



1. **Definitions:** As this Agreement, the Card Carrier and the Disclosure Statement are read, please remember that, **“you”** and **“your”** means the Primary Cardmember for the Account and a Card. If there is one or more than one Authorized User for the Account, these words also mean the Primary Cardmember and each Authorized User individually; and **“we”**, **“us”** and **“our”** means, except as otherwise provided in Section 22. of this Agreement, Citibank Canada.

Please also remember that in this Agreement, the Card Carrier and the Disclosure Statement,

“Account” means the Citibank Business MasterCard account we have opened in the Primary Cardmember’s name to which all Debt is charged;

“Account Statement” means our written statement of the Account that we prepare for the Primary Cardmember approximately every 4 weeks;

“Agreement” means this Citibank Business MasterCard Cardmember Agreement, as amended or replaced from time to time;

“Application” means your request made to us for the Account and your Card;

“Authorized User” means an individual who has signed the Application as an Authorized User on the Account or who has been added as an Authorized User on the Account in accordance with Section 5. of this Agreement;

“Authorized User Credit Limit” means, in respect to an Authorized User, the maximum amount of Debt charged to the Account by the Authorized User through the use of the Account or their Card (including Terminal Transactions and SecureCode Transactions) that can remain outstanding and unpaid at any time in the Account;

“Billing Period” means the billing period covered by an Account Statement [the billing period covered by each Account Statement will vary between 29 days and 34 days];

“Card” means the Citibank Business MasterCard credit card we issue on the Account in your name as the Primary Cardmember (if you are an individual) or an Authorized User, as the case may be, and all renewals of and replacements for that credit card;

“Card Carrier” means the document accompanying your Card when we issue it to you that sets out important information about the Account;

“Cash Advance” means an advance of cash that is charged to the Account with or in connection with your Card, a Cheque or a Terminal Transaction;

“Cash Advance Balance” has the meaning set out in sub-Section 13.(d)(ii) of this Agreement;

“Cheque” means a specially encoded cheque we have supplied to you that is drawn on the Account;

“Citi Cards Canada” means our affiliate, Citi Cards Canada Inc.;

“Daily Closing Cash Advance Balance” has the meaning set out in sub-Section 13.(d)(ii) of this Agreement;

“Daily Closing Purchase Balance” has the meaning set out in sub-Section 13.(d)(i) of this Agreement;

“Daily Rate [for Cash Advances]” means the daily rate of interest for Cash Advances (and for the interest thereon) that is set out on each Account Statement, such daily rate being the daily equivalent to the Interest Rate (Cash Advances);

“Daily Rate [for Purchases]” means the daily rate of interest for Purchases (and for interest-bearing service fees and other charges, and the interest thereon) that is set out on each Account Statement, such daily rate being the daily equivalent to the Interest Rate (Purchases);

“Debt” means all amounts charged to the Account with or in connection with the Account number, Cards and Cheques, including Purchases, Cash Advances, interest, service fees and other charges;

“Disclosure Statement” means our written statement of the Interest Rates, service fees and other charges for the Account set out in the document accompanying this Agreement and your Card when we issue it to you and in any other document or statement we may send to the Primary Cardmember or to you from time to time;

“EBPP Service” has the meaning set out in sub-Section 12.(f) of this Agreement;

“Foreign Currency Transaction” has the meaning set out in sub-Section 15.(b) of this Agreement;

“Information” has the meaning set out in sub-Section 22.(b) of this Agreement;

“Interest-Bearing Balance” means the unpaid balance of the Debt outstanding in the Account that is made up of any combination of interest-bearing Purchases, Cash Advances, interest, and service fees and other charges;

“Interest Rate (Cash Advances)” means the annual interest rate we charge for Cash Advances (and for the interest thereon) that is referred to in the Disclosure Statement and set out on each Account Statement;

“Interest Rate (Purchases)” means the annual interest rate we charge for interest-bearing Purchases (and for interest-bearing service fees and other charges, and the interest thereon) that is referred to in the Disclosure Statement and set out on each Account Statement;

“Interest Rates” means, collectively, the Interest Rate (Cash Advances) and the Interest Rate (Purchases);

“Merchants” has the meaning set out in sub-Section 22.(b) of this Agreement;

“Minimum Payment Due” means the amount indicated as such on an Account Statement;

“Other Citigroup Companies” has the meaning set out in sub-Section 22.(b) of this Agreement;

“Payment Due Date” means the date indicated as such on an Account Statement [this date will vary between 19 days and 25 days after the Statement Date shown on the Account Statement];

“PIN” means the personal identification number we have provided to you in our prescribed manner;

“Primary Cardmember” means the person identified as such in the Application;

“Privacy Statement” has the meaning set out in Section 22. of this Agreement;

“Purchase” means a purchase of goods or services (or both) that is charged to the Account with or in connection with the Account number or your Card;

“Purchase Balance” has the meaning set out in sub-Section 13.(d)(i) of this Agreement;

“Qualifying Account Transactions” has the meaning set out in sub-Section 13.(a) of this Agreement;

“SecureCode” means the secure code that the Primary Cardmember (if you are an individual) or an Authorized User has selected in accordance with the third party procedures that apply to that selection;

“SecureCode Transaction” means an Internet Purchase in which you use the Account number together with your SecureCode as the method of payment for the Internet Purchase;

“Special Financing Plan” means one of our special financing plans under which a Purchase is made and posted to the Account;

“Statement Date” means the date indicated as such on an Account Statement;

“Terminal” means any Card-activated machine, terminal or device at which a Terminal Transaction may be made;

“Terminal Transaction” means a Purchase, Cash Advance or any other available Account transaction made with your Card together with your PIN at a Terminal;

“Total Credit Limit” means the maximum amount of Debt that can remain outstanding and unpaid at any time in the Account; and

“Total New Balance” means the amount indicated as such on an Account Statement.

You agree with us as follows:

2. **General Terms of Agreement:** This Agreement, the Card Carrier and the Disclosure Statement apply to the Account, your Card and each Cheque. This Agreement replaces all prior Cardmember Agreements between you and us for the Account, your Card and each Cheque.

You acknowledge and accept that under an arrangement between Citi Cards Canada and us, Citi Cards Canada will be performing all Account servicing and related activities on the Account, and will be administering this Agreement.

If you sign, use or accept your Card or use the Account, it will mean that you have received, read and accepted this Agreement, the Card Carrier and the Disclosure Statement. It will also mean that you have understood and agreed with us to everything written here and in the Card Carrier and Disclosure Statement. You agree that the Account will only be used for business purposes.

By accepting this Agreement, you have requested the benefits and services provided automatically with the Account. The benefit guide for the Account that you receive with your Card outlines the benefits and services which you can enjoy. We may change any of these benefits and features at any time.

Third parties will provide some of the benefits and services outlined in the benefit guide for the Account. These third parties, and not us, are responsible to you for the services and benefits offered or provided by them.

If this Account allows you to participate in the loyalty programs of other selected companies, you acknowledge and agree that these companies do not act on our behalf. They are solely responsible to you for their loyalty programs and the services and benefits offered through their loyalty programs as well as the administration of those programs, including the means by which you can earn and redeem points.

3. **Account, Card and Cheque Use:** You must sign your Card in order to use it. The use of the Account, your Card and each Cheque is governed by this Agreement. You must not use your Card before the valid date or after the expiration date shown on it or after the termination of this Agreement. You must also not use the Account, your Card or a Cheque for a Purchase, SecureCode Transaction or other Account transaction that is illegal, improper or unlawful. We also reserve the right to prevent the Account, the Account number and your Card from being used for certain types of Account transactions as determined by us, including Account transactions connected to Internet gambling. The Primary Cardmember must promptly inform Citi Cards Canada of any change in their address.

You may use your Card and write a Cheque to obtain advances of money from us through Purchase transactions, Cash Advance transactions, SecureCode Transactions, Terminal Transactions and other Account transactions we permit from time to time. Each Cheque that you write and we post to the Account will be considered to be a Cash Advance for all purposes of this Agreement.

If you incur Debt through the use of the Account number or your Card number without having presented your Card to a merchant (such as for an Internet, mail order or telephone Purchase), the legal effect will be the same as if you used your Card and signed a Purchase or Cash Advance draft.

You may use your Card together with your PIN to make a Terminal Transaction. You and we will treat your PIN as your electronic signature in each Terminal Transaction.

You may also use the Account number together with your SecureCode to make a SecureCode Transaction. You and we will treat your SecureCode as your electronic signature in each SecureCode Transaction.

You are not permitted to make a payment on the Account that exceeds the Total Credit Limit, unless the amount you owe to us under the Account at the time of payment exceeds the Total Credit Limit.

The Account is for the sole business use of the Primary Cardmember and any Authorized User on the Account. You agree that the Account will not be used by or on behalf of any other person or entity without our express prior written approval.

4. **Account and Card Ownership:** We are the owner of the Account and your Card. No one but you is permitted to use the Account or your Card. You do not have the right to assign or transfer this Agreement, the Account or your Card to anyone else.

5. **Adding and Removing Authorized Users on the Account:** From time to time, the Primary Cardmember may ask us to add one or more individuals as Authorized Users on the Account under this Agreement by contacting us through www.citicards.ca or at our Customer Care Centre. Each request by the Primary Cardmember for the issuance of a Card to an Authorized User is subject to our approval.

If the Primary Cardmember wants us to remove an individual as an Authorized User on the Account under this Agreement for any reason (including, without limitation, the death of the Authorized User), the Primary Cardmember must tell us to do so.

The Primary Cardmember will be liable to us for all Debt, howsoever and by whomsoever incurred, resulting from the use of the Account by an individual Authorized User that occurs before the time the Primary Cardmember tells us to remove that individual as an Authorized User on the Account.

The Primary Cardmember will not be liable to us for any Debt resulting from the use of the Account by an individual Authorized User that occurs after the time the Primary Cardmember has told us to remove that individual as an Authorized User on the Account.

6. **Lost or Stolen Card:**

(a) *Notification:* You must tell us at once if your Card is lost or stolen or if you suspect it is lost or stolen. You must do this by calling us at the telephone number indicated in Section 23, of this Agreement and on the front of each Account Statement.

(b) *Card or Account Number Use Only:* If your Card is lost or stolen, the Primary Cardmember will not be liable to us for any Debt resulting from the loss or theft of your Card that is incurred through any one or more transactions on the Account in which only your Card or the Account number has been used to complete those transactions so long as:

- (i) you used reasonable care to safeguard your Card against loss and theft;
- (ii) you have not reported more than one incident of Card loss or theft to us within the 12-month period immediately preceding the latest loss or theft of your Card; and
- (iii) the Account is up-to-date.

If we ask you to, you must prove to us that you used reasonable care to safeguard your Card against loss or theft.

If you do not meet all of the above conditions, the Primary Cardmember will be liable to us for all Debt, up to a maximum of \$50.00, resulting from the loss or theft of your Card that is incurred through any one or more transactions on the Account in which only your Card or the Account number has been used to complete those transactions. However, the Primary Cardmember will not be liable to us for any Debt resulting from the use of your Card that is incurred through any one or more transactions on the Account in which only your Card or the Account number has been used to complete those transactions after you have reported the loss or theft of your Card to us.

(c) *Terminal Transactions and SecureCode Transactions:* If your Card is lost or stolen:

- (i) the Primary Cardmember will be liable to us for all Debt resulting from the loss or theft of your Card that is incurred through any one or more Terminal Transactions or SecureCode Transactions made before the time you tell us about that loss or theft; and

(ii) the Primary Cardmember will not be liable to us for any Debt resulting from the loss or theft of your Card that is incurred through any one or more Terminal Transactions or SecureCode Transactions made after the time you tell us about that loss or theft.

7. PIN and SecureCode Privacy: You must always keep your PIN and SecureCode strictly confidential. No one but you is permitted to know or use your PIN and SecureCode. If you know or suspect that someone else knows (or may know) your PIN or SecureCode, you must tell us at once and change your PIN in our prescribed manner or, where applicable, change your SecureCode in the manner prescribed by the third party who administers the selection of your SecureCode.

You must take every reasonable precaution to ensure that your PIN and SecureCode are never disclosed, inadvertently or otherwise, to someone else when Terminal Transactions and SecureCode Transactions, respectively, are being made or at any other time. If we ask you to, you must prove to us that those precautions have been taken.

8. Total Credit Limit and Authorized User Credit Limit:

(a) *Total Credit Limit:* We will set a Total Credit Limit for the Account and we may change it periodically. We will tell the Primary Cardmember what the current Total Credit Limit is on the Card Carrier and thereafter on each Account Statement. The Primary Cardmember may ask for a Total Credit Limit increase or decrease at any time by contacting our Customer Care Centre.

You will not permit the Debt that the Primary Cardmember owes to us at any time to exceed the Total Credit Limit. However, we may (but are not required to, even if we have done so before) permit that Debt to exceed the Total Credit Limit we set from time to time. You understand that the use of your Card and the Account may be suspended, at our discretion, if the Total Credit Limit is exceeded.

(b) *Authorized User Credit Limit:* If the Primary Cardmember asks us to, we will set an Authorized User Credit Limit for an Authorized User. We will tell the Authorized User what their current Authorized User Credit Limit is on the Card Carrier and thereafter, as applicable, in subsequent communications. The Primary Cardmember may ask for an increase or decrease in an Authorized User's Authorized User Credit Limit at any time by contacting our Customer Care Centre.

An Authorized User will not permit the unpaid Debt which has been charged to the Account by the Authorized User through the use of their Card, through Terminal Transactions in which their Card and PIN have been used together, or through SecureCode Transactions in which the Account number and their SecureCode have been used together to exceed their Authorized User Credit Limit at any time. However, we may (but are not required to, even if we have done so before) permit that Debt to exceed the Authorized User's Authorized User Credit Limit we set from time to time. The Authorized User understands that the use of their Card and the Account may be suspended, at our discretion, if that Authorized User's Authorized User Credit Limit is exceeded.

9. Terminal Transaction and SecureCode Transaction Limits:

(a) We will set one or more limits (dollar amount or otherwise) for Cash Advances and other Account transactions that may be made with your Card or through Terminal Transactions from time to time and we may change these limits periodically.

(b) We may set one or more limits (dollar amount or otherwise) for Purchases that may be made through SecureCode Transactions from time to time and we may change these limits periodically.

10. Liability for Terminal Transactions and SecureCode Transactions: Subject to sub-Section 6.(c) of this Agreement,

(a) each Terminal Transaction and SecureCode Transaction will have the same legal effect as if it were made by written order to us signed by you and the Primary Cardmember will be liable for it and all resulting Account activity; and

(b) you authorize us to accept or honour each Terminal Transaction according to the instructions keyed in for it at the Terminal, and to accept or honour each SecureCode Transaction in accordance with the Purchase transaction data we receive for it.

11. Liability for Debt:

Subject to Sections 6. and 10. of this Agreement, the Primary Cardmember will be liable to us for all Debt charged to the Account no matter how it is incurred or who has incurred it.

12. Payment of Debt and Account Statements:

(a) *General:* Subject to sub-Sections 12.(b) and 12.(d) and Section 18. of this Agreement, the Primary Cardmember may pay the Debt owed to us in full or in part at any time.

(b) *Payment of the Debt:* Subject to sub-Section 12.(d) and Section 18. of this Agreement, the Primary Cardmember must make one of the following payments of the Debt shown on each Account Statement by the Payment Due Date shown there in order to keep the Account up-to-date:

(i) a payment in full of the Total New Balance shown on the current Account Statement if that Total New Balance is less than \$20.00; or

(ii) a payment of not less than the Minimum Payment Due shown on the current Account Statement if the Total New Balance shown on that Account Statement is \$20.00 or more.

(c) *Calculation of Minimum Payment Due Under Sub-Section 12.(b)(ii):* When the Minimum Payment Due shown on the current Account Statement is \$20.00 or more, the Minimum Payment Due shown there is equal to the sum of the following amounts:

(i) the result obtained by multiplying the Total New Balance shown on the current Account Statement (excluding the outstanding balance of any Purchase shown there to which a Special Financing Plan with a 'Promotional Annual Interest Rate' feature applies and the sum of the amounts, if any, described in sub-Sections 12(c)(iii), 12(c)(iv) and 12(c)(vi) of this Agreement) by 1.00%;

(ii) the required monthly or other periodic payment for each Purchase shown there to which a Special Financing Plan with a 'Promotional Annual Interest Rate' feature applies;

(iii) the interest charges shown on the current Account Statement;

(iv) any amount past due shown on the current Account Statement;

(v) any amount over the Total Credit Limit shown on the current Account Statement; and

(vi) if the Primary Cardmember is a *CreditShield® for Business* customer, the amount of the *CreditShield for Business* insurance premium shown on the current Account Statement.

However, if sum of the amounts, if any, described in sub-Sections 12.(c)(i), 12.(c)(ii), 12.(c)(iii) and 12.(c)(vi) of this Agreement is less than \$20.00, then the Minimum Payment Due shown on the current Account Statement will be equal to the sum of \$20.00 plus the amounts, if any, described in sub-Sections 12.(c)(iv) and 12.(c)(v) of this Agreement.

We will apply all payments to the Account in the manner described in Section 14. of this Agreement.

(d) *Over Total Credit Limit Payment:* The Primary Cardmember must also pay the amount of any Debt that exceeds the Total Credit Limit at once to keep the Account up-to-date. The Primary Cardmember must pay this excess even though we may not yet have sent an Account Statement on which that excess appears to the Primary Cardmember.

(e) *Account Statements:* We will provide an Account Statement to the Primary Cardmember for a Billing Period in which one or more Account transactions have been posted to the Account, or there is an Account balance owing at the end of the Billing Period. The Primary Cardmember must keep the

Account up-to-date at all times, even when we are delayed or interrupted in sending any one or more Account Statements to the Primary Cardmember.

The Primary Cardmember must contact our Customer Care Centre at least once a month during such a delay or interruption to obtain any payment information they do not have and need to know in order to comply with this sub-Section 12.(e).

We may, but are not required to, provide an Account Statement to the Primary Cardmember for a Billing Period during which no Account advances or payments have been posted to the Account, and

- (i) there is no outstanding Account balance at the end of the Billing Period; or
 - (ii) we have notified the Primary Cardmember that the use of your Cards and the Account has been suspended or this Agreement has been terminated due to default, and we have demanded payment of the unpaid Account balance.
- (f) *Citi Cards Online Electronic Bill Presentment and Payment Service*: If we permit the Primary Cardmember to enrol in our Citi Cards Online Electronic Bill Presentment and Payment Service ("**EBPP Service**"), the Primary Cardmember agrees that we may send Account Statements and other Account notices to them by any lawfully permitted electronic method (including email, posting on our www.citicards.ca website, through links provided on an Account Statement or by any other notice or any combination of these or other methods) and the Primary Cardmember agrees that it is their responsibility to access all such Account Statements and Account notices by one or more of those methods. If the Primary Cardmember is enrolled in our EBPP Service, the Primary Cardmember also agrees to access all Account Statements and other Account notices electronically, as aforesaid, and to access all legal notices and other disclosures about the Account that we may send to the Primary Cardmember electronically from time to time. All electronic communications that we send to the Primary Cardmember, including Account Statements and Account notices, will be deemed to have been received by the Primary Cardmember on the day that we send the notification email and/or post the electronic communication to the Primary Cardmember, even if the Primary Cardmember does not access the electronic communication for any reason.

13. **Interest Charges:**

- (a) *Interest-Free Period for Qualifying Account Transactions*: The Primary Cardmember will not pay interest on the amount of any Purchase to which a Special Financing Plan does not apply, or the amount of any service fee or other charge, (excluding cash advance fees and promotional transfer cheques fees), appearing on an Account Statement for the first time ("**Qualifying Account Transactions**") when the amount of those Qualifying Account Transactions is paid in full by the Payment Due Date shown there.

If the Primary Cardmember does not pay the amount of those Qualifying Account Transactions in full by the Payment Due Date shown on the Account Statement where those Qualifying Account Transactions appeared for the first time, the unpaid balance thereof will immediately become part of the Interest-Bearing Balance to which interest charges, calculated in accordance with sub-Section 13.(d) of this Agreement, will then apply and we will charge the Primary Cardmember interest on the unpaid balance of those Qualifying Account Transactions from and including their transaction date(s) (for the applicable service fees and other charges, this is the day they are posted to the Account) until the day we receive payment in full of the Interest-Bearing Balance.

- (b) *Interest on Purchases to Which a Special Financing Plan Applies*:

- (i) '**No Interest with Payments**' Feature: The Primary Cardmember will not pay interest on the amount of a Purchase to which a Special Financing Plan with a 'no interest with payments' feature applies during the interest-free period indicated for it on Account Statements, provided that each Minimum Payment Due (which includes the required monthly or other periodic payment of the Debt to which that Purchase relates) shown on those Account Statements has been made in full by its Payment Due Date during that interest-free period. However, if the Primary Cardmember does not pay each such Minimum Payment Due shown on those Account Statements in full by its Payment Due Date during the interest-free period indicated for that Purchase on Account Statements, the unpaid amount of that Purchase will immediately become part of the Interest-Bearing Balance and we will charge the Primary Cardmember interest on that unpaid amount at the Interest Rate (Purchases) from and including the first day of the Billing Period for the Account Statement in respect to which such Minimum Payment Due was not paid in full by its Payment Due Date until the day we receive payment in full of the Interest-Bearing Balance. Such interest will be calculated and posted to the Account in accordance with the provisions of sub-Section 13.(d) of this Agreement. In addition, any failure by the Primary Cardmember to pay each such Minimum Payment Due shown on those Account Statements in accordance with the foregoing will, at our option, result in every other Purchase to which a Special Financing Plan applies immediately losing its Special Financing Plan status and immediately becoming part of the Interest-Bearing Balance.

The Primary Cardmember will pay interest on the unpaid balance of a Purchase to which a Special Financing Plan with a 'no interest with payments' feature applies that remains unpaid after the interest-free period indicated for the Purchase on Account Statements has expired. Upon the expiration of this interest-free period, the unpaid balance of that Purchase will immediately become part of the Interest-Bearing Balance to which interest charges, calculated in accordance with sub-Section 13.(d) of this Agreement, will then apply.

- (ii) '**Same as Cash**' Feature: The Primary Cardmember will not pay interest on the amount of a Purchase to which a Special Financing Plan with a 'Same as Cash' feature applies during the interest-deferral period indicated for it on Account Statements, provided that each Minimum Payment Due (which includes the required monthly or other periodic payment of the Debt to which that Purchase relates) shown on those Account Statements has been made in full by its Payment Due Date during that interest-deferral period and the unpaid balance of that Purchase is paid in full on or before the expiration of that interest-deferral period. However, if the Primary Cardmember does not pay each such Minimum Payment Due shown on those Account Statements in full by its Payment Due Date during the interest-deferral period indicated for that Purchase on Account Statements or does not pay the unpaid balance of that Purchase in full on or before the expiration of that interest-deferral period, the amount of that Purchase will immediately become part of the Interest-Bearing Balance and we will charge the Primary Cardmember interest on that amount at the Interest Rate (Purchases) from and including the transaction date for the Purchase until the day we receive payment in full of the Interest-Bearing Balance. Such interest will be calculated and posted to the Account in accordance with the provisions of sub-Section 13.(d) of this Agreement. In addition, any failure by the Primary Cardmember to pay each such Minimum Payment Due or such unpaid balance in accordance with the foregoing will, at our option, result in every other Purchase to which a Special Financing Plan applies immediately losing its

Special Financing Plan status and immediately becoming part of the Interest-Bearing Balance.

The Primary Cardmember will pay interest on the unpaid balance of a Purchase to which a Special Financing Plan with a 'Same as Cash' feature applies that remains unpaid after the interest-deferral period indicated for the Purchase on Account Statements has expired. Upon the expiration of this interest-free period, the unpaid balance of that Purchase will immediately become part of the Interest-Bearing Balance to which interest charges, calculated from and including the transaction date for the Purchase in accordance with the preceding paragraph, will then apply.

- (iii) **'Promotional Annual Interest Rate' Feature:** The Primary Cardmember will pay interest on the amount of a Purchase to which a Special Financing Plan with a 'Promotional Annual Interest Rate' feature applies from the transaction date for the Purchase until the expiration of the promotional annual interest rate period indicated for that Purchase on Account Statements at the promotional annual interest rate also indicated for that Purchase on Account Statements. The promotional annual interest rate for the Purchase will remain in effect throughout the promotional annual interest rate period, provided that each Minimum Payment Due (which includes the required monthly or other periodic payment of the Debt to which that Purchase relates) shown on those Account Statements has been made in full by its Payment Due Date during that promotional annual interest rate period. However, if the Primary Cardmember does not pay each such Minimum Payment Due shown on those Account Statements in full by its Payment Due Date during the promotional annual interest rate period for that Purchase, we will start charging the Primary Cardmember interest at the Interest Rate (Purchases) on the unpaid amount of that Purchase from and including the first day of the Billing Period for the Account Statement in respect to which such Minimum Payment Due was not paid in full by its Payment Due Date until the day we receive payment in full of the Interest-Bearing Balance. Such interest will be calculated and posted to the Account in accordance with the provisions of sub-Section 13.(d) of this Agreement. In addition, any failure by the Primary Cardmember to pay each such Minimum Payment Due in accordance with the foregoing will, at our option, result in every other Purchase to which a Special Financial Plan applies immediately losing its Special Financing Plan status and immediately becoming part of the Interest-Bearing Balance.

The Primary Cardmember will start paying higher interest on the unpaid balance of a Purchase to which a Special Financing Plan with a 'Promotional Annual Interest Rate' feature applies that remains unpaid after the promotional annual interest rate period indicated for the Purchase on Account Statements has expired, as such interest will be calculated at the Interest Rate (Purchases) in accordance with sub-Section 13.(d) of this Agreement. Upon the expiration of this interest-free period, that unpaid balance will remain part of the Interest-Bearing Balance and interest charges, calculated in accordance with the preceding sentence, will then apply.

- (c) **No Interest-Free Period for Cash Advances:** There is no interest-free period for Cash Advances (which includes Cheques), cash advance fees and promotional transfer cheque fees. We will charge the Primary Cardmember interest on the amount of each Cash Advance from and including the day you obtain them (and, in the case of a Cheque, cash advance fee or promotional transfer cheque fee, from and including the day the Cheque, cash advance fee or promotional transfer cheque fee is posted to the Account) until the day we receive payment in full of the Interest-Bearing Balance.

- (d) **Calculation of Interest Charges:** The Primary Cardmember will pay interest on the Interest-Bearing Balance at the Interest Rates in effect in the manner described below in this sub-Section 13.(d):

- (i) **Purchases and Service Fees and Other Charges:** We calculate the unpaid Purchase and service fees and other charges balance (including the unpaid balance of any Purchase to which a Special Financing Plan described in sub-Section 13.(b) of this Agreement applied and which has become part of the Interest-Bearing Balance in accordance with sub-Section 13.(b)(i), sub-Section 13.(b)(ii) or sub-Section 13.(b)(iii) of this Agreement, as the case may be) and excluding the amount of any Qualifying Account Transactions which has not become part of the Interest-Bearing Balance in accordance with sub-Section 13.(a) of this Agreement) ("**Purchase Balance**") from the end of the last day of the Billing Period for the previous Account Statement and carry that Purchase Balance over to the beginning of the first day of the Billing Period covered by the current Account Statement.

At the end of each day of the Billing Period covered by the current Account Statement (starting with the Purchase Balance at the beginning of the first day of the Billing Period that was carried over from the end of the last day of the Billing Period for the previous Account Statement), we perform the following sequential calculations:

- We subtract Account payments and credit adjustments from*, and add new Purchases, new service fees and other charges, and the interest charges from the previous day to, the Purchase Balance carried over from the previous day. This determines the daily closing Purchase Balance for the day ("**Daily Closing Purchase Balance**").

(*Each payment is applied according to Section 14. of this Agreement.)

- We multiply the Daily Closing Purchase Balance** for the day by the Daily Rate [for Purchases] and add the result to the Daily Closing Purchase Balance for the next day in the Billing Period (as indicated in the preceding paragraph), for the purpose of calculating interest charges on the Daily Closing Purchase Balance** for the next day in the Billing Period.

(**Daily Closing Balances with a credit balance are treated as a zero balance.)

At the end of the Billing Period covered by the current Account Statement, we add together the interest charges incurred on Purchases and service fees and other charges, and the interest thereon, for each day of that Billing Period and post the total of those interest charges to the Account.

- (ii) **Cash Advances:** We calculate the unpaid Cash Advance, cash advance fee and promotional transfer cheque fee balance ("**Cash Advance Balance**") from the end of the last day of the Billing Period for the previous Account Statement and carry that Cash Advance Balance over to the beginning of the first day of the Billing Period covered by the current Account Statement.

At the end of each day of the Billing Period covered by the current Account Statement (starting with the Cash Advance Balance at the beginning of the first day of the Billing Period that was carried over from the end of the last day of the Billing Period for the previous Account Statement), we perform the following sequential calculations:

- We subtract Account payments and credit adjustments from*, and add new Cash Advances, cash advance fees and promotional transfer cheque fees and the interest charges from the previous day to, the Cash Advance Balance carried over from the previous day. This determines the daily closing Cash Advance Balance for the day ("**Daily Closing Cash Advance Balance**").

(*Each payment is applied according to Section 14. of this Agreement.)

- We multiply the Daily Closing Cash Advance Balance for the day by the Daily Rate [for Cash Advances] and add the result to the Daily Closing Cash Advance Balance** for the next day in the Billing Period.

(**Daily Closing Balances with a credit balance are treated as a zero balance.)

At the end of the Billing Period covered by the current Account Statement, we add together the interest charges incurred on Cash Advances, cash advance fees and promotional transfer cheque fees and the interest thereon, for each day of the Billing Period and post the total of those interest charges to the Account.

The interest charges shown on the current Account Statement are calculated only through the Statement Date shown there. If the current Account Statement has a Purchase Balance or a Cash Advance Balance (or both), interest charges accruing on those balances from the Statement Date to the date of payment will appear on the next Account Statement, even if the Primary Cardmember pays the Account balance in full.

- (e) **Promotional Interest Rate Offers:** If a Purchase Balance or a Cash Advance Balance shown on the current Account Statement is subject to a promotional interest rate [for example, a balance transfer from another credit card issuer], we will separately calculate the interest charges on that Purchase Balance or Cash Advance Balance and the resulting Daily Closing Purchase Balance or Daily Closing Cash Advance Balance, as the case may be, for each day during the Billing Period covered by the current Account Statement at the applicable promotional interest rate in the same manner as that described above in sub-Section 13.(d)(i) or sub-Section 13.(d)(ii) of this Agreement, depending on whether the balance is considered (according to the terms of the promotional interest rate offer) to be a Purchase or a Cash Advance for interest calculation purposes.

14. **Application of Payments:** We will apply each payment of the Debt to the Account in the following order: interest charges; service fees and other charges; insurance premiums; billed Cash Advances and billed Purchases (those amounts which bear the lowest Interest Rates will be paid first*); unbilled Cash Advances and unbilled Purchases (those amounts which bear the lowest Interest Rates will be paid first*).

(*Purchases to which a Special Financing Plan with a 'no interest with payments' feature applies will be paid last.)

Unless we otherwise agree, any payment must be made in money that is legal tender at the time of payment. As well, the mere lapse of time fixed for performing an obligation under this Agreement will have the effect of putting the Primary Cardmember in default of it.

15. **Service Fees and Other Charges; Foreign Currency Transactions:**

- (a) **General:** The Primary Cardmember must pay all service fees and other charges that apply to the Account, as set out in the Disclosure Statement and in any document or other written statement we may send to the Primary Cardmember from time to time. We will charge them to the Account at the time they are incurred.
- (b) **Foreign Currency Transactions:** If the Account billing currency is Canadian dollars, we will bill the Primary Cardmember in Canadian dollars. If you make a Foreign Currency Transaction, it will be converted to Canadian dollars by the network which processed the Foreign Currency Transaction (using the rate of exchange set by that network for that Foreign Currency Transaction) and we will post the network-converted Canadian dollar amount of such Foreign Currency Transaction, together with the foreign currency fee disclosed in the Disclosure Statement, to the Account.

If the Account billing currency is U.S. dollars, we will bill the Primary Cardmember in U.S. dollars. If you make a Foreign Currency Transaction, it will be converted to U.S. dollars by the network which processed the

Foreign Currency Transaction (using the rate of exchange set by that network for that Foreign Currency Transaction) and we will post the network-converted U.S. dollar amount of such Foreign Currency Transaction, together with the foreign currency fee disclosed in the Disclosure Statement, to the Account.

For the purposes hereof, "**Foreign Currency Transaction**" means a Purchase, SecureCode Transaction, Cash Advance or other Account transaction (e.g., an Account credit) that is incurred in a currency that is not the Account billing currency.

16. **Changes to Disclosure Statement:** We may change the Interest Rates, service fees and other charges for the Account set out in the Disclosure Statement at any time or times. The Primary Cardmember will be given at least 30 days prior written notice of each change, directed to their address last appearing in our records. If the Account or your Card is used or any Debt remains unpaid after the effective date of a change, it will mean that the Primary Cardmember has agreed to the change.

If the Primary Cardmember is in default under this Agreement, we may withdraw all outstanding promotional interest rate offers on Debt balances at any time without notice. If this happens, all Debt to which such offers apply will start accruing interest at the Interest Rate (Purchases), effective on the Statement Date for the Account Statement immediately following the time the default takes place.

17. **Changes to Agreement/Assignment:** We may change this Agreement at any time or times. You will be given at least 30 days prior written notice of each change, directed to the Primary Cardmember's address last appearing in our records. If the Account or your Card is used or any Debt remains unpaid after the effective date of a change, it will mean that you have agreed to the change. Services/features and insurance benefits made available with the Account or a Card may be changed at any time.

We may assign the Account and this Agreement to Citi Cards Canada (or to any of our other affiliates, or to any third party) at any time and without notice to you.

18. **Termination:**

- (a) The Primary Cardmember or we may terminate this Agreement, and we may withdraw your rights and privileges in respect to your Card and the Account, at any time without notice. If this happens, the Primary Cardmember must pay all Debt at once and return each Card to us at once.
- (b) If the Primary Cardmember fails to comply with their obligations to us under this Agreement, the Primary Cardmember will be liable to us for:
- (i) all court costs and reasonable legal fees and expenses (on a solicitor-client basis) we incur through any legal process to recover any Debt; and
 - (ii) all costs and expenses we incur in reclaiming any Card.

19. **Problems with a Purchase:** We will not be responsible for any problem you have with any Purchase. If you have a problem or dispute with a merchant regarding a Purchase, the Primary Cardmember must still pay all Debt as required by this Agreement and you must settle the problem or dispute directly with the merchant. We will also not be responsible if a merchant does not honour the Account number, or your Card or SecureCode, at any time and for any other problem or dispute you may have with the merchant. In some circumstances, however, we may be able to provide assistance in resolving disputed Account transactions. If you wish to discuss a dispute, you may contact us at one of the telephone numbers provided in Section 23. of this Agreement.

20. **Account, Terminal Transaction and SecureCode Transaction Verification:** The Primary Cardmember must examine promptly all Account Statements and each entry and balance recorded in them.

The Primary Cardmember must notify us of any errors, omissions, or objections to an Account Statement, or an entry or balance recorded in it, within 30 days from the Statement Date recorded on that Account Statement.

If the Primary Cardmember does not notify us as required, we are entitled to treat the above Account Statements, entries and balances as complete, correct and binding on the Primary Cardmember and we will be released from all claims by the Primary Cardmember in respect of those Account Statements, entries and balances.

We use digital scanning and microfilming for our record keeping. We may use a digital scan, microfilm, electronic or other reproduction of any Purchase or Cash Advance draft or other document evidencing Debt (including Account Statements) to establish the Primary Cardmember's liability for that Debt.

All Terminal Transactions and SecureCode Transactions are subject to verification and acceptance by us. This may take place on a date later than the Terminal Transaction or SecureCode Transaction date and will affect when the Terminal Transaction or SecureCode Transaction becomes effective. We will be entitled to treat our records showing if your Card and PIN were used together to make a Terminal Transaction, and if the Account number and your SecureCode were used together to make a SecureCode Transaction, as correct, conclusive and binding on the Primary Cardmember. We will also be entitled to treat our count and verification of the particulars of a Terminal Transaction or SecureCode Transaction as correct, conclusive and binding on the Primary Cardmember unless the Primary Cardmember gives us written notice of an error or omission within 30 days from the Statement Date recorded on the Account Statement in which the Terminal Transaction or SecureCode Transaction appears for the first time.

21. Language: You and we have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Vous et nous avons expressément demandé que ce contrat et tout document y afférent, y comprise tout avis, soient rédigés en langue anglaise.

22. Privacy of Personal Information: In this Section 22., "we", "us" and "our" mean Citibank Canada and Citi Cards Canada.

(a) *Individual Primary Cardmembers and Authorized Users:*

This sub-Section 22.(a) applies to each Authorized User and to the Primary Cardmember if that person is an individual.

You consent to our establishing and maintaining a file of personal information about you and obtaining and exchanging, from time to time, all information about you (including credit information) with our branches, affiliates and agents and with any credit reporting agency, credit bureau, person or corporation with whom you have or may have financial relations, government or regulatory agency, or supplier of services or benefits relating to the Account. (Such persons or corporations may include collection agencies, bailiffs, marketing and advertising agencies, or any other party whom we deem necessary in connection with the servicing of the Account.)

This consent is valid where use of your personal information is needed to assist us in: making a decision about your Application, including verifying your identity; monitoring, auditing, evaluating, servicing and collecting the Account; providing Account-related and other programs offered by us or a third party provider approved by us; allowing our affiliates and selected companies to promote their products and services to you; responding to your inquiries about your Application, your Account or your file; and meeting legal and regulatory requirements, including Canadian federal and provincial/territorial requirements and foreign requirements applicable to us or any of our affiliates and service providers. We may provide Account Statement and other Account information to an Authorized User from time to time at their request. We may also disclose your personal information (including Account information such as the Account number) to Account program partners and/or their agents as is reasonably required for those Account program partners to provide services and/or benefits to you under those Account programs. We may also provide your personal

information, including information to authenticate your identity (such as mother's maiden name and passwords) to service providers in respect of services made available to you now or in the future (e.g., access to online Account Statements).

You consent to the monitoring and/or recording of your telephone discussions with our representatives by us and Account program partners for quality control, internal training and record keeping purposes. You also consent to the use of automatic dialing and announcing devices for telemarketing and other purposes relating to the administration of the Account by Account program partners and/or their agents, our affiliates and service providers and/or their agents, selected companies and organizations, and us. You understand that we and our affiliates and third parties with whom we share your personal information in accordance with the Privacy Statement may contact you by telephone, using the telephone number information you have provided to us.

You consent to us disclosing general and non-sensitive personal information about you, through marketing lists and other means, to our affiliates, selected companies or organizations to allow them to offer you directly (by telephone or other means) products and services that may be of interest to you. These selected companies and organizations will be formally prohibited from disclosing the information to third parties or using it for another purpose without obtaining appropriate consent in advance. If you prefer to be removed from the marketing lists we may share with third parties, you are free to opt out at any time by contacting Citi Cards Canada at the address or telephone number mentioned below. You will allow a reasonable time for your withdrawal request to become effective.

You consent to the use and disclosure of your personal information in connection with the assignment of the Account or amounts owing under the Account, and certain other business transactions from time to time, and to our use of service providers (including those located outside of Canada) to process and handle personal information on our behalf, all as more particularly described in the *Citi Canada Privacy of Personal Information Statement* (the "Privacy Statement").

You consent to the collection, use and disclosure of your personal information as described in the Application and in the Privacy Statement, as amended from time to time, and as permitted or required by law.

You have the right to access your file and rectify any personal information in the file that may be obsolete, incomplete or incorrect. You may view a copy of the Privacy Statement by visiting our website at www.citicards.ca. You may request a copy of the Privacy Statement, file an opt-out request, request access to your personal information file or report obsolete, incomplete or incorrect personal information about you by contacting us at: Citi Cards Canada Inc., 5900 Hurontario Street, Mississauga, Ontario L5R 0B8, Attention: Privacy Officer, or by calling us at 1-866-768-7993.

(b) *All Other Primary Cardmembers:* This sub-Section 22.(b) applies to a Primary Cardmember who is not an individual.

From time to time,

(i) We may collect credit and other information (including information related to your transactions) about you ("Information") from you, from service arrangements you have made with or through us, from credit bureaus, credit reporting agencies, credit grantors and insurers, and from references you have provided to us;

(ii) We may use Information as follows:

- give it to credit bureaus, credit reporting agencies, credit grantors, insurers and, with your consent, to other parties,

- to determine your financial situation,
 - to provide you with the services you request from us, and
 - give it to anyone who works with or for us, but only as needed in connection with the services you request from us; and
- (iii) We may also use Information for the following purposes:
- to promote our services to you and add it to client lists we prepare and use for this purpose, and
 - share it with Merchants and other Citigroup companies (where the law allows this) so that they may promote their services to you.

You may tell us to stop using Information in the ways described in sub-Section 22.(b)(iii) above at any time by writing to us at Citi Cards Canada Inc., 5900 Hurontario Street, Mississauga, Ontario L5R 0B8, Attention: Privacy Officer, or by calling us at 1-866-768-7993. We acknowledge that the use of Information in the ways described in sub-Section 22.(b)(iii) above is at your option and that you will not be refused credit or other services just because you have told us to stop using it in those ways.

For the purposes of this sub-Section 22.(b), "**Merchants**" mean merchants who honour the Account or a Card as the method of payment for goods or services (or both) that you may purchase from them; and "**other Citigroup companies**" means our affiliates which are engaged in the business of providing any one or more of the following services to the public in Canada: deposits, loans and other financial services; credit, charge and payment card services; insurance services.

23. **Account Inquiries/Lost and Stolen Cards/Resolving Complaints:**

- (a) *Account Inquiries/Lost and Stolen Cards:* For Account inquiries or to report a lost or stolen Card, you may call (416) 947-2900 (in Toronto) or 1-866-768-7993 (toll-free in North America).
- (b) *Resolving Complaints:* We strive to resolve complaints or concerns about the Account in a fair and timely manner. If, however, any complaint or concern about the Account has not been resolved to your satisfaction, please contact our Ombudsman at: Citibank Canada Ombudsman, 123 Front Street West, Suite 1700, Toronto, Ontario M5J 2M3; telephone: 1-888-245-1112.

If, within six (6) months of our Ombudsman's review, you are not satisfied with the resolution of your complaint or concern, you may contact the Ombudsman for Banking Services and Investments at: Ombudsman for Banking Services and Investments, PO Box 896 STN Adelaide, Toronto, Ontario M5C 2K3; toll-free telephone: 1-888-451-4519; toll-free fax: 1-888-422-2865; website: www.obsi.ca; email: ombudsman@obsi.ca.

24. **Limitations on Our Liability:** We try to ensure that your Card and the Account number are accepted when presented in connection with an Account transaction you are making. However, we will not be liable to you for damages (including special, indirect or consequential damages) that may result if, for any reason, your Card or the Account number is not accepted or you are unable to access the Account.

Disclosure Statement

1. **General:** This Disclosure Statement forms part of the Card Carrier and your Citibank Business *MasterCard* Cardmember Agreement with us. It applies to your Account and each Card we have issued on the Account.
2. **Interest Rates:** The Interest Rate (Cash Advances) we charge on Cash Advances and the Interest Rate (Purchases) we charge on interest-bearing Purchases are set out on each Account Statement. They are expressed as annual percentage rates. The interest rate we charge on Debt to which a promotional interest rate offer applies is set out on each Account Statement displaying that Debt. It is expressed as an annual percentage rate.
3. **Service Fees and Other Charges:** The following schedule of service fees and other charges applies to your Account. All

service fees and other charges will be posted to the Account in the Account billing currency:

- (a) *Annual Service Fee:* The annual service fee is \$39.00.
- (b) *Annual Authorized User Card Fee:* The annual Authorized User card fee is \$9.00.
- (c) *Cash Advance Fee:* Citi *MasterCheques**, while treated as Cash Advances, are not subject to Cash Advance fees. \$3.00 each for all other Cash Advance transactions.
- (d) *Dishonoured Cheque Charge:* \$40.00 for each cheque or other instrument used to make a payment on your Account that is dishonoured by the financial institution on which it is drawn. (This charge is in addition to any NSF service fee charged by that financial institution on the NSF cheque or other instrument.)
- (e) *Stop-Payment Fee:* \$25.00 for each stop-payment order we accept from you on a Cheque or Account balance transfer request.
- (f) *Currency Fee:* For each Foreign Currency Transaction that has been converted to the Account billing currency in the way set out in the Agreement, we will charge you a currency conversion fee equal to 2.5% of the converted amount of such Foreign Currency Transaction.
- (g) *Statement Copy Fee:* No charge for a copy of your current Account Statement. \$10.00 for a copy of your Account Statement for any other Billing Period (maximum of 12 copies).
- (h) *Sales Draft Copy Fee:* No charge for a copy of a sales draft referred to on your current Account Statement. \$10.00 for each copy of a sales draft referred to on your Account Statement for any other Billing Period.
- (i) *Over Limit Fee:* \$29.00 for each Account Statement Billing Period in which the Total New Balance shown in the Account Statement to which that Billing Period applies exceeds your Total Credit Limit.
- (j) *Promotional Transfer Cheque Fee:* Unless waived or reduced, 3.00% of the amount of each transfer cheque processed by cheque or telephone and posted to your Account. The fee will be added to the principal amount of each transfer cheque.
- (k) *Credit Balance Administration Fee:* \$25.00 if the Account has maintained a credit balance for 12 consecutive Billing Periods and no Account transactions have been posted to the Account during any of those Billing Periods.

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