



Important Notice about Installment Plans included with eligible Scotiabank Credit Card Accounts and Installment Plan Terms and Conditions

Changes to the Revolving Credit Agreement and Disclosure Statement effective as of May 15, 2022

Scotiabank is committed to providing a variety of products and services to suit our customers' needs. We recently added Scotia SelectPay™ installment plans to certain eligible Scotiabank credit card accounts ("Accounts"). A SelectPay plan allows you to convert eligible purchases of \$100 or more (or such other minimum amount as we may advise you of from time to time) into monthly installment plans on your Account. More information about installment plans and a list of Scotiabank credit cards that are eligible for Scotia SelectPay installment plans is located at: www.scotiabank.com/selectpay. To support these installment plans, **effective as of May 15, 2022**, we are adding additional terms and conditions to the Revolving Credit Agreement (the credit agreement that applies to your Account) and to the Disclosure Statement that applies to your Account. **Starting after the effective date of these changes**, if we offer an installment plan to you and you choose to convert an eligible purchase on your Account into an installment plan, these additional terms and conditions will apply.

This notice sets out the changes to the Revolving Credit Agreement and Disclosure Statement that apply to your Account for installment plans. Please review it carefully and keep a copy of it for reference (a copy is also available electronically at www.scotiabank.com/revolvingcreditagreement).

Questions or Concerns? If you have any questions about this notice, please contact us. If you do not agree with these changes, you must notify us 30 days after the effective date of the changes. If you do notify us, we can discuss an alternative product, or we can close your Account (without cost or penalty) and discuss payment options for any outstanding balance on your Account at that time.

EFFECTIVE as of May 15, 2022, the following changes will be made:

Disclosure Statement changes: An installment plan fee and/or annual interest rate will apply to each eligible purchase that is converted into an installment plan on your Account. Details about this new installment plan fee and/or rate are added to the Disclosure Statement for your Account under the headings "Annual Interest Rate or Rates" and "Other Fees", as disclosed below.

Annual Interest Rate or Rates	Installment Plans: up to the annual interest rate on Purchases (the exact installment plan annual interest rate will be disclosed to you at the time the installment plan offer is made).
Other Fees	To be charged on the day the transaction occurs (unless otherwise indicated): Installment plan fee: For each installment plan, either i) a one-time fee of up to 3% of the total eligible purchase converted to an installment plan, charged when the eligible Purchase is converted to an installment plan; or ii) a monthly fee of up to 1.2% of the amount of each eligible Purchase converted into an installment plan, charged on the first day of each statement period, after the eligible Purchase is converted to an installment plan, so long as the plan remains on your account. The exact installment plan fee will be disclosed to you at the time the installment plan offer is made.

In addition, if you have an installment plan on your Account, the minimum payment will change. Details about this minimum payment change will be added under the heading "For all residents" on your Disclosure Statement for your Account under the section "Minimum Payment". This change does not impact the regular minimum payment that may apply to your Account (for residents of Quebec or for residents outside of Quebec). Underlined text below is being added:

Minimum Payment	For all residents: In addition, amounts showing on your monthly statement as OVERDUE or OVERLIMIT must be paid immediately and will be added to the minimum payment. <u>If you have an installment plan on your account, in addition, your Minimum Payment will include the Current Installment Payment due each month.</u> If your balance is less than the above, the minimum payment will equal the balance.
------------------------	---

Revolving Credit Agreement changes: These additional terms and conditions will be added as a new section to your Revolving Credit Agreement for installment plans on your Account. All other terms of the Revolving Credit Agreement remain in effect and continue to apply to your Account and to installment plans on your Account.

SCOTIABANK CREDIT CARDS INSTALLMENT PLAN – TERMS AND CONDITIONS (effective as of May 15, 2022)

These Installment Plan terms and conditions (the "Installment Plan Terms and Conditions") form part of the Revolving Credit Agreement and will apply to each Installment Plan you make on your credit card account (including the amount of any eligible purchase converted into an Installment Plan). **Please review them carefully before you select and consent to an Installment Plan.**

What is an Installment Plan: An installment plan ("Installment Plan" or "Plan") is a feature that we make available on an Eligible Account. An Installment Plan will allow you to convert an eligible purchase that you are making on your Eligible Account at point of sale (the check-out), either in-store or online at participating merchants, or a purchase that has been posted to your credit card account, into fixed monthly installments. In order to be eligible, the purchase must be for at least \$100 in Canadian dollars (including taxes), or such other amount as we may advise you of from time to time (the "Eligible Purchase").

Eligibility for Installment Plans: Remember your eligibility for an Installment Plan, is based on the information we have about you and that information is subject to the Scotiabank Privacy Agreement (visit www.scotiabank.com/ca/en/about/contact-us/privacy/privacy-agreement.html).

What is an Eligible Account: Installment Plans are only available if you have an "Eligible Account", which means:

- you have a credit card account that we have designated as eligible for an Installment Plan; and
- your credit card account is in Good Standing.

Installment Plans may not be available in all provinces or territories. We may change the eligibility requirements from time to time.

"Good Standing" means that (i) your credit card account is not past due (including any payment due for an Installment Plan), not in default and you are not in breach of any terms of the Agreement, including these Installment Plan Terms and Conditions, and (ii) you are handling your credit card account as required by the Agreement and our requirements.

Eligible Purchases: If we identify an Eligible Purchase at point of sale (the check-out) while you are using your credit card account in-store or online at participating merchants **or** after it has been posted on your credit card account in a statement period (as shown on your statement), we may make an offer to you to allow you to convert the amount of the Eligible Purchase to an Installment Plan. If you select the Eligible Purchase after it has been posted to your credit card account, you can convert it to an Installment Plan through our Scotiabank Online or Scotiabank mobile banking services. An Eligible Purchase cannot be converted until the date it is posted to your credit card account which may be different from the Transaction date.

Timing to Select an Installment Plan: If we make an offer to you, you can convert an Eligible Purchase at the point of sale (check-out). You can also convert Eligible Purchases we identify for you in the statement period in which they are first posted to your credit card account but have not yet appeared on your statement. In that case, you must convert that Eligible Purchase to an Installment Plan during the same statement period in which it was posted to your credit card account and before the credit card account's next statement date. After that, the Eligible Purchase is no longer eligible for an Installment Plan. Your Plan will appear on your statement once it has been activated and posted to your credit card account (the posted date on your statement or the "Enrollment Date").

Payment Terms that apply: When you agree and consent to convert an Eligible Purchase to an Installment Plan, you are agreeing to convert the Eligible Purchase into fixed monthly installment payments under the payment terms ("Payment Terms") offered to you.

The Payment Terms include (i) any applicable interest rate(s) that apply to the Plan (the "Installment Interest Rate"); (ii) any fees that apply to the Plan (the "Installment Fees"); and (iii) the payment period that we offer to you and you select (the "Payment Period"). Most Payment Periods we offer are for 3, 6 or 12 months (or we may offer you a different Payment Period for your Plan). Once you select an Installment Interest Rate, Installment Fee and the Payment Period that we have offered you, those selections will apply to the Eligible Purchase under the Installment Plan.

Any applicable Installment Interest Rate applies from the date the Eligible Purchase from the Enrollment Date and until the amount under the Installment Plan is paid in full. See the section "Fees and Interest; How we Charge Interest under an Installment Plan" in these Terms and Conditions for more details on when and how we charge interest on your Installment Plans. It may take 1 to 3 business days for an Eligible Purchase to post to your credit card account as an Installment Plan and to appear on your Scotiabank Online and Mobile app. Your Enrollment Date also appears on your statement as the posted date under the details about each of your Installment Plans.

You agree to pay all amounts owing under each Installment Plan that you accept, including all installment payments, Installment Fees and any other amounts that may become due and payable. If an upfront one-time Installment Fee is charged for your Installment Plan, it will not be refunded if you cancel the Installment Plan. We must receive the payments that apply to any Installment Plan, including the then monthly Current Installment Payment, by the payment due date, in the amount(s) and on the payment due date(s) as shown on your statement for your Eligible Account.

Changing the Installment Plan Selected: You cannot change the Payment Terms of an Installment Plan you selected once you have accepted them. You can however choose to cancel the Installment Plan at any time during the Payment Period. See the section "Cancelling an Installment Plan" in these Terms and Conditions for more details on how to cancel a plan and what happens when you do.

Who can accept and consent to an Installment Plan: Eligible Purchases can only be converted to an Installment Plan by the Primary Borrower.

Minimum Payments and Other Payments: The monthly installment payment, any monthly or one-time Installment Fee and the amount of any interest charged at the Installment Interest Rate that is part of your Plan will form part of the Minimum Payment for each statement during the Payment Period as your "Current Installment Payment" for that month.

The total amount of your Installment Plan is comprised of the following:

- Amount of the Eligible Purchase (including any applicable taxes);
- Plus, any Installment Fee(s) that apply; and
- Plus, any Installment Interest Rate charges that apply

The above total amount will be divided over the months you selected in your Payment Period in fixed monthly installment payments of equal amounts, except for the first installment payment, which may be higher or lower than the other installment payments due to rounding.

However, if you are paying a one-time Installment Fee, it will be charged to you when you have converted your Eligible Purchase into an Installment Plan (as disclosed on your Disclosure Statement under the heading "Other Fees").

For illustrative purposes only, for a 3-month Plan with a monthly fee of 1.2%:

Amount of Eligible Purchase:	\$400
Monthly Installment Fee on Plan	\$4.80 (1.2% monthly fee)
Payment Period	3 months
Total Installment Fee on Plan	<u>\$14.40 (3.6% total fee, \$4.80 x 3)</u>
Total Installment Plan Amount	\$414.40

Calculation of equal monthly installment payments for Plan:

\$414.40/3 months = \$138.13333, where the first installment payment will be rounded up to \$138.14 and the following two installment payments will be \$138.13

These fixed installment payments are included in your Minimum Payment on your statement each month (and appear on your statement under the heading "Current Installment Payment") and is part of the "New balance" owed in the statement period that appears on your statement. The Current Installment Payment is billed on each statement starting with the first statement provided to you following the Enrollment Date.

When you have an Installment Plan on your Eligible Account, your **total Minimum Payment** on your statement includes the Current Installment Payment that you owe and that we must receive each month by the payment due date, in addition to any other amounts shown on your statement (calculated as described in your Disclosure Statement). Remember to allow for a few days for your payment to be processed depending upon the payment method you are using.

Fees and Interest; How we Charge Interest under an Installment Plan: We may charge a one-time set-up Installment Fee for an Installment Plan or a monthly Installment Fee that applies during the Payment Period of the Installment Plan. We will disclose the amount and the frequency of the Installment Fee to you at the time you select an Installment Plan.

The Installment Fee will be charged at the time the Eligible Purchase is converted to an Installment Plan or if a monthly Installment Fee applies, it will be charged each month during your Installment Period. The Installment Fee will form part of your Minimum Payment in the first statement (and any subsequent statement if it is a monthly fee) following the Enrollment Date. See the "**Minimum Payment and Other Payment**" section in these Terms and Conditions for more details.

If you do not pay your Installment Fees when due, we will charge interest on the overdue amount at the annual interest rate that applies to Purchases on your Account.

How we charge Interest under an Installment Plan is described below:

Prior to the Enrollment Date (Interest-Free Grace Period on Eligible Purchases): Similar to any other Purchase on your credit card account, you will keep your interest-free grace period on the amount of any Eligible Purchase if we receive payment of your balance in full (the "New balance" on our statement) at the end of the statement period in which that Eligible Purchase appears for the first time. If we do not receive such payment in full, we will charge interest on the Eligible Purchase from the transaction date of your Eligible Purchase until the Enrollment Date, at the annual interest rate that applies to Purchases on your Eligible Account.

From the Enrollment Date to the last day in the Installment Offer's Payment Period: Once you convert your Eligible Purchase to an Installment Plan, as of the Enrollment Date, your Eligible Purchase (divided into fixed monthly payments) is charged interest each month from the Enrollment Date at the Installment Interest Rate that applies to your Plan until the last day in your Payment Period.

After an Installment Plan is Cancelled or Expires (New Interest-Free Grace Period): After an Installment Plan expires or if it is cancelled by you or us, any amount that remains unpaid on your Installment Plan (the "**Outstanding Installment Balance**"), including any Installment Fee or Installment Interest that was not paid in full as of the end of the Payment Period, will be re-applied to the balance on your credit card account. You will not pay interest on the Outstanding Installment Balance if we receive payment in full of the New balance on your statement on which we re-applied that Outstanding Installment Balance. If we do not receive such payment, we will charge interest on that Outstanding Installment Balance from the date of expiration or cancellation of the Installment Plan until the amount is paid in full at the annual interest rate that applies to Purchases on your credit card account

Any applicable interest we charge under an Installment Plan is added to your Eligible Account at the end of each statement period. **However, we do not charge interest on interest.**

Applying your Payment to an Installment Plan: When you have an Installment Plan on your credit card account, you cannot allocate payments on your credit card account between your Installment Plan and any other balance of your choice.

We apply payments made to your Eligible Account for which you have an Installment Plan as follows:

The total Minimum Payment each month is applied as follows:

- **first** to your **Current Installment Payment** (before any payments are applied to the remainder of your Minimum Payment);
- **second** as described in your Revolving Credit Agreement under the section "Applying your Payments" as it relates to your Minimum Payment;
- **then lastly**, any remainder of your Minimum Payment that remains, is applied to your Outstanding Installment Balance.

If your Current Installment Payment is allocated to more than one Installment Plan, any payment you make will be applied to your Installment Plan(s) in the order of lowest to highest interest rates.

We apply any payment that is made in **excess** of the Current Installment Payment and that is in excess of your total Minimum Payment, in the order that is described under the "Applying your Payment" section in this Revolving Credit Agreement.

If your only payment owing on your statement is the Current Installment Payment and you make a payment in **excess** of the Current Installment Payment, your Eligible Account will be in a credit balance. See the "Credit Balance" section in these Terms and Conditions for more information.

You can always pay your balance in full at any time even when you have an Installment Plan. See the "Credit Balance" section in these Terms and Conditions for more information if you pay your Installment Plan in full before the Installment Period expires.

Credit Balance: If you decide to pay more than your Current Installment Payment, including if you decide to pay the full amount of your Installment Plan that is not yet due (and no other amount is owing on your statement), that amount paid will be treated as a credit balance on your credit card account. Paying the full amount of your Installment Plan does not cancel the Plan. You must cancel the Installment Plan otherwise you will see a credit balance on your credit card account for the amount of the Installment Plan that you have paid in full. If you wish to cancel your Installment Plan, see the "**Cancelling an Installment Plan**" section in these Terms and Conditions for information on how to do so.

If your Eligible Account is in a credit balance due to such payment, we will apply that credit balance to transactions that have not yet posted to your Eligible Account and that credit balance will be applied as set out in the section in your Revolving Credit Agreement on how we treat a credit balance on your Eligible Account.

Vouchers: If you receive a credit or refund or other reduction for any portion of the amount of an Eligible Purchase that is part of an Installment Plan, it will not be considered a payment to your Eligible Account and will only be applied to reduce any outstanding balance that you still owe on your Eligible Account.

Cancelling or Ending an Installment Plan (including when it expires): You may cancel your Installment Plan through Scotiabank Online or mobile banking at any time after it has been posted to your Eligible Account by giving us notice that you wish to do so. Please allow 1 to 3 business days for us to process any cancellation request.

Once you cancel an Installment Plan, the Outstanding Installment Balance under the Installment Plan will be re-applied to the balance owing on your Eligible Account.

You still owe us payment of that Outstanding Installment Balance even if you have cancelled the Plan.

We will cancel your Installment Plan (even before it expires) immediately without prior notice if:

- your credit card account is no longer an Eligible Account (including if it is no longer in Good Standing);
- your credit card account is closed for any reason;
- you become a resident of Quebec and you have an Installment Plan with a fee associated with it; or
- if you have selected an Installment Plan at point of sale (at check-out), either online or in-store, and the amount of the Eligible Purchase under that Installment Plan is refunded or credited in full within 60 days from the date of the transaction of your Eligible Purchase.

We may also cancel an Installment Plan immediately for any other reason with or without notice (unless notice is required by law).

If you switch your credit card account to another credit card account, and that account is an Eligible Account, the Installment Plan will be moved to your new Eligible Account and continue until the end of the Installment Period.

If you switch your credit card account to a non-Eligible Account the Installment Plan will be immediately cancelled and your Outstanding Installment Balance under the Plan will be re-applied to the balance owing on your existing Eligible Account.

If either you or we cancel an Installment Plan, you must still pay the amount that remains unpaid under that Installment Plan and any other amounts you owe us in full immediately. All terms of the Credit Agreement also continue to apply to those amounts.

If your Installment Plan is cancelled by you or us, the terms of the Revolving Credit Agreement will continue to apply to any outstanding balance remaining on the Installment Plan after cancellation.

If a Card on your Eligible Account is replaced due to lost or stolen credit card, your Installment Plan will not be cancelled. If a Card is replaced due to fraud, your Installment Plan may be cancelled.

Changes to these Installment Plan Terms and Conditions: We may change any of these Installment Plan Terms and Conditions as set out in the Agreement under the heading "Changes to this agreement or the services we offer".

® Registered trademark of The Bank of Nova Scotia.

™ Trademark of The Bank of Nova Scotia.