

## VARIABLE CREDIT AGREEMENT (QC)

## STAPLES/BUREAU EN GROS CARD - PERSONAL ACCOUNT

PLEASE READ THIS DOCUMENT CAREFULLY AND  
KEEP IT FOR REFERENCE PURPOSES.  
EFFECTIVE MARCH 16, 2015.

For the purposes of this Agreement, the cardholder and additional cardholder(s) are collectively designated by the term “the cardholder”. When the cardholder is issued a Staples/Bureau en Gros credit card “the card” by the Fédération des caisses Desjardins du Québec (“Federation”) and signs the card bearing his name, uses it for the first time or authorizes its use by a third party, he accepts the following terms of use and is solidarily liable for any indebtedness incurred through the use of the card, any indebtedness being recoverable in full from his heirs, legatees and assigns. This acceptance also signifies the cardholder’s acknowledgment of the request for the issuance of a card, regardless the form of signature used.

## 1. DEFINITIONS

In this Agreement, the following terms shall have the following meanings:

“**accessible device**”: point-of-sale equipment, Touch-Tone telephone connected to a Touch-Tone line, computer or any other device enabling a cardholder to carry out transactions with the card;

“**card**”: any credit card issued by the Federation to the cardholder or a third party authorized by the former, whose use is governed by this Agreement and by any amending or superseding Agreement thereof;

“**deferred equal instalments financing**”: purchase by deferred payment financing that, starting from the end of the deferred payment period determined at the time of purchase, is payable through equal and consecutive monthly instalments determined at the time of purchase;

“**deferred payment financing**”: purchase of a good or service using the card, for which repayment is deferred at the time of purchase for a specific time period which is indicated on the statement of account;

“**equal instalments financing**”: purchase of a good or service using the card and repayable by way of equal and consecutive monthly instalments determined at the time of purchase;

“**interest rate**”: the annual rate used to calculate credit charges;

“**online account statement**”: an account statement the cardholder can view through a website or application authorized by the Federation;

“**point-of-sale equipment**”: electronic terminal equipped with a card reader and a keyboard to carry out transactions with a card (ex.: point-of-sale terminal);

“**regular purchase**”: purchase of a good or service using the card, other than deferred payment financing or equal instalment financing;

“**signature**”: the method used by the cardholder to indicate his consent, regardless whether that indication be handwritten, electronic or verbal;

“**transaction record**”: record given by certain accessible devices confirming a transaction made by the cardholder with his card.

## 2. USE OF CREDIT

The card allows its cardholder to obtain credit:

- for the payment of a regular purchase;
- for the payment of equal instalments financing, deferred payment financing or deferred equal instalments financing;
- by any other means the Federation may establish.

The Federation reserves the right to suspend use of the card without notice if it suspects any form of illicit, unauthorized or fraudulent use of said card.

## 3. MAXIMUM CREDIT AMOUNT

Any use of credit established in Section 2 is subject to a credit limit the amount of which is indicated on the statement of account. This limit may be increased at the Federation’s discretion, if the cardholder makes a request to that effect, or revised downward if the Federation deems it appropriate after having analyzed the cardholder’s file. Any purchase which results in the applicable credit limit being exceeded shall be regarded as a request to increase the credit limit to the maximum amount that can then be granted to the cardholder, taking into consideration the applicable credit granting standards.

## 4. ANNUAL FEES

There is no required annual fee for the card. There is no charge for an additional card.

## 5. STATEMENT OF ACCOUNT PERIOD

One or more statements of account in paper or electronic format will be sent to the cardholder every month.

## 6. MINIMUM PAYMENT FOR EACH BILLING PERIOD

The cardholder shall reimburse the Federation for all amounts due as a result of using the card as well as applicable credit charges, in accordance with the terms and conditions of this Agreement.

The cardholder shall pay in one payment, at the latest, by the due date shown on the statement of account for a given period:

- at least **5%** OF THE TOTAL **(1)** of the balance shown on the statement of account for the previous period, **(2)** of the regular purchases during the period covered by the statement of account, **(3)** of the applicable credit charges on purchases and monthly instalments that have not been paid on the due date shown on the statement of account for the previous period and **LESS (4)** the payments received since the date of the statement of account for the previous period and **(5)** the amount of any transaction that has led to an adjustment during that period; or **\$10**, if **5%** of the previously determined amount is less than **\$10**;
- the monthly payment(s) for the period covered by the statement of account regarding equal instalment financing and deferred equal instalments financing;
- the amount of deferred payment financing, payable on the date of the statement of account;
- any overdue amount on the date of the statement of account;
- any other amount which the Federation may notify the cardholder to pay.

The first monthly instalment of the balance of purchases repayable by equal instalments will be billed on the first statement of account issued following the transaction. The first monthly instalment for purchases payable by deferred equal instalments financing will be billed on the first statement issued following the end of the deferred payment period determined at the time of purchase.

The remaining monthly instalments will be billed on subsequent statements of account. The principal and credit charges of deferred payment financing, equal instalments financing and deferred equal instalments financing are repayable in whole or in part by the due date, without penalty.

SEE REVERSE ⇨

## 7. APPLICATION OF PAYMENTS

Payments are applied in the following order: (1) credit charges, (2) principal on purchases made by way of equal instalments financing and deferred equal instalments financing (3) regular purchases that carry credit charges, and (4) regular purchases recorded during the statement period.

## 8. DEADLINE FOR PAYMENT WITHOUT CREDIT CHARGES

The cardholder may pay the total amount for regular purchases due on the statement of account without incurring credit charges, within **21** days following the statement mailing date or its availability in electronic format.

## 9. ANNUAL CREDIT RATES AND CALCULATION OF CREDIT CHARGES

**a) Regular purchase:** Credit charges shall not apply to regular purchases appearing on the statement of account provided the statement's total balance is paid in full by the due date shown on the statement. Otherwise, the regular purchases appearing on the statement shall be subject to credit charges based on the average daily balance from the date of each purchase on the statement until the purchases have been paid in full, at the annual interest rate in effect during the period covered by the statement of account. However, if the balance indicated on a subsequent statement is paid in full by the due date shown, purchases not yet paid shall be exempt from credit charges for the period for which full payment has been made.

Annual interest rate: **19.9%**.

**b) Deferred payment financing:** Credit charges on deferred payment purchases are calculated, starting from the payment due date shown on the statement of account, until such time as purchases are paid in full. If payment of a deferred payment purchase is not made in full at the due date appearing on the statement of account, it is automatically converted into payments under the equal instalments program. The payment then becomes payable, in capital and credit charges (the "converted payment") at the annual rate of interest applicable to this financing program at the date of conversion, into **12** equal monthly payments if the converted payment is less than **\$1,000**, into **24** equal monthly payments if the converted payment is equal to or higher than **\$1,000** and less than **\$3,000**, and into **36** equal monthly payments if the converted payment is higher than **\$3,000**. Notice to this effect showing the number of payments and the monthly amount resulting from the conversion of the deferred payment purchase into an equal instalments purchase is sent to the cardholder at least **30** days before the payment due date. If, on or before the due date shown on the statement of account, the cardholder makes a part payment of the deferred payment purchase, the unpaid balance remaining becomes payable at the monthly amount set for the converted payment as shown on the notice until the balance is paid in full.

Annual interest rate: in accordance with the financing plan offered by the merchant, up to a maximum of **21.9%**.

**c) Equal instalments financing:** Purchases by equal instalments are subject to credit charges calculated starting from the date they are posted to the statement of account until they are paid in full, at the annual interest rate in effect for the financing plan offered by the merchant.

Annual interest rate: in accordance with the financing plan offered by the merchant, up to a maximum of **19.9%**.

**d) Deferred equal instalments financing:** Purchases by deferred equal instalments financing are subject to credit charges calculated from the end of the deferred payment period determined at the time of purchase and shown on the statement of account, until such time as purchases are paid in full at the annual interest rate in effect for the financing plan offered by the merchant.

Annual interest rate: in accordance with the financing plan offered by the merchant, up to a maximum of **19.9%**.

In all cases, any reversal of payment and any dishonoured payment made by cheque or by preauthorized debit will generate credit charges at the applicable rate as established in this section, as if the payment had never been made.

## 10. LATE PAYMENT CHARGES

Should the cardholder fail to make the minimum payment required on the due date shown on his statement of account under the heading Minimum Payment Due, he agrees to pay on any unpaid amount (as defined in Section 9) credit charges calculated at the regular rate of the card applicable to regular purchases, namely **19.9%** per year. This annual interest rate is applicable regardless of the way the credit obtained is used.

## TABLE OF EXAMPLES OF CREDIT CHARGES

TABLE OF EXAMPLES OF CREDIT CHARGES FOR A 30-DAY BILLING CYCLE				
	ANNUAL INTEREST RATE	AVERAGE DAILY BALANCE		
		\$100	\$500	\$1,000
Regular purchase	19.90%	\$1.64	\$8.18	\$16.36
Equal Instalments Financing	19.90%	\$1.64	\$8.18	\$16.36
Deferred Payment Financing	21.90%	\$1.80	\$9.00	\$18.00

## 11. ONLINE ACCOUNT STATEMENT

**a)** Registration for the online account statement automatically puts an end to the mailing of paper account statements. However, depending on the date and time the request to register for the online account statement is received, the next statement may be sent by mail only, and will not necessarily be available online. Subsequent account statements will be available online only.

**b)** The cardholder acknowledges that the online account statement has the same value as the paper account statement and that it constitutes a sufficient written proof procedure in any legal proceedings. The cardholder acknowledges that he has the responsibility of accessing and reading his online account statement and archiving it for future reference if applicable.

**c)** The cardholder acknowledges that the Federation cannot be held liable for damages resulting from the inability to view the online account statement further to any acts beyond the Federation's control, including equipment failure or problems with an Internet service provider. If the cardholder is unable to view the online account statement, the Federation should be contacted immediately.

**d)** The Federation may at any time suspend access to the online account statement and send the statement by mail.

## 12. COMMUNICATIONS WITH THE CARDHOLDER

Should the Federation have any questions regarding the account/card, the cardholder specifically authorizes the Federation to contact him at his place of business or at any other coordinates, at the Federation's discretion.

## 13. AMENDMENTS TO THE TERMS OF THE VARIABLE CREDIT AGREEMENT

With the exception of the interest indicated in sections 9 b), 9 c), and 9 d) applicable to purchases already made, the Federation reserves the right to increase the aforementioned interest rates. The Federation also reserves the right to amend the terms of this Agreement. In either case, the cardholder will receive written notice at least **30** days before the amendment comes into effect. However, the cardholder may refuse this amendment and terminate this Agreement without cost or penalty by sending the Federation a notice to such effect **30** days following the effective date of the amendment if the amendment leads to an increase in his obligation or a reduction of the Federation's obligation, in which case the cardholder will pay the balance owed according to the terms of this Agreement.

## 14. CARD VALIDITY

The cardholder agrees not to use the card before the validity date or after the expiry date embossed on the card.

## 15. CANCELLATION OF CARD

As the card remains the property of the Federation, the latter reserves the right at any time to rescind the currently authorised credit limit, to revoke the card and take possession of it, or have it repossessed, and to cancel any service related to the card without prior notice to the cardholder. The Federation shall not be held liable in this or in any other event.

## 16. RESPONSIBILITY OF THE FEDERATION

The Federation cannot be held responsible for the refusal of a merchant to honour the card nor for the modification, cancellation or replacement of the card's advantages or discounts by a supplier.

## 17. LOSS OR THEFT OF CARD

If the card is used without the cardholder's authorisation, the latter's liability is limited to a total of **\$50** and all liability ceases when the Federation is notified of the loss or theft.

## 18. USING THE CARD REMOTELY

The cardholder acknowledges that should he carry out a transaction without presenting his card but only providing the card number (e.g., telephone or online transaction), his liability is the same as if he had signed a supporting document.

## 19. DISPUTES

The Federation assumes no liability whatsoever for the quality of the goods or services obtained using the card or cheques and all claims or disputes concerning sales drafts or credit vouchers, requests for refunds, etc., should be settled directly between the cardholder and the merchant. A cardholder may also contact the Federation if he wishes to contest a transaction that appears on the monthly statement of account.

## 20. CREDIT VOUCHERS

Any credit voucher will be credited to the cardholder's account on the day it is received by the Federation, and the cardholder's obligation to pay that amount ceases on that day.

## 21. SOLIDARITY LIABILITY

If the card is issued in the name of more than one cardholder, their obligations are solidary and indivisible and may be claimed in its entirety from their respective heirs, legatees and assignees.

## 22. PROOF

The cardholder agrees and accepts that his monthly statement constitutes conclusive proof of the balance due and agrees to pay the balance shown on his monthly statement in accordance with the terms of this Agreement.

The cardholder also agrees and accepts that the transaction record issued by an accessible device constitutes proof that the transaction he has carried out has been correctly recorded. In the case of a card-not-present or contactless transaction, as indicated under Section **18** of this Agreement, the cardholder agrees that the entry of the transaction on his monthly account statement will constitute proof that the transaction was indeed carried out. The Federation is not responsible for providing other proof of transactions, unless the cardholder requests it to avoid or settle a dispute within the meaning of this Agreement, and that in such case, he provides the Federation with a transaction record confirming the purchase or the cash advance. The cardholder agrees that any equivalent data support on which the data pertaining to the transactions made is stored constitutes sufficient written proof for all legal proceedings.

## 23. PERSONAL INFORMATION

The Federation establishes a file in the cardholder's name for the purpose of allowing him to receive financial services related to the different credit and payment services. The personal information in this file is kept on the premises of the Federation or its representatives and is consulted by their employees when this is justified in the performance of their duties. This personal information may be kept by the Federation or its representatives outside Canada, and may be shared with authorities of the country where it is stored, in compliance with applicable laws. The cardholder has the right to know the contents of his file and to have any inaccurate information corrected. Moreover, the cardholder may exclude his name from any lists of names created by the Federation. For all these requests, the cardholder must write to: Customer Service Department (PRP), P.O. Box **8600**, Centre-Ville Station, Montreal QC **H3C 3P4**. The cardholder also has a right to access and rectify his file by addressing a written request to the personal information agent.

The cardholder agrees that the Federation may obtain and update, from any personal information agent, financial institution, employer or credit card issuer ("Third Parties"), only the information required for the subject of its file, i.e., the provision of financial services relating to credit and payment services, in order to prove the cardholder's solvency and to review his commitments to the Federation within the context of his business dealings with it. The cardholder accepts and understands that through this given authorization, the Federation will be able to consult the cardholder's credit reports obtained from personal information agents and that this consultation can affect his credit score, if applicable. The cardholder authorizes any Third Parties to disclose such information to the Federation, even if said information is in an inactive or closed file. The applicant also consents to the Federation disclosing to any personal information agent, financial institution or credit card issuer any information

on financial commitments towards the Federation resulting from the use of the card.

## Authorization for the collection and disclosure of information by Staples Canada Inc.

The cardholder also consents to the following unless he revokes said consent:

- a) The disclosure by the Federation to Staples Canada Inc., and the collection by Staples Canada Inc., of the personal information held by the Federation regarding the cardholder (address, telephone number, birthdate, etc.), including information regarding the cardholder's use of card (card balance, transaction amounts, payment history, credit limit, available balance, etc.) (collectively, "cardholder information");
- b) The disclosure by Staples Canada Inc. to its merchants, providers, franchisees and affiliates (collectively, "merchant third parties"), and the collection by merchant third parties, of cardholder information;
- c) The use of cardholder information by Staples Canada Inc. and merchant third parties to deliver advertising with respect to products and services offered by Staples Canada Inc. and merchant third parties that are of interest to or may interest the cardholder.

If the cardholder would like to revoke his authorization for paragraphs a) to c) above, he may inform the Federation by writing to the address indicated earlier in this section.

## 24. FORFEITURE OF BENEFIT OF THE TERM

In the event that the cardholder breaches any condition stipulated in this Agreement, including without limitation, where the cardholder fails to make payments by the due date in accordance with any mode of financing he will have used, as defined in Section **1** of this Agreement, then the Federation, subject to the *Consumer Protection Act*, may require immediate repayment of all the amounts owed by the cardholder, regardless of whether they are due and payable.

## 25. CLAUSES REQUIRED UNDER THE CONSUMER PROTECTION ACT (SECTION 125)

These provisions apply only if the cardholder is a consumer as defined by the Act.

### 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.

In **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) or 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 interest to refer to sections **104 to 110** of the *Consumer Protection Act* as well as to section **69** of the General Regulation made under that Act and, where necessary, to communicate with the Office de la protection du consommateur.

### Contract extending variable credit for the use of a credit card

For the purpose of this contract, the sole fact that the card has been issued replaces the merchant's signature and the sole use of the card by the consumer replaces the consumer's signature.

In the event of loss or theft of a credit card, the consumer incurs no liability for a debt resulting from the use of such card by a third person after the issuer of the card has been notified of the loss or theft by telephone, telegraph, notice in writing or by any other means. Even where such notice is not given, the liability of the consumer whose credit card has been lost or stolen is limited to the sum of **\$50**. At the end of each period, the merchant, if he has a claim with regard to a consumer, must furnish the latter with a statement of account mailed at least **21** days before the date on which he may exact credit charges if the consumer does not discharge his entire obligation; credit charges for advances of money may start as of the date of the advance up until the date of payment.

The consumer may require the merchant to forward him, without charge, a copy of the vouchers for each of the transactions described in the statement of account.

Until the consumer receives statement of account at his address, the merchant must not exact credit charges on the unpaid balance, except on cash advances.

It is in the consumer's interest to refer to sections **29, 123, 124, 126** and **127** of the *Consumer Protection Act* and, where necessary, to communicate with the Office de la protection du consommateur.

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