

# Club Sobeys MasterCard<sup>®†</sup> Program Rules

**1. Definitions:** In these Program Rules, the words “Primary Cardmember” and “Authorized User” have the meaning given to them in the Agreement governing the Account. As well, in these Program Rules,

“Account” means the Club Sobeys MasterCard account opened and maintained in a Primary Cardmember’s name under the Club Sobeys MasterCard Program;

“Account Statement” means the written statement of the Account that is prepared for a Primary Cardmember approximately every four (4) weeks;

“Agreement” means the Citibank<sup>®1</sup>. MasterCard Cardmember Agreement governing the Account;

“Billing Period” means the billing period for an Account, expressed as a number of days, which is set out in each Account Statement;

“Citi” means Citi Cards Canada Inc., an Ontario corporation;

“Citibank” means Citibank Canada, a Canadian chartered bank;

“Club Sobeys Account” means the Club Sobeys account opened and maintained by Sobeys in the name of the Primary Cardmember as a Member under the Club Sobeys Program;

“Club Sobeys MasterCard Card” means a Club Sobeys MasterCard credit card that is issued by Citibank to the Primary Cardmember or an Authorized User on an Account under the Club Sobeys MasterCard Program;

“Club Sobeys MasterCard Program” means the Club Sobeys MasterCard Program administered by Citi and Sobeys, such program being more fully described in the Club Sobeys MasterCard Benefits Guide provided by Citi to the Primary Cardmember after the Account is opened, as amended or replaced from time to time;

“Club Sobeys MasterCard Rewards” means the non-cash value Club Sobeys Points that a Primary Cardmember earns on Eligible Account Transactions under the Club Sobeys MasterCard Program from time to time;

“Club Sobeys MasterCard Rewards Account” means the Club Sobeys MasterCard rewards account that Citi has opened in the name of a Primary Cardmember on an Account for the crediting and debiting of Club Sobeys MasterCard Rewards earned on Eligible Account Transactions during a Billing Period;

“Club Sobeys Membership Card” means a Club Sobeys membership card that has been issued by Sobeys to the Primary Cardmember on a Club Sobeys Account under the Club Sobeys Program;

“Club Sobeys Points” means the non-cash value points that a member (including a Member) may earn under the Club Sobeys Program from time to time in accordance with the terms and conditions governing that program;

“Club Sobeys Program” means the proprietary rewards program offered by Sobeys under which consumers can earn Club Sobeys Points, such program being more fully described in the terms and conditions governing the program which may be found on the Club Sobeys website at [www.clubsobeys.com](http://www.clubsobeys.com) and by calling 1-877-7SOBEYS;

“Eligible Account Transactions” means purchases of goods and/or services (net of purchase returns) made by the Primary Cardmember or an Authorized User at Retailers from time to time with their Club Sobeys MasterCard Card and certain other periodic promotional Account transactions, as determined by Citi from time to time and advised to the Primary Cardmember at the time of offer, that are posted to the Account;

“Good Standing” means, in respect to the Account, the status of being not more than two (2) Billing Periods past due according to Citi’s standard credit risk policies in effect from time to time;

“Ineligible Account Transactions” mean all cash advances (including Citi MasterCheques<sup>\*\*</sup> and balance transfers), interest charges, and service fees and other charges made or incurred by a Primary Cardmember or an Authorized User from time to time that are posted to the Account;

“Member” means the Primary Cardmember who is enrolled as a member under the Club Sobeys Program in accordance with the terms and conditions governing that program;

“Program Rules” means these Club Sobeys MasterCard Program Rules, as amended or replaced from time to time;

“Retailer” means any merchant who accepts a Club Sobeys MasterCard Card as the method of payment for goods and/or services purchased by a Primary Cardmember or an Authorized User from that merchant;

“Sobeys” means Sobeys Capital Incorporated, a Nova Scotia company, and certain of its related companies; and

“Statement Date” means the date indicated as such on an Account Statement.

**2. General:** These Program Rules apply to the Club Sobeys MasterCard Rewards that the Primary Cardmember earns on Eligible Account Transactions under the Club Sobeys MasterCard Program from time to time. These Program Rules do not apply to Club Sobeys Points that the Primary Cardmember or an Authorized User (as a Member under the Club Sobeys Program) may earn directly from Sobeys on Eligible Account Transactions or any other purchases. All Club Sobeys Points that the Primary Cardmember may earn directly from Sobeys on Eligible Account Transactions and any other purchases at any time are governed solely by the terms and conditions of the Club Sobeys Program in effect from time to time.

**3. Eligibility:** All Club Sobeys MasterCard Rewards earned on Eligible Account Transactions that are posted by Citi to the Club Sobeys MasterCard Rewards Account will accrue for the sole and exclusive benefit of the Primary Cardmember on the Account while the same remain as a credit in the Club Sobeys MasterCard Rewards Account.

**4. Club Sobeys MasterCard rewards:** All Club Sobeys MasterCard Rewards earned on Eligible Account Transactions are determined on a points system, using a ratio of 1:1 in respect to the total whole dollar amount of the Eligible Account Transactions posted to the Account in a Billing Period as the basis for determining the Club Sobeys MasterCard Rewards earned on those Eligible Account Transactions in the Billing Period.

Club Sobeys MasterCard Rewards earned on Eligible Account Transactions have no cash value. Club Sobeys MasterCard Rewards are not transferable from the Club Sobeys MasterCard Rewards Account to any other account (excepting transfers made in accordance with Section 7. of these Program Rules) or to anyone else, except as otherwise provided in Section 9. of these Program Rules.

**5. Earning Club Sobeys MasterCard rewards on Eligible Account Transactions:** (a) General: During the operation of the Club Sobeys MasterCard Program, the Primary Cardmember will earn Club Sobeys MasterCard Rewards on Eligible Account Transactions made in a Billing Period, as described in this Section 5. Ineligible Account Transactions do not earn Club Sobeys MasterCard Rewards at any time. (b) Crediting the Club Sobeys MasterCard Rewards Account: At the end of each Billing Period, and so long as the Account is in Good Standing at the end of the Billing Period for which a credit to the Club Sobeys MasterCard Rewards Account is to be made, Citi will credit the Club Sobeys MasterCard Rewards Account with the applicable number of Club Sobeys MasterCard Rewards earned by the Primary Cardmember in the Billing Period in respect to Eligible Account Transactions posted to the Account during that Billing Period. However, if the Account is not in Good Standing at the end of the Billing Period, all Club Sobeys MasterCard Rewards earned by the Primary Cardmember on Eligible Account Transactions posted to the Account during that Billing Period will be forfeited.

**6. Rewards Reporting and Verification:** The total number of Club Sobeys MasterCard Rewards earned by the Primary Cardmember in a Billing Period in respect to Eligible Account Transactions posted to the Account during the Billing Period will, unless forfeited because the Account was not in Good Standing at the end of the Billing Period, be displayed on the Account Statement for that Billing Period. The Primary Cardmember must examine promptly all Club Sobeys MasterCard Rewards information displayed on Account Statements and each Club Sobeys MasterCard Rewards entry and balance recorded in them. The Primary Cardmember must notify Citi of any errors, omissions, or objections to the Club Sobeys MasterCard Rewards information displayed on an Account Statement, or a Club Sobeys MasterCard Rewards entry or balance recorded in it, within thirty (30) days from the Statement Date recorded on that Account Statement. If the Primary Cardmember does not notify Citi as required, Citi and Sobeys are entitled to treat the above Club Sobeys MasterCard Rewards information, entries and balances as complete, correct and binding on the Primary Cardmember, and Citi and Sobeys will be released from all claims by the Primary Cardmember in respect of that Club Sobeys MasterCard Rewards information, those Club Sobeys MasterCard Rewards entries and balances.

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**7. Transfer of Earned Club Sobeys MasterCard Rewards:** In the month immediately following the expiration of a Billing Period during the operation of the Club Sobeys MasterCard Program, Citi will determine the total number of Club Sobeys MasterCard Rewards earned by the Primary Cardmember on Eligible Account Transactions in the Billing Period and, provided the Account is open and in Good Standing at the time of transfer, Citi will debit the Club Sobeys MasterCard Rewards Account with the total number of those Club Sobeys MasterCard Rewards and transfer that total number to Sobeys for posting to the Club Sobeys Account. However, if the Account is not open or in Good Standing at the time the transfer to the Club Sobeys Account is to occur in accordance with the preceding paragraph, all Club Sobeys MasterCard Rewards earned by the Primary Cardmember on Eligible Account Transactions during the Billing Period will be forfeited. The Primary Cardmember is solely responsible for notifying Citi about any changes in their enrollment status as a Member and for ensuring that, at the time of a transfer referred to above, Citi has a valid Member number for this purpose.

**8. Limitation of Liability:** Once Citi has transferred the total number of Club Sobeys MasterCard Rewards earned (and not forfeited) by the Primary Cardmember on Eligible Account Transactions in a Billing Period from the Club Sobeys MasterCard Rewards Account to the Club Sobeys Account pursuant to Section 7. of these Program Rules, neither Citi nor any of its affiliates (including Citibank) will be responsible or liable in any way for the administration or disposition of those Club Sobeys Points or any other service or benefit under the Club Sobeys Program, all of which will be the sole responsibility of Sobeys. In no event will Citi (or any of its affiliates, including Citibank) be liable or responsible for, (and the Primary Cardmember, by participating in the Club Sobeys MasterCard Program, releases Citi and its affiliates from) all claims in respect of any loss or damage suffered by the Primary Cardmember or others that arises in connection with or is caused by: (a) any failure by Citi to provide Account Statements or Club Sobeys MasterCard Rewards Account information to the Primary Cardmember at any time; (b) any loss, theft or disappearance of Club Sobeys MasterCard Rewards that is attributed to the actions of an Authorized User on the Account or anyone else; (c) any deductions, fees, disbursements, loss, theft or disappearance of Club Sobeys Points out of the Club Sobeys Account; (d) the suspension or termination of the Club Sobeys MasterCard Program for any reason; (e) the closing of the Account or the forfeiture or invalidation of any Club Sobeys MasterCard Rewards pursuant to these Program Rules; or (f) any failure by Sobeys (including any of its related companies) to honour the terms and conditions governing the Club Sobeys Program, or any other conduct by Sobeys under or in respect to the Club Sobeys Program.

**9. Death/Divorce:** Upon the death of the Primary Cardmember on an Account who has earned Club Sobeys MasterCard Rewards on Eligible Account Transactions during the Billing Period in which that death has occurred, the Primary Cardmember's participation in the Club Sobeys MasterCard Program will terminate, the Account will be closed, the Club Sobeys MasterCard Rewards in the Club Sobeys MasterCard Rewards Account will be transferred by Citi to the Club Sobeys Account pursuant to Section 7. of these Program Rules. Club Sobeys MasterCard Rewards are not divisible.

**10. Use of Information:** Citi, including any of its affiliates, may exchange or disclose personal information of the Primary Cardmember or an Authorized User in the manner and for the purposes described in the Agreement.

**11. Waiver:** Any waiver by Citi of the strict observance, performance or compliance by the Primary Cardmember or an Authorized User of any provision of these Program Rules and any extension or time or other indulgence granted by Citi, either expressly or by course of conduct, will not alter, affect or prejudice any of Citi's other rights or remedies and will be effective only in the specific instance and for the purpose for which it was given and will be deemed not to be a waiver of any of Citi's rights and remedies under these Program Rules as a result of any other breach, failure or omission by the Primary Cardmember or an Additional hereunder. No delay or omission by Citi in exercising any right or remedy under these Program Rules will operate as a waiver thereof or of any other right or remedy.

**12. Taxes:** Any personal federal and/or provincial tax liability for any taxes (including, without limitation, personal income taxes) arising from the accrual or transfer of earned Club Sobeys MasterCard Rewards is the sole responsibility and liability of the Primary Cardmember.

**13. Changing the Program and These Rules:** Citi may change the Club Sobeys MasterCard Program and these Program Rules at any time without giving any notice to the Primary Cardmember, any Authorized User or anyone else. Club Sobeys MasterCard Program changes may include changes to the quantity or characteristics of Club Sobeys MasterCard Rewards offered under the Club Sobeys MasterCard Program or changes to the formula or methodology under which Club Sobeys MasterCard Rewards are earned from time to time.

**14. Termination:** Citi may suspend or terminate the Club Sobeys MasterCard Program at any time upon thirty (30) days notice to the Primary Cardmember and each Authorized User in the same manner as for a notice to be given by Citi under section 16. of the Agreement. Should events beyond Citi's control, such as strikes, acts of God, civil disturbance or war, materially affect Citi's ability to perform, the Club Sobeys MasterCard Program may be suspended or terminated and all earned Club Sobeys MasterCard Rewards then at credit in the Club Sobeys MasterCard Rewards Account may be forfeited, all without notice to the Primary Cardmember or any Authorized User. Further, Citi may, without notice, suspend or terminate the Primary Cardmember's (and each Authorized User's) participation in the Club Sobeys MasterCard Program, cancel the Club Sobeys MasterCard Rewards Account, and all earned Club Sobeys MasterCard Rewards then at credit in the Club Sobeys MasterCard Rewards Account will be forfeited, upon fraud or abuse by the Primary Cardmember (or any Authorized User on the Account) relating to the Club Sobeys MasterCard Program, misrepresentation of information by the Primary Cardmember (or any Authorized User on the Account), failure by the Primary Cardmember (or any Authorized User on the Account) to honour these Program Rules, or personal bankruptcy of the Primary Cardmember. If the Account is closed for any reason, all earned Club Sobeys MasterCard Rewards then at credit in the Club Sobeys MasterCard Rewards Account will, except as otherwise provided in Section 9. of these Program Rules, be automatically forfeited.

**15. Communications:** So that the Primary Cardmember does not miss any communication from Citi about the Club Sobeys MasterCard Program, the Primary Cardmember will tell Citi immediately about any changes in the Primary Cardmember's mailing address which may be provided to others in accordance with the Agreement or Section 10. of these Program Rules.

**16. Interpretation:** The interpretation of these Program Rules is governed by the laws of Ontario and the federal laws of Canada applicable in Ontario. If any provision of these Program Rules is invalid or unenforceable, such provision will not affect the validity and enforceability of the remaining provisions of these Program Rules.

**These Program Rules constitute the entire agreement between the Primary Cardmember and Citi with respect to all aspects of the Club Sobeys MasterCard Program. Unless otherwise stated in these Program Rules, there are no conditions, representations or warranties (whether express or implied, statutory or otherwise) with respect to the Club Sobeys MasterCard Program. Any inconsistency or discrepancy in these Program Rules will be decided in favour of Citi.**