

DEBIT CARD AGREEMENT

This Debit Card Agreement ("Agreement") is intended to govern the use of debit cards. In consideration of Alterna Savings & Credit Union Limited ("Alterna Savings") issuing to me one or more debit cards (each individual one of which is hereinafter referred to as the "Card") and one or more personal identification numbers ("PIN") for use with one or more of the Cards, the undersigned (the "Member") agrees that:

Definitions

1. **ATM (Automated Teller Machine):** An electronic terminal, used by Members to access their accounts for debit card services provided by Alterna Savings. ATMs include electronic terminals operated by Alterna Savings or other institutions through which a Member can access his or her account(s).
2. **Interac Flash®:** The contactless payment feature that allows a Member to conduct Point of Sale Transactions at select merchants, without having to swipe or insert the Member's debit card and enter a Personal Identification Number.
3. **Member:** The undersigned member of Alterna Savings.
4. **PIN (Personal Identification Number):** A secret code (number) selected by the Member for use in conjunction with the Card, to confirm the identity of the Member, and to authorize transactions effected by use of the Card.
5. **POS Transaction (Point of Sale Transaction):** A transaction effected by use of the Card at an electronic terminal used by the Member to pay for goods or services by debit to his or her Alterna Savings account(s).

Liability

6. Debits to the Member's account(s) may be made for withdrawals, transfers or POS Transactions effected through the use of the Member's PIN and Card (at an ATM, POS Terminal, or otherwise) by the Member or by anyone using the Member's PIN and Card. The Member shall be liable for all such debits, whether or not such debits or use of the PIN and Card have been authorized by the Member, except as otherwise expressly provided for in this Agreement.
7. The Member agrees not to obtain a cash advance from an ATM or engage in a POS Transaction in excess of the total amount then on deposit in the account(s) of the Member with Alterna Savings and the approved limit under the Member's Line-of-Credit Loan Agreement or Overdraft Protection Agreement. If a cash advance(s) is obtained and/or if a POS Transaction is engaged in which is in excess of that total through the usage of the Member's PIN and Card, whether or not such usage is authorized by the Member (except as expressly provided in this Agreement), the Member agrees to repay the total amount of said cash advance(s) or POS Transaction(s) to Alterna Savings forthwith with interest at the current interest rate being charged by Alterna Savings on its Line-of-Credit Loans or Overdraft Protection.
8. The Member shall be responsible and is liable for all use of the Member's Card and/or PIN, including entry errors made by anyone using the Member's Card and/or PIN at ATMs or POS Terminals, except as otherwise expressly provided for in this Agreement.
9. The Member shall be responsible and is liable for fraudulent or worthless deposits made through use of the Member's Card and/or PIN.
10. The Member shall not be liable for losses or debits to the Member's account(s) that result from circumstances beyond the Member's control. Circumstances beyond the control of a Member are those circumstances the occurrence of which the Member has not contributed to in whole or in part. The Member shall be deemed to have contributed to losses or debits to the Member's account(s), and is therefore liable for such losses or debits in any of the following circumstances:
 - (a) If the Member has made the Card and PIN available to any third party or has failed to take reasonable precautions to prevent a third party from having access to the Card and PIN;
 - (b) If the Member has written the PIN on the Card or has kept the Card and PIN together (or in such manner as to make them available for use together);
 - (c) If a PIN selected by the Member is the same or similar to an obvious or readily ascertainable number combination associated with that Member such as the Member's date of birth, account number or telephone number;
 - (d) if the Member has failed to immediately notify Alterna Savings of the loss or disappearance of the Card or of the PIN becoming known or available to a third party;
 - (e) the Member has failed to comply with any of his or her obligations under this agreement; or
 - (f) If the Member has in any manner voluntarily made the PIN available to a third party.
 If the Member contends that he or she is not liable for one or more debits to the account(s), the Member acknowledges that there shall be an onus on the Member to demonstrate that the circumstances in question were beyond the Member's control. This means that the Member is required to demonstrate that the Member did not contribute, and is not deemed to have contributed, to the occurrence of the circumstances in question.
11. The Member may use his/her Card without the PIN at participating merchants. For those transactions, the Member will have the same rights and responsibilities as if the Member had used the Card and PIN
12. Loss suffered by a Member relating to or arising out of circumstances to which the Member has contributed, or is deemed to have contributed, for each individual transaction will not exceed the established ATM or point of sale withdrawal limits for the transaction in question. However, the Member acknowledges that in some circumstances, the resulting loss may exceed the actual funds in a Member's account where an account has Line-of-Credit protection, or is linked with another account or other accounts of the Member.
13. The Member will indemnify and hold Alterna Savings harmless from and against any and all losses, costs or damages as well as any and all claims or suits which may be brought against Alterna Savings by third parties because of the Member's failure to comply with instructions of Alterna Savings relating to the proper use, care, custody and control of the Card and PIN, the Card and *Interac Flash®*, and/or the Member's failure to comply with the obligations of the Member under this Agreement.

Procedures for Addressing Unauthorized Transactions and other Transaction Problems

14. In the event of a problem with a transaction using the Card and PIN, or Card and *Interac Flash®*, or an unauthorized transaction using the Card and PIN, or Card and *Interac Flash®* other than a matter related to goods and services provided by Merchants, the Member will report the issue promptly to Alterna Savings and Alterna Savings will investigate and respond to the issue on a timely basis. Alterna Savings will not unreasonably restrict the Member from the use of any funds subject to dispute, provided that the Member did not contribute or is not deemed to have contributed to the issue, problem or unauthorized transaction. Alterna Savings will respond to the Member's report of an issue, problem or unauthorized transaction in a reasonable timeframe, and will indicate whether or not any reimbursement will be made for any loss suffered by the Member. Reimbursement will be made for a Member's losses within a reasonable time after Alterna Savings determines that the loss in question resulted from circumstances beyond the Member's control. The Member acknowledges that in coming to a determination that a loss resulted from circumstances beyond a Member's control, Alterna Savings may request the Member to provide a written statement or affidavit as to the circumstances of the loss. Alterna Savings shall not be required to reimburse the Member for any loss should the Member elect not to provide the requested written statement or affidavit or should the Member not otherwise provide reasonable assistance to Alterna Savings in investigating the circumstances in question.

Dispute Resolution

15. If the Member is not satisfied with the response from Alterna Savings, Alterna Savings will provide the Member with, upon request, a written account of its investigation and the reasons for its findings. If the Member is not satisfied, the issue will be referred to the complaint resolution process as outlined in brochures located in branches and on our website. Neither Alterna Savings nor the Member will have the right to start court action until 30 days have passed since the issue was first raised with Alterna Savings.

Any dispute related to goods or services supplied in a POS transaction is strictly between the Member and the merchant and the Member will raise no defense or claim against Alterna Savings.

Lost or Stolen Card

16. If the Card is lost, stolen, misused, misplaced or destroyed, by any means whatsoever, or the Member believes the PIN may have become known to someone other than the Member, or *Interac Flash®* has been used by someone other than the Member (all of the foregoing being collectively referred to as a "Loss of Card") the Member shall notify Alterna Savings immediately of the Loss of Card:
 - (i) by telephone to the ATM Hotline Number. That number is currently 1-888-807-4101 and may be changed from time to time by Alterna Savings. Any subsequent number will be posted in Alterna Savings branches

- and published on its website. On receipt of such a telephone notice (or any other oral notice) Alterna Savings may cancel the Card forthwith and, if it does so, shall notify the Member in writing; and
- (ii) in writing to any Alterna Savings branch. On receipt of such a written notice Alterna Savings shall cancel the Card forthwith and shall notify the Member in writing.
 - (iii) in the event of a Loss of Card, the Member will be liable for all transactions and the resulting account activity incurred through the use of Card and PIN **before** the time the Member notifies Alterna Savings of the Loss of Card in accordance with the requirements of subparagraphs (i) or (ii) above. The Member will not be liable for any transactions and the resulting account activity resulting from the Loss of Card that is incurred **after** the time the Member notifies Alterna Savings of the Loss of Card in accordance with the requirements of subparagraphs (i) or (ii) above.

PIN Confidentiality

17. The Member must keep the PIN secret and confidential at all times. As set out in Section 10 the Member shall be liable for any losses incurred with respect to the use of the Card together with the PIN and for any access gained to the information in the Member's accounts if the Member contributes or is deemed to have contributed to such losses. The Member acknowledges that it constitutes a Card Loss within the meaning of Section 16 if the PIN is revealed or if the Member believes that someone else has learned it and that the Member must notify Alterna Savings immediately of such Card Loss in accordance with the requirements of Section 16(i) or (ii).

Deposits

18. The Member agrees to enclose all deposits made by the Member with the Card in a specially marked envelope provided by Alterna Savings. When such deposits are made, the Member shall indicate to the ATM the nature and amounts involved in the transaction and the transaction record issued by the ATM shall be in whatever amounts are stated by the Member. Such transaction records are for the Member's records only, and shall not be binding upon Alterna Savings. Alterna Savings is authorized to open all envelopes so deposited and to deal with the contents in the manner in which it usually deals with items deposited by its Members. It is expressly agreed that Alterna Savings' count or determination of the contents of the envelope shall be conclusively deemed to be correct and shall be binding on the Member.
19. Amounts credited to the Member's account as a result of deposits made by using the Card and PIN together will not be available for withdrawal until the deposits are verified and negotiable items such as cheques are honored.
20. The Member will not deposit any coins, non-negotiable items or any other items not acceptable for deposit to the Member's account into any ATM and will pay Alterna Savings for any damages, costs or losses suffered by Alterna Savings as a result of such deposit.

Amendment to Debit Card Agreement

21. Alterna Savings may amend the terms and conditions of this Agreement from time to time, and notice of such amended terms and conditions shall be posted on Alterna's website. The Member agrees to access and review Alterna's website periodically and in any event, no less than once a month. If notice is posted before a change takes effect, the Member agrees and consents to the change if the Member uses an Account or has funds on deposit in the Account after the effective date of the change. Subject to Section 24, if notice is posted after the change takes effect, use of an Account after the date the notice is posted will mean that the Member has agreed to the change.

Limits on Withdrawals or Debits and Holding Funds

22. Alterna Savings will set one or more limits (dollar amount or otherwise) for transactions that may be conducted at an ATM or POS transaction terminal from time to time and Alterna Savings may change these limits periodically, notification of which will be provided in the same manner and with the same effect as notification of amendments to this Agreement under Section 21.

Alterna Savings will tell the Member what the current limits are on the documents accompanying Cards Alterna Savings issues to the Member as well as in branch with provision of appropriate identification.

Alterna Savings may impose withdrawal limits or may hold funds in accordance with its hold funds policies in place from time to time when Alterna Savings deems it necessary to protect the Member's and Alterna Savings' respective interests with regard to transactions carried out by the Member. Alterna Savings publishes its hold funds policy in brochure format, available in branches.

Termination of the Debit Card Agreement

23. Alterna Savings remains the owner of the Card. It may restrict the use of the Card or may terminate this Agreement and the Member's right to use the Card at any time without notice. The Member will return the Card to Alterna Savings upon request.

Service Charges and Foreign Currency Transactions

24. The Member acknowledges having been advised of, and will pay, the applicable fees now in effect for services available under this Agreement. The applicable fees can be found at the following link: www.alterna.ca/personal/everydaybanking/servicefees. New or amended fees will only become effective 30 days after notification by Alterna Savings which notification may be provided in the same manner and with the same effect as notification of amendments to this Agreement under Section 21.

If the Card is used in connection with a transaction in foreign currency, the Member agrees that the rate of conversion into Canadian currency will be fixed according to the rules of the electronic network through which the transaction is conducted.

Power of Attorney

25. If the cardholder is acting as an attorney for a Member and uses a Card, the attorney is liable for the transactions carried out in the Member's account, in accordance with the terms and conditions of this Agreement.

Transaction Verification

26. All transactions are subject to verification and acceptance by Alterna Savings. This may take place on a date later than the transaction date, and verification and acceptance of transactions will affect when transactions become effective. Alterna Savings' records of transactions will be deemed to be correct, conclusive and binding on the Member. Alterna Savings' count and verification of the particulars of a transaction will be deemed to be correct, conclusive and binding on the Member, unless the Member gives written notice of an error or omission in accordance with the requirements of the Member's account agreement with Alterna Savings.

Transaction Records

27. A paper transaction record dispensed mechanically as a result of the use of the Card constitutes a record only of the Member's instructions. Whether such a transaction record is dispensed or not, it is the Member's responsibility to verify that the transaction has been properly executed by checking the periodic statement or passbook entries itemizing transactions as required by the Member's account agreement with Alterna Savings.

In absence of evidence to the contrary, the records of Alterna Savings are conclusive for all purposes, including litigation in respect of any instructions given by the Member to Alterna Savings through the use of the Card and PIN and/or the Card and *Interac Flash*®; the contents of any envelope deposited by the Member into an ATM; the making of a withdrawal, deposit or transfer through the use of the Card and PIN and/or the Card and *Interac Flash*®; and any other matter or thing relating to the state of accounts between the Member and Alterna Savings in respect of any electronic transaction.

***Interac Flash*® – Enabling and Opting Out**

28. If the Card is enabled with *Interac Flash*®, Alterna Savings will select and link an Account to the Member's debit card. *Interac Flash*® transactions will default to the pre-selected Account. Members can have *Interac Flash*® disabled or re-enabled by calling Alterna's Contact Centre or by visiting any Alterna Savings Branch.

Scope of Agreement

29. This Agreement replaces any prior agreement governing the use of the Card and PIN and/or *Interac Flash*® but does not replace or supersede and agreement or provision of any agreement relating to any loan, credit facility or the operation of any account.

This Agreement applies to any account specified herein and as well as any other account designated by the Member from time to time for use in connection with the Card and PIN and/or the Card and *Interac Flash*®.

Cardholder Privacy

30. The Member acknowledges that Alterna Savings has policies to protect the Member's privacy and that the Member may obtain particulars upon request. The Member hereby consents to the use of their personal information by Alterna Savings and its affiliates to monitor use of financial services, in order to detect fraud, develop needed products and services and offer members needed services. However, if the Member has given or hereafter gives express consent to the collection, use and further disclosure of their personal information by Alterna Savings in a form and content that is more permissive than the content provided herein, the other form of consent shall govern our relationship. The Member may withdraw consent at any time by contacting the Alterna Savings Privacy Officer. The Member can access the Privacy Policy in branch and on the web site of Alterna Savings.

SECURITY TIPS

- Your PIN is your electronic signature; never reveal it to anyone.
- Do not use the same PIN for more than one Card.
- Never lend anyone your Card.
- Memorize your PIN; do not write it down anywhere.
- Never use numbers based on your name, address, telephone number, social insurance number or date of birth in your PIN; they are all too easy to guess.
- Protect your Card at all times.
- When you use your Card and have to enter your PIN, use your hand or body to block anyone else's view of the keypad. Don't be afraid of looking overcautious.
- Make sure you take your Card and your transaction record when you are finished.
- After making a withdrawal with your Card, put the money away immediately.