



Agreement (“Agreement”) dated the 1st day of November, 2011 (“Effective Date”) between

**City of London**

300 Dufferin Avenue  
Suite 406  
London, Ontario N6A4L9  
(Company)

and

**The Bank Of Nova Scotia**

One Queen Street East, 18<sup>th</sup> Floor  
Toronto, Ontario M5C 2W5 (“Bank”).

In this Agreement, *you* and *your* refer to Company and its Designated Cardholders, Vehicles and Users, including any other Company Authorized user. *We*, *our*, *us*, and *the Bank* refer to Bank.

If you sign this Agreement, we issue you a VISA\* card or cards (“Card” or “Cards”) or Visa Convenience Cheques (“Convenience Cheques”), or provide you with a renewal or replacement Card, and you keep or use either the Cards or the Convenience Cheques, you agree this Agreement is in force between you and the Bank. The results of your credit application are incorporated into and form part of this Agreement.

**TERM**

The initial term of this Agreement shall begin on the Effective Date and shall continue in full force and effect for a period of three and a half (3.5) years (“Initial Term”) until April 30, 2015. Upon expiration of the Initial Term of this Agreement, this Agreement shall be automatically renewed for one (1) additional year (“Renewal Term”) unless either party provides written notice of intention not to automatically renew to the other party at least sixty (60) days prior to the expiration of the Initial Term.

Upon expiration of the Initial Term or Renewal Term, whichever is applicable, this Agreement shall expire on the last day thereof and the Bank shall be paid by the Company for the full balance of all cardholder accounts, and any other amounts payable under this Agreement (by or to the Bank) will be immediately due and payable in full.

All of the terms and conditions of this Agreement applicable during the Initial Term shall apply during the Renewal Term.

**COMPANY RIGHTS AND OBLIGATIONS**

***Program Features and Pricing***

You have requested the features, benefits and services provided automatically with the Card. You understand that optional services may be available to you at an additional cost. Pricing for Company on all requested features, benefits and services are specified in this Agreement. You may be charged annual fees for the Cards as specified in this Agreement.

Upon commencement of the Company’s Program (“Program”), you will be required to provide us with a Card Account number to which fees noted above may be charged, if applicable.

You understand that firms independent of us may supply some Card features, benefits or services and that we are neither responsible nor liable for them. We are not liable if the Card or the Convenience Cheques are not accepted or honoured at any time.



### **Using the Card**

You can use the Cards and the Convenience Cheques we supply to you, wherever they are accepted to buy goods or services ("Purchases"), and for other purposes we may authorize from time to time. At your request, we will supply you Cards or Convenience Cheques for Purchases or Cards for cash advances, issued and made in Canadian currency ("CAD Cards").

Using the "Commercial Card Cardholder Designation" form, the Company will designate for us certain of your employees ("Designated Cardholders") and vehicles ("Designated Vehicles") for each of whom we will issue a Card embossed with the names of the Company and either a Designated Cardholder name or a Designated Vehicle identifier. You are responsible for authorizing who may use a Card (a "Designated User") assigned to a Designated Vehicle. You may impose use restrictions for any Cards issued to you, so long as your Card use restrictions comply with this Agreement and applicable law. The Company is solely responsible for all activities of its Designated Cardholders, Vehicles and Users and is responsible for obtaining from its Designated Cardholders and Users any agreements or commitments you consider necessary to govern their use of the Cards.

Company warrants that, prior to requesting cards for any potential Designated Cardholder, Company shall have obtained, verified, and recorded information that verifies the identity of each potential Designated Cardholder. Further, Company warrants that any card request sent to the Bank by the Company shall only be for a potential Designated Cardholder that has been screened, whose identity has been verified and who is allowed to be issued a Card by, but not limited to, applicable federal laws related to the prevention of money laundering and funding of terrorism as required of financial institutions.

Company is solely responsible for all activities of its Designated Cardholders, Designated Vehicles, and Designated Users. You may impose use restrictions for any Cards issued to the Company, so long as the Company's Card use restrictions comply with this Agreement and applicable law. Company is solely responsible for obtaining from its Designated Cardholders and Users any agreements or commitments you consider necessary to govern their use of the Cards, and for assuring that any such agreements or commitments comply with applicable laws.

Only Designated Cardholders may obtain cash advances from financial institutions that accept the Card. By using the Card with a personal identification number ("PIN"), Designated Cardholders can also obtain cash advances at any automated bank machine ("ABM") that we designate. If a Card is used by a Designated Cardholder to obtain a cash advance, you are assumed to have authorized the transaction. Cards assigned to Designated Vehicles cannot be used for cash advances.

You agree that all transactions, including all Purchases made using the Cards or the Convenience Cheques and all cash advances made using the Cards, will be only for your business purposes and will not be for any personal, family or household purposes; however, your violation of this Agreement as to any transaction does not relieve you of your obligations to repay us for all such amounts along with any interest, fees or other amounts you may owe us pursuant to this Agreement in connection with any such transaction.

### **Commercial Card Coordinator**

The Company will designate one or more of your employees as "Commercial Card Coordinator(s)" by completing and sending us a "Commercial Card Coordinator Designation" form(s), included in Schedule B of this Agreement, authorized by a signing officer of the Company. All dealings and communications between you and the Bank in connection with the Cards will be conducted through the Commercial Card Coordinator(s). We may rely exclusively on any directions, authorizations and other communications we receive from a Commercial Card Coordinator whether communicated verbally electronically or in writing. The Commercial Card Coordinator(s) will be responsible for notifying us, of all Designated Cardholder misuse or termination, Designated Cardholder changes of address, Card use restrictions, and any other information, which we require to keep our records up to date.



**Data and Privacy**

Company understands that the Bank may outsource the processing and housing of Program information and data to a jurisdiction outside Canada. Company further understands that law enforcement authorities in that jurisdiction, under applicable legislation or statutes in that jurisdiction, may access the information and data.

From time to time, Company may request and receive reports showing data and information regarding the Company's Program that may contain data and personal information pertaining to the purchases, travel arrangements and other activities of the Company's Designated Cardholders. It is the responsibility of Company to obtain consent from Designated Cardholders to the collection, use and disclosure of such data and personal information to the Bank, the Company and other third parties. By signing this Agreement, the Company warrants to the Bank that the Company will obtain all necessary consents and abide by any and all applicable legislation including all laws governing privacy and personal information.

**Repaying the Amounts You Owe**

When you use the Cards or the Convenience Cheques, or allow others to use either of them, you incur a debt owed to us ("debt"). Interest, service charges and annual fees that we may charge you under this Agreement, will be added to your debt and are not refundable, even if this Agreement is cancelled or terminated. If we use the services of a third party to retrieve any Card from you, we may add the cost of the Card retrieval to your debt. You agree to repay us in full any debt you owe to the Bank. All amounts payable under this Agreement are the responsibility of the Company.

The Bank will send you a monthly statement ("Corporate Statement") containing information about each transaction during the statement period. The Bank is also authorized by you to issue to each Designated Cardholder a monthly statement (the "Cardholder Monthly Statement"). All indebtedness incurred through the use of our Cards is billed and payable in the card currency.

**Making Your Monthly Payments**

You agree to pay us, in full, the sum of all debt shown in your Corporate Statement, in the currency stated in the statement. Interest is payable on cash advances from the transaction date indicated on the Corporate Statement to the date payment is received in full. If you do not pay us your debt in full by the due date shown on your Corporate Statement, interest on Purchases will accrue and will form part of your debt owed to us. Any amount shown, as OVERDUE PAYMENT or OVERLIMIT AMOUNT, must be paid by you as soon as you receive your Corporate Statement. We may, however, require a different monthly payment amount from you and will notify you of this.

Within this Agreement, the Company's Program Billing Type will be designated as either a Corporate Bill/Corporate Pay ("CBCP") program or an Individual Bill/Individual Pay Program ("IBIP"). These designations provide for the means by which the Bank will bill the Company and for the mechanics by which the Company will make payments to the Bank. In a CBCP, you will pay to us, in a single monthly payment, the sum of all debt shown as due on the Corporate Statement. In an IBIP, the Company's Designated Cardholders will be asked by you to send to us the amounts shown as due and owing to the Bank on their Cardholder Monthly Statements and you will pay to the Bank any additional transactions, interest, service charges and annual fees showing on the Corporate Statement from time to time.

The Company authorizes the Bank to debit account(s) for all or any portion of the debt it owes to the Bank from the following, as indicated:

<b>Canadian Bank Account</b>
Bank Name:
Branch Address:
Branch Contact Name and Phone Number:
Full Account Number:



This account may also be credited for rebate credits, if applicable, as stipulated in the Company's Agreement with the Bank.

If not by bank debit, the Company agrees to make payment to the Bank according to the terms specified in Schedule A.

### **Overdue Debts**

If you do not pay Company's debts by the due date, they become overdue debts.

If you have designated Company's program as a CBCP, Company will immediately pay to the Bank any overdue debt it owes to the Bank. If the overdue debt remains unpaid after thirty (30) days, Bank reserves the right to cancel the Company's Program on ten (10) days prior written notice to the Company.

If you have designated Company's Program as an IBIP, any Designated Cardholders who have not paid the amount shown on their Cardholder Monthly Statements to the Bank ("Delinquent Cardholders") will be sent a first "late payment" notice by mail when their account becomes thirty (30) days past due and a second notice when their account becomes sixty (60) days past due. Should any of the Delinquent Cardholders fail to remit their payment and let their account go into delinquency for more than ninety (90) days, their account will be suspended.

The Bank will periodically advise you of Delinquent Cardholders whose account is in delinquency beyond ninety (90) days by providing you with the following information: Delinquent Cardholder name, card account number and amount days outstanding.

If the overdue debt shown on a Delinquent Cardholder's Cardholder Monthly Statement remains unpaid beyond ninety (90) days, Company shall immediately pay to the Bank the Delinquent Cardholder overdue debt and take immediate action to recover from the Delinquent Cardholder all Designated Cardholder amounts that the Company paid for the Delinquent Cardholder. The Bank will not attempt to collect unpaid amounts from individual Delinquent Cardholders.

If any Delinquent Cardholder overdue debt remains unpaid after one hundred and twenty (120) days, Bank reserves the right to cancel Company's Program on ten (10) days prior written notice to the Company.

### **Rebates**

The Company, upon attaining certain performance, volume and/or revenue measures, may be entitled to a "Rebate" as set out in the Rebate Calculation section of this Agreement. Rebates apply to card spend less credits, cash advances, and convenience checks, during the "Annual Rebate Period", which is defined as twelve (12) billing cycles from the date of initial card issuance or the anniversary date of initial card issuance, whichever is appropriate. The aggregate amount of all Delinquent Cardholder overdue debts, finance charges and other unpaid amounts shall be deducted from the proposed Rebate amount. In addition, the aggregate amount of any and all losses incurred by the Bank during the Annual Rebate Period which arise out of or are related to any unauthorized use or fraudulent activity ("Fraud Losses") in connection with the Company's Cards, Convenience Checks or other services provided to the Company under this Agreement shall be deducted from the proposed Rebate amount. The Company expressly acknowledges that the Bank has and retains the right to setoff and make deductions from the Rebate as provided by this Agreement and applicable law. The resulting amount shall be called "Net Rebate Amount". In the event the Rebate or Net Rebate Amount as calculated by the Bank differs from any calculation carried out by Company, the amount determined by the Bank shall be deemed correct and final. A Rebate or Net Rebate Amount, if applicable and as appropriate, is payable by the Bank to the Company at the end of the Annual Rebate Period.

Should Company not be entitled to a Rebate as set out in the Rebate Calculation section of this Agreement or should the total amount of the Rebate be less than the aggregate amount of all Delinquent Cardholder overdue debts, finance charges, other unpaid amounts, and Fraud Losses, that is, the Net Rebate Amount is equal to \$0 or less, no Rebate nor Net Rebate Amount shall be paid to the Company by the Bank.

**Requesting Cardholder Services**

You have requested the features, benefits and services provided automatically with the Card. You understand that optional services may be available to you at an additional cost to you. You understand that firms independent of us may supply some Card features, benefits or services and that we are neither responsible nor liable for them. We are not liable if the Card or the Convenience Cheques are not accepted or honoured at any time.

**Telling us about Loss, Theft or Unauthorized Use**

You will inform your Account Manager or Commercial Card Services, at the address on your Corporate Statement, immediately by telephone and in writing of the loss, theft or unauthorized use of a Card, PIN or Convenience Cheques issued to you. If you even suspect unauthorized use of any Card, you will notify us immediately.

If any Card is lost or stolen, you will be liable for debts, including accrued interest, resulting from their use prior to your notification to the Bank that they have been lost or stolen.

If any Convenience Cheque is lost or stolen, you will be liable for debts, including accrued interest, resulting from their use.

**Changing your Address**

You will notify us of any change in address of the Company or a Designated Cardholder or a Designated User and you will give us other information that we may need from time to time to keep our records up to date.

**Telling Us About Errors in Your Statements**

You agree to accept our records of a Card or Convenience Cheque transaction as being accurate and binding upon you, unless you can provide contrary evidence satisfactory to us, acting reasonably. If the Corporate Statement or a Cardholder Monthly Statement contains errors, you will notify the Bank in writing of the error(s) within thirty (30) days of the issuance date of the Corporate Statement.

**Settling Disputes**

If a dispute arises about a transaction for which any of your Cards or Convenience Cheques were used, you must settle it *directly* with the merchant or business concerned. If this dispute is not resolved to your satisfaction we may investigate any such dispute. If we investigate a dispute we will remove the disputed item(s) from your statement and you do not have to pay the portion of its debt owed in connection with a disputed transaction amount for up to sixty (60) days while our Commercial Card Service Centre investigates such dispute. However the Company will remain obligated to pay the balance of its Corporate Statement debt, which is not in dispute. Interest continues to be charged during this period. If you are held to be liable, any amount in question becomes payable at the earlier of the time the investigation is completed to the Bank's reasonable satisfaction, or sixty (60) days from the payment due date for the Corporate Statement on which the amount in question first appeared, whichever is sooner.

You may not dispute charges that are incurred through the use of a Designated Vehicle Card, whether authorized or not.

***Cancelling Cards***

You will promptly give written notice to the Bank if a Designated Cardholder or Designated User ceases to be authorized to use the Card.

We can require you to give your Cards or Convenience Cheques back to us, or to someone acting on our behalf, upon our demand. Cancellation of cards by either party does not relieve you of your responsibility to pay any debt you may owe the Bank.

When a Designated Cardholder has used the Card to authorize preauthorized payments on a continuing basis, you are responsible for all such charges to the Card until you terminate such preauthorized payment arrangements with each payee. The Commercial Card Coordinator will require each Designated Cardholder to provide a current list of all such preauthorized payment arrangements that are to be paid by the Designated Cardholder by use of the Card. On the cancellation of the Card by the Commercial Card Coordinator following the cancellation of a Designated Cardholder's use of the Card (either during employment or following termination of the employment of a Designated Cardholder), the Commercial Card Coordinator will notify the beneficiaries of all such preauthorized payment arrangements that all future preauthorized payments on the Card are immediately cancelled and will be returned by the Company if processed on behalf of the payee.

***Observing your Cards Expiry Date***

You agree not to use any Card after the expiry date embossed on a Card. If a Card is used after its expiry date, you agree to pay any debts that are related to or arise from such use.

***Not Exceeding your Credit Limit***

Each Card is subject to an individual Card credit limit ("Individual Credit Limit") set out in the "Commercial Card Cardholder Designation" form. You are responsible for ensuring the Aggregate Credit Limit and the Individual Credit Limits are not exceeded. The Bank may reduce the Aggregate Credit Limit, the Individual Credit Limits, or your daily allowable credit limit(s) for your Cards at any time and will only increase these limits with your consent.

In connection with the use of all the Cards supplied to you, the Bank has assigned you an Aggregate Credit Limit of up to \$1,000,000.00 CAD. If the total of the Individual Credit Limits for all the Cards should exceed the Aggregate Credit Limit, the Aggregate Credit Limit will prevail. You remain liable for paying the Bank all debts incurred in connection with the use of any Cards issued to you, including, without limitation, amounts in excess of the Aggregate Credit Limit or the Individual Credit Limits, as the case may be, and any debt incurred beyond the expiry date embossed on a Card.

***Insurances***

We will provide the Company with electronic versions of any relevant insurance certificates from time to time. The Company agrees to provide a copy of the relevant insurance certificates to each applicable cardholder from time to time.

***Insurances on Ghost Cards***

A "Ghost Card" is an account number that is assigned to the Coordinator and resides with the Company's vendor(s) for high volume purchases. No actual card is produced. All transactions initiated with the Company's vendor(s) for which a Ghost Card account number has been provided and for which a Designated Cardholder's card is not used, will be charged to the Ghost Card. It is the Company's responsibility to track expenses such as car rentals and/or travels, made by each Designated Cardholder and charged to the Company's Ghost Card(s) if applicable. At the time of any insurance claim, this information will be required. For a Ghost Card to be insured under any relevant insurance coverage, this Ghost Card Account must be assigned/issued to a single user, each Designated Cardholder using this Ghost Card must be identified to be eligible for insurance coverages.



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## OUR RIGHTS AND OBLIGATIONS

### ***Know Our Customer***

To help the Canadian government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens a card account. This means that when you implement the Company's Program, we will ask for the name, address, and other information that will allow us to identify Company, and each of the Company's employees who are Designated Cardholders. We may ask you to provide documents showing Company's existence as an entity, such as, but not limited to, certified articles of incorporation, a government-issued business license, a partnership agreement, or trust instrument.

### ***Charging Interest on Purchases, Interest on Cash Advances, and Service Charges***

You must make payment in full of the amount due shown on the Corporate Statement and Cardholder Monthly Statements (representing Purchases, cash advances, service charges, transaction or other fees) by the due date shown on the monthly statement.

Interest is payable on cash advances from the transaction date indicated on the Statement to the date payment is received in full.

If you make payment in full on or before the due date, we will not charge you interest on any Purchase, service charge, transaction fee or other fee that appears on the statement. If payment is not made in full, Purchases, service charges, transaction fees or other fees are subject to interest from the transaction date indicated on the Statement to the date it is repaid in full.

Our rate of interest is our "Commercial Card interest rate". This interest rate is the Bank's prime lending rate as of the first business day of each calendar month plus 12% per annum, and is applied for the remainder of the current Statement period up to and including the current Statement period's Statement date. The Bank's prime lending rate is posted and available for your review in the Bank's branches and online at [www.scotiabank.com](http://www.scotiabank.com).

### ***Adding Interest to your Debt***

We calculate interest on your average daily balance for each Statement period and we add it to your debt once a month and report it on your Statement. We calculate the amount of interest for each Statement period by multiplying the Average Daily Balance of the debt on which interest is payable by the Commercial Card interest rate then dividing by twelve (12). Interest is payable both before and after default or judgment. We get the Average Daily Balance by taking the beginning balance of the debt on which interest is payable each day during the Statement period, add any new cash advance transactions as of the date of the transaction, and subtract any payments and credits we apply to your debt as of the date each is applied. Then we add up all of the daily balances for the Statement period and divide the total by the number of days in the Statement period. This gives us the Average Daily Balance.

### ***Telling you about Interest Rates, Service Charges and our Fees***

You will pay the Bank fee(s) for the Cards as specified in *Schedule A*, which forms part of this Agreement. You may be charged annual fees for the Cards. The first annual fee for the Cards issued will appear on your first monthly statement and is not refundable. You may also be charged transaction fees and other service fees including Cardholder Management & Reporting fees and the cost of travel and out of pocket expenses for employees of the Bank who travel to your Company premises to support product installation or product training. These fees will be billed to your account and will form part of the indebtedness. These fees are not refundable in whole or in part in the event this Agreement is cancelled or terminated. You will be required to provide us with a Card Account number to which fees may be charged.

The service charges and transaction fees included in *Schedule A* are set for the Initial Term and the Renewal Term of this Agreement. The annual rebates in *Schedule A* are set for the Initial Term and the Renewal Term

of this Agreement and may be changed by us on sixty (60) days prior written notice to you in the event of a material industry wide change in the Visa interchange rate for commercial cards.

***Applying your Payments***

We apply your payments first to interest charges that we have billed, then to any billed fees and service charges, then to any billed cash advances. Next we apply your payments to any billed Purchases on which interest is payable then to billed Purchases on which interest is not yet payable. We then apply your payments to any unbilled current cash advances and finally to any unbilled current Purchases.

***Applying Credit Vouchers***

If a business issues you a credit, we will reduce your debt by that amount when the credit is received by us. Next we apply your credits to any billed Purchases on which interest is payable then to billed Purchases on which interest is not payable. We then apply your credits to any unbilled current cash advances and finally to any unbilled current Purchases.

***Rebate Adjustment***

On the Effective Date of this Agreement, the Bank of Canada's prime rate will be set out in the Rebate Calculation section of this Agreement. This rate will constitute the "Rebate Adjustment Base Rate". The Rebate Adjustment Base Rate will be used by the Bank for the purpose of calculating the annual rebate and, within said calculation, to determine the number of basis points that will either be added or subtracted from the "Unadjusted Rebate Rate(s)" as set out in the Rebate Calculation section of this Agreement. For every 50bps change in the Bank of Canada's average monthly prime lending rate over the previous twelve months as compared to the Rebate Adjustment Base Rate, the Unadjusted Rebate Rate(s) will be adjusted by 2bps. For example, if the Bank of Canada's average monthly prime lending rate for the previous twelve months has gone up by 50 bps compared to the Rebate Adjustment Base Rate, then the Unadjusted Rebate Rate(s) will be reduced by 2 bps. Conversely, if the Bank of Canada's average monthly prime lending rate for the previous twelve months has gone down by 50 bps compared to the Rebate Adjustment Base Rate, then the Unadjusted Rebate Rate(s) will be increased by 2 bps. This correction will apply to the first 50 bps and multiples thereof. For example, an increase in the Bank of Canada's average monthly prime lending rate for the previous twelve months of 153bps would lead to a reduction in the Unadjusted Rebate Rate(s) of 6 bps. The Bank of Canada's prime lending rate is posted and available for your review in the Bank's branches and online at [www.scotiabank.com](http://www.scotiabank.com).

***Foreign Currency Transactions***

All your debt incurred through the use of a Canadian dollar Card will be billed and payable in Canadian currency. All Canadian dollar Card transactions completed in a currency other than Canadian dollars will be converted and posted to the Corporate Statement in Canadian currency. This includes debit and credit vouchers. All your debt incurred through the use of a US dollar Card will be billed and payable in US currency. All US dollar Card transactions completed in a currency other than US dollars will be converted and posted to the Corporate Statement in US currency. This includes debit and credit vouchers.

VISA International determines the foreign currency exchange rate for Cards on the date a transaction item is received and debited or credited to your Card. The exchange rate at the date of conversion may be different from the rate in effect on the date the transaction was made. (For information purposes, the exchange rate includes an additional amount equal to two and one half percent (2.50%) of the converted amount, which is applied to both debit and credit transactions).

Any gains made and any losses incurred by the Company on foreign currency transactions following a debit and a credit on a Card due to currency rate fluctuations between the date the debit is posted to your Card and the date any subsequent credit is posted to your Card are for the account of the Company and shall be payable to or by the Company (as the case may be). We will not assume any risk of foreign currency exchange gains or losses from cross currency conversions resulting from your use of the Cards.



***Automatic Banking Machines (ABMs)***

The amount a Designated Cardholder may withdraw each day as a cash advance from an ABM is limited to the amount authorized by the Company and also subject to the ABM withdrawal limit set by the Bank or by other financial institutions.

The amount a Designated Cardholder may withdraw each day as a cash advance on the Card in an over the counter transaction at a financial institution is limited to the amount authorized by the Company and is also subject to the daily allowable cash advance credit limit which we assign for your Cards. Over the counter transactions using a Card are subject to Card verification and authorization by the financial institution processing the transaction. The Bank is not liable for any losses the Company may suffer as a result of unauthorized cash advances obtained by Designated Cardholders using the Cards or Convenience Cheques at any time. The Company is responsible for the repayment to the Bank of all cash advances obtained by a Designated Cardholder through the use of a Card or Convenience Cheque.

VISA Canada regulations state that an ABM acquirer should not add a surcharge or fee to the cash advance transaction amount through the use of the Card, unless local law expressly requires that an ABM acquirer be permitted to impose a surcharge.

***Preparing and Sending Monthly Statements***

Monthly Corporate and Cardholder statements are only prepared on business days, so the time between statements may vary from twenty seven (27) to thirty four (34) days, depending upon the number of business days in the month in which a statement is issued.

**TERMINATION**

We may cancel this Agreement and/or require you to pay your debt immediately if: You do not carry out your obligations under this Agreement or any service agreement which forms part of this Agreement; if you become bankrupt or insolvent or are wound-up; upon legal attachment, seizure, lien or execution against you or your property; or if any Card, PIN or Convenience Cheque is used contrary to this Agreement. Termination of this Agreement does not relieve your liability for making all payments required under this Agreement.

***Termination for Convenience***

The Company or the Bank may on one hundred and twenty (120) days prior written notice to the other party hereto terminate this Agreement for convenience. In the event of such termination, the Bank shall be paid for the full balance of all cardholder accounts, and any other amounts payable under this Agreement (by or to the Bank) will be immediately due and payable in full.

***Termination for Credit Risk***

The Bank may on written notice to the Company terminate this Agreement due to a decline in the credit worthiness of the Company which in the commercially reasonable opinion of the Bank increases the credit risk of the Bank from the credit risk to which the Bank was exposed under this Agreement on the date first above written. The termination of this Agreement shall be effective at the date and time set out in the notice of termination. The Company agrees that any material deterioration in the credit worthiness of the Company is a cause for immediate termination of this Agreement by the Bank.

***Termination for Cause***

In the event that the Company or any of the Affiliates (as defined in the Canada Business Corporations Act) of the Company fails to perform in accordance with the terms and conditions of this Agreement or of any other agreement to which the Bank and the Company or the Bank and any of the Affiliates are a party thereto, the Bank may initiate termination by sending a Notice of Proposed Termination to the Company. If the Company and the applicable Affiliates do not cure such default within twenty (20) days after receipt of such notice, the Bank may terminate this Agreement immediately by sending a Notice of Termination.

**WARRANTIES AND REPRESENTATIONS**

We make no warranties, representations or conditions whatsoever, except as stated in this Agreement. We will not be liable for any damages of any kind related to your use of the Cards, the Convenience Cheques or any of the features, benefits or services contemplated in this Agreement, even if you have notified us in advance of such possible damages.

We will not be liable for the inability to perform the whole or any part of the features, benefits or services contemplated under this Agreement, which is reasonably beyond our control. In no event, will we be responsible for the activities of any third party. No claim arising from this Agreement may be brought by you more than one (1) year after your disputed matter occurred.

***Online Reporting Service(s)***

If you elect to make use of Online Reporting Services ("Reports") the Bank makes no warranty express or implied regarding Reports and there are expressly excluded all warranties of merchantability and fitness for a particular purpose. We will not be liable for any damages of any kind related to Company's use of Reports, even if you have notified us in advance of such possible damages.

If you elect to make use of Self Serve Development Tools ("File Extract Utilities or Mappers") to create Reports, the Bank makes no warranty express or implied regarding such File Extract Utilities or Mappers and there are expressly excluded all warranties of merchantability and fitness for a particular purpose. We will not be liable for any damages of any kind related to Company's use of File Extract Utilities or Mappers in developing Reports, even if you have notified us in advance of such possible damages. All calculations, postings, destinations, splits, allocations, sales tax collections and tax and other reporting procedures created by the File Extract Utilities or Mappers are established by you to accommodate the Company's applicable accounting and reporting needs and are done at Company's risk.

If you elect to make use of Reports and request the Bank's assistance in developing Reports for your use, you will assist in the design, development and installation of any File Extract Utilities or Mappers or linkages to Company's general ledger or other accounting systems that you deem necessary or desirable. All File Extract Utilities or Mappers and other custom designed general ledger interfaces which will post Card information to Company's accounting systems in a manner determined by you to accomplish Company's accounting and reporting objectives, will be designed to collect and record Card information in a manner determined by you. All calculations, postings, destinations, splits, allocations, sales tax collections and tax and other reporting procedures are established by you to accommodate Company's accounting and reporting needs and are done at Company's risk and (except as set out in this Agreement) at Company's expense. You agree to test and sign-off on the acceptance of all Reports before Company's use of them and certify to us before Company's use of them that all programming operates in accordance with Company's pre-established business and accounting requirements.

***Notice of Agreement Changes and Guideline***

We may change the features, benefits or services that are available with the Cards or the Convenience Cheques or Reports at any time, but we will give you written notice before we make any such changes except in the case of features, benefits or services supplied by firms independent of us, which we may

change any time without notice. We agree that any changes made will not materially reduce the features, functionality or service levels of your card program as originally set out in this Agreement. You agree that we will have satisfied our written notice obligation to you about anything contemplated under this Agreement, or any other matter relating to the Cards, Reports or Convenience Cheques, when we send such notice to you at the address first written above by electronic transmission or mail, or hand deliver it, to the last Company address you provided us. You also agree that our giving written notice to you equates with written notice being provided to all users of the Cards. We may from time to time issue you guidelines related to the proper use of the Cards, Convenience Cheques or other services contemplated under this Agreement and you must comply with those guidelines.

***Applicable Law***

This Agreement and the transactions contemplated hereby, and any claim, dispute or controversy (whether in contract, tort or otherwise) at any time arising from or relating to this Agreement or the transactions contemplated hereby, are governed by and construed in accordance with applicable Canadian federal law and the laws of the Province of Ontario. The legality, enforceability and interpretation of this Agreement and the amounts contracted for, charged and reserved under this Agreement will be governed by such laws.

***English Language***

Applicable in the province of Quebec only. It is the express wish of the Company and the Bank that this Agreement and any related documents be drawn up in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.



**Schedule A - PROGRAM FEATURES AND PRICING**

**A. Company's Program Information**

**1) The Company requests these Program Types & Quantities:**

Travel & Entertainment:  
A Program in which Designated Cardholders will be using Cards primarily for Travel and/or Entertainment (T&E) purposes.

Procurement:  
A Program in which Designated Cardholders will be using Cards primarily for service and non-strategic inventory purchases.

One Card:  
A Program in which Designated Cardholders will be using Cards for both T&E and Procurement purposes.

**Number of Programs:**

1

**2) The Company provides these Program Spending Estimates:**

If making use of a One Card Program, both the <i>Procurement and T&amp;E</i> sections below should be completed in a manner that corresponds to the split of both within the Program.				
	Year 1	Year 2	Year 3	Year 4
Procurement Annual Program Spending (\$,000)	\$ <u>5,000,000</u>	\$ <u>7,000,000</u>	\$ <u>10,000,000</u>	\$ <u>12,000,000</u>
T&E Annual Program Spending (\$,000)	\$ <u>1,000,000</u>	\$ <u>1,000,000</u>	\$ <u>1,000,000</u>	\$ <u>1,000,000</u>

**3) The Bank will charge the Company the following Monthly Program Administration Fees:**

If Monthly Spending Per Program (\$ 000s) is...	The Monthly Fee is...
\$0 - \$80	\$450
\$81 - \$160	\$350
\$161 - \$ 250	\$300
\$251+	\$0

The Bank will charge no MPA fees during the first 3 months. In month 4, the MPA fee is assessed based on the Company's monthly spending, per Program, which is calculated using average spending in month 1,2,3. Fee remains in effect until next scheduled annual program review date.

**Special Pricing Arrangements for:**

**MPA Fees**

(please specify) \_\_\_\_\_

Fees waived.

\_\_\_\_\_



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## 4) The Company requests the following Program Billing Type(s) and Payment Terms:

<input checked="" type="checkbox"/> Corporate Bill/ Corporate Pay	1 # of programs	10 Payment terms. # of days from statement cycle end date	Pre-Authorized payment Payment method.
<input type="checkbox"/> Individual Bill / Individual Pay	 # of programs	10 Payment terms. # of days from statement cycle end date	By Wire payment Payment method.

## B. Cards

The Bank stipulates that VRU (Voice Response Unit) Card Activation is a mandatory feature within the Commercial Card Program. All of the Company's Designated Cardholders will receive Cards which have not been activated. Designated Cardholders will be required to call Scotiabank's Support Number and activate their Cards via an automated process prior to the initial use of the Cards.

### 1) The Company requests the following quantity(ies) of Cards:

Target Program Start Date: November 1, 2011 (Date of first card issuance) _____ (mm/dd/yyyy)				
	<b>One Card Plastics</b>	<b>Procurement Plastics</b>	<b>T&amp;E Plastics</b>	
<b>Estimated Number of Cards in First Year</b>	300 # of Cards	 # of Cards	 # of Cards	⇒ Annual fee \$55.00 per card charged at card set-up and annually thereafter.
<b>Estimated Number of Cards in Second Year</b>	 # of Cards	 # of Cards	 # of Cards	

### Special Pricing Arrangements for: Card Fees

(please specify)

Card fees waived.



**2) Company requests Inclusion of the Company's logo on Cards:**

- No. Go to Section C.**
- Yes. Company further understands that:**

<input type="checkbox"/> Company is providing a one color logo (silver).	⇒ <b>One color logo set-up fee - \$1500</b>
--	---

**Special Pricing Arrangements for:**

**Logo Cards** \_\_\_\_\_  
 (please specify) \_\_\_\_\_

**C. Cash Advances**

**1) Company requests Cash Advance capabilities for Designated Cardholders:**

- No. Go to Section D.**
- Yes. Company further understands that:**

Cash Advance pricing is:	⇒ <b>\$2 per cash advance+ interest as noted in this Agreement</b>
--------------------------	--

**Special Pricing Arrangements for:**

**Cash Advances** \_\_\_\_\_  
 (please specify) \_\_\_\_\_





**D. Convenience Checks**

1) Company requests Convenience Checks for Designated Cardholders:

- No. Go to Section E.
- Yes. Company further understands that:

Convenience Check pricing is:	⇒ Minimum 200 checks required for printing ⇒ \$500 check printing fee ⇒ \$2 per check transaction+ interest as noted in this Agreement
-------------------------------	--

**Special Pricing Arrangements for: Convenience Checks**

(please specify) \_\_\_\_\_  
\_\_\_\_\_

**E. Cardholder Statement Options**

1) Company requests the following Designated Cardholder Monthly Statement Format option:

<input checked="" type="checkbox"/> Electronic Statements Statement will be available to Designated Cardholders via a password protected website. Email notifications of Statement availability at the website will be sent to Designated Cardholder email addresses. This option is only available by selecting Statement Module in Online Program Management Centre section below.	⇒ \$25 per Agent per month ⇒ \$5.00 for each copy of a statement requested from the Scotiabank Call Centre
<input type="checkbox"/> Paper-based Statements	⇒ \$5.00 per Monthly Corporate Statement and Designated Cardholder Statement and per extra copy of any statement

**Special Pricing Arrangements for: Statement Format**

(please specify) \_\_\_\_\_  
Fees waived.  
\_\_\_\_\_



**2) A Statement Cycle Date is the date when Monthly Statements are produced and made ready for delivery. The Company requests the following Statement Cycle Date Option:**

<input checked="" type="checkbox"/> Regular – Statements cycle on the 15 <sup>th</sup> of each month	⇒ <b>No additional charge</b>
<input type="checkbox"/> Off cycle – Company requests the cycle date below: Company understands the 29 <sup>th</sup> of the month is unavailable for cycling of statements:  Statements cycle on the ____ day of each month.	⇒ <b>Off cycle <i>electronic</i> statements no additional charge</b> ⇒ <b>Off cycle <i>paper</i> statements \$500 per month</b>

**Special Pricing Arrangements for:  
Cycle Option**

\_\_\_\_\_  
(please specify)  
\_\_\_\_\_

**F. ERP and G/L Systems**

**1) Company has the following Accounting/HR system(s):**

- SAP+     PeopleSoft     JDEdwards+     Oracle+     In-house     Other     Not Applicable  
(Please specify)

**Special Pricing Arrangements for:  
ERP and G/L System Integration**

(please specify) \_\_\_\_\_  
The Bank will provide one (1) data mapper at no charge based on a standard mapper development of 35 hours maximum. Should additional development hours be required a programming fee of \$150 (US) per hour will be charged.  
\_\_\_\_\_

**G. Online Reporting Service Options – Centre**

**1) Company selects Online Program Management Centre (“Centre”) as their Online Reporting Service:**

Centre is an integrated suite of Web-based functionality modules that facilitate the customized management of the Company’s program, including the administration of card accounts, delivery of statements and reports, and control over and allocation of credit card transactions. The Bank maintains a single delivery platform while the Company selects the functional module(s) that meet their specific needs.

**Company further understands that:**

<p>Online Program Management Centre set up pricing is...</p>	<p>⇒ <b>\$5,000 Initial set-up/training fee</b></p> <ul style="list-style-type: none"> <li>• <b>One training session (equals 2 consecutive days at 7.5 hrs/day. Travel expenses are additional)</b></li> </ul>
--	--

**Special Pricing Arrangements for:  
Centre Initial Training & Set-up**

(please specify) Fees waived.

**2) Company selects the following Centre modules and sub modules, as appropriate:**

<p><input checked="" type="checkbox"/> <b>Statement Module</b></p> <p>This allows Coordinators and Designated Cardholders to view images of Monthly Statements online. It also provides real-time access to Card activity information, including the most recent transactions since the last statement and current account balances.</p> <p>Company requires Authorizations &amp; Declines View ?</p> <p><input checked="" type="checkbox"/> No      <input type="checkbox"/> Yes</p> <p>Authorizations &amp; Declines View provides the ability to view authorizations and declines for accounts in real time. A Coordinator can set up privileges to allow Designated Cardholders to view their authorizations and declines, or they can use this functionality as an administration tool. Designated Cardholders see their own authorizations and declines, while Coordinators can select from the entire card list to view authorizations and declines information. A request is defined as each time a Coordinator or Designated Cardholder 'clicks' on Authorization within Centre.</p>	<p>⇒ <b>\$25 per Agent per month</b></p> <p>⇒ <b>\$0.75 per request</b></p>
<p><input checked="" type="checkbox"/> <b>Report Module</b></p> <p>This facilitates the delivery of reports through a Web-browser interface. The Coordinator is able to view, search, and download entire reports or relevant excerpts of multiple reports.</p>	<p>⇒ <b>\$25 per Agent per month</b></p>



<p><input checked="" type="checkbox"/> <b>Account Module</b></p> <p>This enables the Company to manage their Program and Designated Cardholders Cards including the ability to view, create, and update Designated Cardholder Card functionality in real time</p> <p>Company requires Authorizations &amp; Declines View ?</p> <p><input type="checkbox"/> No      <input checked="" type="checkbox"/> Yes</p> <p>Authorizations &amp; Declines View provides the ability to view authorizations and declines for accounts in real time. A Coordinator can set up privileges to allow Designated Cardholders to view their authorizations and declines, or they can use this functionality as an administration tool. Designated Cardholders see their own authorizations and declines, while Coordinators can select from the entire card list to view authorizations and declines information. A request is defined as each time a Coordinator or Designated Cardholder 'clicks' on Authorization within Centre.</p>	<p>⇒ <b>\$100 per Agent per month</b></p>       <p>⇒ <b>\$0.75 per request</b></p>
<p><input checked="" type="checkbox"/> <b>Expense Module</b></p> <p>This module comprises four sub modules with increasing levels of functionality.</p> <p><b>Company selects the following one (1) sub module:</b></p> <p><input type="checkbox"/> Sub module 1</p> <ul style="list-style-type: none"> <li>• Enables Company to view transactional data online, including all line item detail and default allocation. Company can generate standard export of transaction data and then use third-party software to modify, report and/or import the data into their accounting system.</li> </ul> <p><input type="checkbox"/> Sub module 2</p> <ul style="list-style-type: none"> <li>• Enables Company to view, re-allocate, access valid codes, and split transactions. Transactions can be automatically allocated and mapped directly into an accounting system. Reports can be scheduled and emailed to Company. Also includes all Sub module 1 functionality.</li> </ul> <p><input type="checkbox"/> Sub module 3</p> <ul style="list-style-type: none"> <li>• Enables Company to utilize a hierarchical structure to assign security privileges, structure reports, perform global edits and map into an accounting system. Also includes all Sub module 2 functionality.</li> </ul>	<p>⇒ <b>\$130 per Agent per month</b></p> <p>⇒ <b>\$0.10 per transaction</b></p>       <p>⇒ <b>\$130 per Agent per month</b></p> <p>⇒ <b>\$0.15 per transaction</b></p>       <p>⇒ <b>\$350 per Agent per month</b></p> <p>⇒ <b>\$0.28 per transaction</b></p>



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<input checked="" type="checkbox"/> Sub module 4 <ul style="list-style-type: none"> <li>Enables Company to manage Designated Cardholder travel and entertainment expenses. A Designated Cardholder is able to enter out-of-pocket expenses and create expense reports to be routed for approval based on workflow rules established by the Bank and/or Company. Also includes all Sub module 3 functionality.</li> </ul>	⇒ <b>\$425 per Agent per month</b> ⇒ <b>\$0.32 per transaction</b>
--	---

### Special Pricing Arrangements for: Centre Modules & Sub Modules

(please specify) \_\_\_\_\_  
The bank will provide a combined total of 250 real-time authorization/decline view requests per year at no charge in order to facilitate the use of this feature by the program administrator. Additional requests will be charged at the rate listed above.

All other Centre Modules & Sub Modules fees above are waived.

### 3) Company further selects the following additional Centre Training options:

- No. Go to Section I.**  
 **Yes. Company further understands that:**

Company is asking Bank to provide _____ sessions.	⇒ <b>\$1000 per session</b> ⇒ <b>PLUS ½ session for training personnel travel time</b> ⇒ <b>PLUS travel expenses</b> ⇒ <b>One session equals 7.5 consecutive hours</b> ⇒ <b>Minimum one day session</b>
---	---

If Company answers 'NO' above and future training is required, a 'Training Approval and Billing' document using the rates disclosed at right, will be provided to Company by the Bank for Company sign-off prior to commencement of any additional training by the Bank.

### Special Pricing Arrangements for: Additional Training

(please specify) \_\_\_\_\_  
\_\_\_\_\_



**H. Rebate**

1) Company is entitled to a Rebate as set out below:

- No
- Yes:

**Rebate Calculation:**

Rebate Adjustment Base Rate: 2.75%

Unadjusted Rebate Rate(s) and Calculations:

<b>REBATE SCHEDULE* - Based on 10 day payment terms.</b>	
<b>Total Annual Program Spend</b>	<b>Rebate* (in Basis Points)</b>
\$12,500,000 and over	50
\$10,000,000 - \$12,499,999 Million	45
\$7,500,000 - \$9,999,999 Million	40
\$5,000,000 - \$7,499,999 Million	35
Under \$ 4.99 Million	N/A

\* Rebate calculation is subject to the terms and conditions of this Agreement, including without limitation, the Bank's setoff and deduction rights.

**I. Anticipated \$ Volumes for Pricing**

Scotiabank is pleased to offer the City of London a one time bonus of \$100,000.00 as a program growth incentive. The bonus will be paid on the program anniversary, in addition to the annual rebate, in the annual rebate period where net program volume exceeds \$10MM.

**J. Third Party Determination**

Will this Scotiabank Commercial Card account be used to conduct business on behalf of someone other than the named account holder?

- No
- Yes  Complete the Third Party Declaration form provided





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## SIGNATURES

By signing this form, the Bank is authorized to provide Company with the features and services set out above. Company also confirms that it has been advised of the service fees listed above. Company certifies that all information provided to the Bank above is true and correct. Company agrees to be bound by the terms and conditions of the Commercial Card Agreement and to pay the fees set out in this Commercial Card Agreement.

This Agreement is not binding upon the Bank until signed on behalf of the Bank by at least two (2) of the authorized Bank signatories set out below. IN WITNESS WHEREOF the authorized representatives of the parties hereto have executed this Agreement below.

Company's Full Legal Name  <b>CITY OF LONDON</b> <b>(Company Name and Signatories Supported by Banking Services resolution and incumbency certificate)</b>	
Company Representative (Please print name and title) Joe Fontana, Mayor, City of London	Phone Number
Signature	Date signed (mm/dd/yyyy)
Company Representative (Please print name and title) Cathy Saunders, City Clerk	Phone Number
Signature	Date signed (mm/dd/yyyy)
<b>A N D</b>	
Full Legal Name of the Bank  <b>THE BANK OF NOVA SCOTIA</b>	
Sales (Please print name and title) Cameron D. McPhail, Vice-President & Director	Phone Number 416-866-6936
Signature	Date signed (mm/dd/yyyy)
Operations (Please print name and title)	Phone Number
Signature	Date signed (mm/dd/yyyy)
Product (Please print name and title) Michel Cardinal, Director	Phone Number 416-933-2266
Signature	Date signed (mm/dd/yyyy)

\*Visa Int./Lic. user The Bank of Nova Scotia. Other brand and product names are trademarks of their respective companies.



**Schedule B - COMMERCIAL CARD COORDINATOR DESIGNATION Form - 2280**

The undersigned employer (the "Company"), hereby designates the following employee as a Scotiabank Commercial Card Coordinator ("the Coordinator"). The Coordinator is authorized to give instructions, verifications and approvals under the Scotiabank Commercial Card Agreement.

**CHECK ONE**

- New
- Change
- Delete

**Company Name**

City of London

(maximum 24 characters)

**Commercial Card Coordinator Name**

McErlain

Melissa

(LAST NAME)

(FIRST NAME)

(INITIAL)

(maximum 24 characters)

300 Dufferin Avenue

(STREET – DO NOT USE P.O. BOX #)

(maximum 30 characters)

Financial Services – Accounts Payable

(DEPARTMENT NAME)

(maximum 30 characters)

London

ON

N6B 1Z2

(CITY)

(maximum 27 characters)

(PROVINCE)

(POSTAL CODE)

( 519 ) 661 - 2500

(BUSINESS PHONE NO.)

( 519 ) 661 - 5932

(FAX NO.)

E-Mail Address: mmcerlai@london.ca

(SAMPLE CO-ORDINATOR SIGNATURE)

(USER ID-min 6 max 16)

(PASSWORD-min 6 max 12)

(Signature)

by Authorized Signing Officer for the Company)

(Name – Please Print)

(Title)

(Date)



Schedule B - COMMERCIAL CARD COORDINATOR DESIGNATION Form - 2280

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CHECK ONE

- ☑ New
☐ Change
☐ Delete

Company Name
City of London

(maximum 24 characters)

Commercial Card Coordinator Name

Root Stacey

(LAST NAME) (FIRST NAME) (INITIAL)

(maximum 24 characters)
300 Dufferin Avenue

(STREET - DO NOT USE P.O. BOX #)
(maximum 30 characters)
Financial Services - Accounts Payable

(DEPARTMENT NAME)
(maximum 30 characters)
London ON N6B 1Z2

(CITY) (PROVINCE) (POSTAL CODE)
(maximum 27 characters)

( 519 ) 661 - 2500 ( 519 ) 661 - 5932
(BUSINESS PHONE NO.) (FAX NO.)

E-Mail Address: sroot@london.ca

(SAMPLE CO-ORDINATOR SIGNATURE) (USER ID-min 6 max 16) (PASSWORD-min 6 max 12)

(Signature)
by Authorized Signing Officer for the Company)

(Name - Please Print)

(Title) (Date)



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**CHECK ONE**

- New
- Change
- Delete

**Company Name**

City of London

(maximum 24 characters)

**Commercial Card Coordinator Name**

Reeves

Kristi

(LAST NAME)

(FIRST NAME)

(INITIAL)

(maximum 24 characters)

300 Dufferin Avenue

(STREET – DO NOT USE P.O. BOX #)

(maximum 30 characters)

Financial Services – Accounts Payable

(DEPARTMENT NAME)

(maximum 30 characters)

London

ON

N6B 1Z2

(CITY)

(maximum 27 characters)

(PROVINCE)

(POSTAL CODE)

( 519 ) 661 - 2500

(BUSINESS PHONE NO.)

( 519 ) 661 - 5932

(FAX NO.)

E-Mail Address: kreeves@london.ca

(SAMPLE CO-ORDINATOR SIGNATURE)

(USER ID-min 6 max 16)

(PASSWORD-min 6 max 12)

(Signature)

by Authorized Signing Officer for the Company)

(Name – Please Print)

(Title)

(Date)