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Personal Financial Services Agreement

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Introduction

Welcome to Scotiabank

...where we make it easy for you to do all your banking. We know everyone has their own way of banking and their own unique set of banking needs. With our full range of banking services, we're sure you'll find the right combination of services to meet your needs. Providing services that are easy to use and convenient for you is our top priority.

Whether you're starting a family in a new home, building investments for your future, saving to put your kids through college, or opening your first bank account, Scotiabank has a banking service for you... and for the way you prefer to bank.

In fact, it all comes down to your preference for how you want to do your banking, along with the number and type of transactions that you make every month. Scotiabank understands that you may feel most at home banking with a teller in your branch. Or maybe you prefer the convenience of banking using an Automated Banking Service such as Automated Teller Machines (ATM) or Internet Banking.

So what's in this booklet?

We explain the types of services we offer along with the terms and conditions that govern those services, or what we call our personal banking services agreements.

General Information about Personal Accounts

Personal accounts belong to the owner or owners of the account. They may not be used for business and they cannot be transferred to anyone else. Accounts are governed by the laws and regulations of the country where your account is domiciled. Please refer to the Deposit Account Agreement in this booklet for details about being an account owner.

We offer a variety of accounts and plans which package banking services for you. Not all products or Services are available in every country. For more information about product or Service availability contact your branch. Some of these accounts have eligibility requirements, for example, our Youth and Senior accounts are only available to people of certain age.

Terms we use in this booklet

“You” means each person that owns a deposit account. “We”, “our”, “us”, “Scotiabank”, and the “Bank” means The Bank of Nova Scotia and its branches and subsidiaries and affiliates operating outside of Canada, including but not limited to, its agencies and branches in the United States, Antigua, Barbados, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Panama, St. Maarten, St. Kitts and Nevis, St. Lucia,

St. Vincent and the Grenadines and the U.S. Virgin Islands, and its subsidiaries, The Bank of Nova Scotia Jamaica Limited, Scotiabank (Anguilla) Limited, Scotiabank (Bahamas) Limited, Scotiabank (Belize) Limited, Scotiabank (British Virgin Islands) Limited, Scotiabank and Trust (Cayman) Limited, Scotiabank de Costa Rica, S.A., Scotiabank El Salvador, S.A., Scotiabank de Puerto Rico, Scotiabank (Turks & Caicos) Limited, Scotiabank Trinidad and Tobago Limited. Scotiabank Group means collectively, The Bank of Nova Scotia and all its subsidiaries and affiliates.

Definitions you need to know

Automated Banking Services are channels where you can access your designated accounts and may in your jurisdiction, include:

- Designated Automated Teller Machines (ATMs)
- Debit Point of Sale (POS) payment terminals
- TeleScotia Telephone Banking (automated or agent-assisted)
- Scotia OnLine* Internet Banking

Bill Payment Company refers to a business /company/utility that has an arrangement with Scotiabank to be a payee of bill payments through the service for which you have been registered, by Scotiabank for: branch, telephone, ATM, Debit POS bill payment and/or Internet Banking access.

Card or ScotiaCard means the banking card issued to you by us upon your request to afford you access to Automated Banking Services and other services set out in this Agreement.

Cardholder means the person to whom a Card has been issued by the Bank.

Cash Advance means the withdrawal of cash and/or transfer of funds from your credit card, ScotiaLine* or ScotiaLine* Gold accounts to another account regardless of whether that other account is another Scotiabank account.

Debit Point of Sale (POS) refers to the point or place at which a transaction is concluded by whatever means and includes, but is not limited to, transactions conducted in person, over the telephone, on the Internet or by mail order.

Debit Point of Sale (POS) Device means an electronic device used by a business, company, merchant or retailer to transmit requests for authorisation and settlement of transactions made by a Cardholder at a retail establishment and evidenced by an Electronic Signature.

Debit Transactions include cash advances, cheques drawn on your accounts, bill payments, pre-authorised payments and any other method of direct payment.

Deposit Accounts are our chequing and savings accounts.

Domicile Account or Domicile Branch refers to the country where your branch account is located.

Electronic Signature refers to each combination of numbers and/or letters selected by you, for your use, as a means of your authorisation to use certain Services that are available from us from time to time. Your Electronic Signature includes, but is not limited to: (i) your Personal Identification Number (“PIN”) at branches, Automated Teller Machines (“ATMs”) and POS terminals, (ii) your Personal Access Code (“PAC”) for access to TeleScotia Telephone Banking, (iii) your written signature at POS Devices without PIN pads, or (iv) security codes such as access codes and passwords for use with Scotia OnLine* Internet Banking, for use in association with your Card.

Inactive Accounts

Your account will become inactive or dormant if you do not complete a transaction, update your passbook or request a statement of account within the period documented in the country in which your account is domiciled.

If your account becomes inactive or dormant, we require that you visit your branch and present acceptable proof of your identity and address to reactivate the account. If your account remains inactive, we will follow the laws of the country in which your account is domiciled concerning inactive accounts, which may include transferring money to your government authorities, after a specified period of time and following certain legal procedures.

Inactive accounts cannot be accessed through Automated Banking Services or through any other Scotiabank branch. You shall be unable to access the telephone banking service if you fail to activate the service for a period exceeding six (6) months.

Self-Service Transactions are transactions processed without the help of a teller through a Scotiabank ATM, telephone or Internet Banking.

Service means any personal or business banking, insurance, brokerage or financial product or service offered by us.

Teller-Assisted Transactions are transactions processed directly with a teller at a Scotiabank branch.

Personal Deposit Accounts and Features

We have 4 categories of Accounts and Services:

1) Day-to-Day Bank Accounts[†]

- Chequing Account
- Savings Account

[†] Enquire about availability of foreign currency accounts in your country.

2) Special Feature Plans

- Youth Account
- Seniors Account

3) Payroll Direct Deposit

4) Automatic Savings Plan

You can count on Scotiabank service, no matter how you need to access your account:

- Visit any of our branches
- Use ATMs
- Make direct payment purchases from your account
- Have regular payments withdrawn automatically
- Conduct transactions over the telephone or internet, or
- Issue instructions to us in writing

Day-to-Day Bank Accounts

Chequing account

Whether you prefer to bank at a branch or take advantage of our Automated Banking Services, Scotiabank offers you a convenient chequing account designed to simplify your day-to-day banking needs, including:

- Writing cheques
- Withdrawing cash
- Paying bills
- Having regular payments withdrawn automatically
- Paying for banking services such as money orders, traveller's cheques and manager's cheques

With your ScotiaCard, you can access your Chequing account via Internet Banking, Telephone Banking, Scotiabank ATMs, local Scotiabank branches in the country where your account is domiciled, and Debit Point of Sale (POS) Merchants.

We provide you with an initial supply of cheques and cheque register for easy record keeping. Account statements, in which Scotiabank records all transactions will help you reconcile your account.

Savings account

For all your basic savings needs, Scotiabank offers you a convenient, interest-bearing savings account designed to simplify your day-to-day banking.

With your ScotiaCard, you can access your savings account via Internet Banking, Telephone Banking, Scotiabank ATMs, local Scotiabank branches in the country where your account is domiciled, and Debit Point of Sale (POS) Merchants.

You can even arrange for regular loan payments to be withdrawn automatically from your account.

We provide you with the option of passbook or statement record keeping to help you keep track of your finances.

Special Feature Plans

Youth Account

A Scotiabank Youth account is a better way for young people to understand the basics of banking and the value of savings.

The Youth Account enjoys the following benefits:

- No monthly account fee
- Attractive interest rate
- Personal financial advice

Seniors Account

A Scotiabank Seniors account is the most convenient way for qualifying customers to earn a competitive rate of return on their savings while benefiting from many free and discounted Scotiabank services.

The Scotiabank Seniors account has the following benefits:

- Competitive interest
- Discount on a safety deposit box
- Discounted commission on traveller's cheques
- Discounted commission on drafts
- Spouse on joint account receives same benefits even if not of qualifying age

Direct Deposit

Consider the Benefits of Direct Deposit. You can arrange for electronic direct deposit of select employer pay cheques and government payments. The funds go directly into your account, and access to the funds is available immediately on the day of deposit.

Automatic Savings Plan

A Scotiabank Automatic Savings Plan (ASP) can help you save for a specific goal over a period of time by making regular, automatic contributions on your behalf.

An ASP automatically deducts a specified amount on a regular basis from your chequing or savings account, and deposits it directly into your destination account.

- You can choose to invest weekly, bi-weekly, monthly, quarterly, semi-annually or annually.
- Scotiabank will automatically transfer the money into the Scotiabank savings/investment account you choose.
- You can change how much and how often you contribute at any time, or cancel the service by advising us in writing.
- By making regular contributions, you are building your savings while earning a return on the amount already contributed. As a result of this compounding, your portfolio has the potential to grow faster than if you made a single lump-sum contribution.

Deposit Account Agreement

By acknowledging that you have received this Agreement, you agree to the following terms and conditions governing your account or accounts. If you opened an account over the telephone or the Internet, your use of the account you applied for will indicate your agreement with the following terms and conditions governing the account.

The terms and conditions for your account(s) consist of the following sections:

- General terms and conditions for all Deposit Accounts
- Terms and conditions which apply to your ScotiaCard that is attached to your account(s)
- Special terms and conditions, which may apply if you have entered into an Overdraft Protection Agreement
- Terms and Conditions which only apply to deposit accounts in particular jurisdictions.

Operation of this Agreement

This Agreement and the instructions given by you under it, supercedes all previous agreements and shall remain in force and can be relied upon by us until we receive written notice of cancellation by any one or more of you.

This Agreement and your account(s) shall be governed by the law of the jurisdiction in which the branch or the office where your account is domiciled is located.

We can add or change the terms and conditions of this Agreement from time to time. Notice of additional or amended terms and conditions may be given to you through notices in our branches, and may also be given through notices in our monthly statements, ATM screens or on our public Internet sites.

Account Closure – We may close your account without notice to you if you do not operate your account in a satisfactory manner, for example, if you maintain an overdrawn balance due to NSF cheques or outstanding service charges or if you use the account for illegal or improper purposes.

We may close your account without reason by giving you 30 days' written notice.

If you are a non-resident of the country where your account is domiciled, you are advised that off-shore banking transactions may have tax consequences in the country where your account is domiciled and/or in your home country. Accordingly, if you are a non-resident, you should obtain prior written advice for such transactions from qualified tax advisors in your own domicile. A copy of such advice may be requested by the Bank prior to opening an account or anytime thereafter.

We will withhold taxes only where required to do so by law, otherwise you are responsible for any taxation that may be incurred on your accounts.

If the account has multiple owners, you signified whether **each owner must**, or that **any owner may** sign. Because legal responsibilities vary depending on who must sign, we have explained these differences in the upcoming sections.

Special Terms for Joint Accounts

When any owner may sign for the account, each is jointly and separately responsible, and agrees with the following:

- We can accept without liability any order or receipt signed or authorised by any one or more of you, without the signature or consent of the others.
- We can deposit in your account all payments received by us from any one of you, or collected by us on behalf of any one or more of you. This includes any item payable to you jointly. We reserve the right to refuse acceptance of items payable to anyone other than you, or your joint account holder.
- We can pay and deduct from your account the amount of any cheque, bill of exchange, promissory note, pre-authorised payment or order for payment that is drawn, accepted or made by any one or more of you, even if doing this may cause your account to become overdrawn or increases an existing overdraft.
- We can take instructions from any one or more of you for stopping any payment order (cheque) drawn on your account.
- Except for a lawful claim made before repayment, the whole or any part of the credit balance in your account may be withdrawn by any one of you, or applied by us to the debts of any one or more of you to us.
- The instructions given by you remain in force and can be relied upon by us until we receive written notice of cancellation by any one or more of you.

This agreement and any order or receipt signed or authorised by any one or more of you under this agreement, is binding on each of you and your own legal or personal representatives.

All money in your account and any interest earned on it, shall be held as joint property with the last survivor being entitled to payment of all money in your account (right of survivorship). Subject to any law or regulation now or afterwards in force, the death of any one or more of you does not affect the right of any survivor or the last survivor to withdraw or order the payment of any credit balance in your account.

Special Terms for Accounts for Minors

If you open an account in the name of a minor under 16 years of age with “sole” ownership, funds in the account belong to the minor account holder. Your signing authority will continue indefinitely until you (at any time) or the minor (after the minor’s 18th birthday) make arrangements in writing to cancel your signing authority. The minor will automatically gain signing authority when he/she turns 18 years of age.

A parent’s signature is required for any account in the name of a minor under 16 years of age.

General Terms and Conditions For All Deposit Accounts

1. How We Will Protect Your Privacy

Your privacy is important to Scotiabank. This Agreement sets out the information practices for the Scotiabank Group, including what type of information is collected, how the information is used, and with whom the information is shared.

Scotiabank is a global organization, with legal entities, business processes, management structures and technical systems that cross borders. Our privacy practices are designed to provide protection for your personal information within the Scotiabank Group, all over the world.

When you apply for, or provide a guarantee in respect of, or use any Service and while you are our customer, you agree that:

We may collect certain information from you and about you such as:

- Your full name, address, date of birth and occupation or type of business (if any), which is required by law in many of the jurisdictions that Scotiabank does business;
- At least one piece of government-issued identification with a picture, such as a valid passport, national identification card, voter’s card or driver’s license, as well as other documents or means of confirming your identity that are acceptable to us;
- Your annual income, assets and liabilities and credit history;
- Information about your transactions, including payment history, account activity, how you intend to use the account, and the source of any incoming funds or assets;
- Information we may need in order to provide you with a Service. In some instances, providing this information is optional;
- Information about beneficial owners, intermediaries and other third parties such as your spouse, where this information is required by law.

For legal entities such as companies, partnerships, trusts, estates or investment clubs, we may collect the information referred to above for each authorised person, partner, trustee, executor and club member, as appropriate.

We may collect from, and use and disclose this information to, any person or organization for the following purposes:

- To confirm your identity;

- To understand your needs;
- To determine the suitability of our Services for you;
- To determine your eligibility for our Services;
- To set up, manage and offer Services that meet your needs;
- To provide you with ongoing Service;
- To meet our legal and regulatory requirements;
- To manage and assess our risks;
- To investigate and adjudicate insurance claims; and
- To prevent or detect fraud or criminal activity or to manage and settle any actual or potential loss in connection with fraud or criminal activity.

We will use health information strictly for the provision of an insurance Service.

We may share your personal information within the Scotiabank Group for the purposes set out above, and you agree that we may transfer it to countries in the world where we do business.

This means that your information may be accessible to regulatory authorities in accordance with the laws of these jurisdictions.

We do not provide directly all the services related to your relationship with us. We may use third party service providers to process or handle information on our behalf and to assist us with various services such as printing, mail distribution, data processing, marketing, providing customer support or performing statistical analysis of our services, and you acknowledge that we may release information about you to them.

Our service providers are located all over the world. As a result, your information may be accessible to regulatory authorities in accordance with the law of the jurisdictions where our service providers operate. We will require our service providers to protect the information they receive from us in a manner that is consistent with Scotiabank Group information practices.

We may collect, use and disclose your tax or other government-issued personal identification number for income tax reporting purposes, as required by law in many of the jurisdictions that Scotiabank does business.

In addition, we may ask you for your tax or other personal identification number, where permitted by law, to verify and report credit information to credit bureaus and credit reporting agencies as well as to confirm your identity.

This allows us to keep your personal information separate from that of other clients, particularly those with similar names, and helps maintain the integrity and accuracy of your information.

You agree to give us complete and truthful information. If any personal information changes or becomes inaccurate or out of date, you are required to advise us so we can update our records.

You agree that this Service is being used solely for your benefit and for the benefit of those persons that are also signatories to it, as appropriate. If this is not so, you are required to advise us and provide the particulars of any third party that may benefit from this Service and their relationship with you.

We may verify relevant information you give us with your employer, your references or other reliable independent sources, and you authorise any person whom we contact in this regard to provide such information to us. We may refuse to enter into or continue relationships or conduct transactions with you for certain legal reasons, or if you insist on anonymity or provide false, inconsistent or conflicting information where the inconsistency or conflict cannot be resolved after reasonable inquiry.

We may monitor your account to meet our legal and regulatory obligations, including using automated surveillance systems to prevent or detect fraud or criminal activity such as money laundering or terrorist financing.

You agree that we may share your information within the Scotiabank Group for these purposes, including monitoring account activity, investigating unusual or suspicious activity and, if necessary, reporting such activity to law enforcement.

You agree that we may monitor or record any telephone call we have with you. The content of the call may also be retained. This is to establish a record of the information you provide, to ensure that your instructions are followed properly and to ensure customer service levels are maintained.

When you apply for, accept, or guarantee a loan or credit facility or otherwise become indebted to us, and from time to time during the course of the loan or credit facility, we may use, give to, obtain, verify, share and exchange credit and other information about you with others including electronic payment service providers, credit or charge card associations, loyalty program partners, credit bureaus, mortgage insurers, creditor insurers, registries, other companies in the Scotiabank Group and other persons with whom you may have financial dealings, as well as any other person as may be permitted or required by law.

We may do this throughout the relationship we have with you, and we can continue to disclose your personal information to credit bureaus even after the loan or credit facility has been retired. You also authorise any person whom we contact in this regard to provide such information to us.

When you apply for, or sign an application in respect of or accept an insurance Service from us, we may use, give to, obtain, verify, share and exchange information about you

with others including references you have provided, from hospitals and health practitioners, from government health insurance plans, from other insurers, from medical information and insurance service bureaus, from law enforcement representatives, from private investigators, and from other groups or companies where collection is necessary to underwrite or otherwise administer the Service requested, including the assessment of claims. You also authorise any person whom we contact in this regard to provide such information to us.

We may give information about you to other members of the Scotiabank Group so that these companies may tell you directly about their products and services (where the law allows this). The Scotiabank Group includes companies engaged in services to the public such as deposits, loans and other personal financial services; credit, charge, debit and payment card services; full-service and discount brokerage services; mortgage loans; trust and custodial services; insurance services; investment management and financial planning services; and mutual funds investment services. This consent will apply to any companies that form part of the Scotiabank Group in the future. You also agree that we may provide you with information from third parties we select.

If we sell a company in the Scotiabank Group or a portion of the business of a Scotiabank Group Member, we may release the information we hold about you to the prospective purchaser. We will require any prospective purchaser to protect the information provided and to use it in a manner that is consistent with Scotiabank Group information practices.

We may keep and use information about you in our records for as long as it is needed for the purposes described in this Agreement, even if you cease to be a customer.

2. How We Can Contact Each Other

We will use the address and any other contact details given in your application form to contact you. You agree to tell us of any changes or additions to these details. We may contact you by post, telephone and/or computer. All statements and notices we have agreed to give you will be sent to the address most recently notified by you, to us, and will be deemed to have been received by you five business days after it has been sent. Correspondence from the Bank is forwarded in envelopes marked with our name and return address.

You may contact us using the address and other contact details we give you when you open your account. We will give you written notice if any of these change. If you contact us by telephone, we will take reasonable steps to verify your identity before providing any account information.

You agree that we may leave a message for you to contact us on answering or facsimile machines or with the person answering the telephone and that we may use an automatic dialing system to give you recorded telephone messages.

Regarding the Scotia OnLine* Internet Banking service, you agree to contact us only through the Scotia OnLine* Internet Banking website or by phone and not through other e-mail methods. You also agree to receive communications regarding your account through the Scotia OnLine* Internet Banking channel and you agree you will not attempt to circumvent receiving any messages. You are deemed to have received any electronic messages sent to you when they are made available to you through the Scotia OnLine* Internet Banking website.

You agree that we are authorised to process any instructions we receive under your password, and that these procedures are commercially reasonable. The Bank will be responsible for acting only on those instructions sent through Scotia OnLine* Internet Banking which are actually received. The Bank does not assume responsibility for malfunctions in communications facilities not under its control that may affect the accuracy or timeliness of messages you send.

3. How We Will Accept Instructions From You

Any instructions to us may be given in person at your branch or delivered to the branch in writing. We will accept instructions through the post, when we receive them at your branch, but we are not responsible for delays or failure of delivery of such instructions.

We may refuse to act upon any instructions if, in our opinion, to do so may be illegal or in breach of any obligation owed by us to a third party; or cause us to fail to comply with any code or standard in force from time to time as it applies to us; or if we are in doubt as to the authenticity of the person giving such instruction.

If you also wish to give instructions by telephone, facsimile or e-mail you agree to the following:

- That such instructions will be accepted only for those accounts or products where you alone can give instructions.
- That the Bank or any of its subsidiaries or agents will not be liable to you for acting on your instructions or on instructions which appear to be from you, if those actions are in good faith.
- That you indemnify and save harmless the Bank and any of its subsidiaries or agents from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, disbursements of any kind or nature whatsoever which may be imposed upon, incurred by, or served against them, by reason of their actions taken in accordance with the instructions.
- That service fees will apply for actions taken by the Bank in response to your instructions. These fees may be deducted from any account you have with the Bank, unless otherwise specified by you in your instructions.

4. Our Payment Obligations To You

The money we owe to you because of your deposits to your accounts with us is payable only at the branch where you maintain the accounts. You are not entitled to ask for payment at any other branch or subsidiary of Scotiabank.

While we may permit you to withdraw monies and perform other banking transactions at another Scotiabank branch, through designated ATMs, Automated Banking Services, or other automated payment systems, this privilege is subject to restrictions and we reserve the right to limit or remove such Services at our discretion.

The Bank will not take any responsibility or be liable for any reduction in any account due to taxes or depreciation in the value of the funds credited to the account due to restrictions on transfer, payments or convertibility or due to requisitions, involuntary transfers, distress of any character, exercise of military or usurped power or any other cause beyond the control of the Bank. You will not have any claim, action or other recourse to the Bank or any of its branches, affiliates or subsidiaries other than the branch where the account is maintained.

Interest – The interest rate we pay you on some savings accounts is conditional on you giving us a minimum period of notice or keeping the deposit for a specific term. If you withdraw funds without giving the required period of notice or before the end of the fixed term, you may either lose some of the interest which you would otherwise have received, or be charged a penalty fee.

We may however, pay interest in full if the early withdrawal is due to your death or bankruptcy (or insolvency) or if the withdrawal is by way of transfer to a surviving joint account holder.

5. Your Payment Obligations To Us

In return for our opening and keeping this personal deposit account, you agree to pay (and we can deduct) from this account any monthly fee and additional service charges for the account.

You also agree that we can deduct from this account:

- Any debt or liability of any of you to us or to any of our subsidiaries.
- The amount credited to your account or paid to you pursuant to any instruction, regardless of whether or not we have received settlement in respect of such instruction, if in our sole and absolute discretion such instruction is in any way whatsoever related to a fraudulent item, an item with an endorsement error or an item for which we may incur a loss if the payment or credit thereof is not reversed, together with all related costs associated with such a charge to your account.
- If any of these deductions creates or increases an overdraft, you are still responsible

for each charge, debit or liability until you pay us. You promise to pay us on request, the amount of any overdraft along with your overdraft charges then current.

Fees - We can provide you with details of the monthly fees and service charges when you request them. We may vary at our discretion all charges payable by you.

Changes to our fees and charges will be advised to you in advance, through notices in our branches, and may also be given through notices in our monthly statements, ATM screens or on our public Internet sites.

6. We May Put A Hold On Your Funds

Cheques presented for cash or deposit to your account may not always be cashed right away. We may place a hold on funds to ensure that the financial institution on which the cheque is drawn will not return the cheque. A hold, however, provides no guarantee that a cheque will not be returned as invalid or otherwise after the hold period has expired. You are responsible to us for any cheque that you deposit that is returned to us, regardless of whether any hold period has expired.

The length of time you have dealt with the Scotiabank branch, the amount of funds already in your account, local or international clearing arrangements, and the amount and characteristics of the cheque being deposited may all influence whether the funds will be held, and the length of the hold period.

Some cheques may be sent on “collection”, meaning that the funds will be credited to your account only if and when the cheque clears the other financial institution and the funds have been received by Scotiabank.

Electronic and telephone transfers received for deposit to your account are subject to our verification of source of funds. A hold may be placed on any such transferred funds until we complete the verification.

7. Your Cheques May Be Returned

You agree to complete cheques so that they are not easy to alter and you must not put a date on your cheques which is after the date of signature. If you do, we will not be liable for any loss you incur as a result of us paying a cheque before the date you have put on it.

If we return cheques or regular payment orders or refuse to accept other instructions we will tell you the reason for doing so. Charges for returned items or items we are obliged to pay, such as guaranteed cheques, are available on request.

We may refuse to make any payment if you do not have cleared funds (or an agreed overdraft) available on the working day before the items are presented for payment.

In deciding whether you have funds available we may take into account any earlier instructions to make payments, any authorisations we have given for card transactions,

regular payments from your account, and any cheques we are treating as cleared. We will tell you if you can make payments from your account against cheques which are not cleared. We may not take into consideration regular credits paid into your account or any credits received after the decision to refuse payment has been taken.

8. Cheques you deposit may be returned

U.S. federal law entitled the “Check 21 Act” allows U.S. banks to remove an original paper cheque from the cheque payment system, capture its image electronically and destroy the original item. As a result, if you negotiate a U.S. dollar cheque that is processed through the U.S. cheque payment system and it is subsequently returned, you might receive a paper reproduction of the electronic image, a “Substitute Check”, instead of the original paper cheque. Under U.S. law, a Substitute Check is the legal equivalent of the original cheque, provided that it meets the conditions prescribed under the Check 21 Act.

The reasons a cheque you deposit may be returned by another financial institution may include but are not limited to the following reasons:

- Non-sufficient funds (NSF) or Refer To Drawer: means there is not enough money in the account on which the cheque is drawn.
- Payment Stopped: The owner of the account has requested the cheque not be paid.
- Postdated: The date on the cheque is in the future.
- Stale Dated: The date on the cheque is 6 months or older.
- Account Closed: The account the money is coming from is closed.
- Funds Not Cleared: A “hold” has been placed on funds in the account on which the cheque is drawn on.
- Materially Altered Cheque: The owner of the account says the cheque has been altered without authorisation.
- Counterfeit Cheque: The owner of the account denies issuing the cheque.
- Irregular Signature: The signature on the face of the cheque does not match the usual signature of the person that it purports to be.
- Forged Signature: The signature on the face of the cheque is not the signature of the person that it purports to be.
- Forged Endorsement: The signature of the endorser of the cheque is not the signature of the person that it purports to be.
- Words and Figures Differ: The written and numerical amounts on the cheque don't match.

If you deposit a cheque that was drawn in a foreign currency and the cheque is returned to us, you will be responsible to repay to us the local currency equivalent of that cheque at the time that it is returned to us.

You may stop payment of a cheque before it has been presented for payment (unless it has been guaranteed). You may only cancel instructions given by any means if they have not been acted upon. If we are able to cancel your instruction, we may make a charge. Our charge for stopping payment of cheques is available on request.

If any cheque you have negotiated is returned to us unpaid we will debit your account, whether or not it creates or increases an overdraft and even if we allowed you to make a payment or to take cash against the cheque.

9. We May Use Agents and Transmission Services

We may use any correspondent or third party to act as your agent for funds transfers or other transactions for your account. This correspondent or third party, while processing your funds, will be considered your agent and not an agent of the Bank.

You must promptly review any notice sent to you of a funds transfer transaction for your account, and notify us within 24 hours of when you received or were deemed to have received notice, of any error or omission in the transaction. If you fail to promptly report such an error or omission you relieve the Bank of any liability with respect to such discrepancies or objections.

10. You Must Verify Your Accounts

You must promptly review your paper account statements, Internet or telephone transaction history, automated banking statement, or passbook to check and verify the entries.

If you believe there are any errors or omissions in your paper account statement, you must tell us in writing within 30 days of the statement date. If you have a passbook account or only have a paperless record-keeping option for your account, you must tell us in writing of any error or omission in your account entries within 60 days of the date of the disputed entry.

If you do not tell us of an error or omission within the applicable time periods described above, you a) will be deemed to have conclusively agreed to the contents of the paper account statement, online transaction history or passbook, as applicable, whether or not you have reviewed your statement or online transaction history or updated your passbook, as you are required to do under this Agreement, and b) agree that you will have no claim against us for reimbursement relating to any account entry, even if the instruction charged to your account was forged, unauthorised or fraudulent.

ScotiaCard Agreement

1. ScotiaCard Terms

This ScotiaCard Agreement (“Agreement”) sets out the terms under which you may use your ScotiaCard banking card. It replaces all previous ScotiaCard Agreements and applies if we send or provide you a renewal or replacement ScotiaCard banking card.

2. Using Your Card

Upon your request, we will issue a ScotiaCard to you, in your name. If you sign the reverse of the Card or if you activate or use the Card or use your Card number that means you have received and you agree to the terms and conditions described in this Agreement. Once your Card is activated, you may access the following services (where offered) with your Card and the Electronic Signature specific to that service:

I. Automated Banking Services

You can access your designated accounts through the following delivery channels (where available):

- Designated ATMs
- POS devices that display the symbols of any system we may designate from time to time for purchase transactions paid for using your Card
- TeleScotia Telephone Banking (automated or agent-assisted)
- Scotia OnLine* Internet Banking

You can obtain cash advances at designated ATMs from your credit card, ScotiaLine* and ScotiaLine* Gold if:

- Automated Banking Services access to these accounts has been prearranged,
- Your accounts are in good standing, and
- Your account credit limit will not be exceeded by doing so.

You authorise Scotiabank to accept your instructions given through any of these methods, as if you had given the instructions in writing, for any service request the Bank is prepared to honour, for bill payments, transfers between accounts, issuance of drafts to third parties and any other available Automated Banking Services offered by the Bank from time to time.

II. Any Branch Banking (“ABB”) Service

You can access your accounts through the ABB Service by presenting your Card, together with your Personal Identification Number (PIN), your passbook,

your personalised Scotiabank cheque, or such other identification, as we reasonably require, at local Scotiabank branches in the country where your account is domiciled.

III. POS, Phone, Internet, Mail Order Purchases

Where available, you may use your Card or your Card number to pay for goods and services. When you pay for goods or services using your ScotiaCard number without presenting your ScotiaCard, you will have the same responsibilities as if you had presented your ScotiaCard to a merchant and signed a sales draft or receipt or entered your Electronic Signature.

The services referred to in clauses 2 (I), (II) and (III) above are collectively referred to in this Agreement as the “Service(s)”.

3. Transaction Charges And Fees

You agree to pay and we may deduct, without notice, from any of your accounts (even if this creates or increases an overdraft):

- i. A transaction charge or service fee, at the prevailing rate (as determined by us from time to time), for each transaction for which your Card or ScotiaCard number has been used to obtain a Service. A notice of the charges and fees is provided in a readily accessible place in our branches.
- ii. The transaction charges or service fees imposed by other financial institutions (inside or outside the country in which the Card is issued) for transactions conducted through their ATMs or POS Devices in which the Card and Electronic Signature has been used. You should contact the other financial institutions for the transaction fees they charge for using their ATMs or POS terminals.

You acknowledge that the transaction charges and service fees charged for each transaction performed are in addition to any account level service charges which apply to your accounts.

- iii. Any stamp duty payable by the Bank or by you with respect to any transaction made using your Card.

4. Transaction Limits

We may establish and change limits, dollar or otherwise, from time to time, on the various transactions which may be available through the Services, without prior notice to you. Cumulative limits (e.g. daily, weekly or per transaction) vary from country to country and notice of such limits is provided in a readily accessible place in our branches, and is available to you upon request.

5. Transaction Records/Confirmation Numbers

At the completion of each Automated Banking Services transaction, you will be given a printed transaction record or reference number, unless otherwise requested. If your Card and Electronic Signature is used for a POS transaction, we may arrange for a third party, such as a merchant, to give you the transaction record.

You agree that cheques or any other form of debit voucher delivered to any Scotiabank branch offering ABB or Automated Banking Services, other than at the branch that keeps your accounts, will not be returned to you, but will be reflected in your monthly account statement or passbook.

6. Posting Of Transactions

Any Automated Banking Service transaction (excluding automated bill payments) conducted before 7pm (in the country where your account is domiciled), Monday through Friday will normally be posted to your applicable account as of the date of the transaction, unless that day is a holiday. Transactions conducted on Saturdays, Sundays or holidays will normally be posted to your applicable account as of the next business day. Transactions conducted outside the country may be posted to an account at a later date.

Any automated bill payment request made on or before 7pm, Monday through Friday, will be posted to your designated account on the day of the transaction. An automated bill payment made after 7pm, Monday through Friday or anytime on Saturday, Sunday or a holiday will be posted to your designated account on the next business day.

Any automated bill payment request will be deemed to have been received by us on the date the transaction is posted to your account. We are not responsible for the processing/posting procedures of your designated Bill Payment Companies. Transactions for accounts with insufficient funds at the time of posting will be declined.

The debit to your account for post-dated bill payments and fund transfers are processed by 7pm on the date to which your payment is post-dated.

7. Limitation Of Liability

We are not liable to you for any delay, loss, damage or inconvenience that results from providing or failing to provide any Service, except where such losses result from technical problems, Bank errors or system malfunctions for which the Bank is solely responsible. Also, we are not responsible for your acts or omissions or those of any third party. Furthermore, the Bank shall in no way be liable for any accident, act of aggression, theft, loss or damage you may suffer while using Automated Banking Services or other Service, whether you are on Bank or other premises.

The Bank is not responsible for any losses or delays in transmission of instructions arising out of the use of any access service provider or caused by any browser software.

The Bank is not responsible if you give incorrect instructions or if your payment instructions are not given sufficiently in advance to allow for timely payment. The Bank is not liable for any deficiencies in the accuracy, completeness, availability or timeliness of any information or for any investment or other decision made using this information.

The Bank is not responsible for system disruptions including disruptions caused by any computer virus or related problems.

Neither the Bank, nor any other information provider, makes any express or implied warranties concerning the Scotia OnLine* Internet Banking services or browsers including, but not limited to, any warranties of merchantability, fitness for a particular purpose or non-infringement of third party proprietary rights unless disclaiming such warranties is prohibited by law.

If your Card and Electronic Signature or handwritten signature is used for a Service transaction, the Bank is in no way responsible for the quality or non-receipt of the goods or services. All claims or disputes between you and the merchant, including your rights to compensation or any offsetting rights shall be settled directly by the merchant and yourself. We are not liable if a merchant does not accept the Card at any time. Where a merchant becomes liable to make any refund to you, we will credit your designated account with the refunded amount only on receipt by us of a properly issued credit voucher or other appropriate verification or authorisation of the refund.

You are responsible for any errors that result from your having incorrectly provided to or selected from us, any account number, dollar amount or other information required for the operation of the Automated Banking Services. You acknowledge that once you have confirmed the details of a payment, you may not revoke or stop the payment, except in the case of a TeleScotia Telephone Banking or Scotia OnLine* Internet Banking postdated payment, you may delete the payment no later than 3 business days before the date the payment is due to be charged to your account.

You are responsible for notifying us of any changes to or errors in billing account information. You are responsible for effecting these changes to your account information via the TeleScotia Telephone Banking or Scotia OnLine* Internet Banking Services (where these Services are available). We may, at our discretion and without prior notice, refuse a request for authorisation of any Card transaction, and may notify third parties of such refusal as we think necessary. In exercising such discretion, we may take into account in calculating the funds available, any funds, which we may decide, have been credited or debited to your account.

The Bank is not obligated to act on any withdrawal instruction from you if sufficient funds, including overdraft lines of credit, are not available in the account you designate. At the Bank's discretion, we may create or increase an overdraft to your accounts according to the agreement governing those accounts. We may place a hold on ABB or ATM deposits pending verification.

8. Lost, Stolen, Authorised Or Unauthorised Use Of The Card

You will notify us immediately, by telephone and in writing, of the loss, theft or any unauthorised use of your Card or Electronic Signature. Your liability will cease only when we receive notice of such loss, theft or unauthorised use.

You are responsible for the care and safety of your Card and your Electronic Signature. You will keep your Electronic Signature strictly confidential, secure from all persons without exception and apart from the Card at all times.

You must not disclose any other security codes, such as passwords, access codes and account numbers that may be used or required for Automated Banking Services, the ABB Service or any other Service transactions. You are liable for all Card transactions incurred using your Electronic Signature.

If you require a replacement card in these situations, or if your card is retained by an ATM, immediately visit or call your nearest Scotiabank branch.

9. Limitation For Authorised And Unauthorised Use Of The Card

You are liable for all debts, withdrawals and account activity resulting from:

- Use of the Card by you or by persons to whom you have made your Card and/or Electronic Signature available or who received possession of the Card and/or Electronic Signature with your consent;
- Unauthorised use of the Card and/or Electronic Signature, where you have made available for use your Card and Electronic Signature by keeping them together or in such a manner as to make them available for use, including, without limitation, using the "Save My Card" feature on a public access computer until we have received notice of loss, theft or unauthorised use;
- Any failure to comply with the terms of this Agreement.

You will not be liable for losses in the following circumstances:

- Technical problems and other system malfunctions;
- Unauthorised use of your Card and Electronic Signature, including your PIN, PAC, password or access code after the Card has been reported to us as lost or stolen;
- Your Card is cancelled or expired; or
- You have reported another person knows your Electronic Signature, including your PIN, PAC, password or access code.

You will be considered as contributing to the unauthorized use of your Card and/or Electronic Signature and will be fully liable for all debts, withdrawals and account activity where:

- The Electronic Signature you have selected is the same as or similar to an obvious number combination such as your date of birth, bank account numbers or telephone numbers; or
- You write your Electronic Signature down or keep a poorly disguised written record of your Electronic Signature, such that it is available for use with your Card; or
- You otherwise reveal your Electronic Signature to anyone, resulting in the subsequent unauthorized use of your Card and Electronic Signature together.

Until such time as you notify us of the loss, theft, or unauthorised use of your Card and Electronic Signature, you will be liable for all withdrawals from or other transactions on your accounts up to the maximum daily and weekly permitted withdrawal limits through ATMs which we establish from time to time. You will also be liable for all purchases/withdrawals up to the maximum daily and weekly limit for POS transactions which we establish from time to time and for all transfers and payments completed via the Scotia OnLine* Internet Banking and TeleScotia Telephone Banking Service, if these apply. The limit for POS transactions is over and above the maximum daily and weekly ATM withdrawal limit.

10. Processing Foreign Currency Transactions

Cash withdrawals from your account through ABB or at Scotiabank ATMs obtained in a foreign currency using your Card and Electronic Signature will be deducted from your designated accounts in the currency of the account.

Conversion will be made at the exchange rate determined by Scotiabank on the day the transaction is charged to your account.

If you use your Card and Electronic Signature for cash withdrawals or to purchase goods or services outside the country in which the Card was issued, we will convert the amount of the cash withdrawal or purchase using the exchange rate determined by VISA International, on the day the transaction is posted to your account. This rate may be different than the rate in effect on the date your withdrawal or POS transaction occurred. To this amount will be added an additional 1% VISA service fee on the converted amount and any additional Scotiabank service fee, as applicable, on the converted amount. We will deduct the total amount from your designated account in the currency of the account. A notice of the Scotiabank service fee is provided in a readily accessible place in our branches.

If you use your Card for a transaction in a foreign currency, and the merchant or retailer gives you a credit voucher, the two transactions (the debit and credit) may not balance exactly because of exchange rate and currency fluctuations between the debit and credit dates.

11. Changing Limits And Designated Accounts

We may establish and change limits (dollar or otherwise) from time to time, on the types of transactions which may be available, or companies which may be paid in connection with any of the Services provided for in this Agreement. We may designate one or more of your accounts for our FastCash or other services available through ATMs or POS devices. Any designation may be cancelled or changed by you in writing at any time.

12. Cancelling Banking Services

We may at any time, without notice, withdraw any ATMs or POS terminals from use, or cancel or vary the whole or any part of the Services we offer you in connection with or through the use of the Card. No Automated Banking Services transactions, including, without limitation, deposits, bill payments, funds transfer, loan payments, enquiries, mini statements and/or cash advance requests will be processed after cancellation of the Automated Banking Services.

13. Settling Disputes

All disputes between you and a designated Bill Payment Company, including your rights to compensation or any offsetting rights (set-off), shall be settled directly by and between the Bill Payment Company and yourself. We do not verify, nor are we required to verify, that any purpose for which the payment is made has been fulfilled by the company as a condition of honouring your payment request on your account. Any dispute you have regarding the Services provided under this Agreement will normally be resolved within 15 business days after your branch of account is notified in writing of the dispute. If a dispute cannot be resolved within this time, we will provide you with information concerning our dispute resolution process and how long each step will normally take.

14. ScotiaCard Customer Service

Depending on the decals reflected on the back of your Card, the Card may be used to access Services where one of these symbols is displayed:



Overdraft Protection Agreement

Overdraft Protection is a temporary credit account

To benefit from this service, you must separately complete an application for credit and be approved for Overdraft Protection. You may use your Overdraft Protection from the date the overdraft protection agreement is approved by us.

Overdraft limit

You may overdraw the account specified in the agreement up to the amount agreed to in writing by us.

You may overdraw the account by cheque, pre-authorised payment or any other debit we authorise. We may refuse any debit if the amount would cause the overdraft limit to be exceeded.

Payment

Within 30 days from the day in which the overdraft occurred:

- You will bring your account to a positive balance.
- For dishonoured items, you will pay us the handling charge for each debit drawn on the account and all other applicable service charges. Handling charges are treated as overdraft amounts.
- You will pay us the overdraft interest charge set out in this booklet, or as stipulated by written notice to you. Interest is accrued and calculated daily to each statement date on each debit from the date on which the debit is charged to the account.

Overdraft interest charges are treated as overdraft amounts.

Delinquency

If your overdraft balance goes into default, we may close your account and convert your overdraft balance to delinquent demand loan status. Interest payable will be calculated daily and applied to the demand loan.

Terminating the agreement

Either party may terminate this agreement. We may terminate the agreement if you are in default. You may terminate the agreement by giving us at least 10 days' prior written notice.

Termination does not relieve you of any obligations under this agreement until the overdraft amount has been paid to us in full. Regardless of such termination, you are responsible for paying us for all debits or other charges made following termination.

Our Commitment to You – Satisfaction Guarantee

When we make changes or open an account, we always want to ensure that we are helping you find the right account for your banking needs. If you are not satisfied with the changes made to your account, you may select an alternate Scotiabank account within 90 days of the effective date of change.

On request, we will refund the difference, if any, between the fees paid on your account and the fees that you would have paid with your alternate account choice on the effective date of the changes.