

VARIABLE CREDIT AGREEMENT (CA)
KUBOTA PERSONAL CARD

**PLEASE READ THIS DOCUMENT CAREFULLY AND
KEEP IT FOR REFERENCE PURPOSES.
EFFECTIVE MARCH 15, 2017.**

For the purposes of this Agreement, the cardholder and additional cardholder(s) are collectively designated by the term “the cardholder”. If a Kubota Personal card (the “card”) is issued by Desjardins Financial Group (“Desjardins Group”) to the cardholder, when he signs the card bearing his name, activates or uses the card for the first time or authorizes its use by a third party, the cardholder accepts the cardholder Agreement (“the Agreement”) and any other accompanying documentation. The cardholder agrees to be liable for any indebtedness incurred through the use of the card, and if the cardholder is comprised of more than one person, each person, including any of their heir and assign, is jointly and severally liable. This acceptance also signifies the cardholder’s acknowledgment of the request for the issuance of a card, regardless of the form of signature used.

1. DEFINITIONS

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

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

“card”: any credit card issued by Desjardins Group to the cardholder or a third party authorized by the cardholder, the use of which is governed by this Agreement and any amending or superseding Agreement hereof;

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

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

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

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

“online account statement”: an account statement the cardholder can view through a website or application authorized by Desjardins Group.
“point-of-sale equipment”: electronic terminal equipped with a card reader and a keyboard to carry out transactions with a card (ex.: point-of-sale terminal);

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

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

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

2. USE OF CREDIT

The card allows its cardholder to obtain credit:

- a) for the payment of a regular purchase;
- b) for equal instalments financing, deferred payment financing or deferred equal instalments financing;

c) by any other means Desjardins Group may establish.

The card may not be used for any illicit means. Desjardins Group reserves the right to suspend use of the card without notice if it suspect any form of illicit, unauthorized or fraudulent use of said card.

3. MAXIMUM CREDIT AMOUNT

Any use of credit established in Section 2 is subject to a credit limit, which is established by Desjardins Group and indicated on every statement of account. Any and all credit limits may be increased, at Desjardins Group’s discretion, upon request from the cardholder, or decreased if Desjardins Group deems it appropriate after having analyzed the cardholder’s file. Any purchase which results in the applicable credit limit being exceeded shall be regarded as a request to increase the credit limit to the maximum amount that can then be granted to the cardholder, taking into consideration Desjardins Group’s applicable credit granting standards. Desjardins Group has no obligation to allow the cardholder to exceed its credit limit, even if it has done so in the past. The cardholder understands that Desjardins Group may decide not to authorize any transaction that will result in the cardholder’s credit limit being exceeded or that takes place after the credit limit has been exceeded. The cardholder is liable for the entire balance, whether or not it exceeds the credit limit. The cardholder agrees to repay forthwith on demand any amount that exceeds the credit limit.

4. ANNUAL FEES

The card does not carry an annual fee. There is no cost for additional cards.

5. STATEMENT OF ACCOUNT PERIOD

One or more statements of account in paper or electronic format will be sent to the cardholder. It is the cardholder’s responsibility to ensure that a monthly statement has been received each month. If the cardholder does not receive such statement, he has to contact Desjardins Group forthwith. Desjardins Group shall not be responsible if, for any reason that may be out of Desjardins Group’s control, the cardholder does not receive the statement of account or any other communication sent to the address, or any other contact information, as shown in its records. The cardholder must promptly advise Desjardins Group of any change of address to ensure that monthly statements are sent to the correct address. The cardholder remains responsible for the payment even if he does not receive a statement or receives it late.

6. MINIMUM PAYMENT FOR EACH BILLING PERIOD

The cardholder shall repay to Desjardins Group all indebtedness incurred through the use of the card as well as applicable credit charges on such indebtedness, in accordance with the terms and conditions of this Agreement. The cardholder shall pay in one payment, by no later than the due date shown on the statement of account for a given period, the aggregate of the following:

- a) at least **5%** OF THE TOTAL of (1) the indebtedness remaining on the statement of account for the previous period; (2) the regular purchases during the period covered by the statement of account; (3) the applicable credit charges on indebtedness that was not paid on the due date shown on the statement of account for the previous period; LESS; (4) the payments received since the date of the statement of account for the previous period; and (5) the amount of any transaction that has led to a credit adjustment during that period; or **\$10**, if **5%** of the previously determined amount is less than **\$10**;

- b) the monthly instalment(s) for the period covered by the statement of account in respect of purchases made by way of equal instalments financing and deferred equal instalments financing;
- c) any amounts payable on the date of the statement of account in respect of deferred payment financing;
- d) any unpaid portion of the amount required to be paid by the payment due date set out in a previous statement of account; and
- e) any other amount properly chargeable under this Agreement and for which Desjardins Group gives notice to the cardholder requiring payment.

The first monthly instalment for purchases made by way of equal instalments financing will be billed on the first statement of account issued following the transaction. The first monthly instalment for purchases payable by deferred equal instalments financing will be billed on the first statement issued following the end of the deferred payment period determined at the time of purchase. The remaining monthly instalments will be billed on subsequent consecutive statements of account. The outstanding principal amount and any credit charges relating to regular purchases, deferred payment financing, equal instalments financing and deferred equal instalments financing may be prepaid in whole or in part prior to the due date, without penalty. The cardholder must choose a payment method which results in the cardholder's payment being received by Desjardins Group on or before the payment due date, even if the cardholder's payment due date falls on a weekend or a holiday.

7. APPLICATION OF PAYMENTS

Payments are used to cover, in this order: **(1)** credit charges posted to the account statement; **(2)** monthly instalments posted to the account statement for equal instalment financing and deferred equal instalment financing; **(3)** regular purchases posted to the account statement; **(4)** regular purchases that have not yet been posted to the account statement. If Desjardins Group incurs any legal fees pursuant to this Agreement, such fees will be charged after credit charges. In such case, the cardholder agrees to pay to Desjardins Group all solicitor and client legal costs (on a full indemnity basis) incurred in collecting or attempting to collect a required payment, costs that may be awarded as a result of a court proceeding, as well as the costs incurred by Desjardins Group because a cheque or other instrument of payment given by the cardholder has been dishonoured.

8. TERMS OF PAYMENT AND GRACE PERIOD

If the cardholder pays in full the total indebtedness on the statement of account within **21** days from the mailing of the monthly statement or from the date of its availability of its electronic form, the cardholder will not incur credit charges.

9. INTEREST RATES AND CALCULATION OF CREDIT CHARGES

a) Regular purchase: Credit charges shall not apply to regular purchases appearing on the statement of account provided that the balance of all indebtedness and accrued credit charges is paid in full by the due date shown on the statement of account. If the cardholder makes a partial payment only, then credit charges are charged on regular purchases appearing on the statement of account based on the average daily balance on account of regular purchases from the date of each purchase until the purchases are paid in full, at the annual interest rate in effect for the period covered by the statement of account. However, if the total balance outstanding indicated on a subsequent statement of account is paid in full by the due date shown, purchases not yet paid shall be exempt from credit charges for the period for which full payment has been made.

Annual interest rate: **19.9%**.

b) Deferred payment financing: Credit charges on purchases made by way of deferred payment financing are calculated from the payment due date shown on the statement of account, until such purchases are paid in full. If the total amount of a purchase made by way of deferred payment financing is not paid in full on the due date shown on the statement of account, it is automatically converted into a purchase by way of equal instalments financing, repayable by equal consecutive monthly payments ("converted payments") as to principal and credit charges at the annual interest rate for the equal instalments financing plan offered by the merchant in effect at the date of conversion, by way of **12** equal monthly payments if the balance converted is less than **\$1,000**, by way of **24** equal monthly payments if the balance converted is equal to or higher than

\$1,000 and less than **\$3,000**, or by way of **36** equal monthly payments if the balance converted is greater than **\$3,000**. Notice to this effect showing the number of payments and the monthly amount of the converted payment resulting from the conversion from deferred payment financing to equal instalments financing will be sent to the cardholder at least **30** days before the first payment due date for such purchase by equal payment financing. If, on or before the due date for such purchase by equal payment financing. If, on or before the due date shown on the statement of account, the cardholder makes a partial payment only on a purchase made by way of deferred payment financing, the unpaid balance of such deferred purchase will be converted to equal instalments financing and will be payable at the monthly amount set for the converted payment as shown on the notice until the balance is paid in full.

Annual interest rate: will vary depending on the rate applicable to this use of credit at the time of conversion, up to a maximum of **21.9%**.

c) Equal instalments financing: Credit charges are charged on any purchases made by way of equal instalments financing from the date such purchases are posted to the statement of account until they are paid in full, at the annual interest rate in effect for the financing plan offered by the merchant.

Annual interest rate: will vary depending on the financing plan offered by the merchant, up to a maximum of **19.9%**.

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

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

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

Desjardins Group is not obliged to pay interest on any credit balances. The cardholder acknowledges that credit balances are not deposits and are therefore not insured under by any governmental deposit insurance agency.

10. LATE PAYMENT CHARGES

If the cardholder fails to make the minimum payment required on the due date shown on the statement of account under the heading Minimum Payment Due, the cardholder agrees to pay credit charges on any and all unpaid amounts calculated at the annual interest rate of **19.9%**. This annual interest rate is applicable regardless of the way the credit obtained is used. In the event of the cardholder being late in making any payment under this Agreement for more than **30** days, interest on interest will be charged on such outstanding balance, calculated from the due date of the minimum payment and until full payment of the cardholder's late payment.

TABLE OF EXAMPLES OF CREDIT CHARGES

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AVERAGE DAILY BALANCE	ANNUAL INTEREST RATE	COST FOR A 30-DAY BILLING CYCLE		ANNUAL COST	
			\$100	\$500	\$100
Regular purchase	19.90%	\$1.64	\$8.18	\$19.90	\$99.50
Equal Instalments Financing	19.90%	\$1.64	\$8.18	\$19.90	\$99.50
Deferred payment financing	21.90%	\$1.80	\$9.00	\$21.90	\$109.50

11. ONLINE ACCOUNT STATEMENT

- a) Registration for the online account statement automatically puts an end to the mailing of paper account statements. However, depending on the date and time the request to register for the online account statement is received, the next statement may be sent by mail only, and will not necessarily be available online. Subsequent account statements will be available online only.
- b) The cardholder acknowledges that the online account statement has the same value as the paper account statement and that it constitutes a sufficient written proof procedure in any legal proceedings. The cardholder acknowledges that he has the responsibility of accessing and reading his online account statement and archiving it for future reference if applicable.

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

d) Desjardins Group may at any time suspend access to the online account statement and send the statement by mail.

12. COMMUNICATIONS BETWEEN THE CARDHOLDER AND DESJARDINS GROUP

Should Desjardins Group have any questions regarding the account/ card, the cardholder specifically authorizes Desjardins Group to contact him at his place of business or at any other coordinates, at the Desjardins Group's discretion. Any communication made to any cardholder will be sufficient communication to all cardholders.

The cardholder can call Desjardins Group at **1-800-363-3380** during regular business hours in order to obtain information regarding his account or to update his record.

Cardholders using teletypewriters can communicate with the Federation through the relay services provided by Bell (**1-800-855-0511**) or Videotron (**1-866-468-6763**).

To report the loss or theft of a card, the cardholder must call Desjardins Group at **1-800-363-3380**.

13. AMENDMENTS TO THE TERMS OF THE AGREEMENT

With the exception of the interest indicated in sections **9 b)**, **9 c)**, and **9 d)** applicable to purchases already made, Desjardins Group reserves the right to increase the aforementioned interest rates. Desjardins Group also reserves the right to amend the terms of this Agreement. In either case, the cardholder will receive **30** days prior written notice. Activation or use of the card after the expiry of the notice period will constitute acceptance by the cardholder of the amendments contained in such notice. Amendments to the Agreement do not affect the amounts due on the account.

14. CARD VALIDITY

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

15. CANCELLATION OF CARD

As the card remains the property of Desjardins Group, Desjardins Group reserves the right at any time, subject to applicable laws, to revoke any applicable credit limit, to take possession of the card or have it repossessed, and to cancel, in full or in part, one or more services provided by the card, or to deny access to said service. In such case, Desjardins Group shall not be liable to the cardholder and the cardholder is fully liable and responsible for all amounts due on the account.

16. RESPONSIBILITY OF DESJARDINS GROUP

Desjardins Group shall not be liable to the cardholder for the refusal of a merchant to honour the card nor for the modification, cancellation or replacement of the card's advantages or discounts by a merchant.

17. LOSS OR THEFT OF CARD

If the card is used without the cardholder's authorisation, his liability is limited to a maximum of **\$50** and all liability ceases when the cardholder notifies Desjardins Group of the loss or theft of the card.

18. USING THE CARD REMOTELY

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

19. DISPUTES

Desjardins Group assumes no liability whatsoever for the quality of the goods or services obtained using the card and all claims or disputes (concerning sales drafts or credit vouchers, requests for refunds, etc.), must be settled directly between the cardholder and the merchant. If the cardholder wishes to discuss a disputed transaction, the cardholder should contact Desjardins Group. Without limiting the generality of the foregoing, any recourse of the cardholder against Desjardins Group in connection with the use of the card shall be limited to reimbursement of any amounts improperly charged to the cardholder's account.

Although Desjardins Group has no legal obligation to do so, the cardholder acknowledges and agrees that if Desjardins Group credits the cardholder's account for any amount related to a disputed transaction, any and all right, claim, demand or other interest that the

cardholder has or may have in respect of such disputed transaction are automatically assigned to Desjardins Group. The cardholder also agrees to fully cooperate with Desjardins Group in any dispute against a merchant.

The cardholder acknowledges and agrees that any dispute that he may have with any merchant does not affect his or her obligation to pay Desjardins Group the full amount that has been charged to the account.

20. CREDIT VOUCHERS

Any credit voucher will be credited to the cardholder's account on the day it is received by Desjardins Group, and it is only then that the cardholder's responsibility for the indebtedness will cease.

21. JOINT AND SEVERAL LIABILITY

If the card is issued in the name of more than one cardholder on the same account, each such person shall be jointly and severally liable for any and all indebtedness. In addition, this Agreement will be binding on the cardholder's personal and legal representatives.

22. GUARANTEE

In consideration of Desjardins Group agreeing to provide a card and/or financing to the cardholder and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the guarantor hereby agrees to be jointly and severally liable for all of the financial liabilities and obligations of the cardholder to Desjardins Group pursuant to this Agreement.

Desjardins Group may demand payment from the guarantor even if Desjardins Group has not tried to get payment from the cardholder. The guarantor's interests are fully postponed to the claims of Desjardins Group and the guarantor waives all rights to take legal action against the cardholder and all rights of subrogation until Desjardins Group is paid in full.

The guarantor is not released from the guarantee simply because Desjardins Group may, from time to time, change or deal with the terms of the cardholder's obligations; such changes may include the terms of the credit arrangements, credit rates and limits. The guarantor waives the need for notice of any such changes.

23. PROOF

The cardholder agrees and accepts that his monthly account statement constitutes conclusive proof of indebtedness and agrees to pay the indebtedness shown on his monthly account statement in accordance with the terms of this Agreement. The cardholder agrees to review each monthly statement and if an error is found, the cardholder must tell Desjardins Group within **30** days of the issue date of the statement. If the cardholder does not do so, the statement will be regarded as final. However, Desjardins Group may at any time remove from the cardholder's account any credits that have been posted in error.

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

24. TERMINATION AND ACCELERATION

Desjardins Group may terminate this Agreement at any time without notice if the cardholder is in breach of this Agreement, including without limitation, where the cardholder fails to make payments by the due date in accordance with the types of credit used, or he if he becomes bankrupt, insolvent, or makes a proposal under bankruptcy legislation. If this Agreement is terminated, Desjardins Group or its agent may, subject to the laws of the Province of residence of the cardholder, do any or all of the following:

- a) require the entire balance of the cardholder's indebtedness including, without limitation, credit charges to be repaid immediately, whether or not such balance is due and payable at that time;
- b) debit any account the cardholder may have with Desjardins Group and apply the funds against the indebtedness and credit charges owing under this Agreement;
- c) request that all cards be returned to it;

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d) take possession of all such cards.

If this Agreement is terminated, the cardholder will continue to be liable for indebtedness and credit charges and is responsible for returning all cards to Desjardins Group. If a card is used after this Agreement is terminated, the cardholder will be liable for all indebtedness incurred and credit charges thereon even though the Agreement was terminated. The cardholder will not be liable for any indebtedness incurred through the unauthorized use of the card after he has returned the card to Desjardins Group.

The cardholder shall pay to Desjardins Group, on a full indemnity basis, all legal fees and expenses incurred by it to recover any indebtedness or credit charges and all expenses incurred by it to take possession of any.

25. ASSIGNMENT

Desjardins Group may assign its rights and obligations under this Agreement without notice to the cardholder.

26. PERSONAL INFORMATION

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

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

Authorization for the collection and disclosure of information by Kubota Canada Ltd. "Kubota"

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

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

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

27. OPTIONAL SERVICES

The cardholder may subscribe to optional services or benefits supplied by independent service providers. Desjardins Group is not liable for services or benefits that it does not directly provide. In the event of a dispute, the cardholder must address the matter directly with the supplier of such services or benefits.

All terms and conditions pursuant to an optional service are specified in a distinct agreement and shall not form a part of this Agreement even where Desjardins Group collects an amount for such optional service.

The cardholder may terminate an optional service at any time during the term of the Agreement by giving **30** days notice to the service provider or such shorter period of notice as is specified in the agreement under which the service is provided.

The optional services associated with the account may be modified or terminated without notice by the service provider, unless the law provides otherwise. The cardholder must contact the service provider should he require additional information regarding the modification or termination of an optional service.

28. HEADINGS

The headings to each section of this Agreement are added for convenience and shall not be used to interpret the meaning of this Agreement.

In this Agreement, unless the context otherwise requires, any reference to gender shall include both genders and words importing the singular number shall include the plural and vice-versa.

29. ENTIRE AGREEMENT

The cardholder acknowledges having received this Agreement and the Disclosure Statement, which together constitute the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, understandings and negotiations, whether written or oral. In the event of inconsistencies between the Initial Disclosure Statement and the cardholder Agreement, the provisions of the cardholder Agreement prevail.

30. SEVERABILITY

Each of the provisions of this Agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity, legality or enforceability of any other provision hereof.

31. WAIVER AND AMENDMENT

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

32. GOVERNING LAW

This Agreement will be governed and interpreted in accordance with the laws of the province or territory in Canada where the cardholder resides or most recently resided and the laws of Canada, as applicable. If the cardholder has not resided in Canada, this Agreement will be governed by and interpreted in accordance with the laws of the Province of Ontario and Canada, as applicable.