

## **Changes to the Desjardins Payment Services Agreement**

The Desjardins Payment Services agreement has been updated to reflect our current service offer and the changes imposed by the payment networks. These changes will come into effect on **July 1, 2019**. You'll also notice that this document no longer includes Accord D Desjardins Financing Service, which will now be governed by a separate agreement.

### **The Accord D Desjardins Financing Service Agreement comes into effect**

The new Accord D Desjardins Financing Service Agreement will come into effect on **July 1, 2019**. Since you currently use the Accord D Desjardins Financing Service, you'll be bound by these modified terms and conditions as of that date.

If you don't agree with these changes, please let us know by **June 30, 2019**. You can contact us at 514-397-4450 or 1-888-285-0015. We'll close your account with no penalty, termination or other fees.

### **Main changes:**

- Requirement to sign up for Desjardins Payment Services if you'd like to offer Accord D Desjardins Financing (preamble)
- Eligibility conditions for the Accord D Desjardins Financing Service (Subsection 3.1)
- Industry-specific conditions and exclusions (Paragraph 3.3.6)
- Term of the agreement: 1 year (Section 13)
- No fees for termination without breach (Paragraph 13.2.2)

Please go over the table below to learn more about the changes being made to the Accord D Desjardins Financing Service Agreement, which will come into effect on **July 1, 2019**. This table outlines the main changes being made and can help you as you read the new agreement. However, you are still responsible for reading through the entire new agreement and taking note of all changes made. If there is a discrepancy between this table and the new agreement, the new agreement prevails. Please note that this table does not include any sections for which only the numbering changed.

Until June 30, 2019	From July 1, 2019
<p>DESJARDINS PAYMENT SERVICES AGREEMENT BETWEEN : THE FÉDÉRATION DES CAISSES DESJARDINS DU QUÉBEC (THE "FEDERATION") AND THE MERCHANT AS INDICATED ON ITS DESJARDINS PAYMENT AND FINANCING SOLUTIONS APPLICATION FORM OR ON ANY OTHER DIGITALLY-RECORDED DESJARDINS PAYMENT SERVICES APPLICATION (THE "MERCHANT"), DURING ITS INITIAL ENROLMENT IN ONE OR SEVERAL DESJARDINS PAYMENT SERVICES OR ANY SUBSEQUENT ENROLMENT THEREAFTER.</p>	<p>THE FÉDÉRATION DES CAISSES DESJARDINS DU QUÉBEC (THE "FEDERATION") AND THE MERCHANT AS INDICATED ON ITS DESJARDINS PAYMENT AND FINANCING SOLUTIONS APPLICATION FORM AND ON ANY SUBSEQUENT APPLICATION WHEN REQUESTING ADDITIONNAL DESJARDINS PAYMENT SERVICES ("THE MERCHANT"). IT BEING UNDERSTOOD THAT THE MERCHANT HAS ENROLLED TO THE FEDERATION'S PAYMENT SERVICES, AND THAT ENROLMENT IN THESE PAYMENT SERVICES IS A PREREQUISITE FOR BENEFITTING FROM ACCORD D FINANCING SERVICES, THE PARTIES AGREE TO THE FOLLOWING:</p>
<p><b>1. ACCEPTANCE OF USER TERMS AND CONDITIONS</b></p> <p>WHEN THE MERCHANT FIRST USES OR FIRST ALLOWS THE USE OF EACH OF THE DESJARDINS PAYMENT SERVICES THAT IT HAS APPLIED FOR ON ITS DESJARDINS PAYMENT SERVICES APPLICATION OR ON ANY SUBSEQUENT APPLICATION OR ANY OTHER DIGITALLY-RECORDED DESJARDINS PAYMENT SERVICES APPLICATION, IT AGREES AND UNDERTAKES TO COMPLY WITH EACH AND EVERY TERM AND CONDITION OF USE SET OUT IN THIS AGREEMENT AND GOVERNING EACH OF THE DESJARDINS PAYMENT SERVICES.</p> <p>The Merchant agrees that it shall not enter into any other agreement with a third party having the same goal or purpose as any of the Desjardins Payment Services governed by this Agreement that the Merchant selected either on its Desjardins payment and financing solutions Application Form or on any subsequent application or any other digitally-recorded application, except as authorized in writing by the Federation.</p> <p>Any Merchant associated with a banner, association or group that negotiated a specific and binding agreement with the Federation is asked to contact the franchisor, association or head office of the group to which it belongs to obtain a copy of that agreement and examine the terms and conditions thereof.</p>	<p><b>1. ACCEPTANCE OF USER TERMS AND CONDITIONS</b></p> <p>WHEN THE MERCHANT FIRST USES OR FIRST ALLOWS THE USE OF THE ACCORD D DESJARDINS FINANCING SERVICE THAT IT HAS APPLIED FOR ON ITS APPLICATION FORM OR ON ANY SUBSEQUENT APPLICATION FOR ANY DESJARDINS PAYMENT SERVICE, IT AGREES AND UNDERTAKES TO COMPLY WITH EACH AND EVERY TERM AND CONDITION OF USE SET OUT IN THIS AGREEMENT AND GOVERNING THE ACCORD D DESJARDINS FINANCING SERVICE.</p> <p>THE MERCHANT AGREES THAT IT SHALL NOT ENTER INTO ANY OTHER AGREEMENT WITH A THIRD PARTY HAVING THE SAME GOAL OR PURPOSE AS THE ACCORD D DESJARDINS FINANCING SERVICE, EXCEPT AS AUTHORIZED IN WRITING BY THE FEDERATION.</p> <p>ANY MERCHANT ASSOCIATED WITH A BANNER, ASSOCIATION OR GROUP THAT NEGOTIATED A SPECIFIC AND BINDING AGREEMENT WITH THE FEDERATION IS ASKED TO CONTACT THE FRANCHISOR, ASSOCIATION OR HEAD OFFICE OF THE GROUP TO WHICH IT BELONGS TO OBTAIN A COPY OF THAT AGREEMENT AND EXAMINE THE TERMS AND CONDITIONS THEREOF.</p>
<p><b>2. DEFINITIONS</b></p> <p>In this Agreement and any ancillary documents, the following words and expressions shall have the meanings given below unless explicitly stated otherwise or the context indicates a different meaning.</p>	<p><b>2. DEFINITIONS</b></p> <p>The terms and expressions defined in this Agreement have the same meaning that was given to them in the Desjardins Payment Services Agreement, except those terms and expressions below, which have the meaning given to them in this document: (see definitions)</p>
<p>2.9 "<b>Card Organization</b>" means, (i) Visa Corporation Canada and Visa Inc. in the case of the Visa Merchant Service; (ii) Mastercard Canada Inc. and Mastercard International Inc. in the case of the Mastercard Merchant Service; (iii) Interac® Corp. in the case of the Desjardins Direct Payment Service; and (iv) any Additional Credit Card issuer in the case of the Additional Credit Card Merchant Service;</p>	<p>2.6 "<b>Desjardins Credit Card</b>" means a Visa, Mastercard or private-label credit card issued by the Federation;</p>

<p>N/A</p>	<p>2.7 <b>“Desjardins Payment Services Agreement”</b> means the agreement reached between the merchant and the Federation, governing the Desjardins Payment Services that the Merchant requested in its Application form;</p>
<p>2.7 <b>“Application Form”</b> means the Desjardins payment and financing solutions application form filled out by the Merchant when it, without limitation, applies for one or more Desjardins payment and financing services, subsequently adds a service, or applies for one or more Desjardins payment and financing services by means of a digitally-recorded application;</p>	<p>2.3 <b>“Application Form”</b> means the Desjardins Payment and Accord D Financing Solutions application form filled out by the Merchant when it, without limitation, applies for one or more Desjardins payment and Accord D financing services, subsequently adds a service, or applies for one or more Desjardins payment and Accord D financing services by means of a digitally recorded application;</p>
<p>2.31 <b>“Fee Schedule”</b> means any fee schedule that may be attached to the Application Form for any of the Desjardins Payment Services, as well as any related document that may be provided to the Merchant at the time of its application, when opening its Merchant account or thereafter;</p>	<p>2.10 <b>“Rate Schedule”</b> means any rate schedule that may be attached to the Application Form, as well as any related document that may be provided to the Merchant at the time of its application, when opening its Merchant Account or thereafter;</p>
<p><b>4. DESJARDINS FINANCING SERVICE</b></p> <p><b>4.1 ELIGIBILITY</b></p> <p>To be entitled to the Desjardins Financing Service, the Merchant must not be an “itinerant merchant” within the meaning of the term in the Consumer Protection Act (Quebec) (R.S.Q. Chapter P-40.1) or other legislation applicable outside Quebec defining the concept of “itinerant merchant” or any similar concept. The Federation reserves the right to terminate this Agreement in whole or in part if the Merchant benefiting from the Desjardins Financing Service fails to meet this eligibility criterion.</p>	<p><b>3. ACCORD D DESJARDINS FINANCING SERVICE</b></p> <p><b>3.1 Eligibility</b></p> <p>To be entitled to the Accord D Desjardins Financing Service, the Merchant must meet the following eligibility criteria:</p> <p>3.1.1 It must have enrolled to the Desjardins Payment Service provided by the Federation (POS terminal);</p> <p>3.1.2 Have a brick-and-mortar location, which means having a physical establishment clearly identified with its name, open to the public, for commercial purposes, unless the Merchant is:</p> <p>A) A APCHQ member with APCHQ certification (formerly the Réno-Maître network); or</p> <p>B) A campground owner who resides on the premises.</p> <p>3.1.3 It must not solicit customers, in person, door-to-door, by telephone, by mail or by internet, outside of the location where the Merchant’s business is established, in order to sell them a product or service. The Merchant must not be an “itinerant merchant” within the meaning of the term in the Consumer Protection Act (RLRQ Chapter P-40.1) and other applicable legislation, as may be modified or amended from time to time, or in other legislation applicable outside Quebec defining the concept of “itinerant merchant” or any similar concept. The Merchant may, however, visit the customer upon the customer’s request when the customer is ready to purchase the Merchant’s products or services (e.g., appliance repair).</p>

	The Federation reserves the right to terminate this Agreement in whole or in part if the Merchant no longer meets one of these eligibility criteria.
<p><b>4.2 PROCEDURES</b></p> <p>The Merchant undertakes to follow the procedures pertaining to the four financing methods offered as part of the Desjardins Financing Service, namely Deferred Payment Financing, Equal Instalment Financing, Deferred Equal Instalment Financing and Multiple Purchase Equal Instalment Financing. The Merchant acknowledges having received initial training in respect thereof and having received all required documentation describing the appropriate procedures to be followed.</p>	<p><b>3.2 PROCEDURES</b></p> <p>The Merchant undertakes to follow the procedures pertaining to the four financing methods offered as part of the Accord D Desjardins Financing Service, namely Deferred Payment Financing, Equal Instalment Financing, Deferred Equal Instalment Financing and Multiple Purchase Equal Instalment Financing. The Merchant acknowledges having received initial training in respect thereof and having received all required documentation describing the appropriate procedures to be followed.</p>
<p><b>4.3 MERCHANT’S OBLIGATIONS</b></p> <p>4.3.1 The Merchant shall send to the Federation, for each of its customers, an application for financing and a Desjardins Credit Card or Private Label Credit Card (“Applications” for the purposes of this section).</p>	<p><b>3.3 MERCHANT OBLIGATIONS</b></p> <p>3.3.1 The Merchant shall send to the Federation, for each of its customers that do not own a Desjardins Credit Card, an application for financing and for a Desjardins Credit Card (“Application” for the purposes of this section).</p>
<p>4.3.2 Processing</p> <p>B) Unless specifically indicated otherwise in the Guides and Instructions, the Merchant that sends Applications through a Web Application undertakes to archive the originals of the Applications and the transaction slips for a period of seven (7) years (in this paragraph, the “Retention Period”). During this Retention Period, the Federation may at any time request them. If for any reason the Merchant cannot produce an Application or a transaction slip, it shall assume any damages that might arise from the said loss, and it expressly authorizes the Federation to debit its Merchant Account accordingly, where applicable. Following transmission of a notice to that effect by the Federation pursuant to Section 24.1 of this Agreement, the Merchant shall have five (5) business days to send the Applications and transaction slips to the Federation at the address designated in its Application Form. Until the Retention Period expires, the Merchant shall be responsible for any Applications and transaction slips, and shall keep such material in a reserved location accessible only to designated members of its personnel.</p>	<p>3.3.2 Processing</p> <p>B) Unless specifically indicated otherwise in the Guides and Instructions, the Merchant that sends Applications and point-of-sale transaction slips through a Web Application undertakes to archive the originals of the Applications and transaction slips for a period of seven (7) years (in this paragraph, the “Retention Period”). During this Retention Period, the Federation may at any time request them. If for any reason the Merchant cannot produce an Application or a transaction slip, it shall assume any damages that might arise from the said loss, and it expressly authorizes the Federation to debit its Merchant Account accordingly, where applicable. Following transmission of a notice to that effect by the Federation pursuant to section 17.1 of this Agreement, the Merchant shall have five (5) business days to send the Applications and transaction slips to the Federation at the address designated in its Application Form. Until the Retention Period expires, the Merchant shall be responsible for any Applications and transaction slips, and shall keep such material in a reserved location accessible only to designated members of its personnel.</p>
N/A	<p>3.3.6 Other conditions: In addition to the terms set forth in this Agreement, and notwithstanding any provision to the contrary, the Merchant undertakes to respect all of the specific conditions and exclusions applicable to the industry (or industries) in which it operates, which are listed in detail in the Appendix to this Agreement.</p>
<p><b>4.5 VALIDITY OF INFORMATION</b></p> <p>4.5.1 Notwithstanding any provision to the contrary in this Agreement, the Merchant shall act as the Federation’s agent to the extent required by law, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, for the purposes of verifying the identity of the Merchant’s customers who are not Cardholders of Desjardins Credit Card or Private</p>	<p><b>3.5 VALIDITY OF INFORMATION</b></p> <p>3.5.1 Notwithstanding any provision to the contrary in this Agreement and the Desjardins Payment Services Agreement, the Merchant shall act as the Federation’s agent to the extent required by law, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, for the purposes of verifying the identity of the Merchant’s customers who are not</p>

<p>Label Credit Cards, as well as for any other purpose provided for by law. The Merchant's obligations as the Federation's agent pursuant to Section 4.5.1 are more fully detailed in the Guides and Instructions, including with respect to the identification documents to be examined or verified and information to be sent to the Federation.</p>	<p>Cardholders of Desjardins Credit Cards, as well as for any other purpose provided for by law. The Merchant's obligations as the Federation's agent pursuant to Paragraph 3.5.1 are more fully detailed in the Guides and Instructions, including further clarification on the identification documents to be examined or verified and the information to be sent to the Federation.</p>
<p>4.6.1 The Merchant agrees to comply with the Consumer Protection Act (Quebec) (RLRQ, c. P-40.1), and in particular its provisions respecting distance contracts, as well as any other similar law applicable outside Quebec defining the notion of "distance contract" or any similar notion;</p>	<p>3.6.1 The Merchant undertakes to comply with all laws applicable in the provinces where it does business, including but not limited to, applicable consumer protection laws. Without limiting the generality of the foregoing, the Merchant agrees to comply with the Consumer Protection Act (Quebec) (RLRQ, chapter P-40.1), including its provisions respecting distance contracts, as well as any other similar law applicable outside of Quebec defining the notion of "distance contract" or any similar notion;</p>
<p>4.6.2 The Merchant acknowledges that any Transaction for orders made over the internet, even if the said Transaction has been authorized, constitutes a Transaction Not Read Electronically for the purposes of this Agreement. Therefore, the provisions of Section 3.3 shall apply to all such orders.</p>	<p>3.6.2 The Merchant acknowledges that any Transaction pertaining to an order made over the internet, even if the said Transaction has been authorized, constitutes a Transaction Not Read Electronically for the purposes of this Agreement. Therefore, the provisions of Subsection 3.3 of the Desjardins Payment Services Agreement shall apply to all such Transactions.</p>
<p>4.6.3 The Merchant agrees to obtain a Secure Payment Gateway in accordance with Section 5 of this Agreement;</p>	<p>3.6.3 The Merchant undertakes to obtain a Secure Payment Gateway in accordance with Section 4 of the Desjardins Payment Services Agreement;</p>
<p><b>4.7 PROVISIONS OF SECTION 3 OF THE AGREEMENT ARE APPLICABLE</b> The Desjardins Financing Service and any related Transactions are subject to the provisions of Section 3 of this Agreement where applicable, including Section 3.4.</p>	<p><b>3.7 APPLICATION OF THE PROVISIONS OF SECTION 3 OF THE DESJARDINS PAYMENT SERVICES AGREEMENT</b> The Accord D Desjardins Financing Service and any related Transactions are subject to the provisions of Section 3 of the Desjardins Payment Services Agreement where applicable, including Subsection 3.4.</p>
<p><b>8. MERCHANT ACCOUNT</b> 8.1 To benefit from any of the Desjardins Payment Services, the Merchant must have and maintain an account at the Canadian financial institution it identified when the Application Form was completed. The Merchant may also hold other accounts for the same purposes, which shall then be deemed to form part of a single Merchant Account for the purposes of this Agreement. However, the Merchant must have a Merchant Account for each of its addresses.</p>	<p><b>4. MERCHANT ACCOUNT</b> 4.1 To benefit from the Accord D Desjardins Financing Service, the Merchant must have and maintain an account at the Canadian financial institution it identified when the Application Form was completed. The Merchant may also hold other accounts for the same purposes, which shall then be deemed to form part of a single Merchant Account for the purposes of this Agreement. However, the Merchant must have a Merchant Account for each of its addresses.</p>
<p><b>10. FEES</b> The Merchant acknowledges having received the Fee Schedule and any related document establishing the fees payable for the Desjardins Payment Services, having read and understood the said schedule and documents, and states that it is satisfied therewith. Therefore, the Merchant undertakes for the term of this Agreement:  10.1 to pay the Federation, for each Place of Business designated in the Fee Schedule or on any subsequent</p>	<p><b>5. FEES</b> The Merchant acknowledges having received the Rate Schedule and any related document establishing the fees payable for the Accord D Desjardins Financing Service, having read and understood the said schedule and documents, and states that it is satisfied therewith. Therefore, the Merchant undertakes for the term of this Agreement:  5.1 to pay the Federation, for each Place of Business and for each merchant file number, the applicable fees related to the Accord D Desjardins Financing Service;</p>

<p>application, the applicable fees related to the Desjardins Payment Services;</p> <p>10.2 to pay the file setup fees charged upon the issuance of its first statement of account;</p> <p>10.3 to pay in advance, for each Terminal supplied by the Federation, the monthly rental fees agreed on from time to time and which the Federation may automatically debit from its Merchant Account as stipulated in Section 11 hereof; and</p> <p>10.4 to pay the Federation's fees or those of its authorized representatives or external auditors resulting from the exercise of its audit right provided for in Section 5.2.4, in the event that the audit reveals a breach by the Merchant of its obligations;</p> <p>The fees set out in the Fee Schedule may be changed in accordance with Section 21.1 hereof.</p>	<p>5.2 to pay the Federation's fees or those of its authorized representatives or external auditors resulting from the exercise of its audit right provided for in Section 9 of this Agreement, in the event that the audit reveals a breach by the Merchant of its obligations;</p> <p>The fees set out in the Rate Schedule may be changed in accordance with Subsection 14.1 hereof.</p>
<p><b>11. PAYMENT AND INDEBTEDNESS</b></p> <p>11.1 The following amounts chargeable against the Merchant constitute a debt payable on demand to the Federation and, as such, may be debited from its Merchant Account by the Federation without prior notice or deducted from the amounts of the Invoices remitted by the Merchant to the Federation:</p> <p>A) any amount owing by the Merchant under this Agreement or the Fee Schedule or arising from the application thereof, including the amounts payable under the regulations and rules of a Card Organization or pursuant to an obligation towards a third party caused by any of the Desjardins Payment Services from which the Merchant benefits;</p> <p>B) all the fees payable under this Agreement, including, but not limited to, those set out in Section 10;</p> <p>C) all adjustments payable by the Merchant, as well as the amount of any applicable tax; and</p> <p>D) any cancelled credit or credit voucher issued by the Merchant;</p> <p>Where the Merchant does not have sufficient funds in its Merchant Account, it agrees to pay the amount remaining unpaid to the Federation upon request.</p>	<p><b>6. PAYMENT AND INDEBTEDNESS</b></p> <p>6.1 The following amounts chargeable against the Merchant constitute a debt payable on demand to the Federation and, as such, may be debited from its Merchant Account by the Federation without prior notice or deducted from the amounts of the Invoices remitted by the Merchant to the Federation:</p> <p>A) any amount owing by the Merchant under this Agreement or the Rate Schedule, or arising from the application thereof;</p> <p>B) all the fees payable under this Agreement, including, but not limited to, those set out in Section 5;</p> <p>C) all adjustments payable by the Merchant, as well as the amount of any applicable tax.</p> <p>Where the Merchant does not have sufficient funds in its Merchant Account, it agrees to pay the amount remaining unpaid to the Federation upon request.</p> <p>6.2 The amounts set out in Subsections 5.1 and 6.1 may be debited from the Merchant Account on the date indicated in each monthly statement sent to the Merchant, regardless of the manner in which such statement is transmitted or when the amounts become payable to the Federation by the Merchant under this Agreement. These debits shall vary depending on what amounts the Merchant owes to the Federation. The Merchant agrees that the financial institution where the Merchant Account is held shall not be bound to verify the payment deducted in accordance with Subsection 6. The Merchant acknowledges that the debit authorization granted to the Federation under this Section 6 is tantamount to granting that authorization to the financial institution.</p>
<p><b>12. LIABILITY AND INDEMNIFICATION</b></p> <p><b>12.1 LIMITATION OF LIABILITY</b></p>	<p><b>7. LIABILITY AND INDEMNIFICATION</b></p> <p><b>7.1 LIMITATION OF LIABILITY</b></p>

12.1.1 The Federation shall not be liable for any of the following:

A) indirect, special, consequential, punitive or exemplary damages incurred by the Merchant or by a third party as a result of this Agreement or the use of any of the Desjardins Payment Services by the Merchant. Without limiting the generality of the foregoing, the Federation shall not be liable for any indirect, special, consequential, punitive or exemplary damages incurred by the Merchant or by a third party as a result of the use by the Merchant of a Third Party Complementary Service or a service for operations excluded from the Additional Credit Card Merchant Service;

B) subject to Section 12.1.2, claims, losses, fees or damages, including a shortfall or loss of profits (in this Section, the "Damages") resulting from the interruption or malfunction of the Desjardins Payment Services, Third Party Complementary Services or services for the purposes of the operations excluded from the Additional Credit Card Merchant Service, for any reason whatsoever, including but not limited to a cause that is beyond its control, or a strike or lock-out;

C) damages resulting from the use, the failure to use or errors made in connection with the use of the Desjardins Payment Services, Third Party Complementary Services or services for the purposes of the operations excluded from the Additional Credit Card Merchant Service, for any reason whatsoever;

D) damages resulting from any advertising, promotion or use of Notes or Intellectual Property Rights that is in breach of Section 17 or 18 of this Agreement;

E) damages arising from the inclusion or omission of the Notes or any other particulars in any advertising, where the said Notes or other particulars are for a purpose other than that of the Notes that may be provided by the Federation;

F) damages caused to the Merchant or to the Cardholder of the Debit Card, Credit Card or Private Label Credit Card resulting from the use of a Merchant's Point of Sale Equipment or Concentrator. The Federation in no way warrants that said Equipment or Concentrator is suited to the Desjardins Payment Services or will ensure continuous or uninterrupted operation of said Services;

G) the malfunction or interruption of the Desjardins Payment Services or other inconveniences attributable to any of the following: a Merchant's Point of Sale Equipment or Concentrator; the installation thereof; an electrical or telephone system to which a Terminal is connected, if any; any act or omission of a subcontractor or third party not authorized

7.1.1 The Federation shall not be liable for any of the following:

A) indirect, special, consequential, punitive or exemplary damages incurred by the Merchant or by a third party as a result of this Agreement or the use of the Accord D Desjardins Financing Services by the Merchant;

B) claims, losses, fees or damages, including a shortfall or loss of profits (referred to as "Damages" in this section), resulting from the interruption or malfunction of the Accord D Desjardins Financing Service, for any reason whatsoever, including but not limited to a cause that is beyond its control, or a strike or lock-out;

C) Damages resulting from the use, the failure to use, or errors made in connection with the use of the Accord D Desjardins Financing Service, for any reason whatsoever;

D) Damages resulting from any advertising, promotion or use of legal notes provided by the Federation or of Intellectual Property Rights that is in breach of Section 11 of this Agreement;

E) Damages arising from the inclusion or omission of the legal notes or any other particulars in any advertising, where the said notes or other particulars are for a purpose other than that of the notes that may be provided by the Federation;

7.1.2 In addition to the specific indemnification obligations stipulated in this Agreement, the Merchant agrees to the following:

A) hold the Federation harmless against any suit, third party claim or damages of any nature whatsoever related to the failure by the Merchant to comply with this Agreement, including the Guides and Instructions, and to use the Accord D Desjardins Financing Service in accordance with the conditions stipulated herein, and to indemnify the Federation for all damages and interest it may sustain and for all extrajudicial costs it may incur in this respect

B) hold the Federation harmless against any suit or claim of a third party that may sustain injuries or property damage not attributable to the Federation's negligence but resulting from the Accord D Desjardins Financing Service, and to reimburse the Federation for the damages incurred, as well as for the legal fees and extrajudicial costs that it has incurred in this respect.

7.2 The Federation does not warrant that the Accord D Desjardins Financing Service will function without error or interruption. Similarly, the Federation grants no warranty except as stipulated in this Agreement, and such warranties supersede any other warranty, whether expressed or implied, including any legal warranty.

7.3 The Merchant acknowledges and agrees that any conflict concerning the quality of the services or goods provided by the

by the Federation; a labour dispute; or any other event the cause of which is beyond the Federation's control; and

H) any evaluation of the condition of any of the Merchant's Point of Sale Equipment or Concentrator that may be done when providing consulting, troubleshooting or maintenance services for the Terminal or the Desjardins Payment Services.

12.1.2 The Federation acknowledges that it is responsible for ensuring accurate processing of Transactions made through its Desjardins Payment Services. However, the Merchant agrees to verify within thirty (30) days of being remitted or made available, including through the monthly statement regardless of the mode of transmission thereof, all debits and credits entered in its Merchant Account as a result of this Agreement, including, without limitation, the credits entered in such Account and resulting from Credit Card Transactions or Private Label Credit Card Transactions, subject to Section 3.4.3, or Debit Card Transactions, or all the debits resulting from fees charged hereunder, to ensure that they do not contain any irregularity, error or omission. In the event of such irregularity, error or omission, the Merchant agrees to immediately notify the Federation thereof in writing within the thirty (30) day period provided above. If the Merchant fails to comply with the foregoing obligations, it hereby releases the Federation from any liability and waives any recourse it may have pertaining to such debits and credits, thereby accepting the regularity and accuracy thereof.

## **12.2 INDEMNIFICATION**

12.2.1 In addition to the specific indemnification obligations stipulated in this Agreement, the Merchant agrees to the following:

A) hold the Federation harmless against any suit, third party claim or damages of any nature whatsoever related to the failure by the Merchant to comply with this Agreement, including the Guides and Instructions, and to use the Desjardins Payment Services in accordance with the conditions stipulated herein, and to indemnify the Federation for all damages and interest it may sustain and for all extrajudicial costs it may incur in this respect;

B) hold the Federation harmless against any suit, third party claim or damages of any nature whatsoever a) by a Cardholder in respect of a Credit Card Transaction or Private Label Credit Card Transaction evidenced by an Invoice, b) by any person from whom the Merchant has reclaimed or attempted to reclaim a Credit Card or Private Label Credit Card after the Merchant was requested to do so, and c) by any person owing to an act or omission by the Merchant or the unauthorized use of the Visa Merchant Service or Mastercard Merchant Service, and to reimburse the Federation for the damages

Merchant following a Transaction made through the Accord D Desjardins Financing Service, only concerns the Merchant and the customer involved without in any way involving the Federation.



sustained, as well as for the legal fees and extrajudicial costs that it has incurred in this respect;

C) hold the Federation harmless and bear the cost of the repair or replacement of any Terminal provided to it by the Federation required by any damage (except for normal wear and tear) or resulting from the loss, destruction or alteration thereof, including, without limitation, any damage caused by a fortuitous event, force majeure, fire, theft, a problem with the installation or power supply, vandalism or any other cause attributable to the Merchant's negligence or improper use of said Terminal; and

D) hold the Federation harmless against any suit or claim of a third party that may sustain injuries or property damage not attributable to the Federation's negligence but resulting from any of the Desjardins Payment Services, and to reimburse the Federation for the damages incurred, as well as for the legal fees and extrajudicial costs that it has incurred in this respect.

12.2.2 The Merchant shall be liable for any damage resulting from the access gained by its authorized users or by any other person, as well as any access gained by means of an electronic tablet, smartphone or other device, or other sales-facilitating tool that it uses in the normal course of its commercial activities. The Merchant agrees to notify the Federation of any change regarding the users who are authorized to access its file stored on any Web Application or Mobile Application, any portal or any other system made available to it by the Federation to facilitate management of its Desjardins Payment Services. Without limiting the generality of the foregoing, the Merchant shall, as soon as possible after any such change, notify the Federation thereof so that the latter may deactivate or take any measure whatsoever to remove a user from its file. Furthermore, the Merchant shall notify the Federation the moment it becomes aware that an unauthorized person has accessed or attempted to access its file stored on any Web Application or Mobile Application, portal or other system made available to it by the Federation to facilitate management of its Desjardins Payment Services as well as any electronic tablet, smartphone or other device, or other salesfacilitating tool used by it in the normal course of its commercial activities.

12.2.3 The Merchant shall be liable for any problem accessing the Desjardins Payment Services due to the failure on its part to comply with this Agreement, or due to the facilities reserved for the Terminal, the power supply, electrical installation, communications network or internet; the Merchant releases the Federation from any responsibility for the foregoing. The Merchant agrees to indemnify the Federation for any damage to or problem at a Terminal caused by an inked ribbon, paper roll, the Merchant's Point of Sale Equipment, the power supply, a communications network or the internet.

<p>12.3 The Federation does not warrant that the Desjardins Payment Services or the Third Party Complementary Services will function without error or interruption. Similarly, the Federation grants no warranty except as stipulated in this Agreement, and such warranties supersede any other warranty, whether expressed or implied, including any legal warranty.</p> <p>12.4 The Merchant acknowledges and agrees that any conflict concerning the quality of the services or goods provided by the Merchant following a Transaction made through the Desjardins Payment Services, only concerns the Merchant and the customer involved without in any way involving the Federation.</p> <p>12.5 Section 12 survives the termination of this Agreement regardless of the reason for such termination.</p>	
<p><b>13.3 MERCHANT’S FAILURE TO COMPLY</b></p> <p>In addition to the other rights of the Federation provided in this Agreement, in the event the Merchant fails to comply with its obligations under this Section 13:</p> <p>13.3.1 the Federation may, without prior notice and at its sole discretion, interrupt any Desjardins Payment Service and advise the relevant Card Organization; and</p> <p>13.3.2 the Merchant shall be liable and agrees to indemnify and hold harmless the Federation against any damages, penalty, fine, claim and other expenses the Federation might incur, such as legal, extrajudicial, auditing, investigation, monitoring and/or reissuing fees, as the case may be, resulting from such a breach on the part of the Merchant.</p>	<p><b>8.2 MERCHANT’S FAILURE TO COMPLY</b></p> <p>In addition to the other rights of the Federation provided in this Agreement, in the event the Merchant fails to comply with its obligations under Section 8:</p> <p>8.2.1 the Federation may, without prior notice and at its sole discretion, interrupt the Accord D Desjardins Financing Service;</p> <p>8.2.2 the Merchant shall be liable and agrees to indemnify and hold harmless the Federation against any damages, penalty, fine, claim and other expenses the Federation might incur, such as legal, extrajudicial, auditing, investigation, monitoring and/or re issuing fees, as the case may be, resulting from such a breach on the part of the Merchant.</p>
<p><b>14. AUDIT RIGHT</b></p> <p>14.1 The Merchant agrees to allow the Federation or any of the Card Organizations or associations referred to in Section 13.2.1 to inspect its premises and the Merchant’s Computer Systems to verify that (i) the files relating to the Transactions, including the Drafts, Invoices and Statements, are maintained in accordance with the Merchant’s obligations set forth in this Agreement; (ii) the information referred to in Section 13 is processed and stored in a confidential and secure manner in accordance with this Agreement; (iii) the Merchant’s Computer Systems comply with the standards prescribed in the Guides and Instructions and the PCI DSS, and the standards referred to in Section 13.2.1; and (iv) the Merchant complies with its other obligations under this Agreement. The Merchant further agrees to allow the Federation to inspect any Terminal in order to ascertain the integrity of its application and of the Terminal.</p> <p>14.2 The Merchant agrees to cooperate with the Federation and any entity referred to in Section 14.1 in the exercise of its</p>	<p><b>9. AUDIT RIGHT</b></p> <p>9.1 The Merchant agrees to allow the Federation to inspect its premises and Computer Systems to verify that (i) the files relating to Transactions, including the Drafts, Invoices and Statements, are maintained in compliance with the Merchant obligations set forth in this Agreement; (ii) the information referred to in Section 8 is processed and stored in a confidential and secure manner in accordance with this Agreement; and (iii) the Merchant complies with its other obligations under this Agreement.</p> <p>9.2 The Merchant agrees to cooperate with the Federation in the exercise of its audit rights, particularly regarding information on the Transactions.</p> <p>9.3 As part of the inspections referred to in this Agreement, specifically in Subsections 9.1 and 9.2, and upon any renewal of the service or program provided for herein, the Merchant agrees to provide all financial statements as well as any financial information that may concern the Merchant or its</p>

audit rights, particularly regarding the loss or theft of the names of Cardholders, card numbers or any other information on the Transactions.

14.3 As part of the inspections referred to in this Agreement, specifically in Sections 14.1 and 14.2, and upon any renewal of the service or program provided for herein, the Merchant agrees to provide all financial statements as well as any financial information that may concern the Merchant or its subsidiaries, its parent corporation or any other member of its group that the Federation may request. The Merchant specifically agrees to take any measure required to provide the said documents within a commercially reasonable timeframe.

**17. INTELLECTUAL PROPERTY**

The Merchant agrees that all the Intellectual Property Rights, as well as any other right, title and interest in respect of the concepts, techniques, ideas, information and equipment, regardless of the medium (including images or data) provided to the Merchant by the Federation shall at all times remain the exclusive property of the Federation or, if applicable, of Groupe Monetico International Inc. or of the suppliers with which the Federation has signed an agreement, and that the use of these concepts, techniques, ideas, information and equipment, regardless of the medium (including images or data) is subject to the guidelines and instructions of the Federation, Groupe Monetico International Inc. or the suppliers with which the Federation has signed an agreement.

**18. ADVERTISING AND TRADEMARKS**

18.1 The Merchant undertakes to display in plain view in its premises the standard vignettes and posters provided by the Federation, indicating that Credit Cards and Debit Cards are accepted for payment purposes.

18.2 The Merchant undertakes to obtain prior written approval from the Federation before using any content covered by intellectual property rights belonging to a Card Organization or the Federation, such as logos, brands, or texts prepared by the Federation, including on any promotional or advertising materials. The Merchant undertakes to comply with the directives given to it by the Federation with respect to the use of such content and to cease any such use upon written request from the Federation. Without limiting the generality of the foregoing, the Merchant undertakes to obtain prior written approval from the Federation before using any materials featuring any of the following visibility elements:

18.2.1 the name of the Federation or one of its brands and the name of Groupe Monetico International Inc.

subsidiaries, its parent corporation or any other member of its group that the Federation may request. The Merchant specifically agrees to take any measure required to provide the said documents within a commercially reasonable timeframe.

**11. INTELLECTUAL PROPERTY**

The Merchant agrees that all the Intellectual Property Rights, as well as any other right, title and interest in respect of the concepts, techniques, ideas, information and equipment/material, regardless of the medium (including images or data) provided to the Merchant by the Federation shall at all times remain the exclusive property of the Federation or of the suppliers with which the Federation has signed an agreement, and that the use of these concepts, techniques, ideas, information and equipment/material, regardless of the medium (including images or data) is subject to the guidelines and instructions of the Federation, or of the suppliers with which the Federation has signed an agreement.

11.1 The Merchant undertakes to obtain prior written approval from the Federation before using any content covered by Intellectual Property Rights belonging to the Federation, such as logos, brands, or texts prepared by the Federation, including on any promotional or advertising materials. The Merchant undertakes to comply with the directives given to it by the Federation with respect to the use of such content, including but not limited to the directives contained in the Guides and Instructions, and to cease any such use upon written request from the Federation. Without limiting the generality of the foregoing, the Merchant undertakes to obtain prior written approval from the Federation before using any of the materials featuring the name of the Federation or any of its trademarks.

11.2 When the Federation approves material pursuant to Subsection 11.1, its approval is limited to the appropriate manner of presenting the visibility elements described in this section and does not pertain to the legality of the content of the material, such as with respect to the applicable law covering advertising materials, which remains the entire responsibility of the Merchant. The Merchant alone shall be responsible for the legality of the contents of advertising associated with its products and services. The Merchant understands and accepts that under this Agreement, the Federation does not provide the Merchant legal advice with respect to the legality of the content of any of the Merchant's

18.2.2 the Visa Brand Mark; the Visa Brand Mark with Electron Identifier; any other Visa-owned marks; or any material on which these brands or stripes are reproduced.

18.2.3 the Mastercard® trademark; the distinctive interlocking circles; any other Mastercard-owned marks; or any material on which these brands or patterns are reproduced.

18.2.4 the Interac® trademark or any other mark owned by Interac Corp., or on which these brands are reproduced.

18.3 When the Federation approves material pursuant to Section 18.2, its approval is limited to the appropriate manner of presenting the visibility elements described in this section and does not pertain to the legality of the content of the material, such as with respect to the applicable law covering advertising materials, which remains the entire responsibility of the Merchant. The Merchant alone shall be responsible for the legality of the contents of advertising associated with its products and services. The Merchant understands and accepts that under this Agreement, the Federation does not provide the Merchant legal advice with respect to the legality of the content of any of the Merchant’s advertising, including advertising requiring the approval of the Federation under Section 18.2.

18.4 The Merchant acknowledges that (i) the Visa name and any name or logo related thereto are the property and trademarks of Visa (Canada) Corporation and/or Visa Inc. (ii) the name Mastercard and any name or logo related thereto are the property and trademarks of Mastercard Canada Inc. and/or Mastercard International Inc., (iii) the name Desjardins Direct Payment Service, its logo and related marks are the property and trademarks of the Federation, and (iv) the name Interac and any name or logo related thereto are the property and trademarks of Interac Corp.

18.5 Subject to the limitations relating to signs set out in the leases under which it occupies its Places of Business, the Merchant agrees to display, in plain view of customers, the Interac direct payment service trademark in its various Places of Business, in accordance with the promotional material supplied to it by the Federation.

18.6 The Merchant acknowledges that it is entitled to use the Desjardins Direct Payment Service trademark, its logo and its identifying marks only in compliance with the conditions prescribed from time to time by the Federation. In the event this Agreement is terminated, the Merchant undertakes not to contest any property rights held by the Federation.

advertising, including advertising requiring the approval of the Federation under Subsection 11.1.

**20.1 TERM AND RENEWAL**

**13. TERM AND TERMINATION**

13.1 TERM AND RENEWAL

<p>20.1.1 This Agreement takes effect on the date on which the Merchant first uses or allows the use of one of the Desjardins Payment Services requested on its Desjardins Payment Services application. It has an initial term of three (3) years and shall thereafter be automatically renewed for successive terms of six (6) months, subject to the provisions governing termination.</p> <p>20.1.2 Upon expiry of the initial term of this Agreement or of any subsequent renewal, the Merchant may, without payment of any termination cost described in Section 20.2.2, terminate this Agreement with respect to one or more Desjardins Payment Services, subject to Sections 3.1 and 6.1.2, by sending the Federation notice to this effect before the end of the initial term or subsequent renewal.</p>	<p>13.1.1 This Agreement takes effect on the date on which the Merchant first uses or allows the use of the Accord D Desjardins Financing Service. It has an initial term of one (1) year and shall thereafter be automatically renewed for successive terms of six (6) months, subject to the provisions governing termination.</p> <p>13.1.2 The Merchant may terminate this Agreement by sending the Federation notice to this effect before the end of the initial term or subsequent renewal.</p>
<p><b>20.2 TERMINATION WITHOUT BREACH</b></p> <p>Notwithstanding Section 20.1:</p> <p>20.2.1 the Federation may terminate this Agreement in respect of one or more Desjardins Payment Services at any time upon giving sixty (60) days' prior written notice to the Merchant; and</p> <p>20.2.2 the Merchant may terminate this Agreement at any time with respect to one or more Desjardins Payment Services upon payment to the Federation of a termination fee equal to three hundred dollars (\$300). This fee is payable on the date of termination;</p>	<p><b>13.2 TERMINATION WITHOUT BREACH</b></p> <p>Notwithstanding Subsection 13.1:</p> <p>13.2.1 the Federation may terminate this Agreement at any time upon giving sixty (60) days' prior written notice to the Merchant, notwithstanding Section 2126 of the Civil Code of Québec. In this case, the Federation is only required to repay any advances it has received in excess of what it has earned.</p> <p>13.2.2 the Merchant may terminate this Agreement at any time, with no termination fee.</p> <p>13.2.3 this Agreement will automatically be terminated at the same time that the Desjardins Payment Services Agreement between the Federation and the Merchant is terminated, notwithstanding Section 2126 of the Civil Code of Québec.</p>