

Loan Agreement Terms and Conditions *(unsecured or with "personal property" security only)*

1. INTERPRETATION

In these Terms and Conditions:

"Account" means the account that the Lender is authorized to debit for payments under the Loan Agreement. The Account that the Lender will debit is indicated in the Loan Agreement. You may change the Account by providing notice to the Lender.

"Amortization Period" means the amount of time to pay off the entire loan, as indicated in the Loan Agreement.

"ATB.com Online Shopping" means ATB's online shopping system that you may use to apply for or purchase an ATB product or service.

"First Payment Date" means the date you first start making payments to the Lender under the Loan Agreement, as indicated in the Loan Agreement.

"Interest" means interest calculated on the Principal Sum (or on such amount remaining outstanding when the interest calculation is made) at the Interest Rate.

"Interest Rate" means the rate of interest set out in the Loan Agreement.

"Lender" or "ATB" means Alberta Treasury Branches, operating as ATB Financial.

"Loan Agreement" means the Loan Agreement, in paper or electronic form, that sets out the terms of the loan to which you have agreed, in writing, verbally or electronically (including through ATB.com Online Shopping), and for which you have been approved by ATB. These Terms and Conditions also form part of the Loan Agreement and are deemed to be incorporated into the Loan Agreement.

"Maturity Date" means the date when the Term ends, as indicated in the Loan Agreement.

"Payment Amount" means the regular loan payment amount that you are required to pay to the Lender on each Payment Date during the Term, as indicated in the Loan Agreement.

"Payment Date" means the regular payment frequency you have selected (weekly, bi-weekly, semi-monthly or monthly) on which to make your regular loan payments, as indicated in the Loan Agreement.

"Prime Lending Rate" means the rate of interest which is established from time-to-time by the Lender to determine the rate of interest charged on Canadian dollar loans and designated, declared or commonly known as its prime lending rate.

"Principal Sum" means the amount of the loan made by the Lender to you, being the amount indicated as the Principal Sum in the Loan Agreement, payable in lawful money of Canada. Any missed (or late) payment of Interest (or any other payment to be made under the Loan Agreement) shall be added to and form part of the Principal Sum.

"Security" means the personal property that you are pledging to the Lender to secure repayment of the loan, as indicated in the Loan Agreement.

"Term" is the number of months of the term of the loan, commencing on the First Payment Date of the loan through and including the Maturity Date, all as indicated in the Loan Agreement.

"You", "your" and "yours" means each person who has applied for the loan and been approved by ATB, as named in the Loan Agreement. If this includes more than one person, "you" means each one of you.

All other capitalized terms used in these Terms and Conditions and not defined above are defined elsewhere in these Terms and Conditions.

2. PROMISE TO PAY (loan with fixed Interest Rate)

If the Interest Rate is designated as fixed in the Loan Agreement, then you promise to pay to the Lender at the branch of the Lender indicated in the Loan Agreement, or such other place in Alberta as the Lender may, in writing, direct, the Principal Sum plus Interest thereon (or on so much as, from time-to-time, remains unpaid to the Lender) at the Interest Rate, calculated daily on the then-outstanding principal balance, as well after as before maturity, default or judgment, until the Principal Sum together with Interest is paid as follows:

- a) The Principal Sum, with Interest thereon (or on so much as, from time-to-time, remains unpaid to the Lender) at the Interest Rate, is due and payable in installments of the Payment Amount on each Payment Date, commencing on the First Payment Date through and including the Maturity Date (when, subject to renewal of such loan, the balance of monies hereby owing by you to the Lender become due and payable, in full).

3. PROMISE TO PAY (loan with variable Interest Rate)

If the Interest Rate is designated as variable in the Loan Agreement, then you promise to pay to the Lender at the branch of the Lender indicated in the Loan Agreement, or such other place in Alberta as the Lender may, in writing, direct, the Principal Sum plus Interest thereon (or on so much as, from time-to-time, remains unpaid to the Lender) at the Interest Rate, calculated daily on the then-outstanding principal balance, as well after as before maturity, default or judgment, until the Principal Sum together with Interest is paid as follows:

- a) The Principal Sum, with Interest thereon (or on so much as, from time-to-time, remains unpaid to the Lender) at the Interest Rate, is due and payable in installments of the Payment Amount on each Payment Date, commencing on the First Payment Date through and including the Maturity Date (when, subject to renewal of such loan, the balance of monies hereby owing by you to the Lender become due and payable, in full).
- b) The Interest Rate will adjust automatically on the same day and proportionate to any increase (or decrease, as applicable) in the Lender's Prime Lending Rate, without the requirement of notice to you. The determination by the Lender of its Prime Lending Rate and, by extension, the Interest Rate shall be absolutely binding on you.
- c) In the event that the Prime Lending Rate changes, affecting the Interest Rate, then the Lender may adjust the Payment Amount (to reflect such changes to the Prime Lending Rate and, by extension, the Interest Rate) and send written notice to you setting forth the new Payment Amount and when same will take effect. All such notices forwarded by the Lender shall be incorporated into and form a part of the Loan Agreement and will have the effect of amending the Payment Amount stated within the Loan Agreement.

4. AUTHORIZATION TO DEBIT

The Lender may debit the Account with all monies owing under the Loan Agreement or under the Security, from time-to-time. In the event such account is held with a financial institution other than the Lender, then you agree and authorize the Lender to amend the authorization form (or comparable agreement between you and that other financial institution respecting the payments to be made under the Loan Agreement) as may be required from time to time to accord with the Loan Agreement.

5. APPROPRIATION OF PAYMENTS

Any amount received by the Lender which reduces the gross amount under the Loan Agreement will be applied in whatever manner the Lender deems fit as between principal, interest and other sums payable under the Loan Agreement.

6. PRE-PAYMENT

You are entitled to prepay the entire outstanding balance under the Loan Agreement at any time without penalty and is entitled to make partial prepayments under the Loan Agreement without penalty on any Payment Date.

7. SECURITY

As continuing security for your payment and your performance of all debts, liabilities and obligations to the Lender, howsoever arising (present and future, absolute and contingent, direct and indirect), you grant, assign, mortgage, pledge

and charge as and by way of a specific mortgage, pledge and charge, and grant a security interest (as defined in Alberta's *Personal Property Security Act*, R.S.A. 2000, c. P-7, inclusive of its *Regulations*), to and in favour of the Lender, in all personal property outlined on in the Loan Agreement and in all proceeds and renewals thereof, accessions thereto and substitutions therefor (the "**Collateral**").

If requested by the Lender, you also agree to forthwith provide the Lender with a duly-executed General Security Agreement, encompassing such Collateral, in a form and content satisfactory to the Lender.

8. EVENTS OF DEFAULT

The happening of any of the following shall constitute an event of default under the Loan Agreement ("**Event of Default**"):

- a) You fail when due:
 - i) to pay the indebtedness created hereby, or
 - ii) to perform any other obligation to the Lender.
- b) Any representation or warranty you make in the Loan Agreement or any other document or report you furnish to the Lender in respect of the Security proves to be, becomes, or is false or materially-misleading.
- c) You become insolvent or make an assignment or proposal for the benefit of your creditors, or a bankruptcy application or bankruptcy order is filed or made against you, or a receiver is appointed over you (or any part of your property), or you commit or demonstrate an intention to commit any act of bankruptcy, or you otherwise become subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, c. B-3 (as amended) or any other *Act* for the benefit of your creditors.
- d) Any execution, sequestration, extent, distress or any other like process is levied or enforced against the Security or any part thereof, or a secured party takes possession of any of the Security.
- e) In the Lender's opinion, any material adverse change occurs in your financial condition or in relation to the Security.

9. REMEDIES

Upon an Event of Default:

- a) the Lender may seize or otherwise take possession of the Collateral (or any part thereof) and sell the same by public or private sale at such price and upon such terms as the Lender, in its sole discretion, may determine and the proceeds of such sale (less all costs and expenses of the Lender, including costs as between a solicitor and its own client, on a full indemnity basis) shall be applied toward the indebtedness arising under the Loan Agreement and the surplus, if any, shall be disposed of according to law; and
- b) the Lender, in its sole discretion, may declare, in accordance with applicable law, all or any of the indebtedness arising hereby which is not by its terms payable on demand to be immediately due and payable and proceed to collect the same as provided by law.

10. COSTS AND EXPENSES

You agree to pay all costs, charges and expenses reasonably incurred by the Lender (including, without restriction, legal costs as between a solicitor and its own client, on a full indemnity basis) in:

- a) preparing the Loan Agreement, and preparing and registering the Security in connection herewith;
- b) insuring, taking custody of, preserving, maintaining, repairing, processing, preparing for disposition and disposing of the Security; and
- c) otherwise enforcing the indebtedness resulting from the Loan Agreement.

All such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Security and shall be secured thereby.

11. PERSONAL INFORMATION

Your request for or use of ATB products and services is your acknowledgement and consent that the Lender will collect, use and disclose your personal information in accordance with ATB's Personal Information: Collection, Use and Disclosure Statement ("**Privacy Statement**"). Details of ATB's commitment to protecting their customers' privacy are set out in ATB's Privacy Code. Copies of ATB's Privacy Statement and Privacy Code may be obtained at www.atb.com, from any ATB branch, or by calling ATB's Customer Care Centre at 1-800-332-8383.

12. CONSENT

For the purpose of:

- a) assisting the Lender in assessing:
 - i) your creditworthiness; or
 - ii) the ownership (or description) of any of the Security; and
- b) collecting all or any portion of the indebtedness owing by you to the Lender under the Loan Agreement, you consent to the disclosure and release to the Lender of personal information, including, without restriction, motor vehicle information from *Alberta Registries* (or any other provincial government department with jurisdiction in that area).

This consent is effective from the date you accept the terms of the Loan Agreement and shall remain in effect until all your related indebtedness, liabilities and other obligations to the Lender are completely satisfied.

13. LOAN PROTECTION

If you have applied for Loan Protection insurance, then you will have received a certificate of insurance setting out various terms and conditions applicable to Loan Protection for your loan. You agree that the premiums payable for Loan Protection may be debited from the Account or such other account as the Lender may agree to from time to time.

14. RENEWAL

Prior to expiration of the Term and in accordance with Alberta's *Fair Trading Act* R.S.A. 2000, c. F-2 (together with the *Regulations* made thereunder including, without restriction, the *Cost of Credit Disclosure Regulation*, Alta. Reg. 198/1999), the Lender may send to you a loan renewal offer presenting various options for renewal of the Loan Agreement. Provided that the Loan Agreement is not then in default and the balance of the Principal Sum with Interest thereunder is not paid in full on or before the Maturity Date, then, absent satisfactory instructions received by the Lender from you, the Loan Agreement shall be renewed effective immediately upon expiry of the Maturity Date based upon terms determined by the Lender, in its sole discretion, and the terms of the Loan Agreement (as amended thereby) will otherwise remain in full force and effect.

15. NOTICES

The Lender will send you notices and other communication by regular mail at the most recent address the Lender has for you in their records. You agree to immediately notify the Lender of any change of address. Each communication the Lender sends by regular mail will be deemed to have been received by you on the fifth day following the date that such communication is deposited at a post office with postage properly paid, unless there is a postal strike or other disruption affecting mail. In the case of a postal disruption, the Lender will send you notices and other communication by electronic means (for example, through online banking or by email).

When available, you may choose to receive other communication by electronic means and such other communication may be accessed through online banking or by email. If you request, the Lender will notify you when new electronic communication is available for viewing on online banking by sending an email to the email account you have designated

to the Lender advising you that an electronic communication is available. Any communication provided by electronic means will be considered to have been given and received on the date on which the email advising you of the availability of the electronic communication was sent or posted. If you choose to receive communications electronically, you are responsible in all circumstances (whether the Lender notifies you or not) to log on to online banking monthly to check for communications.

Any communication to one of you will be deemed sufficient communication to all of you.

16. MISCELLANEOUS

Where two or more borrowers are parties to the Loan Agreement ("**co-Borrowers**"), each of you acknowledge and agree that the terms of the Loan Agreement bind each of you, jointly and severally, and shall apply with whatever changes of grammar are necessary. Where there are co-Borrowers, each of you agree that your liability for all amounts payable under the Loan Agreement shall be joint and several.

The Lender may provide confirmations, statements or other information about the Loan Agreement to any one of you. The Lender may take instructions from any one of you, without notice to the others, to amend the terms of the Loan Agreement, or do any activity permitted by the Loan Agreement. The Lender may accept instructions from any one of you regarding the Loan Agreement by telephone or electronically as defined in the *Electronics Transactions Act* (Alberta), provided your identity can be verified to the Lender's satisfaction. Any one of you may send instructions to the Lender by email, but these email instructions are sent at your risk. Each of you acknowledge that the Lender may rely on any instructions you may send electronically or by email; however, the Lender is under no obligation to confirm receipt of the instructions. The Lender will act upon instructions you provide by telephone, electronically or by email as soon as is practical. However, the Lender reserves the right, at the Lender's sole discretion, to require joint, written instructions by all of you, to refuse any instructions that are inconsistent with the terms of the Loan Agreement, or for any other reason (including unacceptable identity verification, or suspicious or unclear instructions).

The Lender may amend the Loan Agreement at any time by providing any one of you with written notice. The first transaction with respect to the loan following the notification of an amendment to the Loan Agreement will be deemed to be acceptance of the amendment as of the effective date set out in the notice.

17. WAIVER

If the Lender fails to exercise, or delay in exercising any of the rights that the Lender has under the Loan Agreement or if, on any occasion, the Lender waives the rights that the Lender has under the Loan Agreement, this shall not be considered a waiver of any of the Lender's rights at any other time or on any other occasion.

18. SEVERABILITY

If any portion of the Loan Agreement is declared or deemed, for any reason, to be invalid or unenforceable, then the remaining portions of the Loan Agreement shall not be affected and shall remain in full force and effect.

19. CHOICE OF LAW

The Loan Agreement shall be governed in accordance with the laws in force in the Province of Alberta and you agree to submit to the exclusive jurisdiction of the courts of the Province of Alberta.

20. HEADINGS

The headings to each section of the Loan Agreement are added for convenience only and do not change the meaning of any section of the Loan Agreement.