

VISA BUSINESS, VISA BUSINESS PERFORMANCE AND LAURENTIAN BANK VISA BUSINESS CREVIER

This program is insured by Royal & Sun Alliance Insurance Company of Canada.

The policy number: VC500500

Royal & Sun Alliance Insurance Company of Canada (hereinafter referred to as the Insurer)

certifies that a group insurance policy was issued to Laurentian Bank of Canada and that this policy insures the Laurentian Bank VISA Business, Laurentian Bank VISA Business Performance and Laurentian Bank VISA Business Crevier cardholders, hereinafter referred to as the Main Insured under the liability waiver insurance and undertakes to pay the benefits provided for in the contract.

This certificate is a valuable source of information. Please keep it in a safe place.

ELIGIBILITY FOR INSURANCE

The cardholder is eligible for coverage as of the effective date of the policy or upon becoming a Laurentian Bank VISA Business, Laurentian Bank VISA Business Performance and Laurentian Bank VISA Business Crevier cardholder, the latest of the two, and remains insured as long as the person is a cardholder and the contract is effective.

DEFINITIONS

For the purposes of this policy, the following terms are defined as follows:

LAURENTIAN BANK VISA BUSINESS CARDS: shall mean VISA Business, VISA Business Performance or Laurentian Bank VISA Business Crevier card issued by the Laurentian Bank to the Company.

AFFIDAVIT OF WAIVER: means a written request sent to the Laurentian Bank by mail, email, telegram, fax or telex from the Eligible Company requesting the Laurentian Bank to waive the Company's Unauthorized Charges in accordance with the terms and conditions of this program.

CARDHOLDER: means the designated employee of an Eligible Company who is over 18 years of age and who is authorized to use the Laurentian Bank VISA Business card for Eligible Company business only. The Eligible Company will not name any person to receive a Laurentian Bank VISA Business card on any of its present or future accounts if that person has been named at any time by the Eligible Company in an Affidavit of Waiver.

CHARGES: means the amounts, billed or unbilled, including purchases and cash advances, charged to the Cardholder's Laurentian Bank VISA Business card.

ELIGIBLE COMPANY: means a corporation, partnership, sole proprietorship or any other entity which has signed and still has an active and in force Laurentian Bank VISA Business card Account Agreement with the Laurentian Bank.

DATE OF NOTIFICATION OF EMPLOYMENT TERMINATION: means the date the Company gives or receives a written notice of immediate or pending employment termination of a Cardholder or the date on which the Cardholder leaves the Company's service whichever is earlier, or if the Cardholder is a member of a Bargaining unit of a union and the employer contract includes grievance procedures, the date the Company files a grievance with the labour arbitrator recommending the Cardholder's employment be terminated.

WAIVER DATE: is the date on the Request for Waiver Letter sent from the Eligible Company to the Laurentian Bank.

WHAT IS LAURENTIAN BANK VISA LIABILITY WAIVER INSURANCE?

The Laurentian Bank Visa Liability Waiver Insurance program allows Eligible Companies that have established a VISA Business card Account Agreement to request the Laurentian Bank to waive the Company's liability for certain Unauthorized Charges made by its employee Cardholders.

■ WHAT IS THE MAXIMUM AMOUNT OF INSURANCE

The Laurentian Bank Visa Liability Waiver Insurance program will waive the Company's liability for Unauthorized Charges up to \$100,000 per Laurentian Bank VISA Business card, subject to the terms, conditions, limitations and exclusions in this Certificate.

■ WHAT ARE UNAUTHORIZED CHARGES

A. «Unauthorized Charges» are Charges to a Cardholder's Laurentian Bank VISA Business card incurred by a Cardholder:

- a) which are charged without the approval of the Eligible Company and/or which do not benefit the Eligible Company directly or indirectly in whole or in part; or
- b) for which the Eligible Company has reimbursed the Cardholder but the Cardholder has not paid the «Laurentian Bank VISA Business card»

Provided that such Unauthorized Charges:

- i) are billed within the seventy-five (75) days preceding the Date of Notification of Employment Termination, or preceding the date the Laurentian Bank receives the request from the Eligible Company to cancel the Laurentian Bank VISA Business card account on which Unauthorized Charges were incurred;
- ii) are unbilled up to fourteen (14) days after the Laurentian Bank has received a request to cancel the Cardholder's Laurentian Bank VISA Business card but were incurred prior to such request being received and provided the Eligible Company must have notified the Laurentian Bank within two (2) business days of the Notice of Termination of Employment;
- iii) are discovered not later than 75 days after the termination of:
 - a) the insurance policy VC500500; or
 - b) the insurance in respect of the Eligible Company; whichever occurs first.

B. Auditors fees incurred with the insurer's written consent solely to substantiate the amount of the claim are covered.

■ WHAT ARE NOT WAIVABLE CHARGES

The following Charges are excluded and not covered by this policy, whether they are Unauthorized Charges or authorized Charges.

1. Charges made by partners, owners, or principal shareholders who own more than five percent (5%) of the Eligible Company's outstanding shares, or persons who are not employees of the Eligible Company at the time Charges were incurred.
2. Interest or fees imposed by the Laurentian Bank on outstanding unpaid Charges.
3. In cases where the Laurentian Bank invoices the Cardholder, any amount on a cheque submitted by a Cardholder which is not paid by the Cardholder's financial institution, if the Cardholder has, within the last twelve (12) months, submitted any other cheque to the Laurentian Bank which was not paid by the Cardholder's financial institution.
4. Charges to purchase goods or services for the Eligible Company or bought for someone else if instructed or approved by the Eligible Company will not be covered. However, these Charges would be covered if the Laurentian Bank VISA Business card bills the Cardholder directly, where the Eligible Company has reimbursed the Cardholder and the Cardholder has not paid the Laurentian Bank.
5. Charges billed by the Cardholder more than fourteen (14) days after Date of Notification of Employment Termination.
6. Charges billed by the Cardholder more than fourteen (14) days after the Laurentian Bank receives the request by the Eligible Company to cancel the Laurentian Bank VISA Business card.
7. Charges billed on, or after the Date of Notification of Employment Termination if such Notification of Employment Termination was not sent to the Laurentian Bank within two (2) business days of the Date of Notification of Termination.
8. Charges billed where the Eligible Company has not notified the Laurentian Bank in writing to cancel the Laurentian Bank

VISA Business card within two (2) business days of the Eligible Company's intention to cancel or no longer authorize usage of the Cardholder's Laurentian Bank VISA Business card.

9. Charges resulting from either a lost or stolen Laurentian Bank VISA Business card or Charges to a Laurentian Bank VISA Business card account which is closed, frozen or ninety (90) or more days delinquent.
10. Cash advances, after the Date of Notification of Employment Termination or immediately after the Laurentian Bank receives the request by the Eligible Company to cancel the Laurentian Bank VISA Business card, in excess of \$300.00 per day per Cardholder, or a maximum of \$1,000.00 per Cardholder, whichever is less.
11. Any interest on money owing.

■ WHAT ARE THE RESPONSIBILITIES OF YOUR ELIGIBLE COMPANY NOTIFICATION TO LAURENTIAN BANK.

The Eligible Company may request the Laurentian Bank to waive the Eligible Company's liability for Unauthorized Charges only if the Eligible Company meets all of the following requirements:

1. The Eligible Company must use its best efforts to retrieve the Cardholder's Laurentian Bank VISA Business card from the employee and must notify the Laurentian Bank in writing to cancel the Laurentian Bank VISA Business card within two (2) business days of the Date of Notification of Employment Termination or within two (2) business days of the Eligible Company's intention to cancel or no longer authorize usage of the Cardholder's Laurentian Bank VISA Business card.
2. The Eligible Company must notify the Laurentian Bank in writing to cancel the Laurentian Bank VISA Business card within two (2) business days (See Sample Letter 1 attached) of:
 - (i) the Date of Notification of Employment Termination or;
 - (ii) its intention to cancel and/or no longer authorize usage of the Cardholder's Laurentian Bank VISA Business card and: such letter must state:
 - (i) If applicable, state the Cardholder's employment has terminated and the Date of Notification of Employment Termination.
 - (ii) If applicable, state the Cardholder's Laurentian Bank VISA Business card is cancelled or no longer authorized.
 - (iii) The Cardholder's name, Laurentian Bank VISA Business card number, home address and if the employee was terminated, the last known business addresses.
 - (iv) If the VISA Business card was retrieved from the Cardholder and, if so, the date it was retrieved and confirmation that such card is still in the Eligible Company's possession or the credit card is enclosed therein.
 - (v) The Eligible Company requests the waiver of Unauthorized Charges.

NOTIFICATION TO CARDHOLDER

In cases where the Laurentian Bank sends its statements directly to the Cardholder, the Eligible Company must deliver to the Cardholder or send by first-class mail in writing, a notice (See Sample Letter 2 attached) stating the Cardholder's VISA Business card has been cancelled, and instruct the Cardholder to:

- (i) immediately discontinue all use of that Laurentian Bank VISA Business card;
- (ii) immediately pay any outstanding amounts owed to the Laurentian Bank; and
- (iii) immediately return the Laurentian Bank VISA Business card to the Eligible Company.

If the Eligible Company knows that a Cardholder is receiving reimbursement for Charges but is not paying the Laurentian Bank for those Charges, the Eligible Company must promptly give written notice to the Laurentian Bank.

HOW TO MAKE A CLAIM

1. An authorized official of the Eligible Company must send an "Affidavit of Waiver" (See Sample Letter 3 attached) to the Laurentian Bank in writing by mail or fax. The affidavit of waiver must be sent within thirty (30) days of the employee's Notification of Employment Termination or the date of the Eligible Company's intention to cancel the Cardholder's Laurentian Bank VISA Business card.

2. All claim documents must be filed with the insurer within six (6) months from the employee's Date of Notification of Employment Termination.

INQUIRIES

Please direct any claim inquiries to:

Royal & Sun Alliance Insurance Company of Canada
Attention: Claims Management Services
Sheridan Insurance Centre
2225 Erin Mills Parkway, Suite 1000
Mississauga, Ontario
L5K 2S9

Within the Toronto Region telephone (905) 403-2283
Outside the Toronto Region telephone 1-800-544-2971

Please refer to the program and the policy number.

RECOVERY

1. If the Eligible Company recovers any amounts for Unauthorized Charges from any source after the Eligible Company has filed an Affidavit of Waiver with the Laurentian Bank, the Eligible Company will remit all such amounts to the Laurentian Bank. The Eligible Company agrees to assign any rights it may have to collect such amounts from the Cardholder to the Laurentian Bank. The Eligible Company agrees to assign any rights it may have to collect such amounts from the Cardholder to the Insurer.
2. The Laurentian Bank agrees to forward any recovered amounts to the Insurer, if the Insurer has already reimbursed the Laurentian Bank for the Unauthorized Charges.

OTHER INSURANCE

This program does not cover losses that are covered by other insurance, and/or, losses that would have been paid if this program did not exist. Losses that are above those covered by other insurance as noted, but less than the limit of this coverage are eligible for payment.

This certificate is not a contract of insurance. It contains only a summary of the principal provisions of the policy. In the event of any conflict between the description of coverage in this certificate and the policy, the policy will govern.

TERMINATION

Coverage under this policy will automatically terminate on the earliest of the following:

- 1) the date the Eligible Company's Laurentian Bank VISA Business card account agreement is cancelled; or
- 2) the date the insurance policy terminates; or
- 3) thirty (30) days after the date of written request for cancellation by the Laurentian Bank.

MISSTATEMENT

Any fraud, misstatement or concealment by the Eligible Company either in regard to any matter affecting this insurance or in connection with the making of a claim shall render this insurance null and void.

CURRENCY

All claims will be paid in Canadian dollars.

LIABILITY WAIVER INSURANCE

SAMPLE LETTER 1 (TERMINATED AND NON TERMINATED EMPLOYEE) REQUEST TO CANCEL CARD

Date

Name

Company

Address

City, Province

Postal Code

Visa Commercial Card Centre

Laurentian Bank

P.O. Box 368, Station B

Montreal, QC

H3B 3J7

RE: Request for Cancellation of Laurentian Bank VISA Business Card

TO LAURENTIAN BANK REPRESENTATIVE:

Our employee gave notice and/or received oral or written notice of termination and/or left the Eligible Company's service. (In the case of a Cardholder who is a member of a bargaining unit, a grievance has been placed with the labour arbitrator recommending that the Cardholder's employment be terminated.) We request that this account be cancelled immediately.

Account Number _____

Employment Termination Date _____

Cardholder's Name _____

Home Address _____

Home Telephone Number _____

Business Address _____

Business Telephone Number _____

**SAMPLE LETTER 1 (TERMINATED AND NON TERMINATED EMPLOYEE)
REQUEST TO CANCEL CARD**

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We understand that in order to request that Unauthorized Charges be waived on the above-numbered account we must file an Affidavit of Waiver as described in the Laurentian Bank VISA Business Liability Waiver Certificate within 30 days of the Date of Notification of Employee Termination (as defined in the policy).

PLEASE BE ADVISED THAT:

Charges (Check One):

- The Eligible Company was billed for Charges made by the Cardholder.
- Where statements were sent directly to the Cardholder, the Cardholder has been contacted in writing and directed to immediately pay all outstanding Charges. A copy of the letter sent to the Cardholder is attached.

Retrieval of Card (Check One):

- Our Company has retrieved the Laurentian Bank VISA Business card which has been enclosed.
- Our Company has retrieved the Laurentian Bank VISA Business card which is in our possession.
- The Cardholder is still in possession of the Laurentian Bank VISA Business card but has been contacted in writing and directed to discontinue all use of the Laurentian Bank VISA Business card and to return the Laurentian Bank VISA Business card. A copy of the letter sent to the Cardholder is attached.

If I can provide further information I can be reached at

(Telephone number/Fax number)

Yours truly,

Signature

Title (Must be Corporate Officer)

NOTE: This letter must be forwarded to your financial institution within 2 business days of the Date of Notification of Employment Termination.

LIABILITY WAIVER INSURANCE

SAMPLE LETTER 2 (TERMINATED AND NON TERMINATED EMPLOYEE) WRITTEN NOTIFICATION TO EMPLOYEE OF CARD CANCELLATION

Date

Name

Company

Address

City, Province

Postal Code

Employee Name

Home Address

City, Province

Postal Code)

Dear (Employee Name):

Please be advised that we have cancelled your Laurentian Bank VISA Business card (account number: _____), and that your rights to use the card ended when you ceased to be an employee of our Company. Please discontinue immediately all use of the card and return it to us if you have not already done so.

If you were billed directly by the Laurentian Bank, you must immediately pay any outstanding charges that you owed on the card.

Thank you for your co-operation in this matter.

Yours truly,

(Authorized Signature)

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SAMPLE LETTER 3 (TERMINATED AND NON TERMINATED EMPLOYEE) AFFIDAVIT OF WAIVER

Date

Name

Company

Address

City, Province

Postal Code

Visa Commercial Card Centre
Laurentian Bank
P.O. Box 368, Station B
Montreal, QC
H3B 3J7

RE: Request for Waiver of Charges Under Policy VC500500

Account Number _____

Cardholder's Name _____

Claim Number _____

(as assigned by the insurer)

TO LAURENTIAN BANK REPRESENTATIVE:

I wish to certify the above named Cardholder with an Employment Termination Date of _____ according to the terms of the above policy has used his/her Laurentian Bank VISA Business card to make Unauthorized Charges or cash advances, totalling \$ _____ which did not benefit our corporation.

Attached you will find a list of the Charges that we have discovered to date (provide copies of Cardholder's statements and indicate which charges were Unauthorized Charges).

We would like to request waiver of these Charges under the terms and conditions of the policy number listed above.

Yours truly,

Signature

Title

Witness Signature
(Must be Corporate Officer)

Witness Title
(Must be Corporate Officer)

NOTE: This letter must be forwarded to your financial institution within 30 days of the Date of Notification of Employment Termination.