

# Cardmember Agreement

Effective July 6, 2023





# Your Diners Club Professional Card cardmember agreement

In this agreement, “you” and “your” mean the primary cardmember and any additional cardmember. “We”, “our” and “us” mean Bank of Montreal. Some words in this agreement have special meanings, which we have explained in section 1 of this agreement.

Please read this agreement carefully and keep it to refer to later. It replaces any other agreements we may have sent to you. You won't be bound by this agreement if you return your card to us, as long as you haven't activated your account. If you haven't activated your account and do not wish to be bound by this agreement please call us to ensure that your account is closed. When you applied for your Diners Club Professional Card, you agreed to the terms of this agreement as follows:

## 1. About some of the words in this agreement

Here are the definitions of some of the words in this agreement:

- *account* means a Diners Club Professional Card account established in the name of the primary cardmember
- *additional cardmember* means each person to whom we have issued a card on the primary cardmember's account, at the primary cardmember's request and includes those individuals identified as an “authorized user” in the primary cardmember's card application
- *additional card* means a card we have issued to an additional cardmember
- *billing period* means the days covered by an account statement
- *card* means a Diners Club Professional Card we issue and any renewals or replacements of it that we issue and any other payment device we provide you to enable you to use the account
- *card carrier* means the form that your card is attached to when you receive it
- *cash advance* means an advance of money from us that is charged to the account. We treat cash-like transactions and balance transfers the same as cash advances
- *cash-like transactions* mean transactions involving the purchase of items that are similar to and/or can be converted into cash. Cash-like transactions include but are not limited to: wire transfers, money orders, travellers cheques, casino gaming chips and gaming transactions (including betting, off track betting and race track wagers), securities, government owned lottery tickets, court costs (including alimony, child support), fines, bail, bond payments, and tax payments.

- *daily balance* has the meaning given to it in section 13(a)
- *grace days* mean the number of days between the date of your account statement and the payment due date shown on your account statement
- *PIN* means personal identification number
- *primary cardmember* means the person who applied for a card and in whose name we opened an account
- *purchase means* an advance of money from us charged to the account that equals the amount you paid for goods or services by using your card
- *revolving balance* means the unpaid portion of the new balance that remains unpaid after the payment due date shown on your account statement
- *total balance* means the amount shown on your account statement as the total account balance, which is the balance you owe as of the statement date
- *total debt* means the total of all purchases, cash advances, interest charges and fees and any other amounts that may be charged to the account under this agreement
- *transaction* means any purchase, cash advance, interest charge, fee, payment, credit or debit adjustment and any other amounts that may be charged to the account

There are certain terms outlined in this agreement that have equivalent definitions in Quebec (as required by the Quebec Consumer Protection Act).

We have outlined them below:

<b>Terms used in the Cardmember Agreement</b>	<b>Corresponding meaning under the Consumer Protection Act (Quebec)</b>
Credit Limit	Credit Extended
Interest Charges	Credit Charges
Annual Interest Rate	Credit Rate
Interest-free Grace Period	Period given to pay outstanding amounts without having to pay credit charges, except as regards money advances
Minimum Payment	Minimum periodic payment required
Annual Fees ; Other Fees	There may be other charges under this Agreement that we disclose to the Borrower, including fees for returned payments, duplicate statements, cash advances, cash-like transactions, bill payments, cheques, redemptions, inactive accounts, among others.

## **2. Ownership of the card**

Your card belongs to us and you can't transfer it to anyone else. You are the only person permitted to use your card.

## **3. Using your card**

You can make a purchase or get a cash advance by using your card or in any other ways we allow. You authorize us to charge the amount of any purchases or cash advances you make to the account.

You must not use your card to get a cash advance from a merchant.

If you make a purchase or get a cash advance by providing your card number without presenting your card, we'll treat the transaction the same as if you had used your card and signed a purchase or cash advance slip.

You must sign your card as soon as you receive it. You must not use your card after the expiry date shown on your card. You must not use your card or account for any illegal purpose, including buying any goods or services prohibited by law where you live. You may only use your card as allowed in this agreement. We may monitor unusual transactions for security reasons.

## **4. Other card benefits and services**

The terms and conditions applicable to your card are contained in this agreement. If any extra benefits or services are added to your card, we'll send you separate terms and conditions relating to those extra benefits and services. We may change or withdraw any card benefit or service at any time without telling you in advance. If you reside in Quebec, notice of any change or withdrawal will be provided in accordance with the applicable terms and conditions relating to those extra benefits and services.

You may receive information about other products and services offered by us or selected third parties, including our affiliates. We are responsible only for products and services that we offer.

## **5. Your credit limit**

The total credit limit applies to the account, even if there is more than one card issued on the account. We show the credit limit on your card carrier and on your account statement. We need to obtain the express consent of the primary cardmember before increasing the credit limit. We may reduce the credit limit at any time without telling you in advance.

You do not have the right to exceed the credit limit.

If you reside outside of Quebec and you exceed the credit limit, you will pay the over limit fee set out in the card carrier or in any notice that we provide to you.

## **6. Your responsibility for the total debt and consent to communicate**

Subject to this section and section 7, the primary cardmember is responsible for and must pay the total debt. This applies whether or not the primary cardmember incurred the total debt, whether or not the total debt exceeds your credit limit, and regardless of how the total debt was incurred. You must not use the account, or any other credit card account with us, to pay all or any part of the total debt.

You expressly consent to us communicating information about you and your account to additional cardmembers and to contact additional cardmembers for the purposes of communicating such information.

## **7. Your responsibility for lost, stolen or misused cards**

Safeguarding the use of your PIN, card and account

You must keep your account secure. You must take reasonable care to safeguard your card, PIN, account information and cheques against loss, theft or misuse.

### **To safeguard your PIN:**

- you must not voluntarily disclose your PIN
- you must keep your PIN confidential and separate from your card
- you must not write your PIN on your card
- you must not choose a PIN selected from your name, date of birth, telephone numbers, address or social insurance number.

If you do not properly safeguard your PIN you may be liable for unauthorized transactions on your account.

You must not allow any person other than a cardholder to use a card, cheque or the account. If this happens, you will be liable for all resulting transactions and any interest, fees and losses incurred, even if the other person was a minor or did not comply with any limitations you placed on their use of the card or account.

### **Unauthorized use and liability**

You must notify us by telephone immediately about any actual or suspected loss, theft or unauthorized use of any card, PIN, cheque or account information for the account. You may contact us as set out in Section 29. We may take whatever steps that we consider necessary to recover any affected card and, additionally, may report the loss, theft or unauthorized use to the appropriate authorities.

In general, your maximum liability for the loss, theft or unauthorized use of any card, PIN, cheque or account

information for the account is \$50 per transaction unless you have demonstrated gross negligence or, in Quebec, gross fault, in safeguarding those cards, PINs, cheques or account information for the account.

If someone uses your card or account without your authorization, you will not be liable for such unauthorized use if you meet all of the following criteria:

- you did not contribute to the unauthorized use
- you used reasonable care to safeguard your card and PIN; and
- you notified us by telephone (see Section 29 for contact details) immediately after you learned of the loss, theft or misuse of your card or cheques, or after you suspected that someone else knows your PIN.

If you report to us that your card, a PIN, a cheque or any account information for the account has been lost or stolen or is otherwise at risk of being used in an unauthorized manner, you will not be liable for any unauthorized use of the card, a PIN, a cheque or any account information for the account by someone else after the report is received by us.

You agree to cooperate and help with any investigation that we initiate into unauthorized use you report before we will consider reimbursing you for any losses. This cooperation may include filing a report with law enforcement authorities.

## **8. Fees we charge**

We will charge the account with the applicable fees shown on the card carrier or in any notice we provide you.

## **9. Foreign currency transactions**

We convert any transactions made in a foreign currency to Canadian dollars using a Mastercard®\* conversion rate in effect on the day the transaction is posted to your account. The Mastercard conversion rate is the rate that we pay to Mastercard International Incorporated plus the markup percentage disclosed to you from time to time. This rate may not be the same as the rate that existed on the date the transaction was made.

## **10. Promotional interest rates and balance transfer**

Occasionally, we may offer you time-limited promotional interest rates on new qualifying transactions related to balance transfers, cash advances and/or purchases. The promotional interest rates will only apply if the account remains in good standing and you do not exceed the credit limit at any time. When a promotional interest rate ends, your standard interest rate will apply. Promotional offers will also be subject to any additional terms that we set out in the offer.

## **11. Payments**

Your payments are processed the day we receive them. You must make sure that we receive your payment on or before the payment due date shown on your account statement.

If your payment due date falls on a weekend or a holiday in the Province or Territory where our records show you live, a payment received by us on the next business day following such payment due date will be considered to have been paid on time. If your statement address is outside Canada, we will use the Federal holidays of Canada to determine whether your payment will be considered to have been paid on time.

## **12. Interest on cash advances, purchases and fees**

- (a) We calculate interest on cash advances from the date of the cash advance until the date we receive payment in full. There are no grace days provided for cash advances.
- (b) We don't charge interest on purchases and fees appearing on your account statement for the first time if you pay your new balance in full within the number of grace days set out in your card carrier or in any notice we provide to you.
- (c) If you don't pay your new balance in full, interest charges on those purchases and fees will appear on your next monthly statement. We will charge interest retroactively from the date of the purchase or fee until the date we receive payment in full.

## **13. How we calculate interest**

The interest rates we charge are:

- the annual cash advance and purchase interest rates shown on the card carrier or any notice we provide to you; or
- any promotional interest rates that we may provide to you.

Your account statement shows your annual and daily interest rates. The amount of interest we charge you on each account statement is calculated as follows:

- first, we determine your average daily balance by adding the interest-bearing amount you owe each day and dividing that total by the number of days in the statement period.
- next, we determine the daily interest rate by dividing the annual interest rate by the number of days in a year.

Your interest charge is then calculated by multiplying the average daily balance by the daily interest rate by the number of days in a statement period.



If different interest rates apply to categories of transactions (such as purchases, cash advances, balance transfers), we calculate the interest charge based on the average daily balance for each rate. Your account statement shows the interest charges for each category.

If your interest rate changes during a statement period, we calculate interest using the rate in effect at the end of that period.

#### **14. How we apply payments to your account**

When we receive a payment, we use the money first to pay off the minimum payment amount appearing on your account statement in the following order:

- first, to any interest that appears on your account statement;
- second, to any fees that appear on your account statement including, but not limited to, annual card fees, fees for optional benefits and services, and cash advance fees;
- third, to credit card balance insurance premiums that appear on your account statement;
- fourth, to any transactions that appear on your account statement, including the greater of the following amounts: any amount past due on your account statement or the amount by which your new balance exceeds your credit limit;
- fifth, to any fees which have not yet appeared on your account statement; and
- sixth, to any transactions which have not yet appeared on your account statement

Your payment will be applied to balances within each of the above categories beginning with the lowest interest rate item(s) within the category and continuing to the highest interest rate item(s) within the category.

If you pay more than the minimum payment due, we will apply that excess amount of your payment to the remaining balance on your account statement, as follows:

- First, all items that have the same interest rate will be placed into the same category;
- Second, we will allocate the amount of your payment that is in excess of your minimum payment amount to the different interest rate categories in the proportion that the amount in each category represents of the remaining balance. For example, if your purchases represent 60% of your remaining balance and your cash advances represent 40% of your remaining balance, we will apply 60% of your excess payment towards your purchases and 40% of your excess payment towards your cash advances.

If you pay more than your new balance on your account statement, the excess payment will be applied to transactions that have not yet appeared on your monthly statement, using the same payment allocation described above.

## 15. Your minimum payment

You may pay your account balance in full at any time. By the payment due date shown on your account statement, you must pay at least the minimum payment.

### If you reside outside of Quebec:

Your minimum payment will be equal to the greater of (i) \$10.00; or (ii) 2.00% of the new balance plus the greater of:

- any amount past due on your account statement; or
- the amount by which your new balance exceeds your credit limit

If your new balance is \$10.00 or less, you must pay the full amount.

### If you reside within Quebec:

The following minimum payment terms apply: Your minimum payment will be the greater of the following: (i) the percentage of your outstanding balance indicated below plus any amount past due on your account statement; or (ii) any amount by which your new balance exceeds your credit limit; or (iii) \$10.00. If your new balance is \$10.00 or less, you must pay the full amount.

Credit Card Statements Generated During the Following Periods	Percentage of the Outstanding Balance Payable
August 1, 2019 to July 31, 2020	2.50%
August 1, 2020 to July 31, 2021	3.00%
August 1, 2021 to July 31, 2022	3.50%
August 1, 2022 to July 31, 2023	4.00%
August 1, 2023 to July 31, 2024	4.50%
August 1, 2024 or later	5.00%

## 16. Estimated Time to Repay

In calculating the number of years and months required to repay an account balance shown on an account statement if you pay only the minimum payment due each month on the payment due date, we assume that the current annual interest rate for purchases will apply throughout the repayment period. We also use such other assumptions as are required or permitted by applicable law.

## **17. If you have a problem with a merchant**

We are not responsible for any problem you have with a merchant or if a merchant does not accept your card. Even if you have a problem with a merchant, you are still responsible for the total debt. You must settle any problems you may have directly with the merchant.

If a merchant gives you a refund and we receive a credit note from the merchant, we will credit it to the account on the day we receive it. A merchant refund is not counted towards the minimum payment required by this agreement.

## **18. Limitations on our liability**

We try to ensure that you can always use your card. Occasionally, however, you may not be able to do so because of systems or communication problems involving a merchant, Mastercard International Inc. or us. We may also block use of your card without telling you if we suspect unauthorized or fraudulent use of the card. We are not liable to you if you cannot use your card.

## **19. Your account statements**

We'll provide you an account statement every month when there has been a transaction posted to the account or there is an account balance owing at the end of the billing period. You must tell us in writing, no later than 30 days after your account statement date, of any mistakes or missing information in your account statement. If you don't tell us, you agree that your account statement is correct, except for any amount we applied incorrectly to the account, which we may reverse at any time. If we can't send your account statement on time for any reason, such as a mail strike, you must contact us at least once a month to get the information you need to continue making your payments as required.

If your account statement is returned to us because of an incorrect address, we won't send you any more account statements, and we may not allow you to use the account until you give us your correct address. It's your responsibility to give us this information.

## **20. Pre-authorized payments to merchants**

You are responsible for any pre-authorized payments charged to the account, even after you or we cancel the account. If you wish to discontinue these payments, you must contact the merchant in writing to cancel any pre-authorized payments, and review your monthly statements to ensure that the payments have been discontinued. If the merchant continues to charge your account despite your instructions to cancel the pre-authorized payments, we may be able to assist you if you provide us with a copy of the

written notice you gave the merchant, along with any other information that we may ask for.

You are responsible for giving your new account number or expiry date to merchants with whom you have pre-authorized payment arrangements.

If we issue you a replacement card, your automatic bill payments will continue uninterrupted to merchants who are registered for the Mastercard Automatic Biller Updater (ABU) service. Mastercard ABU automatically informs those merchants of the details of your new account number, so that your automatic bill payments are not interrupted.

## **21. Cancellation of your card**

We may do any of the following without telling you in advance:

- cancel any card on the account
- cancel your rights and privileges related to your card
- close the account

If we cancel your card, withdraw your rights and privileges, or close the account:

- we may seize your cards
- you may not use your card or account
- you must destroy your card
- you must pay the total debt immediately. If you don't, we may apply any money you have on deposit with us or any of our affiliates against the total debt
- you must pay the legal fees and expenses we incur to recover amounts you owe us
- you must cancel all pre-authorized merchant payments from the account

The primary cardmember may cancel their card or any additional cards at any time by contacting us (see section 29). If the primary cardmember cancels their card, we will also cancel all additional cards associated with the account.

## **22. Clause required under the Consumer Protection Act (Quebec). (Clause of forfeiture of benefit of the term)**

Before availing himself of this clause, we must send you a notice in writing and a statement of account. Within 30 days following receipt by you of the notice and the statement of account, you may:

- (a) either remedy the fact that you are in default;
- (b) or present an application to the court to have the terms and conditions of payment prescribed in this agreement changed.

It is in your interest to refer to sections 104 to 110 of the Consumer Protection Act (chapter P-40.1) and, where necessary, to communicate with the Office de la protection du consommateur.

### **23. Changes to this agreement**

We can change this agreement or anything disclosed on the card carrier or the interest rates and fees by telling you in writing as we are required to by law. Any changes we make apply to your account balance at the time we make the change and to your account balance after we make the change.

### **24. Providing you with account statements and other notices**

We will provide account statements and other notices to the primary cardmember. We will provide the information by mail to the addresses in our records unless you and we agree on another method. You must tell us immediately of any changes to these addresses.

### **25. Club Rewards™**

Club Rewards points are earned on all purchases, less returns. Cash advances, interest, service fees and other charges and payments do not qualify for Club Rewards points. For further information on Club Rewards terms and conditions, please refer to your Diners Club Club Rewards Catalogue, or visit the website at [www.clubrewards.dinersclubcanada.com](http://www.clubrewards.dinersclubcanada.com).

### **26. Assigning this agreement**

We can assign this agreement or any of its terms to a third party at any time.

### **27. Clause required under the Consumer Protection Act (Quebec) (Open credit contract for the use of a credit card)**

- (1) If the consumer uses all or part of the credit extended to make full or partial payment for the purchase or the lease of goods or for a service, the consumer may, if the open credit contract was entered into on the making of and in relation to the sale, lease or service contract, and if the merchant and the open credit merchant collaborated with a view to granting credit, plead against the lender any ground of defence urgeable against the merchant who is the vendor, lessor, contractor or service provider.

The consumer may also, in the circumstances described in the first paragraph, exercise against the open credit merchant, or against the merchant's assignee, any right exercisable against the merchant who is the vendor, lessor, contractor or service provider if that merchant is

no longer active or has no assets in Quebec, is insolvent or is declared bankrupt. The open credit merchant or the merchant's assignee is then responsible for the performance of the obligations of the merchant who is the vendor, lessor, contractor or service provider up to the amount of, as the case may be, the debt owed to the open credit merchant at the time the contract is entered into, the debt owed to the assignee at the time it was assigned to him or the payment the open credit merchant received if he assigned the debt.

- (2) A consumer who is solidarily liable with another consumer for the obligations arising from an open credit contract is released from the obligations resulting from any use of the open credit account after notifying the merchant in writing that he will no longer use the credit extended and no longer intends to be solidarily liable for the other consumer's future use of the credit extended in advance, and after providing proof to the merchant, on that occasion, that he informed the other consumer by sending him a written notice to that effect at his last known address or technological address.

Any subsequent payment made by the consumer must be applied to the debts contracted before the notice was sent to the merchant.

- (3) A consumer who has entered into a preauthorized payment agreement with a merchant under which payments are made out of credit obtained under a credit card contract may end the agreement at any time by sending a notice to the merchant.

On receipt of the notice, the merchant must cease to collect the preauthorized payments.

On receipt of a copy of the notice, the card issuer must cease debiting the consumer's account to make payments to the merchant.

- (4) The consumer is not liable for debts resulting from the use of a credit card by a third person after the card issuer has been notified, by any means, of the loss, theft or fraudulent use of the card or of any other use of the card not authorized by the consumer. Even if no notice was given, consumer liability for the unauthorized use of a credit card is limited to \$50 per transaction. The consumer is held liable for the losses incurred by the card issuer if the latter proves that the consumer committed a gross fault as regards the protection of the related personal identification number.

- (5) Without delay at the end of each period, the merchant must send the consumer a statement of account. The merchant is not required to send a statement of account to the consumer at the end of any period if there have been no advances or payments during the period and the outstanding balance at the end of period is zero.
- (6) If the consumer makes a payment at least equal to the outstanding balance at the end of the preceding period within 21 days after the date of the end of the period, no credit charges may be required from the consumer on that outstanding balance, except as regards money advances. In the case of a money advance, charges may accrue as of the date of the advance until the date of payment.
- (7) The consumer may demand that the merchant send, without charge, a copy of the vouchers for each of the transactions charged to the account during the period covered by the statement. The merchant must send the copy of the vouchers requested within 60 days after the date the consumer's request was sent.
- (8) Until the consumer receives a statement of account at his address or technological address if expressly authorized by the consumer, the merchant must not claim credit charges on the unpaid balance, except as regards money advances.

It is in the consumer's interest to refer to sections 103.1, 122.1, 123, 123.1, 124, 126, 126.2, 126.3, 127 and 127.1 of the Consumer Protection Act (chapter P-40.1) and, if further information is necessary, to contact the Office de la protection du consommateur."

## **28. Your personal information**

To learn more about how we collect, use, disclose and safeguard your Personal Information, your choices, and the rights you have, please see our Privacy Code (available at [bmo.com/privacy](https://bmo.com/privacy), or from any of our branches).

### **Sharing your Personal Information**

Your personal information is shared with the card network (e.g., Visa, Mastercard) in order to operate or administer the payment card system that supports the products, services or accounts you have with us (including any products or services provided or made available by the card network as part of your product, service or accounts with us), or for any promotions the card network may make available to you.

BMO Financial Group consists of Bank of Montreal and its affiliates. Your Personal Information, including information about your authorized representatives and beneficiaries, is shared within BMO Financial Group, to the extent permitted by law, to: ensure we have accurate information about you, and your authorized representatives and beneficiaries; manage our total relationship; provide a better customer experience; meet your needs as they change and grow; and manage our business.

### **Your Choices**

**Sharing:** You may choose not to allow us to share account-specific information within BMO Financial Group, but you understand we will share your Personal Information where two or more BMO Financial Group affiliates provide you with jointly offered products or services.

**Direct marketing:** You may choose not to allow us to use your contact information for direct marketing, such as mail, telemarketing or email informing you about products and services we think may be of interest and value to you.

Please see “**Contact Us**” in our Privacy Code for more details on how to opt out .

**Automated Decisions:** We will also use your Personal Information to make decisions in real time by using tools to automate the processing of your Personal Information, for example, whether to approve or decline your transaction. These decisions can affect the products, services or features we may offer you and are also used to protect you from fraud.



## **29. How to contact us and complaint resolution**

### **How to contact us**

#### **Customer Contact Centre**

If you have any questions on this agreement, please contact us at:

1-800-263-22631

8:00 am - 11:00 pm (local time), 7 days a week

For clients who are deaf or hard of hearing, BMO supports calls (24/7) from third party relay service providers trained to relay communications through message relays (MRS) or video relays (VRS).

#### **Lost or stolen cards and emergency travel 7/24 help line:**

1-800-361-3361 (Toll free Canada & U.S.)

514-877-0330 (International call collect)

#### **We're here to help - Resolving Customer Complaints**

If you have a complaint or concern, we encourage you to let us know and give us the opportunity to make it right. BMO's complaint resolution process is outlined in the **We're here to help - Resolving Customer Complaints** brochure, which is available online at [www.bmo.com/main/about-bmo/resolving-a-complaint](http://www.bmo.com/main/about-bmo/resolving-a-complaint) and at all BMO Bank of Montreal branches.

## **Our Commitment to You**

BMO Financial Group appreciates and values the opportunity to assist you in meeting your financial objectives today, and in the future. We're committed to a strong customer focus: to service, to excellence, and to being responsive to help you reach your goals. This demands that we listen to you, constantly seek ways to enhance your experience with us, and help us earn the right to be your financial services provider.





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