto, ON M5H 3R3 or visit OBSI's website at www.obsi.ca.

You may also contact OBSI if your complaint is not resolved or closed within fifty-six (56) days after receipt by President's Choice Bank.

Financial Consumer Agency of Canada (FCAC)

The Financial Consumer Agency of Canada (FCAC) supervises federally regulated financial institutions, such as President's Choice Bank, to ensure they comply with federal consumer protection laws, voluntary codes of conduct and public commitments. You can contact the FCAC in writing at Financial Consumer Agency of Canada, 427 Laurier Ave. West, 6th Floor, Ottawa, ON, K1R 1B9, through the website at www.fcac-acfc.gc.ca, or by phone as follows: for service in English: 1-866-461-FCAC, Ext. 3222; for service in French: 1-866-461-ACFC, Ext. 2232; for calls from outside Canada: 613-960-4666. The FCAC does not resolve individual consumer complaints, and cannot provide redress or compensation.

22. For residents of Quebec

Additional clauses apply.

References to the "merchant" below shall refer to President's Choice Bank. Section 16 "Default" provides that "If you are in default under this Cardholder Agreement, […] we can require immediate payment of all amounts owing on your Account upon providing the required notice, if any."

22.1 Clauses required under the Consumer Protection Act

(Clause of forfeiture of benefit of the term)

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

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

(a) either remedy the fact that he is in default;

(b) or present an application to the court to have the terms and conditions of payment prescribed in this contract changed.

(Open credit contract for the use of a credit card)

(1) If the consumer uses all or part of the credit extended to make full or partial payment for the purchase or the lease of goods or for a service, the consumer may, if the open credit contract was entered into on the making of and in relation

to the sale, lease or service contract, and if the merchant and the open credit merchant collaborated with a view to granting credit, plead against the lender any ground of defence urgeable against the merchant who is the vendor, lessor,

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

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

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

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

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

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

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

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

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

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

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

It is in the consumer's interest to refer to sections **103.1, 104** to **110, 122.1, 123, 123.1, 124, 126, 126.2, 126.3, 127** and **127.1** of the Consumer Protection Act (chapter **P-40.1**) as well as to section **69** of the General Regulation made under that Act and, where necessary, to communicate with the Office de la protection du consommateur.

22.2 Changes

Section **1.4** "Changes" provides that "We may change each and any provision of this Cardholder Agreement (including any of the documents referenced above in Section **1.2**) at any time."

If we introduce and/or increase the amount chargeable as membership fees, renewal fees or replacement fees for a lost or stolen credit card or if we increase the credit rate, we will send you, at least **30** days before the amendment comes into force, a written notice setting out exclusively the new clause, or the amended clause and the clause as it read formerly, and the date of the coming into force. If we amend any other clause in the Cardholder Agreement, we will send you, at least **30** days before the amendment comes into force, a written notice drawn up clearly and legibly, setting out exclusively the new clause, or the amended clause and the clause as it read formerly, the date of the coming into force of the

amendment and advise you that you may refuse the amendment and cancel the Cardholder Agreement without cost, penalty or cancellation indemnity by sending us a notice to that effect no later than **30** days after the amendment comes into force, if the amendment entails an increase in your obligations or a reduction in our obligations.

22.3 Credit reporting agencies

We may obtain credit reports and information about you from Trans Union of Canada, Inc., Equifax Canada Inc., or any other credit reporting agency. You may access and correct or update any of your personal information in these files by contacting these credit reporting agencies through their websites www.transunion.ca and www.consumer.equifax.ca.

22.4 Governing law

For residents of Quebec, Section **18.4** "Governing law" shall provide that the Cardholder Agreement will be governed by and interpreted in accordance with the laws of the Province of Quebec and applicable laws of Canada.

Certificate of insurance

for purchase assurance and extended warranty.

President's Choice Bank

President's Choice Financial Mastercard® Cardholders:

Master Policy Number: PCF0817 Effective Date: August 1, 2017

This Certificate of Insurance contains information about your insurance. Please read it carefully and keep it in a safe place. Refer to the "Definitions" section and the paragraph following this one for the meanings of all capitalized terms.

This coverage outlined in this Certificate of Insurance is effective August 1, 2017, and is provided to all eligible *President's Choice Financial Mastercard*® Cardholders. Purchase Assurance and Extended Warranty Insurance is underwritten by American Bankers Insurance Company of Florida (hereinafter referred to as the "Insurer") under Master Policy number PCF0817 (hereinafter referred to as the "Policy") issued by the Insurer to President's Choice Bank (herein called "PC Bank").

In no event will a corporation, partnership or business entity be eligible for the insurance coverage provided by this Certificate of Insurance.

American Bankers Insurance Company of Florida – Canadian Head Office is located at 5000 Yonge Street, Suite 2000, Toronto, ON M2N 7E9.

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of American Bankers Insurance Company of Florida's insurance business in Canada.

Definitions

"**Account**" means the Primary Cardholder's *President's Choice Financial Mastercard*® account which is in Good Standing with PC Bank.

"**Cardholder**" means the Primary Cardholder and/or supplemental Cardholder who is a natural person ordinarily a resident in Canada and who is also issued a *President's Choice Financial Mastercard*®, and whose name is embossed on the card. Cardholder may also be referred to as "**You"** or "**Your**."

"**Cardholder Agreement**" means the agreement made between the Primary Cardholder and PC Bank with respect to the *President's Choice Financial Mastercard*®, as the same may be amended from time to time.

"**Certificate**" means this Certificate of Insurance.

"**Dollars**" and "**$**" mean Canadian dollars.

"**Good Standing**" means being in full compliance with all of the provisions of the Cardholder Agreement in force between the Primary Cardholder and PC Bank, as amended from time to time.

"**Mysterious Disappearance**" means the article of personal property which is the subject of a claim cannot be located and the circumstances of its disappearance cannot be explained or do not lend themselves to a reasonable inference that a theft occurred.

"**President's Choice Financial Mastercard**" means a *President's Choice Financial Mastercard®* card issued by PC Bank.

"**Primary Cardholder**" means the principal applicant for an Account who is a natural person ordinarily a resident in Canada who is issued a *President's Choice Financial Mastercard®*.

"**You**" or "**Your**" means the Cardholder.

General provisions

Unless otherwise expressly provided herein or in the Policy, the following general provisions apply to the benefits described in this Certificate of Insurance.

Notice of Claim: Written notice of claim must be given to the Insurer within forty-five (45) days after the occurrence or commencement of any loss covered by this Certificate, or as soon thereafter as is reasonably possible, but in all events written notice of claim must be given to the Insurer within ninety (90) days after the occurrence or commencement of any loss covered by this Certificate. Written notice given by or on behalf of the claimant or the beneficiary to the Insurer with information sufficient to identify the Cardholder shall be deemed notice to the Insurer.

Claim Forms: The Insurer, upon receipt of a written notice of claim, will furnish to the claimant appropriate claim forms. If such forms are not furnished within fifteen (15) days after the giving of such notice, the claimant shall be deemed to have complied with the requirements of the Policy as to proof of loss upon submitting, within the time fixed in this Certificate for filing proof of loss, written proof covering the occurrence, the character and the extent of the loss for which the claim is made.

Proof of Loss: The appropriate Insurer claim forms together with written proof of loss must be provided to the Insurer at the address set out above within ninety (90) days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate or reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible, but in all events such proof must be given to the Insurer within one (1) year from the date on which the loss, which is the subject of the claim, occurred.

Time of Payment of Claim: Benefits payable under this Certificate will be paid upon receipt of due written proof of such loss.

Payment of Claims: All benefits will be payable to the Cardholder in whose name the Account is maintained.

Termination of Coverage: Coverage will automatically terminate on the date when: the Cardholder for any reason ceases to fall within the definition of Cardholder; the Policy is terminated; the Primary Cardholder notifies PC Bank to cancel the Account, or the Account ceases to be in Good Standing. No losses incurred after such termination date will be paid.

Misrepresentation and Fraud: This entire Certificate shall be null and void and no payment of any claim shall be made under the Policy if, whether before or after a claim is made, the Cardholder has knowingly made a false or fraudulent claim in any respect.

Subrogation: Following the Insurer's payment of a claim for loss or damage under this Policy, the Insurer shall be subrogated to the extent of the amount of such payment, to all of the rights and remedies of the Cardholder against any party in respect of such loss or damage, and shall be entitled at its own expense to sue in the Cardholder's name.

The Cardholder shall give the Insurer all such assistance as the Insurer may reasonably require to secure its rights and remedies, including the execution of all documents necessary to enable the Insurer to bring suit in the Cardholder's name.

Legal Action: Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act, Limitations Act, or other applicable legislation in the Cardholder's province or territory.

1. Purchase Assurance Benefits

In effect when You charge the full cost of covered personal property items to Your Account.

Purchase Assurance benefits are available automatically, without registration, to protect most new items of personal property purchased by a Cardholder with a *President's Choice Financial Mastercard*® for ninety (90) days from the date of purchase against all risk of direct physical loss, theft or damage, anywhere in the world, to the extent that such items are not otherwise protected or insured in whole or in part. Items which the Cardholder gives as a gift are also covered; however, the Cardholder, not the recipient of the gift, must make any claim for benefits. If any such item is lost, stolen or damaged, it will be replaced or repaired or the protected Cardholder will be reimbursed for the purchase price, at the Insurer's discretion.

Limitations and Exclusions: Purchase Assurance benefits are only available to the extent that the item in question is not otherwise protected or insured in whole or in part.

Purchase Assurance benefits are not available in respect of the following items:

(a) traveller's cheques, cash or equivalents (whether paper or coin), tickets, bullion, negotiable instruments or property of a similar nature;

(b) animals or living plants;

(c) mail order purchases until delivered and accepted by the Cardholder;

(d) golf balls;

(e) automobiles, motorboats, airplanes, motorcycles, motorscooters, snowblowers, riding lawn mowers, golf carts, lawn tractors or any other motorized vehicles (except for miniature electrically powered vehicles intended for recreational use by children) or any of their respective parts or accessories;

(f) items purchased and/or used by or for a business or for commercial gain;

(g) perishables such as food, liquor and/or goods consumed in use;

(h) items lost or stolen from vehicles or in the care or custody of shippers; or

(i) items purchased used, rebuilt or remanufactured.

Purchase Assurance benefits are also not available for jewellery lost or stolen from baggage unless such baggage is hand-carried under the personal supervision of the Cardholder or the Cardholder's travelling companion (with the Cardholder's knowledge).

Purchase Assurance benefits are also not payable for items lost or stolen from a public or unoccupied place unless they are locked up and/or are continuously attended to.

Loss, theft or damage resulting from fraud, abuse, hostilities of any kind (including war, invasion, rebellion or insurrection), confiscation by authorities, risks of contraband, illegal activities, normal wear or tear, flood, earthquake, radioactive contamination, Mysterious Disappearance and loss resulting from inherent product defects are not covered. Consequential damages and lawyers' fees are not covered.

(See Additional Provisions.)

Limits of Liability: For the Purchase Assurance benefits there is a lifetime maximum of $50,000 per Account, as well as a maximum of $1,000 per incident. The Cardholder will be entitled to receive no more than the original purchase price or portion of the purchase price of the protected item as recorded on the *President's Choice Financial Mastercard*® sales receipt. Where a protected item is part of a pair or set, the Cardholder will receive no more than the value of the particular part or parts lost, stolen or damaged regardless of any special value that the item may have as part of an aggregate purchase price of such pair or set.

The Insurer, at its sole option, may elect to: (a) repair, rebuild or replace the item lost or damaged (whether wholly or in part), upon notifying the Cardholder of its intentions to do so within sixty (60) days following receipt of the required proof of loss, or (b) compensate the Cardholder for said item, not exceeding the lesser of the original purchase price thereof and the replacement or repair cost thereof, and subject to the exclusions, terms and limits of liability as stated in this Certificate of Insurance.

Other Insurance: Purchase Assurance coverage is in excess of all other applicable valid warranty, insurance, indemnity or protection available to the Cardholder in respect of the item subject to the claim. The Insurer will be liable only for the excess of the amount of the loss, theft or damage over the amount covered under such other insurance, indemnity or protection and for the amount of any applicable deductible, only if all other coverage has been exhausted and subject to the exclusions, terms and limits of liability set out in this Certificate of Insurance. This coverage will not apply as contributing insurance, notwithstanding any provision in any other insurance, indemnity or protection policies or contracts.

2. Extended Warranty benefits

In effect when You charge the full cost of covered personal items to Your Account.

Extended Warranty benefits are available automatically, without registration, to provide Cardholders with double the period of repair services otherwise provided by the original manufacturer, in accordance with the terms of the original manufacturer's warranty (excluding any Extended Warranty offered by the manufacturer or any third party), to a maximum of one (1) full year on most items purchased new in Canada, or purchased new worldwide with a *President's Choice Financial Mastercard*® if there is a warranty valid in Canada (provided that in all cases, automatic coverage is limited to original manufacturer's warranties of five (5) years or less). Items which the Cardholder gives as a gift are also covered; however, the Cardholder, not the recipient of the gift, must make any claim for the benefits. Most original manufacturer's warranties over five (5) years will be covered if registered with the Insurer within the first year after purchase of the item.

To register a purchased item with a warranty over five (5) years for Extended Warranty, the Cardholder must send copies of the vendor sales receipt (if any), customer copy of the *President's Choice Financial Mastercard*® sales receipt, serial number of the item (if available) and the original manufacturer's warranty which is valid in Canada for the product to the Insurer. For further information, call **1 866 892 8683** from Canada and the United States or **613 634 4997** collect from elsewhere in the world.

Limitations and Exclusions: The Extended Warranty ends automatically upon the date when the original manufacturer ceases to carry on business for any reason whatsoever.

The Extended Warranty does not cover:

(a) used, rebuilt or remanufactured items;

(b) computer hardware, accessories or peripherals, computer repair or software;

(c) automobiles, motorboats, airplanes, motorcycles, motorscooters, snowblowers, riding lawn mowers, golf carts, lawn tractors or any other motorized vehicles (except for miniature electrically powered vehicles intended for recreational use by children) or any of their respective parts or accessories;

(d) damage resulting from normal wear or tear; or

(e) items purchased and/or used by or for a business or for commercial gain.

The Extended Warranty will only apply to any parts and/or labour costs resulting from mechanical breakdown or failure of a covered item, or any other obligations that were specifically covered under the terms of the original manufacturer's warranty that is valid in Canada. Bodily injury, property damages, consequential damages, punitive damages, exemplary damages and lawyers' fees are not covered. Coverage is limited to the lesser of the amount charged to Your *President's Choice Financial Mastercard*® or $10,000.

Other Insurance: Extended Warranty coverage is in excess of all other applicable valid warranty, insurance, indemnity or protection available to the Cardholder in respect of the item subject to the claim. The Insurer will be liable only for the excess of the amount of the loss or damage over the amount covered under such other insurance, indemnity or protection and for the amount of any applicable deductible, only if all other coverage has been exhausted and subject to the exclusions, terms and limits of liability set out in this Certificate of Insurance. This coverage will not apply as contributing insurance, notwithstanding any provision in any other insurance, indemnity or protection policies or contracts.

Additional Provisions: Purchase Assurance and Extended Warranty Benefits Notice of Loss/ Proof of Loss/Payment of Claim:

The Cardholder must keep copies of receipts and other documents described herein to file a valid claim, and shall notify the Insurer by telephone at **1-866-892-8683** immediately after learning of any loss or occurrence. The Insurer, upon receipt of such notice of claim by telephone, will furnish to the Cardholder appropriate claim forms. If such forms are not furnished within fifteen (15) days after the giving of such notice, the Cardholder shall be deemed to have complied with the requirements of the Policy as to proof of loss upon submitting, within the time fixed in this Certificate for filing claim forms, written proof covering the occurrence in full detail, the character and the extent of the loss or occurrence for which claim is made.

In addition, the Cardholder must, within ninety (90) days from the date of the loss or occurrence, complete and sign an Insurer Claim Form, which will be provided by the Insurer. The signed claim form completed by the Cardholder must contain the time, place, cause and amount of loss, including the copy marked "Customer Copy" of the *President's Choice Financial Mastercard®* sales receipt, vendor sales receipt, copy of the original manufacturer's warranty where applicable, and a police, fire, insurance claim or loss report or other report of the occurrence of the loss sufficient for determination of eligibility for the benefits hereunder.

Failure to furnish such claim form within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to provide such claim form within such time, provided it is furnished as soon as reasonably possible. Prior to proceeding with any repair services, the Cardholder must notify and obtain approval of the repair services and repair facility from the Insurer. At the Insurer's sole discretion, the Cardholder may be required to send, at his or her own expense, the damaged item on which a claim is based to an address designated by the Insurer.

The Insurer's payment made in good faith will discharge the Insurer to the extent of the claim.

Benefits for Cardholder Only: Purchase Assurance and Extended Warranty benefits are provided only to the Cardholder.

No other person or entity shall have any right, remedy or claim, legal or equitable, to the benefits. The Cardholder shall not assign these benefits other than benefits for gifts as expressly provided in this Certificate of Insurance.

Due Diligence: The Cardholder shall use diligence and do all things reasonable to avoid or diminish any loss of or damage to property protected by the Policy.

Conformity with Statutes: Any part of this Certificate which, on its Effective Date, conflicts with the federal statutes or statutes of the province where it is delivered to You is changed to conform to the minimum standards of those statutes.

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