

Butterfield   
**A**Advantage<sup>®</sup>



# CARDHOLDER AGREEMENT

**This Agreement is governed by the laws of Bermuda.** In this Agreement, "you" and "your" refer to the Primary Cardholder and include supplementary cardholder(s) you name and authorise, unless otherwise mentioned. "Primary Cardholder" refers to the person liable for any outstanding debt. "Supplementary Cardholder" refers to any other person the Primary Cardholder authorises to have a card issued on their account. "We," "our," "us" and "the Bank" refer to The Bank of N.T. Butterfield & Son Limited, Bermuda. If you keep or use your credit card(s) ("Card") or if we provide you with a renewal or replacement Card(s), it means that this Agreement is in force between you and the Bank. Your Butterfield / AAdvantage MasterCard credit card application and the Bank's "General Terms and Conditions" brochure form part of this Agreement.

**Joint Primary Account Holders.** Where there is more than one Primary Account Holder, then the liability of each of them shall be joint and several

**Using the Card.** You can use your Card wherever it is accepted, to buy goods or services ("purchases") and for other purposes the Bank may authorise from time to time. You can obtain cash advances from financial institutions that accept the Card. By using the Card, together with the Personal Identification Number ("PIN") you have chosen, you can also obtain cash advances at any Automated Teller Machine ("ATM") displaying the MasterCard/Cirrus logo. When you receive your Card you must sign it immediately and take every reasonable precaution to keep it safe. We will not be liable if a merchant, a business or an ATM does not accept your Card for any reason. You may only use the Card for legal and genuine transactions. You will give the Bank such financial statements and information as the Bank may request from time to time, to keep your file up to date. The use of this Card will always be subject to any statutory restrictions and/or regulations that the Bermuda Monetary Authority imposes or any other regulatory authority may impose. You acknowledge and accept that any transaction which the Bank considers to be in breach of any such statutory restrictions, regulations or procedures may be declined.

**Dealing with transactions in a foreign currency.** The amount of any purchase(s) or cash advance(s), in any currency other than Bermuda dollars (BMD), will be billed in United States Dollars (USD). Conversion from any other foreign currency to USD will be made by the Bank at a rate of exchange determined by the Bank on the date notification of your purchase or cash advance is received and the relevant amount is charged to your account. You may choose to pay your balance in USD or BMD. All foreign currency transactions, including USD transactions, are subject to Foreign Exchange (FX) and the Bermuda Government Foreign Currency Purchase Tax (FCPT) when your account is paid in BMD.

**Automated Teller Machines (ATMs).** The amount you can withdraw each day as a cash advance from an ATM, and the available ATM services, may vary from time to time. We are not liable for any loss or damages you may suffer because of your use of an ATM or because of any failure to provide ATM services. We are not responsible for informing you of any mechanical failures of an ATM or for telling you when these services are changed or withdrawn.

**Keeping your Personal Identification Number (PIN) confidential.** You agree to keep your PIN separate from your Card at all times. If you do not keep your PIN confidential, or if you keep your Card and your PIN in a way that would compromise the security of your Card, you will be liable for all debt, including interest and charges arising from their unauthorised use.

**Observing the expiry date of your Card.** You agree not to use the Card after its expiry date. If it is used, you agree to pay any debts incurred.

**Not exceeding your credit limit.** Your credit limit will be advised to you when you receive notice that your Card application has been approved and will be noted on your monthly statement. We can increase or reduce your credit limit without telling you in advance. You agree that your debt will not exceed the credit limit that is communicated to you from time to time. You are responsible for all penalty fees associated with your account exceeding the credit limit. A fee will be charged for the transaction that takes you over limit and each transaction thereafter. You are responsible to pay any over limit amounts in full by your payment due date.

**Telling us about loss, theft or unauthorised use.** You will inform us immediately by telephone and in writing about the loss, theft or suspicion of unauthorised use of your Card and/or PIN. Until further notice, such information shall be supplied to the Bank by telephone (anytime in Bermuda at (441) 299 3800 any time from Canada and U.S. toll free 1 866 563 1339 and any time from outside Canada and U.S. call collect 1 781 756 8169) and in writing to The Bank of N. T. Butterfield & Son Limited, P.O. Box HM 195, Hamilton HM AX, Bermuda. If your Card is lost or stolen, or you suspect its unauthorised use, you will be liable for all debts resulting from its use until you have told us that it has been lost or stolen. If you have previously authorised someone to use your Card, and have subsequently withdrawn your authorisation, you will continue to be liable for all debts incurred by its use until it has been surrendered to the Bank.

**Preparing and sending monthly statements.** Monthly statements are only prepared on business days, so your monthly statement date may vary from month to month. We will send monthly statements to the Primary Cardholder only.

**Accepting our records.** You agree to accept our records of a transaction as accurate unless you can provide contrary evidence that is satisfactory to the Bank.

**Charging interest on purchases, and other charges.** The interest charge on your monthly statement is calculated separately for Purchases and Cash Advances. We will not charge you any interest on Purchases and other charges if we receive your payment for the full balance on the statement on which the purchases and other charges first appear, by the payment due date printed on your statement. If we do not receive your full payment by the due date, we will charge interest at our then current annual rate on each Purchase and other charges from the posting date of the transaction to the date it is repaid in full. Monthly calculated interest may be subject to a minimum charge. If your payment is late we may, at our discretion, charge you a higher interest rate until such time as your account has been maintained in good standing for a period of time that we deem appropriate. Two full business days are required to process most payment methods. Payments made by cheques drawn on other banks are subject to appropriate clearance periods. Payments made through Butterfield Direct Internet and Telephone Banking and the ATM are effective the next business day if made before the cut off time advised to you when you make the payment.

**Charging interest on cash advances.** In this section, reference to "Daily Balance" and "Average Daily Balance" (ADB) relates to balances on cash advances. "Statement Cycle" refers to the number of days between one statement date and the next statement date.

If you use the Card to obtain a cash advance, we will charge you interest on each transaction from the date the transaction is posted to the date it is repaid in full. Interest is calculated on your cash advances daily and posted to your account monthly on the date your statement is produced. Interest is calculated using the daily revolving variable method. The Daily Balance is calculated by taking the beginning balance of cash advances, adding any new cash advances and debit adjustments related to cash advances made during the current billing cycle, and subtracting any payments or credit adjustments applied to cash advances. The ADB is calculated by dividing the total of all Daily Balances in the current Statement Cycle by the number of days in the current Statement Cycle. The resulting ADB amount is multiplied by the annual interest rate, then divided by 365, then multiplied by the number of days in the current Statement Cycle to give this month's interest charge.

**Charging interest on retail purchases and other charges.** In this section reference to "Daily Balance" and "Average Daily Balance" (ADB) relates to balances on purchases and other charges. "Statement Cycle" refers to the number of days between one statement date and the next statement date.

Interest is calculated on your purchases and other charges daily and posted to your account monthly on the date your statement is produced. Interest on purchases and other charges for the current billing cycle is calculated using the daily revolving variable method. The Daily Balance is calculated by taking the beginning balance of purchases and other charges on your account, adding any new purchases, debit adjustments for purchases and other charges as of the date the transaction was posted, and subtracting any payments or credit adjustments applied to purchases and other charges. The ADB is calculated by dividing the total of all Daily Balances in

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the current Statement Cycle by the number of days in the current Statement Cycle. The resulting ADB amount is multiplied by the annual interest rate, then divided by 365, then multiplied by the number of days in the current Statement Cycle to give this month's interest charge. If last month's balance was paid in full, new purchases on the current statement are excluded from the current ADB, but will be included in next month's interest calculation if the current statement balance is not paid in full by the payment due date.

**Telling us about inaccuracies in your statement.** If your statement contains any inaccuracies, you must tell us within 30 days of the date of the statement. If you do not receive your statement within 30 days of the date of the statement, you must inform us promptly in writing of such non-receipt. Unless we have received a notice of non-receipt, at the expiration of the 30 days, except as to any inaccuracies that have been notified to the Bank, it shall be settled conclusively between the Bank and you that the statement contains no inaccuracies.

**Applying a credit voucher.** If a merchant or business issues a credit voucher, we will reduce your debt by the amount of the voucher when we receive it.

**Settling disputes.** If a dispute arises about a transaction for which you used your Card, you must settle it directly with the merchant or business concerned. You agree to indemnify the Bank in respect of all claims arising from any such dispute with or by the merchant or any third party.

**Changing your address.** You, as the Primary Cardholder, will inform us in writing if you change your mailing and/or residential address in Bermuda.

**Change of address outside Bermuda.** In the event you are no longer resident in Bermuda this change will necessitate our review of the continued operation of your Butterfield / AAdvantage MasterCard credit card. You will be required as the primary cardholder to notify us within 14 days of your impending change of address.

**Repaying the amounts you owe.** When you use the Card or allow others to use it, you incur a debt. Interest, service charges and fees that we charge you under this Agreement will be added by us to your debt and will form part of your debt. You agree to repay the debt to the Bank.

**Making a minimum monthly payment.** If you do not repay your debt in full by the due date stipulated on your statement, you agree to make at least a minimum monthly payment. The minimum monthly payment will be a percentage of the balance of your monthly statement, subject to a minimum amount. When we grant you your Card, we will give you a schedule of rates informing you of the minimum monthly payment. Note: If you do not make the minimum payment you will be subject to a monthly late payment service charge. Payments can be made at any branch of the Bank, or through any alternative payment channel offered by the Bank from time to time in the country in which the Card was issued, including the Bank's ATMs, Telephone Banking and Butterfield Direct Internet Banking. To make payments at an ATM or through Telephone Banking you will require a Butterfield Card debit card or ATM card.

Up to two full business days are required to process most payments depending upon the channel used. Payments made through ATM, Telephone Banking and Butterfield Direct Internet are processed next business day if made before the cut off advised to you when you make the payment. Payments made by cheques are subject to appropriate clearance periods.

**Making payments when mail service is disrupted.** Even when normal mail service is disrupted, you must continue to make payments. If appropriate, we will tell you where to do so, and where to pick up your statement, by advertising on radio or television or in the newspapers. Your statement will be deemed to have been delivered to you on the day it is available for you to pick up, whether or not you do so.

**Applying your payments.** We apply your payments first to any unpaid interest charges, then to any billed service charges, and then to any previously billed cash

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advances. Next, we apply them to any billed purchases on which interest is payable and then to billed purchases on which interest is not payable. Next, we apply the payment to unbilled cash advances and then to any unbilled purchases.

**Requiring you to pay your total debt.** You or your estate will become liable to pay your total debt immediately, without any notice or demand from us, if you do not carry out your obligations under this Agreement; if you become bankrupt or insolvent, or die, or upon legal attachment, levy or execution against you, your estate or your property; or if any Card or PIN is used contrary to this Agreement. You authorise us to charge any of your accounts with us or any of our subsidiaries for any amounts due under this agreement, notwithstanding that all or part of the moneys held to your credit may have been deposited for a fixed period which may not have expired, or in a different currency.

**Payment of costs and expenses.** Should it be necessary for the Bank to enforce its rights hereunder in any legal action you will reimburse the Bank for all costs and expenses including reasonable attorney's fees incurred as a result of such legal action.

**Personal use.** You agree that the Butterfield AAdvantage MasterCard credit card may only be used for personal, household or family purposes. It is not intended for business purposes under any circumstances. It is not to be used to purchase real estate.

**The AAdvantage® Programme.** You will receive one AAdvantage® mile for each US dollar of billed purchases made on your account. If you receive a credit on your account for a purchase that earned AAdvantage miles, the miles will be withdrawn for that credit. If the deduction would result in a negative balance of AAdvantage miles then no miles will be applied to your account until you have incurred sufficient transactions to earn the number of AAdvantage miles equal to the negative balance. The AAdvantage miles earned can only be credited to an AAdvantage account in the name of the Primary Cardholder. The AAdvantage miles earned on your Card will appear on your AAdvantage statement and will show AAdvantage miles awarded in the period ending with the statement date. The Bank may change the rate at which AAdvantage miles are awarded at any time upon giving you not less than 30 days' notice. The Bank will not be responsible for any delay caused by AAdvantage. You should contact AAdvantage to confirm the actual number of AAdvantage miles available at any time for redemption. The Bank will not be responsible for any failure of AAdvantage to comply with the AAdvantage Programme Terms & Conditions. You are entitled to earn AAdvantage miles for as long as you comply with the Terms of this Agreement. You authorise us to report to AAdvantage the miles you have earned on your account. You also authorise us to share with AAdvantage experiential and transactional information regarding you and your account. While the AAdvantage Programme is available through the Bank, purchases less credits will qualify for AAdvantage miles. No AAdvantage miles will be awarded for cash advances, service charges, interest, costs and other transactions not for the purchase of goods or services.

This Card is for personal use only. The Bank may refuse to award AAdvantage miles to you for any reasonable reason. You will not receive AAdvantage miles if you fail to make payment when due or if you fail to comply with the Terms of this Agreement.

Once AAdvantage miles are transferred to your AAdvantage account, you will be entitled to redeem them with the AAdvantage Programme.

For complete details on the AAdvantage Programme, call 441 293 1420 or visit [www.aa.com](http://www.aa.com).

**Other cardholder services and products.** You understand that optional services may be available to you at an additional cost. Further, you understand that all services available with the Card may be governed by separate agreements or authorisations by which you agree to be bound. You also understand that some of these services are supplied by firms independent of the Bank and that the Bank shall not have any responsibility or liability with respect to such services. To the extent that any other cardholder services and products may be provided by us, any such services and products shall be subject to modification or discontinuance by us, at any time, without notice.

**Telling you about interest rates, service charges, penalty fees and our annual fee.** When we give you your Card, we will also give you a notice telling you about current prevailing interest rates, service charges, penalty fees and our annual fee. The annual fee will appear on your first monthly statement and is not refundable. In subsequent years, annual fees are charged on the anniversary statement each year. We will mail to your mailing address details of any changes to any of these rates or amounts.

**Cancelling this Agreement.** You can cancel this Agreement by informing us in writing that you want to do so and returning the Card to us. We, too, can cancel the Agreement by informing you in writing. We can also cancel your Card. The Card is always our property and you are required to give it back to us, or someone acting on our behalf when requested. If either of us cancels this Agreement, you still have to pay your debt and any other amounts you owe us in full.

**Unenforceability of certain parts of this Agreement.** If any part of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the remainder of this Agreement shall not in any way be affected or impaired.

**If we change this Agreement or the services we offer.** We can unilaterally change this Agreement or the services that are available with this Card without prior notice.

**Disclosure of information;**

We may give details of your Credit Card Account or your name and address to anyone if: the law says we must; we have a public duty to do so; this is necessary to protect our interests; or you ask us to provide the details to someone else (for example, by signing an application form that includes an appropriate declaration).

We may also give credit reference agencies information about your credit card account.

In the event that we need to forward account information to third-party data processors located outside of Bermuda, you acknowledge the need for such commercial arrangements and authorise this to occur.

By using the Card, you consent to and authorise any such disclosure.

The Bank shall not become liable for distribution of any such information or because of its being inaccurate or incomplete. We may assign our rights under this Agreement without prior notice to you.

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