

DISCLOSURE STATEMENT

Credit Rate	The annual Credit Rate is 29.99%. The Regular Revolving Credit Plan and all Same as Cash Credit Plans are the only plans on which interest accrues and/or is charged.
Grace period	For the Regular Revolving Credit Plan, the period during which a consumer may discharge the obligation without being compelled to pay credit charges is 21 days. Special credit plans vary.
Minimum Periodic Payment	For the Regular Revolving Credit Plan and Same as Cash Credit Plans, the minimum periodic payment is the greater of 5% of the Account Balance and \$10, plus any amount past due.
Other Charges	<p>Annual Membership Fee: \$21.00 for your Account</p> <p>Statement Copy Fee: \$3.00 for a copy of an Account Statement and/or \$25.00 per hour to retrieve statement of Account(s) greater than 12 months</p> <p>Sales Draft/Copy Fee: \$5.00 for each copy of a sales draft referred to in an Account Statement</p> <p>Credit Balance Cheque Charge: \$25.00 will be charged for any cheque issued to refund a credit balance on your Account (any refund will net of this charge)</p> <p>Administration Fees: From time to time, Merchants may charge an administration fee in connection with a special Credit Plan, as permitted by law. In such cases the administration fee will be disclosed in the related advertising material.</p> <p>We may change such fee or add other fees upon written notice and as permitted by law.</p>

EFFECTIVE DATE OF THIS STATEMENT: The information contained in this agreement is current as of October 28, 2019.

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HIGH COST OPEN CREDIT CONTRACT FOR THE USE OF A CREDIT CARD
(CONSUMER PROTECTION ACT, S. 125)

In consideration of the receipt of credit from us, you agree to be bound and abide by the terms and conditions contained in this credit contract as amended from time to time.

Name of Merchant: Fairstone Financial Inc.
Address of Merchant: 630 Rene Levesque, Suite 1400, Montréal QC H3B 4Z9.
Technological Address of Merchant: CustomerCare@Fairstone.ca
Merchant Permit Number: 17008-2
High- Cost Credit Merchant Number 17008-3

The length of each period for which a statement of account is provided – approximately every 30 days

If your previous month's balance or average daily balance is:	Your monthly Finance Charge is
\$2000	\$49.29
\$1400	\$34.50
\$800	\$19.71
\$100	\$2.46

1. REVOLVING CHARGE PROCEDURE: Fairstone Financial Inc., (referred to herein as “we”, “our”, “us”, or “Card Issuer”) will make its revolving charge credit plan available to Applicant and, if applicable, Co-Applicant (the individual who has completed and submitted the Account Application as Co-applicant) (the Applicant and Co-Applicant are referred to herein individually and collectively as “you”, “your”, “borrower”, “customer” or “consumer”) under the terms and conditions which are outlined in this credit contract (“Agreement”). We will open an Account (as defined below) in your name. If the Account is used, it will mean that you have read and understand all the terms of this Agreement and you agree all the purchases and all other charges to your Account incurred will be governed by this Agreement. In return, you shall pay the entire amount of the purchases and all other charges shown on your monthly statement of Account. If more than one applicant has completed and submitted the Account application and/or Agreement, we may enforce this Agreement against all or any applicant(s) jointly and individually (solidarily, in Quebec), for the entire amount owed and for meeting your obligations under this Agreement.

2. REVOLVING CHARGE ACCOUNT IDENTIFICATION CARD: We may issue you a Revolving Charge Account Identification Card (“Card”) which you may present to identify yourself as authorized to make purchases against the revolving line of credit evidenced by this Agreement (your “Account”). We may issue you replacement Cards from time to time. You will promptly notify us if the Card is lost, stolen, or used without your authorization. If the Card is lost, stolen, or used without your authorization, you must tell us by calling the telephone number listed in the Disclosure Statement or listed on your statement of Account. In such cases, the maximum amount you may be liable for in respect of debts incurred through unauthorized use of the Card before you notify us is **\$50.00**. We own the Card issued in connection with your Account. You agree to return the Card to us upon our request.

3. PAYMENT: You promise to pay the amount you (or any Co-Applicant) owe to us, which is the unpaid amount of all your purchases and all other fees and charges (“Principal Balance”) plus Credit Charges (as described in Section 6) (Principal Balance and Credit Charges collectively your “Debt”). You agree that all your Debt to us shall bear interest before and after maturity and before and after default and judgment at the nominal annual interest rate as set out in the Disclosure Statement, as permitted by law. You shall pay each month at least the Minimum Payment Due (as described in Section **5**) shown on each statement of Account, which consists of the Minimum Payment Due, plus the past due amount of any prior Minimum Payment Due(s) and, at our

sole option, the full amount by which your Account exceeds your Credit Limit (as defined below in Section 4). You may prepay all or part of your Account balance at any time, but any partial prepayment will not affect your obligation to make subsequent Minimum Payments, and Credit Charges will continue to accrue on any remaining unpaid Principal Balance including unpaid balances of Credit Plans (as described in Section 7). Payments may be mailed to us at the address shown on your statement of Account or payable at any Card Issuer branch. All payments must be made in money that is legal tender at the time of payment.

Occasionally, and where not prohibited by law we may offer you the opportunity to skip the entire Minimum Payment Due in a specified month. This opportunity will be available only on the terms offered by us. If you use one of these opportunities to skip all a Minimum Payment Due, Credit Charges will be calculated on your Debt owing, on all annual interest-bearing plan(s).

If you pay more than the Minimum Payment Due, then, at our option, we may apply some or all of this payment towards your next month's (s') Minimum Payment Due and then to your Debt owing.

4. CREDIT LIMIT: We will set, from time to time, a credit limit for the Account ("Credit Limit") and we may change it periodically. We will tell you what your current Credit Limit is on each statement of Account. You will not allow your Debt at any time to exceed your Credit Limit. However, we may (but are not required to, even if we have done so before) permit that Debt to exceed your Credit Limit. You understand that the use of your Card and Account may be suspended, at our discretion, if your Credit Limit is exceeded.

5. MINIMUM PAYMENT: You agree to pay us at least the Minimum Payment Due shown on your statement of Account by your payment due date shown on your statement of Account ("Payment Due Date"). If you wish, you may at any time and without penalty, pay more than the Minimum Payment Due, including the entire amount due. The Minimum Payment Due will be the total of the minimum payments required for each Credit Plan as described below, plus any amount past due, plus the minimum payments required for all fees, creditor insurance premiums and other charges. The minimum payment for all fees and other charges (other than creditor insurance premiums) is **5.0%** of the balance of the fees and the other charges as of the close of the most recent billing cycle.

If your Account has a balance under a "special Credit Plan" (as defined in section 7) that defers all the minimum payment for that special Credit Plan, during the promotional period of that special Credit Plan, the Minimum Payment Due will not include the creditor insurance premiums or taxes on the creditor insurance that result from that balance. (In Quebec, neither creditor insurance premiums, nor taxes on the creditor insurance will be charged during the duration of a No Interest/No Payment plan.) Upon the expiration or termination of the special Credit Plan promotional period, the creditor insurance premiums and taxes on the creditor insurance that resulted from that balance will be added to the balance of that Credit Plan and a new minimum payment for that Credit Plan will apply thereafter as described below in this section 5. (In Quebec, creditor insurance premiums and taxes on the creditors insurance will be charged commencing upon expiration or termination of the No Interest/No Payment plan.) The Minimum Payment Due will also include all creditor insurance premiums and taxes on the creditor insurance that result from the balance of that special Credit Plan after the expiration or termination of its promotional period and from the balance of any other Credit Plan that requires a minimum payment.

Subject to the terms of any applicable special Credit Plan to the contrary, the Minimum Payment Due shall always be at least **\$10** plus any amount past due, unless the sum of the following is less than **\$10** as of the close of the billing cycle: the balances of all Credit Plans (including fee balances) that require minimum payments (except for the balance of any Free Financing special Credit Plan), plus the sum of any minimum payments for any Free Financing special Credit Plan for which the promotional period does not expire or terminate during the billing cycle. In that case, the Minimum Payment Due shall be that sum less than **\$10** plus any amount past due.

Each purchase or advance is considered a separate Credit Plan except that each purchase or each advance made under the Regular Credit Plan that is subject to the same annual percentage rate is considered the same Credit Plan. The minimum payment for each Credit Plan is added together in calculating the Minimum Payment Due. Except as provided below, for all purchases except purchases made under the Regular Credit Plan, and the Free Financing special Credit Plan, the minimum payment for each Credit Plan that requires minimum payments is **5.0%** of the balance of the Credit Plan as of the close of the most recent billing cycle. The minimum payment for the Regular Credit Plan is **5.0%** of the balance of the Credit Plan as of the close of the most recent billing cycle. The minimum payment for the Free Financing special Credit Plan is determined by dividing the balance of the Credit Plan as of the close of the billing cycle in which the purchase is posted to your Account by the number of

months of the promotional period to provide equal monthly payments. The minimum payment for each Credit Plan (including expired and terminated special Credit Plans) except for the Free Financing special Credit Plan is rounded up to the next higher dollar.

For the No Pay, No Interest/No Payment, Same As Cash, No Pay/Same As Cash, and Free Financing special Credit Plans, if you do not pay in full the balance of the Credit Plan by the expiration date of the promotional period or if we terminate the promotional period of the Credit Plan because you default, a new minimum payment for the Credit Plan will apply thereafter. It will be **5.0%** of the balance of that Credit Plan as of the close of the most recent billing cycle.

To determine a balance of a Credit Plan, we include all Credit Charges, creditor insurance premiums and taxes on the creditor insurance that result from that balance. You will pay within **21** days of the Account statement date, the new balance owing ("New Balance") or the Minimum Payment Due.

6. CREDIT CHARGES: Subject to the terms of any Credit Plan, Credit Charges are calculated monthly at a nominal annual interest rate ("APR") as set out in the Disclosure Statement and on each statement of Account. Credit Charges are paid monthly unless otherwise specified in section **7** herein. The grace period during which you may pay the New Balance without being required to pay Credit Charges is **21** days from the date the monthly statement of Account is mailed to you. If you do not pay the New Balance in full on or before the Payment Due Date and pay only the Minimum Payment Due on or before the Payment Due Date, there will be a Finance Charge calculated on the New Balance on all annual interest-bearing Credit Plans based on the average daily balance or based on the previous month's balance where required by law. If you pay less than the Minimum Payment Due by the Payment Due Date, Credit Charges will be calculated on your Debt, at our option, either from the date you failed to make your Minimum Payment Due or from the original date of your purchase under the Credit Plan and, at our option, all or any part of your entire Debt shall immediately become due and payable, as permitted by law.

Credit Charges and other charges shall become principal, for the purposes of calculating Credit Charges in the next billing cycle, if not paid in full by the Payment Due Date. The deemed reinvestment principle shall not be applied in this calculation.

7. CREDIT PLANS: As used in this Agreement, "Credit Plan" includes the Regular Revolving Credit Plan (described below), any special credit plan established under this agreement (described in more detail below), and any other open Credit Plan established under this Agreement and "special Credit Plan" means any Credit Plan that is not the Regular Revolving Credit Plan. We may offer one or more Credit Plans from time to time. Your sales slip or other documentation provided by the Merchant (as defined in Section **13**) will show the Credit Plan for each purchase from the Merchant charged to your Account, and in the case of a special Credit Plan, the length or expiration date of the special Credit Plan. A Credit Plan begins (and advances under the Credit Plan will be added to your Account balance) on the date you or anyone authorized to use your Account or the Card request a charge under the Credit Plan, even if delivery has not been made or services have not been performed. At our sole discretion, we may select a later date as the date the Credit Plan begins. If we select a later date, the Credit Plan will begin (and advances under the Credit Plan will be added to your Account balance) on the date we select. We will identify the date a Credit Plan begins on your statement of Account. We will identify the expiration date of a special Credit Plan on your statement of Account until it is paid in full. As used in this Agreement, "promotional period" means the period beginning on the date a special Credit Plan begins and ending on that special Credit Plan's expiration date. A special Credit Plan's expiration date is the same date as the expiration date of that special Credit Plan's promotional period.

Under the Regular Revolving Credit Plan, Credit Charges will accrue on the purchase from the date the Credit Plan begins, and minimum payments will be due each billing cycle. If the sales slip honoring your Account or the Card does not specify that the purchase is subject to a special Credit Plan, then the purchase is subject to the Regular Revolving Credit Plan.

The following special Credit Plans (and others for which you may be provided additional disclosures) may be offered by us from time to time individually or in combination with others, only as specified on the sales slips honoring your Account or the Card (collectively, "special Credit Plans"): No Interest/No Payment (Waived Credit Charges/Delayed Payment) - No Credit Charges will accrue on the purchase during the promotional period, and no minimum payments will be due on the purchase during the promotional period. Same As Cash - Credit Charges will accrue on the purchase from the beginning of the promotional period, and minimum payments will be due each billing cycle. However, if you pay the purchase price in full by the expiration date of the promotional period, all the accrued Credit Charges will be waived and no Credit Charges will be assessed on the purchase. If you do not pay the purchase price in full by the expiration date of the promotional period, all the accrued Credit Charges will be assessed to your Account. Free Financing (Waived Credit Charges/Payment Required) - Credit Charges will not accrue on the purchase during

the promotional period if the required minimum payment is made each billing cycle during the promotional period when due. If the minimum payment is not made when due or if a balance remains after the promotional period expires, Credit Charges will be assessed at the APR disclosed in this Agreement. Special Promo - We waive a portion of your Finance Charge for a specified promotional period provided you are not in default under this Agreement. Reduced Rate - A reduced rate Finance Charge will accrue on the purchase during the promotional period from the beginning of the promotional period. Minimum payments will be due each billing cycle. Introductory Plan - Credit Charges will accrue on the purchase from the beginning of the promotional period. The same minimum payment will be due for a certain number of billing cycles, after which the standard minimum payment will be due each billing cycle.

Except as expressly provided otherwise in this Agreement, beginning the day after the expiration date of the promotional period of a special Credit Plan and until that special Credit Plan is paid in full, that special Credit Plan shall be subject to the terms of the Regular Revolving Credit Plan. However, an expired special Credit Plan that is not paid in full will continue to be considered a separate Credit Plan apart from other Credit Plans and will be shown as such on your statement of Account. **Please note that the expiration date of the promotional period of a special Credit Plan is not necessarily the same date as a Payment Due Date for your Account.**

Subject to this Agreement, the credit terms in a sales slip or other document apply only to the purchase listed on the sales slip or other document they relate to. We may cancel the availability of any of the Credit Plans at any time at our sole discretion. We are not bound by any credit terms in a sales slip or other document that are not actually authorized by us.

8. CHANGE OF TERMS: We may, at any time and to the extent permitted by law: (1) terminate this Agreement; or (2) change any of the terms and/or conditions of this Agreement (including the Credit Rate) by mailing written notice to you at your last known billing address as it appears in our records, at least **30** days before the beginning of the billing cycle in which such change(s) will become effective.

9. TREATMENT OF PAYMENTS: Each payment (except a down payment) is applied, in the following order, to: (1) Credit Charges; (2) fees and other charges (including insurance premiums); (3) Principal Balance. If you have more than one Credit Plan, we shall apportion your payment, as we deem appropriate, to the extent permitted by law.

10. FAILURE TO PAY: If you do not fully pay any payment when it is due, then notwithstanding any provision of this Agreement, you shall be in default under this Agreement.

11. DEFAULT: In addition to not fully paying any payment when due, you shall also be in default under this Agreement upon: (a) your violation of any other provision of this Agreement, (b) your death, (c) your becoming the subject of bankruptcy or insolvency proceedings, (d) your becoming the subject of attachment or garnishment proceedings, (e) your supplying us with misleading, false, incomplete or incorrect information or (f) our receipt of information that you are unable or unwilling to perform the terms or conditions of this Agreement. Upon any default by you described in section **10** or in this section **11**, to the extent permitted by applicable law, we may immediately and/or from time to time do any one or more of the following at any times chosen by us in our sole discretion: (a) cancel the terms of all special Credit Plans (including, if applicable, revoking the waiver of any Credit Charges by us) and require you to pay all of your Debt according to the terms of this Agreement applicable to the Regular Revolving Credit Plan, including, if applicable, increasing the rate at which Credit Charges accrue on all of your Debt to the highest credit rate then set forth in this Agreement, (b) require you to pay all of your Debt including all Regular Revolving Credit Plan balances, all special Credit Plan balances, all accrued but unpaid Credit Charges and all other charges and fees provided for in this Agreement, immediately, (c) cancel any creditor insurance applicable to your Account, (d) bring an action or proceeding to collect all amounts owed and (e) exercise any other rights or remedies we may have at law, in equity or under this Agreement. If you breach this Agreement, you agree to pay our reasonable costs and legal fees on a substantial indemnity basis if permitted by applicable law, or if not so permitted, on a solicitor and client basis.

CLAUSE REQUIRED UNDER THE CONSUMER PROTECTION ACT

(Quebec)

(Clause of forfeiture of benefit of the term)

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

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

- a) either remedy the fact that he is in default;
- b) present a motion to the court to have the terms and conditions of payment prescribed in this contract changed.

It is in the consumer's best interest to refer to Sections 104 to 110 of the *Consumer Protection Act* (R.S.Q., c.P.-40.1) as well as to Section 69 of the General Regulation made under the Act and, where necessary, to communicate with the Office de la protection du consommateur.

12. ACCOUNT STATEMENTS AND ACCOUNT VERIFICATION: You agree that we will provide the Applicant only with a statement of Account. The billing period covered by each statement of Account is approximately 30 days.

Co-Applicants who require a copy of the statement of account may obtain a copy from the Applicant or by contacting us at the number indicated in the Disclosure Statement. You must promptly examine all statements of Account and each and every balance recorded on them. You must notify us in writing of any errors, omissions, or objections to a statement of Account, or an entry or balance recorded on it, within 30 days from the statement date recorded on the statement of Account.

If you do not notify us as required, we are entitled to treat the statements of Account and entries and balances therein as complete, correct and binding on you and we will be released from all claims by you in respect to those statements of Account, entries and balances therein. We may also use a microfilm, electronic or other reproduction of any purchase or other entry on your Account or other document evidencing Debt to establish your liability for that Debt.

13. DISPUTES; LOYALTY PROGRAMS: We will not be responsible for any problem you may have with any purchase on your Account. If you have a problem or dispute with a Merchant ("Merchant" shall mean a merchant which honors the Card or Account as a means of payment for goods and/or services that are purchased from it) regarding a purchase on your Account, you must still pay all Debt as required by this Agreement and settle the problem or dispute directly with the Merchant. We will not be responsible if your Card is not honored by a Merchant at any time and for any problem or dispute you may have with the Merchant. If your Card allows you to earn loyalty rewards with a loyalty program operated by the Merchant or a third party entity (the "Loyalty Program Operator"), you acknowledge that: (i) if you do not have an account with the Loyalty Program Operator we may, but are not obliged to, ask the Loyalty Program Operator to open an account in the name of the Applicant only and not in the name of any Co-Applicant; (ii) loyalty rewards will only be awarded to the Applicant and not any Co-Applicant; (iii) the Loyalty Program Operator is not our agent and we are not responsible for the loyalty program or its administration, including your ability or inability to redeem loyalty rewards; (iv) the rules of the loyalty program may be changed or terminated at any time by the Loyalty Program Operator; (v) the Loyalty Program Operator is not responsible for your Card, Account or its administration; and (vi) any arrangement we may have with a Loyalty Program Operator may be changed or terminated at any time.

14. INTEREST RATE PROVISION: If any provision of this Agreement would oblige you to make a payment of interest or other amount payable to us in an amount or calculated at a rate which would be prohibited by law or would result in receipt by us of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not result in receipt by us of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), by reducing (i) any fees, commissions, premiums, and other amounts required to be paid to or on behalf of us which would constitute interest for purposes of the Criminal Code (Canada), or (ii) the amount or rate of interest required to be paid to us, as elected by us, and any amount previously paid by you which is included in such reduction shall be returned to you.

15. SEVERABILITY: If any provision of this Agreement is held to be invalid, void, or unenforceable in accordance with the laws of the jurisdiction applicable to you, all other provisions shall remain valid and be enforced and construed as if such invalid

provisions were never a part of this Agreement.

16. WAIVER: Notwithstanding anything herein, we will not be deemed to have waived any of our rights, either at common law or equity, under this Agreement unless such waiver is made in writing. No waiver made with respect to any instance involving the exercise of such right(s) will be deemed to be a waiver with respect to any other instance involving the exercise of the right(s) or with respect to any other such right(s).

17. ASSIGNMENT: We may, from time to time, without prior notice to you or your consent, sell or assign all or any part of the entire New Balance, Debt, and/or any other obligation(s) under this Agreement.

18. PRIVACY OF PERSONAL INFORMATION:

Collection and Use of Information: You consent to us 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, Merchants and agents and with any credit reporting agency, credit bureau, person or corporation with whom we have or may have financial relations, 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 the use of your personal information is needed to assist us in: making a decision about the Application, including verifying your identity; monitoring, 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 inquires about the Application, the Account or your file; and meeting legal and regulatory requirements, including Canadian federal and provincial requirements and foreign requirements applicable to us or any of our affiliates or service providers. We may provide Account Statement and other Account information to a Co-Applicant 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 or their agents as is reasonably required for those Account program partners to provide services and/or benefits to you under those Account programs. **You also acknowledge receipt of notice that, from time to time, we may obtain consumer reports containing credit information about you from credit reporting agencies.**

You consent to our 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 services 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 (defined below) 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, to selected companies or organizations to allow them to offer you directly goods 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 our marketing lists or lists we may share with other parties, you are free to opt-out at any time by contacting us 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 *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 web site at Fairstone.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: Fairstone Financial Inc., 630 René Lévesque, Suite 1400, Montréal QC H3B 4Z9, Attention: Privacy Officer, or by calling us toll free at **1-888-638-2274**.

19. CLOSING ACCOUNT: Whether or not you are in default under this Agreement, we may at any time close or block your Account, and you may at any time close your Account by giving notice to us. If this Agreement is terminated by us or if your Account is closed by you or us or blocked by us: (a) you will still be obligated for all amounts owed us according to the terms of this Agreement (including but not limited to fees or other amounts incurred thereafter); (b) Credit Charges will continue to accrue as provided in this Agreement until your Account is paid in full; (c) insurance premiums plus applicable taxes will continue to be charged to your Account.

20. LIMITATIONS ON OUR LIABILITY: We make every effort to ensure that your Card and Account are accepted by Merchants when presented. However, we will not be liable to you for damages (including damages which are special, indirect or consequential) that you may incur if your Card and Account are not accepted.

21. ACCEPTANCE OF THIS AGREEMENT: Your taking any action to confirm acceptance of this Agreement means that you are legally bound by this Agreement. You have read and understand the Disclosure Statement and the terms and conditions in this Agreement and have received a copy of this Agreement (which may be provided electronically) before submitting the Account application and before making a purchase.

22. APPLICABLE LAW: This Agreement is governed by the laws of the province of Quebec. Regardless of the place of your permanent residence, you consent to the non-exclusive personal jurisdiction of the courts of any province or territory from where you applied for your Account, without any regard for conflict of law legislation.

The parties have asked to have this Agreement and all related documents drawn up in English.

23. NOTICE TO APPLICANT: Do not use the Card or the Account before you read this Agreement. You are entitled to a copy of this Agreement, and agree that this copy may be provided electronically.

Clause required under the Consumer Protection Act.

(Quebec)

(High-cost Open credit contract for the use of a credit card)

“(0.1) A consumer may resolve, free of cost, this contract within 10 days after the date on which each party takes possession of a duplicate of the contract. To resolve the contract, the consumer must

(a) remit the part of the granted credit that the consumer used to the merchant or the merchant’s representative if the credit has been granted at the time each party took possession of a duplicate of the contract;

(b) send a written notice to that effect or remit the part of the granted credit that the consumer used to the merchant or the merchant’s representative if the credit has not been granted at the time each party takes possession of a duplicate of the contract. The contract is resolved, without other formality, as soon as the consumer remits the part of the credit that the consumer used or sends the notice.”

(1) If the consumer uses all or part of the credit extended to make full or partial payment for the purchase or the lease of goods or for a service, the consumer may, if the open credit contract was entered into on the making of and in relation to the sale, lease or service contract, and if the merchant and the open credit merchant collaborated with a view to granting credit, plead against the lender any ground of defense urgeable against the merchant who is the vendor, lessor, contractor or service provider. The consumer may also, in the circumstances described in the first paragraph, exercise against the open credit merchant, or against the merchant’s assignee, any right exercisable against the merchant who is the vendor, lessor, contractor or service provider if that merchant is no longer active or has no assets in Québec, is insolvent or is declared bankrupt. The open credit merchant or the merchant’s assignee is then responsible for the performance of the obligations of the merchant who is the vendor, lessor, contractor or service provider up to the amount of, as the case may be, the debt owed to the open credit merchant at the time the contract is entered into, the debt owed to the assignee at the time it was assigned to him or the payment the open credit merchant received if he assigned the debt.

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

(3) A consumer who has entered into a preauthorized payment agreement with a merchant under which payments are made out of credit obtained under a credit card contract may end the agreement at any time by sending a notice to the merchant. On receipt of the notice, the merchant must cease to collect the preauthorized payments. On receipt of a copy of the notice, the card issuer must cease debiting the consumer’s account to make payments to the merchant.

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

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

(6) If the consumer makes a payment at least equal to the outstanding balance at the end of the preceding period within 21 days after the date of the end of the period, no credit charges may be required from the consumer on that

outstanding balance, except as regards money advances. In the case of a money advance, charges may accrue as of the date of the advance until the date of payment.

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

(8) Until the consumer receives a statement of account at his address or technological address if expressly authorized by the consumer, the merchant must not claim credit charges on the unpaid balance, except as regards money advances. It is in the consumer's interest to refer to sections 73, 74, 76, 103.1, 122.1, 123, 123.1, 124, 126, 126.2, 126.3, 127 and 127.1 of the Consumer Protection Act (chapter P-40.1) and, if further information is necessary, to contact the Office de la protection du consommateur." "