

This Debit Card Agreement, as amended and replaced from time to time, ("Agreement") sets out the terms under which you may use your Card to access funds and make Transactions from your Account. In consideration of Alterna Savings & Credit Union Limited ("Alterna Savings") issuing to the undersigned Member ("you", "your" or "Member"), one or more "Cards") and one or more personal identification numbers ("PIN") for use with one or more of the Cards, the Member agrees that:

1. Definitions

In addition to the words and phrases defined throughout the Agreement, the following words and phrases have the meanings set out below when capitalized:

- (a) **Account:** the Member's Alterna Savings account(s) which is debited when you use the Card to make a Transaction using the debit card services provided by Alterna Savings.
- (b) **Advance Payment Transaction:** a Transaction made in advance of the actual consumption of the good and/or service, including hotel reservations and car rentals.
- (c) **ATM (Automated Teller Machine):** An electronic terminal, whether operated by Alterna Savings or another institution, used by Members to access their Accounts for debit card services provided by Alterna Savings.
- (d) **Card:** means any Alterna Savings card or combination of numbers and/or letters which enables you to effect transactions using the Account(s).
- (e) **Card Details:** includes the [16-digit] Card number when its used alone or in combination with the Card expiry date and/or CVV2 code (the three-digit security code on the back of the Card).
- (f) **Card Not Present Transaction:** A Transaction involving the purchase of goods and/or services using the Card Details where the Member is not present at the Merchant location (i.e. online or by telephone or mail).
- (g) **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 Card and enter a Personal Identification Number.
- (h) **Member:** The undersigned member of Alterna Savings.
- (i) **PIN (Personal Identification Number):** A secret code (i.e., a series of numbers or letters or a password) selected by the Member, to confirm the identity of the Member, which is linked to the Account and used to authorize Transactions effected through use of the Card.
- (j) **POS Transaction (Point of Sale Transaction):** A Transaction which occurs in person at a point of sale that is effected by use of the Card, including at an electronic terminal used by the Member to pay for the purchase of goods or services by debit to the Member's Account.
- (k) **Transaction:** any transaction on your Account using your Card or Card Details, including all Point-of-Sale Transactions, ATM transactions and Card Not Present Transactions.

Unless the context requires otherwise, words in this Agreement which are in the singular include the plural meaning, and words which are in the plural include the singular meaning. The word "including" means "including but not limited to".

2. Debit Card Services

This Agreement applies when you use the debit card services provided by Alterna Savings ("Card Services") and it replaces any prior agreement governing the use of the Card and PIN and/or Interac Flash® and/or Card Details but does not replace or supersede any agreement or provision of any agreement relating to any loan, credit facility or the operation of any Account. You should read this Agreement carefully. Selecting a PIN for a Card or using the Card Details or Card Services for a Transaction means that you have received, read, understood and agree to the terms of this Agreement. You will use your Card according to the terms of this Agreement and any other terms or conditions that Alterna Savings may advise you of from time to time.

Other agreements apply to the Card Services depending on the type of services used, including the [Personal Account Agreement](#) and the [Online Access Agreement](#). You can obtain a current copy of any of these agreements at www.alterna.ca/en/legal/account-agreements or visiting any Alterna Savings branch, or by calling 1.877.560.0100.

a) Transactions: The Card can be used for different types of Transactions, and it can also be added to third party wallets and used to authorize select Transactions. Some merchants may not support certain types of Transactions. Alterna Savings is not responsible for a merchant supporting or not supporting a certain type of Transaction with your Card.

- i) **In Canada:** Card and PIN Transactions and Interac Flash® (where it is accepted), are Transactions completed at POS terminals and processed through the Interac network. Interac Flash transactions are Transactions that you authorize by tapping your Card. You don't need to enter a PIN. You authorize these transactions as if you had used a PIN. You will have the same rights and liability as if you had used your PIN.
- ii) **Outside of Canada:** Where Visa cards are accepted, Transactions are processed through the Visa network (or any other network Visa makes available for use).
- iii) **Card Not Present Transactions:** Where Visa Debit is accepted, Transactions are processed through the Visa network. A Card Not Present Transaction is a transaction conducted when your Card is not physically present to tap, swipe or insert with the merchant or other third party that allow such Transactions. For example, mobile wallet, online, mail or telephone transactions. These Transactions can be authorized by giving a merchant or other third party:
 - the Card number;
 - the Card expiry date; and/or
 - the CVV2.

A PIN is not required but you use the Card Details to authorize these Transactions as if you had used a PIN. Members will have the same rights and liability as if you had used your PIN.

If you use your Card Details to make purchases online, you may be required to take additional steps (including using a separate password and enrolling in customer security programs such as eAuthenticate) to purchase goods and services on the internet from certain merchants. It is the Member's responsibility to participate in programs established and supported by Visa or Alterna Savings, as required, if you want to take advantage of these internet purchase opportunities.

- iv) **Pre-Authorized Payments (PAPs):** Members can use the Card for PAPs if the Card has a Visa Debit logo. Members can use Pre-Authorized Payments to make bill and other payments by authorizing the merchant to take funds from the Account based on a schedule determined by the merchant (monthly or annually, for example). Members will not be able to set up PAPs with all Account types.

Cancelling PAPs To cancel a PAP, you must contact the merchant directly, otherwise the PAP will remain on the Account. Members are responsible for all PAPs on the Account, including any amounts the merchant charges after your:

- Card expires;
- Card is cancelled; or
- Account is closed.

Updating PAPs: Members must give merchants correct Card information for any PAPs linked to their Account (s) Members are responsible for keeping that information up to date. Alterna Savings is not responsible for any Transactions that are not debited from the Account because the Card information the Member provided to the merchant is incorrect or not up to date. However, Alterna Savings may, but is not obligated to, give the new Card information to merchants who have signed up for Visa Account Updater (VAU). You can tell us if you don't want the Card information to be eligible for VAU, in which case, Alterna Savings will not send the new Card information to merchants. Not all merchants participate in VAU. This is why Members must be sure to contact the merchant if the Card information changes.

Processing PAPs Alterna Savings may not be able to process PAPs for several reasons, including:

- insufficient funds in the Account;
- a change in status of the Card; or
- a change in status of the merchant.

Each merchant you pay with a PAP may have different requirements. Members are responsible for knowing and complying with those requirements.

b) Card Expiry [and replacement]: The Card has an expiry date. You cannot use the Card after its expiry date. **[We will automatically issue you a new Card before your current Card expires.]**

c) Purchases, Refunds and Adjustments: Debits and credits for Transaction(s) may not appear in your Account on or be effective the same day as the purchase or return/adjustment.

d) Advance Payment Transactions: When you conduct an Advance Payment Transaction, including reserving goods and/or services such as hotel reservations or car rentals, funds will be debited immediately from your Account by the merchant and the amount may be different from the final purchase amount.

e) Authorizing Transactions: For Card Not Present Transactions, some merchants may process an authorizing Transaction (which may be more than the amount of your purchase). This authorizing Transaction will remove the funds from your Account and will later be reversed. The reversal may occur after the purchase Transaction is processed.

f) Interac Flash® – Enabling and Opting Out: If the Card is enabled with *Interac Flash®*, Alterna Savings will select and link an Account to the Member's Card. *Interac Flash®* Transactions will default to the pre-selected Account. *Interac Flash®* functionality will be activated by conducting a successful PIN Transaction at a Card reading terminal. Members can have *Interac Flash®* disabled or re-enabled by calling Alterna's Contact Centre or by visiting any Alterna Savings branch.

3. Confidentiality of PIN and Card Details

The Member must keep the PIN and Card Details secret and confidential at all times and never disclose the PIN or Card Details to anyone. If Alterna Savings sends you a PIN on a document, you will immediately destroy the document. You will memorize the PIN rather than keep any written record of it.

When the Member chooses a PIN, you agree that you will not use all or any part of any number that can be easily obtained or guessed, such as:

- i) your or a relative's name, birth date or telephone number; and/or
- ii) a number on any of your Cards, Accounts, Card Details, or ID cards that you keep with or near your Card.

Member agrees to safeguard the Card, PIN and Card Details, and never use the Card, PIN or Card Details to do anything illegal or to engage in fraud;. This safeguarding includes keeping possession of the Card at all times in a safe and secure place and not lending the Card or sharing the Card or Card Details with anyone, unless you are providing such information to a reputable merchant or third party in connection with a Transaction.

To keep the Card, PIN and Card Details safe, you will, at a minimum:

- i) sign your Debit Card when you receive it;
- ii) always keep your Card in your possession;
- iii) take reasonable steps to protect your Card from loss, theft or misuse; and
- iv) ensure that the black magnetic stripe and the chip on your Card are protected from damage or unauthorized use.

As set out in Section [3] the Member shall be liable for any losses incurred with respect to the use of the Card together with the PIN, the Card Details and for any access gained to the information in the Member' Accounts if the Member contributes or is deemed to have contributed to such losses. The Member acknowledges that it constitutes a Loss of Card within the meaning of Section [6] if the PIN or Card Details are revealed or if the Member believes that someone else has learned the PIN or Card Details and that the Member must notify Alterna Savings immediately of such Loss of Card in accordance with the requirements of Section [6](i) or (ii).

4. Liability

Debits to the Member's Account(s) may be made for withdrawals, transfers, POS Transactions effected through the use of the Member's PIN and Card (at an ATM, POS Terminal, or otherwise) or through Card Not Present Transactions by the Member or by anyone using the Member's PIN and Card or Card Details. The Member shall be liable for all Transactions, whether or not such debits or use of the PIN and Card or Card Details have been authorized by the Member, except as otherwise expressly provided for in this Agreement.

The Member agrees not to obtain a cash advance from an ATM or engage in a POS Transaction or Card Not Present Transactions in excess of the total amount then on deposit in the Member's Account(s) or the approved limit under the Member's Line-of-Credit Loan Agreement or Overdraft Protection Agreement, if applicable. If a cash advance(s) is obtained and/or if a POS Transaction or Card Not Present Transaction is engaged in which is in excess of that total through the usage of the Member's PIN and Card or Card Details, 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),POS Transaction(s) or Card Not Present Transactions 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.

For Card Not Present Transactions, the merchant or bill payee may need time to process payments. Alterna Savings is not responsible for the processing of any payment by the merchant or bill payee. This includes how long it takes them to process the payment. The merchant or bill payee may charge other fees in connection with your payment, such as late fees or interest penalties. Member agrees to pay those fees and acknowledges that Alterna Savings is not liable for those charges

The Member shall be responsible and is liable for all use of the Member's Card and/or PIN or Card Details, 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.

The Member shall be responsible and is liable for fraudulent or worthless deposits made through use of the Member's Card and/or PIN.

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 or Card Details 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 or Card Details;
- (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) or otherwise disclosed the Card Details in any manner;
- (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 or Card Details 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 or Card Details 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.

The Member may use the Card without the PIN at participating merchants and may make Card Not Present Transactions 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.

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 or Card Not Present Transaction 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.

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, Card Details and *Interac Flash®*, and/or the Member's failure to comply with the obligations of the Member under this Agreement.

5. Procedures for Addressing Unauthorized Transactions and other Transaction Problems

In the event of a problem with a Transaction, or an unauthorized Transaction 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.

6. Dispute Resolution

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 or Card Not Present Transaction is strictly between the Member and the merchant and the Member will raise no defense or claim against Alterna Savings.

7. Lost or Stolen Card

If the Card is lost, stolen, misused, misplaced or destroyed, by any means whatsoever, or the Member believes the PIN or Card Details may have become known to someone other than the Member, or *Interac Flash®* or the Card Details have 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 or use of the Card Details **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 occurred **after** the time the Member notifies Alterna Savings of the Loss of Card in accordance with the requirements of subparagraphs (i) or (ii) above.

8. Deposits

The Member agrees to enclose all ATM deposits made by the Member with the Card in the envelopes available at the ATM. 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.

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.

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.

9. Amendment to Debit Card Agreement

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. The Member agrees that funds on deposit in the Account and use of the Account by the Member after the change effective date in the notice posted shall be in accordance with the Agreement, as amended. Subject to Section [12], 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.

10. Access Limits

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 9.

For example, Alterna Savings may limit the amount you can transfer in a day or the amount you can deposit in a day. 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. It is the Member's responsibility to know these limits.

Member access to funds in the Account is also subject to Alterna Savings policies and procedures for holds periods on cheques and ATM deposits (including cash deposits). 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. If you exceed your limit or breach this Agreement, you may not be able to use the Card to access the Alterna Savings debit services.

11. Termination of the Debit Card Agreement

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 or Member's ability to access services at any time without notice. The Member will return the Card to Alterna Savings upon request. Alterna Savings will have no liability for any loss or inconvenience which may result. If this Agreement is terminated or services are cancelled, Member must still fulfill all obligations under this Agreement, including returning the Card.

12. Service Charges and Foreign Currency Transactions

The Member acknowledges having been advised of, and will pay, the applicable fees now in effect for services available under this Agreement, including fees for Transactions and Member authorizes Alterna Savings to debit the fees from the Account. Alterna Savings' current fees can be found at the following link: www.alterna.ca/en/legal/service-fees. 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 [9].

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.

When you use your Card for a Transaction in a currency other than Canadian dollars, we will convert the transaction amount to Canadian dollars at an exchange rate that is 2.5% over a benchmark rate Alterna Savings pays Visa International, a subsidiary of Visa Inc. on the date of the conversion.

For most Transactions, the authorization amount debited by the merchant at the time of the purchase will be adjusted at settlement to reflect changes in the applicable exchange rate.

If the merchant provides you with a credit voucher or refund for a purchase made in a foreign currency, the debit for the original purchase and the subsequent credit for the refund or credit voucher may not exactly balance because of exchange rate and currency fluctuations.

13. Power of Attorney

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.

14. Transaction Verification

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.

15. Transaction Records

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*® and/or the Card Details; 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/or the Card Details; and any other matter or thing relating to the state of accounts between the Member and Alterna Savings in respect of any electronic transaction. Alterna Savings records shall be conclusive and binding on the Member, and will be admissible in any legal proceeding as the best evidence of Transactions.

16. MISCELLANEOUS

(a) **Account Transfer.** You may not transfer your Account without our consent

(b) **Governing Law.** This Agreement will be governed by and interpreted in accordance with Canadian law and the laws of the province of Ontario. You agree to submit to and be bound by these laws and the courts of the province of Ontario if any disputes arise with your Account and/or this Agreement.

(c) **Severability and Waiver.** If any provision of this Agreement is determined by any court of competent jurisdiction to be invalid, illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect. Our failure to exercise or delay in exercising our rights does not waive any default or prevent us from enforcing those rights later.

17. Cardholder Privacy

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 or provide Card Details to anyone.
- Memorize your PIN and Card Details; and do not write down the information 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 and Card Details 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.