

ATB FINANCIAL® BUSINESS MASTERCARD® CARDHOLDER AGREEMENT (AGREEMENT)

February 8, 2016

1. INTRODUCTION

1.1. Definitions

In this Agreement, the words:

ATB means Alberta Treasury Branches, operating as ATB Financial.

Business means the business identified on an application form, whether paper or electronic for an ATB Business Mastercard, or identified on any online product order form for an ATB Business Mastercard, or if the application is completed verbally, shall be the entity in whose name the Card Account is opened.

Billing Period means, for a particular Statement, the period ending on the Statement Date shown on that Statement and beginning the day after the Statement Date of the previous Statement.

Card means the ATB Business Mastercard issued by ATB pursuant to license by Mastercard International Inc. and any additional or replacement cards which may be issued to you or any Cardholder from time to time including, without limitation, any device deemed to be an ATB Business Mastercard which you can use to incur charges on the Card Account.

Card Account means the ATB Business Mastercard Account that we have opened for and in the name of the Business.

Card Carrier means the document accompanying the Card when we issue it to a Cardholder that discloses important information regarding the Card Account or a Cardholder Account, as appropriate.

Cardholder means each person to whom we issue a Card under this Agreement (and includes any Owners who have been issued Cards) and whose name is embossed on a Card and who is authorized to incur expenses on behalf of the Business in accordance with this Agreement.

Cardholder Account is defined in Section 2.1 of this Agreement.

Cash Advance means an advance of cash (if authorized) obtained through use of, or in connection with, a Card or a Cheque including cash withdrawals from an automated banking machine and cash like transactions such as balance transfers, money orders, wire transfers, traveler's cheques and gambling transactions (including betting, off track betting, race track wagers, casino gaming chips and lottery tickets).

Charges means all amounts posted or charged to each Cardholder Account and to the Card Account with or in connection with a Card, or Cheque or both, or in connection with a Cash Advance, including but not limited to all amounts posted or charged in connection with the purchase price of goods and services, all costs, fees, service charges and any other amounts payable under this Agreement and under the Rate and Fee Schedule.

Cheque means a Mastercard Cheque provided to the Business to access the Card Account.

Debt means all obligations, indebtedness and liabilities of any kind whatsoever which the Business, the Owner or any Cardholder incur under this Agreement or under the Rate and Fee Schedule or in connection with the use of any Card, or the Card Account or any Cardholder Account, including without limitation, all Charges posted to each Cardholder Account and the Card Account and all interest accruing or owing thereon.

Owner means the owner, or each owner if more than one, identified on each ATB Business Mastercard application form (whether paper or electronic) or on any product order form for an ATB Business Mastercard account in respect of the Business or, for applications taken by telephone, each Owner that is identified as such in the verbal application process. If no Owner is specified on any such application form or identified in the verbal application process, the Owner shall be deemed to include only the Business.

Purchases mean goods or services (or both) obtained by a Cardholder from any merchant honouring the Card.

Rate and Fee Schedule means the ATB Business Mastercard Rate and Fee Schedule that is sent with each Card when we issue a Card. The Rate and Fee Schedule forms part of this Agreement and may be amended from time to time by ATB.

Security Credential includes a PIN, password, or other Cardholder security credential.

We, our, and **us** refer to ATB.

You, your or **yours** means collectively, the Business and each Owner.

Any words importing the singular number only shall include the plural and vice versa. All other capitalized terms used in this Agreement and not defined above, are defined elsewhere in this Agreement.

1.2. General Terms

The Business and each Owner jointly and severally (and in Quebec solidarily) agree to, and are bound by, all of the terms and conditions of this Agreement if:

- a) You retain a Card after receipt of this Agreement;**
- b) a Card is accepted, used or allowed to be used in any manner; or**
- c) the Card Account or any Cardholder Account is used.**

If the Business and the Owner do not want to be bound by this Agreement (and provided none of the actions set out in a), b) or c) above has occurred), all Cards must be immediately cut through the magnetic stripe (and if the Card has a chip, must also be cut through the chip) or otherwise destroyed and returned to us at ATB Financial Mastercard P.O. Box 21063, Calgary, Alberta, T2P 4H5.

If applicable, this Agreement replaces any previous ATB Business Mastercard cardholder agreement provided to you in relation to the Business. However, the promises you made and consents you gave in your application for the Card continue to apply.

You acknowledge and agree that the Business and each Owner will bind each other in respect of all Debt incurred on the Card Account.

In consideration of ATB agreeing to extend credit to the Business, each Owner and the Business agree to be jointly and severally (and in Quebec, solidarily) liable to repay the Debt to ATB, including all Debt incurred by a Cardholder.

2. ACCOUNTS AND CARD ISSUANCE

2.1. Account Opening and Card Issuance

Subject to the terms of this Agreement, we will open the Card Account. We will lend money to the Business and the Owner by way of Charges to the Card Account, including without limitation, those Charges made by a Cardholder, in accordance with the terms of this Agreement.

To access the Card Account, we will issue a Card and Cheques to the Business, the Owner(s), and on your request, we will issue a Card and Cheques to anyone who any of you authorize. If any of you direct us to issue a Card and Cheques to any person, by doing so, you are authorizing that person to incur expenses on behalf of your Business for which you will be responsible in accordance with the terms of this Agreement.

We will open a separate sub account of the Card Account (the **Cardholder Account**) for each Cardholder who any of you have requested we issue a Card to. Charges incurred with a Card, or otherwise by using the Card Account, will be charged to the Card Account by every Cardholder and will be Debt for which the Business and the Owner shall be jointly and severally (in Quebec, solidarily) liable.

10. PERSONAL INFORMATION COLLECTION, USE AND DISCLOSURE

Your request for or use of ATB products and or services is your acknowledgement that ATB will collect, use and disclose your Personal Information in accordance with ATB's Collection, Use and Disclosure Statement (**Privacy Statement**), which we provide to you. Details of ATB's commitment to protecting our customers' privacy are set out in ATB's Privacy Code. A copy of ATB's Privacy Statement and Privacy Code can be obtained at www.atb.com, or from an ATB branch.

If you are a Cardholder you acknowledge that we may share your Personal Information with the Business for the purposes described in the Privacy Statement. You also acknowledge that we may disclose to the Business and Owner(s) information about transactions made by you as a Cardholder without prior notice to you.

ATB uses service providers in the United States of America for the purpose of administering your Card Account, including certain rewards or other loyalty programs that we may offer in connection with your Card Account. If you require further information about the collection, use or disclosure of your personal information, you may contact ATB's privacy officer, at (780) 408-7588.

11. GENERAL

11.1. Assignment

ATB may assign its rights and obligations under this Agreement at any time to a third party. If we do, we may disclose information about you and the Card Account and the Cardholder Accounts to anyone who we assign our rights provided they agree to maintain confidentiality.

11.2. Notices and Change in Address

ATB will send the Statements, each Card Carrier and any other notice to be given to you under this Agreement (**Notice**) to any one of you and may not send a separate Statement to each of you. Any communication to one of you will be deemed to be sufficient communication to all of you. Unless you have consented to receive electronic Statements, Statements, Card Carriers and Notices will be sent by regular mail and will be deemed to have been received by the addressee on the fifth date of deposit by us of the Statement, Card Carrier or Notice at a post office with postage properly paid, unless there is a postal strike or other disruption affecting mail delivery. In such case, you must contact ATB monthly during such strike or disruption to obtain Statement information to enable you to meet the payment obligations under this Agreement and to keep your Card Account in good standing.

When available, you may choose to receive Notices by electronic means and such Notices can be accessed by logging onto ATB's online service. If you request, we will notify you when new electronic Statements or other electronic Notices are available for viewing on ATB's online service by sending an email to the email account you have designated to us advising you that an electronic Statement or other Notice is available. Any Notices provided by electronic means will be considered to have been given and received on the date on which the email advising you of the availability of the electronic Notice was sent or posted. If you choose to receive Notices electronically, you are responsible in all circumstances (whether we notify you or not) to log on to ATB's online service monthly to review your Statement (and to check for other Notices). Each Statement, Card Carrier and Notice will be sent to the address(es) last provided to ATB as indicated in ATB's records. You agree to immediately notify ATB of any change of address. Any notice to be provided to ATB under this Agreement must be directed to ATB's address appearing on the last Statement.

11.3. Waiver

If we fail to exercise, or delay in exercising, any of our rights under this Agreement or if we waive our rights on any given occasion it shall not be considered a waiver of any of our rights at any time on any other occasion.

11.4. Severability

If any portion of this Agreement shall for any reason be declared or deemed to be invalid or unenforceable, the validity of the remaining portions shall not be affected and shall remain in full force and effect.

11.5. Limitation Period

Where permitted by applicable law, the limitation period with respect to actions in debt under this Agreement will be 6 years from the later of the dates that the default occurred or ought to have been discovered by ATB.

11.6. Limitation on Liability

We shall not be responsible for any defect in, or the quality of, any goods or services obtained from a business by use of the Card or Cheque, or both, nor for any losses resulting from and disclosure by a Cardholder of a Card or PIN or Password. Any claim or dispute between you or a Cardholder and any business, with respect to any charge, including any right to set-off or compensation, shall be settled directly between you or a Cardholder and the business and shall have no effect on your indebtedness to us.

Under no circumstances will ATB be liable for any damages (including any special, indirect or consequential), any loss of profits and revenues:

- a) resulting from the use, or in connection with, a Card or this Agreement;**
- b) if any business refuses to honour the Card, does not accept Cheques, or for any other problems you or a Cardholder might have with any business; or**
- c) if a Card is not honoured or accessible.**

11.7. Choice of Law and Jurisdiction

This Agreement shall be governed by and interpreted in accordance with the laws in force in the Province of Alberta and you agree to submit to the jurisdiction of the courts of the Province of Alberta.

11.8. Headings

The headings to each section of this Agreement are added for convenience and do not change the meaning of any provision of this Agreement.

11.9. Contact Number

You may make inquiries about your Card Account by calling toll-free 1-888-282-5678.

11.10. Language

This Agreement and all related documents have been drafted in the English language at the express request of the parties. Le présent document ainsi que tous documents s'y rattachant ont été rédigés en langue anglaise à la demande expresse des parties.

®/™ Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated, used under license by ATB Financial.

® ATB Financial is a trade name/ registered trademark of Alberta Treasury Branches. The design is a trademark of Alberta Treasury Branches. This agreement is the Cardholder Agreement between Mastercard Cardholder and Alberta Treasury Branches.



through the use of any such Card or Cheques made prior to the time the Card and Cheques are returned to ATB; and

- (e) You must notify any service providers who have authorization to charge transactions to the Cardholder Account of the Card cancellation.** Although an account may be closed, you will continue to be liable for any pre-authorized payment arrangement(s) which may still be charged to the Cardholder Account.

The rights of ATB in this Section 7.3 are in addition to the rights of ATB upon a Default Event. If a Card is cancelled or suspended, ATB shall not be liable for, and you release ATB from, any loss, costs, or damages due to Card privileges being cancelled.

7.4. Optional Features and Benefits

Different types of Cards may come with different features. Some of these features are available at an additional cost to you. If these optional features apply to your Cards we will send you a separate document disclosing any additional terms and conditions applicable to those features. By using the Card after receipt of those additional terms, you agree to be bound by those terms (as may be amended from time to time). In such case, you may not refuse to pay us any amount charged to the Card Account for such benefits or services.

Third parties independent of ATB may provide some or all of its optional features and in such cases, ATB is not liable for them in any way. We are not liable for any service or benefit not directly supplied by us and any disputes with any party providing such service or benefit must be settled directly with them.

7.5. Use of your Card at Merchants and Merchant Locations

If you or a Cardholder have a disagreement or dispute with a merchant in respect of a Purchase made on the Card Account, or with respect to any right to set off or compensation, you must settle the dispute directly with the merchant. In these circumstances, you are still required to pay all amounts owing on the Card Account even if there is a problem with a merchant.

You acknowledge and agree that ATB is not responsible for resolving any disputes you may have with any merchant and that ATB cannot reverse Purchases made on the card Account without the merchant's credit voucher.

8. TERMINATION

8.1. Default Events

Each of the following shall be a **Default Event**:

- a) You fail to pay the Minimum Balance Due for a Statement on or before the applicable Payment Due Date or otherwise fail to make any payment when due under this Agreement;**
- b) Any Debt is not paid when due;**
- c) The Business or any Owner (or both):**
 - a. becomes insolvent or bankrupt or a petition in bankruptcy is filed;**
 - b. becomes subject to proceedings for the dissolution, liquidation or winding up of their affairs;**
 - c. give notice of its intention to cease to carry on business;**
 - d. has, in ATB's sole opinion, a material adverse change in their financial condition.**
- d) You are otherwise in default of any provision of this Agreement or any other agreement the Business or any Owner may have with ATB.**

8.2. Termination

This Agreement may be terminated at any time by either party by giving 10 days' written notice of termination to the other party.

ATB may terminate or suspend the Agreement if a Default Event occurs or for any other reason without notice to you.

If this Agreement is terminated by either you or ATB:

- a) all Debt (whether posted to the Card Account or a Cardholder Account, or incurred but not yet posted), including without limitation, accrued service and interest charges must immediately be paid to ATB, together with any interest on all such amounts calculated at the annual rates of interest payable under this Agreement;**
- b) your benefits, services and coverages will automatically end;**
- c) you must notify any service providers who have authorization to charge transactions to the Card Account or any Cardholder Account of the account closure.** Although an account may be closed, you continue to be liable for any pre-authorized payment arrangement(s) which may still be charged to the Card Account; and
- d) we are not obligated to advance any further funds or credit to you.**

Cancellation or suspension of a Card, the Card Account or a Cardholder Account or the termination of this Agreement will not affect your obligation to pay all amounts owing to ATB.

8.3. Remedies

Upon a Default Event occurring, the termination of this Agreement (whether for a Default Event or otherwise), or the cancellation or suspension of the Card Account, or Cardholder Account and in addition to anything else contained in this Agreement, we may do any one or more of the following:

- a) Withdraw funds from any accounts you (or any of you) hold with us, including any joint accounts in the amounts necessary to satisfy any or all outstanding Debt;**
- b) Cancel all Cards, in which case all Cards and Cheques must be returned to ATB; and**
- c) The Business and the Owner(s) on demand must pay the amount of all legal expenses, costs and disbursements (including legal expenses of both our internal and external legal counsel) that we incur in collecting or attempting to collect any payment owing to us and/or to enforce any security that we may have taken to secure your obligations under this Agreement.**

Cancellation or suspension of a Card, the Card Account or a Cardholder Account or the termination of this Agreement will not affect your obligation to pay all amounts owing to ATB.

9. AMENDMENTS

9.1. Amending Agreement

ATB may amend or modify this Agreement, including the Rate and Fee Schedule, from time to time upon notice to you. If you have chosen to receive Notices electronically, such notice may be provided through ATB's online service. We may also provide notice by adding a notice on your Statement or by posting a notice on our website.

You shall be deemed to have accepted such amendments or modifications if any Card is used or any Debt remains unpaid after the effective date of such notice.

ATB may at any time amend any service or privilege available or offered or may at any time add or terminate any such service or privilege.

deemed to be acting as your agent and on your behalf, and will have the full authority with respect to Card Account if they use a Security Credential, Card or Card Account information (regardless of whether that person is a Cardholder or acting with your permission);

- b) To advise and ensure that a Cardholder keeps the Security Credential separate from their Card at all times;
- c) To advise and ensure that you and each Cardholder select a Security Credential that is not easily determined by others (a Security Credential based upon a birthday, phone number, social insurance number, address, etc. must not be used); and
- d) To take reasonable steps to ensure that no unauthorized persons know a Security Credential or any other Card Account information, including while a PIN is keyed in or an Account Password is provided.

2.6. Cheques

ATB may provide Cheques to each Cardholder which can be used to draw against the Card Account. You must ensure that the Cheques are kept in a secure location and shall immediately notify ATB if any Cheques are lost or stolen. Each amount drawn against the Card Account by using a Cheque will be treated as a Cash Advance.

You shall be responsible for establishing your own internal procedures with respect to the use of the Cheques. We will not be required to verify whether any use of a Cheque is made in accordance with those procedures.

A stop payment on a Cheque is not permitted. ATB reserves the right to refuse to honor any Cheque and to discontinue providing Cheques at any time. All unused Cheques shall be returned to ATB upon demand.

3. CHARGES, INTEREST AND FEES

3.1. Use of Card

Between the validity date and the expiry date embossed on the Card, a Cardholder may use the Card and Cheques, as applicable, to charge to their Cardholder Account:

- a) the amount of all Purchases made using the Cardholder Account; or
- b) a Cash Advance.

If a bill payment is made from the Card Account or a Cardholder Account at an ATB Branch, or if permitted by ATB, at an ABM or via ATB's online service, such payment will be treated as a Cash Advance. Bill payments made by pre-authorized charges to the Card Account or Cardholder Account or via a merchant's website on the Internet will be treated as Purchases.

Cards may be used either by a Cardholder presenting the Card to a merchant, or without physical presentation of the Card to a merchant (such as by mail order, internet, telephone or any other electronic means) and in any such case, the Cardholder will be deemed to have entered into the transaction as if the Cardholder physically presented the Card.

ATB will record all transactions (Purchases and Cash Advances) related to the use of, or in connection with, a Card or Cheque, or both, as well as all applicable interest, service charges, fees, credits, and adjustments relating to such Card or Cheque on the Cardholder Account assigned to that Card or to the Card Account. **All transactions posted to each Cardholder Account (or to the Card Account) shall constitute a charge to the Card Account.**

Goods or services which have been obtained with the Card may not be returned for a cash refund.

A Card must only be used by the Cardholder in whose name it has been issued. Each transaction made on the Card Account and on the Cardholder Accounts will be only for commercial or business purposes. The Card must not be used for any illegal, improper or unlawful purpose. **ATB reserves the right to refuse authorizations for any transactions from time to time without advance notice if we suspect unauthorized use of the Card or Cardholder Account.**

3.2. Interest Grace Period and Interest Charges

3.2.1. Interest Grace Period

Interest accrues on Purchases, Cash Advances and fees from (and including) the date each such Charge is posted to the Card Account. If the entire balance on a particular Statement is paid by the payment due date shown on that Statement (**Payment Due Date**) ATB will waive the interest charges on those Purchases and fees (other than fees associated with Cash Advances) which appear on that Statement for the first time. However, if the entire balance of a Statement is not paid by the Payment Due Date for that Statement, interest on Purchases and fees will not be waived and will be charged from (and including) the date each Purchase transaction or fee is posted to the Card Account.

Interest is never waived for transactions which are Cash Advances (including Cheques and Balance Transfers, or their associated fees.)

3.2.2. Interest

In this Agreement, **New Balance** means the total of any previously billed Charges (including all accrued interest thereon) that are shown as a "previous balance" on the Statement, plus the total of any new Charges on the Statement including Cash Advances, Cheques, Purchases, interest charges, fees and any other new Charges on the Statement that have not been previously billed.

Interest will be charged as follows:

- a) if you pay in full by the Payment Due Date the entire New Balance shown on your Statement, interest will be charged only on:
 - (i) Cash Advances (including Cheques and Balance Transfers) and their associated fees from (and including) the date the Cash Advance, Balance Transfer or Cheque as the case may be, is recorded on the Card Account (as indicated by the post date on the Statement); and
 - (ii) all other Charges (including all accrued interest thereon) shown on the Statement which also appeared on the previous Statement, and in both cases will continue to be charged until payment of such amounts have been received and applied, in accordance with the terms of this Agreement, and, if necessary even after we have obtained judgment.
- b) if you do not pay in full by the Payment Due Date the entire New Balance shown on your Statement, interest will be charged on:
 - (i) Cash Advances (including Cheques and Balance Transfers) and their associated fees, from (and including) the date the Cash Advance, Cheque or Balance Transfer, as the case may be, is recorded on the Card Account (as indicated by the post date on the Statement);
 - (ii) Purchases, fees, and other Charges which appear on your Statement for the first time from (and including) the date each transaction or amount is recorded on the Card Account (as indicated by the post date on the Statement); and
 - (iii) all other Charges (including all accrued interest thereon) shown on the Statement, and in all circumstances, will continue to be charged until payment of such amounts have been received and applied, in accordance with the terms of this Agreement, and, if necessary even after we have obtained judgment.

Interest is calculated daily by:

- a) multiplying the total daily interest bearing balance comprised of Purchases, fees, other than fees associated with Cash Advances, and charges on each Cardholder

Account (and the Card Account) at the end of each day by the annual rate of interest for Purchases in effect for that day and dividing that by the actual number of days in a year; and

- b) multiplying the total daily interest bearing balance comprised of Cash Advances (including Balance Transfers and Cheques) and their associated fees on each Cardholder Account (and the Card Account) at the end of each day by the annual rate of interest for Cash Advances in effect for that day and dividing that by the actual number of days in a year.

For each Statement, to determine the amount of interest owing we add together all of the interest charges for each day in the Billing Period in respect of that Statement, calculated as set out above. Although interest is calculated daily, it is only added to your Charges as of each Statement Date at the applicable rate depending on the type of transaction.

The initial annual interest rates that will be used to calculate the interest charges under this Agreement will be the rates shown on the Card Carrier and in the Rate and Fee Schedule. We explain in the next section how your annual interest rates may change. The current annual interest rates will also be disclosed on each Statement and in the current version of the Rate and Fee Schedule.

Where you do not pay the entire New Balance in full by the Payment Due Date, interest will be compounded monthly on the Statement Date. This means that the amount of any outstanding unpaid interest will be added to your Charges and will accrue interest at the rate and in the manner applicable to the Charges in respect of which it was incurred.

3.2.3. Changes to Interest Rates

The annual interest rates that apply to the Card Account may change from time to time in accordance with this Agreement and as described in the Rate and Fee Schedule. Unless otherwise specified in this Agreement or in the Rate and Fee Schedule, ATB will provide 30 days notice to you of any changes to the interest rates or to the method of calculating interest. Upon the expiry of the 30 days, the new interest rate will apply and be indicated as a percent per annum on the Statement and in the Rate and Fee Schedule. If any Card is used or any Debt remains unpaid after the effective date of a change to the interest rate, you will be deemed to have agreed to the change.

Notwithstanding any other provision of this Agreement, if the annual interest rate that applies to the Card Account is based upon ATB's prime lending rate then:

- a) The annual interest rate that applies to the Card Account will change automatically without prior notice upon a change in ATB's prime lending rate; and
- b) Such change will be effective on the first day of the Billing Period during which the change to ATB's prime lending rate occurred.

3.3. Charges Made in Foreign Currency

All amounts owed to ATB under this Agreement must be paid in Canadian currency.

All Purchases and Cash Advances (except Cheques) made in a currency other than Canadian dollars effected through the use of a Card will be converted into Canadian dollars, before they are recorded on the Card Account. The currency will be converted based upon the conversion rate set by Mastercard International Inc. (**MCI**) at the time the foreign transaction is presented for payment to MCI. In addition, a foreign currency conversion fee set by ATB from time to time as disclosed in the Rate and Fee Schedule will be added to the converted amount for both Purchases and Cash Advances. Additionally, for Cash Advances, cash advance fees (as disclosed in the Rate and Fee Schedule), will be charged to the Card Account and will be displayed separately on the Statement.

If you receive a credit to the Card Account for a Purchase made in a foreign currency, before it is recorded on the Card Account, it will be converted into Canadian dollars based upon the conversion rate set by MCI at the time the foreign transaction is presented to us for payment by MCI. In addition, a foreign currency conversion fee as disclosed in the Rate and Fee Schedule will be charged by us on the converted amount.

In either case, the conversion rate that is used when the transaction is posted to the Card Account may be different than the conversion rate in effect on the date of the transaction or credit. As a result, for credit transactions made in respect of a prior related foreign transaction, the Canadian dollar amount that is credited to the Card Account may not be the same as the Canadian dollar amount that was originally posted to the Card Account. In addition, the conversion rate disclosed on the Statement on the date the transaction is posted to the Card Account may not be the same as the conversion rate in effect on the date of the Purchase, Cash Advance or credit, as the case may be.

The rate (which shall include both the conversion rate and ATB's foreign currency conversion fee) for each foreign currency transaction or credit converted into Canadian dollars and posted to the Card Account will be disclosed on the Statement for the period in which the foreign currency transaction was conducted.

If you or any Cardholder uses a Cheque to draw against the Card Account denominated in a currency other than Canadian, we will convert the currency into Canadian dollars, before the transaction is posted to the Card Account, based upon the conversion rate set by us at the time the Cheque is posted to the Card Account. In addition, a foreign currency ATB Mastercard cheque fee set by ATB from time to time as disclosed in the Rate and Fee Schedule will be added to the converted amount.

3.4. Pre-authorized Payments

You will be responsible for all preauthorized payments charged to the Card Account, including pre-authorized payments charged to the Card Account by any Cardholder and including pre-authorized payments charged to the Card Account after this Agreement has ended, a Card is cancelled or your Card Account is closed. If a Card is cancelled or your Card Account is closed, you must notify any merchants who have authorization to charge transactions to the Cardholder Account or the Card Account of the Card cancellation or account closure. Although a Card may be cancelled or a Card Account or Cardholder Account may be closed, you will continue to be liable for any pre-authorized payment arrangements which may still be charged to the Cardholder Account or the Card Account. If you wish to discontinue any such payments, you must provide written notice to the applicable merchant before the payment is charged to your Card Account and review your Statements to determine if the pre-authorized payments have in fact been discontinued. Depending on your agreement with the merchant, we may not, however, be able to discontinue the pre-authorized payments.

3.5. Other Charges

You must pay all fees that apply to the Card Account and each Cardholder Account, as set out in this Agreement, including in the Rate and Fee Schedule. We may change the fees that apply to the Card Account or a Cardholder Account at any time. We will provide you advance notification of any fee changes if required by law.

3.6. Balance Transfers

A balance transfer (a **Balance Transfer**) occurs if we have approved the transfer to your Card Account of all or part of an outstanding balance owing by you on a credit, charge account or loan with ATB or with another credit card issuer or financial institution designated by you (the **Payee**). Balance Transfers are subject to your available Business Credit Limit. If a Balance Transfer exceeds your available credit, it may not be processed. You cannot instruct a stop payment on a Balance Transfer.

A Balance Transfer is charged to your Card Account as a Cash Advance and is subject to interest at your current Cash Advance annual interest rate from (and including) the date the amount is recorded on the Card Account (as indicated by the post date on the Statement) and any applicable fees indicated in the Rate and Fee Schedule.

You can request a Balance Transfer by calling us or through ATB's online service. You can also request Cheques for use with Balance Transfers and then make a Balance Transfer by using one of those Cheques. If you or a Cardholder asks us to make a Balance Transfer, you authorize us to verify the status and balance of such other account. We will process Balance Transfers within 3 to 5 business days of the request being received; however we cannot control when the Payee will credit your account with them (that is, your account with whom you have the outstanding debt). You will still be responsible for paying any amounts you owe to the Payee both before and after we add the Balance Transfer to your Card Account. We are not responsible for any charges that may be imposed by the Payee as a result of paying the Balance Transfer on your behalf, any delays with respect to paying the Balance Transfer or for any other matters related to such other account with the Payee.

3.7. Promotional Offers

From time to time we may offer annual interest rates at a reduced rate for a temporary period of time and applicable to some of the balances (such as Cash Advances) on your Card Account. We will explain the terms and conditions of any such promotional offers at the time that we make such offers available to you. If you accept that promotional offer by taking the required steps, then you agree that the terms of this Agreement still apply to that offer, except to the extent modified by the terms and conditions of the promotional offer.

When you use a Cheque or request a Balance Transfer to take advantage of a promotional offer, you will be charged up to 2% of the amount of each Balance Transfer and each Cheque that you write. The fee will be charged to you at the same time that the Balance Transfer or Cheque is posted to your Card Account.

When the term of the promotional offer ends, or if you do not comply with (i) the terms of the promotional offer; or (ii) any of your payment obligations under this Agreement, you will lose the benefit of the promotional offer and the accompanying reduced interest rate and all of the terms of this Agreement will apply. In addition, in either of the circumstances set out in (i) or (ii), interest will accrue at the applicable interest rate that is disclosed in the promotional offer, which will be a rate that is disclosed in the Rate and Fee Schedule (but may not be the rate that presently applies to your Card Account). Please read the promotional offer materials carefully so that you understand the terms and conditions of any promotional offer. We may choose not to take away the benefit of the reduced promotional rate; our decision to do so will depend upon our credit risk policies at the time and how they apply to your Card Account.

3.8. Incentive Programs

We may from time to time offer reward or other incentive programs (the **Program**) in connection with the Card Account. You understand that eligibility for rewards under the Program will be subject to the requirements of the Program and you agree to be bound by the terms of the Program (to be sent by ATB to you with the Card or when such Programs are made available and as may be amended or replaced from time to time) and agree that any use of the Card or Card Account will signify acceptance with the terms and conditions of the Program. We reserve the right to cancel or amend the Program without notice.

4. STATEMENTS

4.1. Statements

ATB will prepare a periodic billing statement (**Statement**) for the Card Account. A Statement will be issued every month, which depends on the Billing Period, however, ATB will not provide a Statement for a Card Account in which there has been no activity that month and nothing is owing on the Card Account or if there is a credit balance as at the last day of the Billing Period (**Statement Date**). If Statements are issued in consecutive months, such Statements shall be issued between four to five weeks after the prior issued Statement unless a change of billing date has been requested by you.

You are responsible for ensuring that you receive a Statement each month and for notifying us if you do not receive a Statement. If you receive your statement by mail and there is a postal strike or other disruption affecting mail delivery, you must contact ATB monthly to obtain Statement information. You must pay at least your Minimum Balance Due by the Payment Due Date for each Billing Period, even if your Statement is late or you don't receive it at all.

4.2. Statement Verification

You will review each Statement and you must notify ATB in writing of any discrepancies, errors, or omissions with respect to any information contained in the Statement, or any entry or transaction posted to it within 30 days from the Statement Date, failing which the Statement (except any amount that has been credited to the Card Account or a Cardholder Account) will be deemed to be conclusively correct and complete and will be binding upon you. In such case, ATB will be released by you from any claims in respect of the Statement and no claim may be made by you against ATB for any item disclosed on the Statement.

5. PAYMENTS AND APPLICATION OF PAYMENTS

5.1. Minimum Balance Due

You must make a minimum monthly payment (**Minimum Balance Due**) by the Payment Due Date for each Statement, in an amount equal to the Minimum Balance Due. The Minimum Balance Due is as follows:

- a) a payment equal to the greater of \$10.00 or 3% (or 1% in the case of the ATB Alberta Agri-Industry BusinessCard Mastercard) of the New Balance shown on the Statement; or
- b) the New Balance shown on the Statement.

However, if the New Balance on the Statement is less than \$10.00, it must be paid in full by the Payment Due Date.

In addition, any amounts which exceed the Business Credit Limit must be paid immediately (whether or not a Statement disclosing this excess has been provided).

All amounts owed to ATB under this Agreement must be paid in Canadian currency.

5.2. Applying Payments

Payments will be credited to the Card Account when received and cleared by us. Payments do not automatically adjust the available Business Credit Limit or Card Limit. This generally occurs within one to three business days following receipt and clearing of payment, depending on how the payment is made. If a payment is received by us after our normal business hours, or on a non-business day, that payment will be treated as if it were received on the next business day.

Payments will be applied towards the payment of the New Balance on the Card Account (unless you are otherwise notified by us). Payments will be allocated to the different types of Charges on your Card Account in the following order:

- a) first to interest charges;
- b) then to creditor insurance;
- c) then to any annual or monthly fees, overlimit fees, Cash Advance fees and any other fees and charges;
- d) then to Balance Transfers;
- e) then to other Cash Advances (including Cheques); and
- f) then to Purchases;

If you have paid more than your New Balance, we will apply the extra payment to Charges that have not yet appeared on your Statement, but which have been posted to your Card Account, in the following order (unless you are otherwise notified by us):

- a) first to Purchases;
- b) then to any annual or monthly fees, overlimit fees, Cash Advance fees and any other fees and charges;

- c) then to Balance Transfers;
- d) then to other Cash Advances (including Cheques); and
- e) then to disputed items.

In each category of charges, we apply the payment to the transactions bearing the lowest interest rate first. Promotional offers may vary the order in which payments are applied. We may change the order in which payments are applied at any time without notice.

5.3. Credits

Credits issued to a Cardholder by any merchant in respect of Purchases will be credited to the Card Account when received by ATB and will affect the daily interest bearing balance only when the credit transaction has been posted to the Card Account. If ATB does not receive the credit advice prior to the time the related charge is included in a Statement, you must make the payment based on the balance shown on the Statement without consideration of the credit. If interest has been charged as a result of a transaction prior to receipt by us of the credit, we will not refund the interest charged.

Although we are not obligated to do so, if we credit the Card Account, all of your rights and claims in respect of the credit are automatically assigned to us. In such cases, you agree to execute any documents we may reasonably require in relation to such assignment.

5.4. Credit Balances

We do not pay interest on credit balances. You acknowledge that credit balances are not deposits and are therefore not insured by the Province of Alberta, the Canada Deposit Insurance Corporation, or any other government deposit insurer or agency.

We will comply with applicable unclaimed property laws which may require us to forward unclaimed funds to government authorities after a certain period of time.

6. LIABILITY

6.1. Liability for Debt

Subject to paragraph 7.2, the **Business and the Owner(s) and each of them are jointly and severally (and in Quebec solidarily) liable to ATB for all Debt charged to the Card Account and to each Cardholder Account by any Cardholder, no matter how it is incurred, or who has incurred it** and even if:

- a) it is incurred by any Cardholder;
- b) it is incurred through unauthorized use of a Security Credential, a Card or Card Account information;
- c) the Debt exceeds the Business Credit Limit;
- d) the Card Limit for a Card is exceeded;
- e) Statements are sent only to the Business or only to an Owner and not to each or all of them;
- f) as between the Business and a Cardholder, any Debt was incurred through the improper use of the Card or Cheques by the Cardholder; or
- g) a Card is used before its valid date or after its expiry date.

ATB may, without notice, apply any money the Business or the Owner may have on deposit with ATB against any Debt not paid to ATB as required under this Agreement.

7. CARDS

7.1. Account and Card Ownership

All Cards remain the property of ATB at all times. ATB may request the return of and replace a Card at any time. Neither the Business, the Owner(s) nor a Cardholder can assign or transfer to any party a Card, the Card Account, any Cardholder Account or this Agreement.

7.2. Unauthorized Use

If a Card, Card Account Information, Cardholder Account Information, Cheque, or Security Credential is lost or stolen, or suspected to be lost or stolen, you must notify us immediately by calling our toll-free number at 1-888-ATB-5678. You will not be liable for any unauthorized use of the Card, a Cardholder Account or the Card Account that occurs after you have notified us the specific Card, Card Account or Cardholder Account information, Cheque, or Security Credential, as applicable, may have been lost or stolen.

In addition, you will not be liable for Purchases or Cash Advances or Cheques charged to a Card Account or Cardholder incurred as a result of unauthorized use of a Card, Card Account, Cardholder Account, Cheque or Security Credential or card Account information, provided that the following conditions are satisfied, as determined by ATB in its discretion:

- (a) you and/or the Cardholder, as applicable, have exercised reasonable care to safeguard each Card, Card Account information or Cardholder Account information, as applicable, Cheques and Security Credentials against loss, theft or other unauthorized use (including complying with the safeguards set out in Section 2.5) and neither you nor any Cardholder have voluntarily disclosed Security Credentials or otherwise contributed to the unauthorized use of a Card, Card Account or Cardholder Account; and
- (b) You have reported to us that a Card, Card Account information, Cardholder Account information, Cheque, or Security Credential has been lost or stolen immediately after becoming aware of it.
(these conditions, the Zero Liability Conditions).

If the Zero Liability Conditions are not satisfied, you will be jointly and severally (and in Quebec solidarily) liable to ATB for unauthorized Charges on the Card Account as follows:

- (a) if Purchases or Cash Advances, are charged to the Card Account or a Cardholder Account as a result of unauthorized use of a lost or stolen Card, before you have notified us as described in the above paragraph, you will be jointly and severally (and in Quebec solidarily) liable to ATB for all Debt on the Card Account resulting from such unauthorized use; and
- (b) if any Cheques that we have provided to you are lost or stolen, you will also be jointly and severally (and in Quebec solidarily) liable to ATB for all Debt incurred before you notify us of the lost or stolen Cheques.

7.3. Card Cancellation

You may cancel a Card and a Cardholder's Account by providing notice to ATB. We may require any cancellation to be done in writing. ATB has the right at any time at its sole option and discretion without notice to anyone, to cancel any Card and to cancel or withdraw all rights or privileges in respect of a Card, a Cardholder's Account, or the Card Account.

If the Debt outstanding on a Cardholder's Account exceeds the Card Limit for that Card, ATB may, but is not required to, suspend use of the Card and the Cardholder Account until such time as the Debt for the Cardholder Account is within the applicable Card Limit. If the Debt outstanding on the Card Account exceeds the Business Credit Limit, ATB may, but is not required, to suspend use of all Cards, each Cardholder Account and the Card Account until such time as the Debt for the Card Account is within the Business Credit Limit.

If a Card is cancelled or suspended:

- (a) The applicable Cardholder will cease to be entitled to the Card benefits;
- (b) The Card shall immediately be returned to ATB;
- (c) ATB may inform businesses honouring the Card that it has been revoked or cancelled;
- (d) The Business and each Owner shall continue to be jointly and severally (and in Quebec solidarily) liable for all Debt charged to the Cardholder Account incurred