No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a pricing supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been, and will not be, registered under the United States Securities Act of 1933, as amended or any state securities laws and, subject to certain exceptions, may not be offered or sold in the United States or to or for the account of U.S. persons.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from Montreal Trust Company of Canada, the issuer trustee of Eagle Credit Card Trust (the "Issuer Trustee"), at 100 University Avenue, 11th Floor, North Tower, Toronto, Ontario, M5J 2Y1 (Telephone: 416-263-9342), and are also available electronically under Eagle Credit Card Trust's profile at www.sedar.com.*

SHORT FORM BASE SHELF PROSPECTUS

New Issue August 2, 2017

EAGLE CREDIT CARD TRUST®

Up to $1,000,000,000 of Credit Card Receivables-Backed Notes

Eagle Credit Card Trust (the "**Trust**") may, from time to time, during the 25 months that this short form base shelf prospectus (including any amendments hereto) remains valid, offer and issue credit card receivables-backed notes (the "**Notes**") in an aggregate principal amount not to exceed $1,000,000,000. The Notes will be issued in series, each of which will evidence debt obligations of the Trust and will be secured by, and recourse under which will be limited to (except in certain limited circumstances) the assets acquired by the Trust using the proceeds from the issuance thereof and the proceeds of such assets. In each case, the assets so acquired will consist of an undivided co-ownership interest in a revolving pool of credit card receivables generated under designated credit card accounts by President's Choice Bank ("**PC Bank**" or the "**Originator**") and certain related assets.

It will be a condition of the issuance of any Notes that they shall have received a Designated Rating from at least two Designated Rating Organizations (as such terms are defined herein).

The offering of Notes hereunder will be made pursuant to the medium term note program of the Trust (the "**MTN Program**") as contemplated by National Instrument 44-102 – *Shelf Distributions* of the Canadian Securities Administrators (the "**National Instrument**"). The National Instrument permits the omission from this short form base shelf prospectus of certain terms of the Notes, which will be established at the time of the offering and the sale of the Notes and will be included in the pricing supplements incorporated by reference herein, as more particularly described under the heading "Documents Incorporated by Reference". Accordingly, the specific terms of the Notes to be offered and sold hereunder pursuant to the MTN Program will be set out in pricing supplements delivered to purchasers in connection with the sale of such Notes. The Notes will be denominated in, and the principal of, and interest (if any) on, the Notes issued under this prospectus will be payable in Canadian dollars or such other currency set out in the applicable pricing supplement. The interest rate (if any) applicable to the Notes may be fixed or variable or calculated in some other manner as set out in the applicable pricing supplement. The specific designation, aggregate principal amount, interest payment dates, authorized denominations, maturity, offering price, redemption terms, if any, or other specific terms of a particular issue of Notes will also be set forth in the applicable pricing supplement.

RATES ON APPLICATION

The Trust's head and registered office is located at 100 University Avenue, 11th Floor, North Tower, Toronto, Ontario, M5J 2Y1.

The Notes will be offered severally by one or more of CIBC World Markets Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., Desjardins Securities Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc. and such other dealers as may be appointed from time to time by the Trust (collectively, the "**Dealers**"), as agents of the Trust or as principals, subject to confirmation by the Trust pursuant to the dealer agreement referred to under the heading "Plan of Distribution". The rate of commission payable in connection with sales of the Notes by the Dealers will be as determined from time to time by mutual agreement. The Notes may be purchased from time to time by any of the Dealers, as principal, at such prices as may be agreed to between the Trust and such Dealer, for resale to the public at prices to be negotiated with purchasers. Such resale prices may vary from purchaser to purchaser and during the period of distribution. Commissions may be paid in connection with such purchases and a Dealer's compensation will be increased or decreased by the amount by which the aggregate price paid for the Notes by purchasers exceeds or is less than the aggregate price paid by such Dealer to the Trust. The Trust may also offer the Notes directly to the public from time to time pursuant to any applicable statutory registration exemptions at such prices and upon such terms as may be agreed to by the Trust and the purchaser. The commission payable, if any, will be set forth in the applicable pricing supplement. The Trust and, if applicable, the Dealers reserve the right to reject any offer to purchase Notes in whole or in part. The Trust also reserves the right to withdraw, cancel or modify an offering of Notes under this short form base shelf prospectus without notice. The offering of Notes is subject to approval of legal matters on behalf of the Trust and PC Bank by Torys LLP and on behalf of the Dealers by Stikeman Elliott LLP.

Canadian Imperial Bank of Commerce ("CIBC"), as the Financial Services Sub-Agent of the Trust, performs certain financial services on behalf of the Trust, pursuant to the Financial Services Sub-Agency Agreement. CIBC World Markets Inc. ("CIBC World Markets") is a wholly-owned subsidiary of CIBC. In addition, the aggregate proceeds from any offering may be used by the Trust to purchase a Series Co-Ownership Interest from another Co-Owner that is one or more trusts sponsored by CIBC. As a result, the Trust may be considered a "connected issuer" of CIBC World Markets within the meaning of applicable securities legislation. See "Plan of Distribution".

The aggregate proceeds from any offering may be used by the Trust to purchase a Series Co-Ownership Interest from another Co-Owner that is one or more trusts sponsored by Royal Bank of Canada. As a result, the Trust may be considered a "connected issuer" of RBC Dominion Securities Inc. within the meaning of applicable securities legislation. See "Plan of Distribution".

The Notes are being offered on a continuous basis by the Trust through the Dealers. The Notes will not be listed on any securities exchange. There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this short form base shelf prospectus or the applicable pricing supplement. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. Each Dealer expects, but is not obligated, to make a market in the Notes in respect of which it is a Dealer. If such a market develops, there is no assurance that it will continue. See "Risk Factors – Absence of Public Market for the Notes".

There are risks pertaining to an investment in the Notes. See "Risk Factors".

PC Bank's permitted use of the Mastercard® trademark in this short form base shelf prospectus does not constitute and should not be taken as a Mastercard® International Incorporated warranty, guarantee or other endorsement of any kind, of the securities offered by the Trust in association with Mastercard® related receivables.

THE NOTES WILL NOT REPRESENT INTERESTS IN, OR OBLIGATIONS OF OR BE GUARANTEED BY, THE ORIGINATOR, ANY CO-OWNER (OTHER THAN THE TRUST), THE SERVICER, THE ISSUER TRUSTEE (OTHER THAN IN ITS CAPACITY AS SUCH), THE FINANCIAL SERVICES AGENT, THE FINANCIAL SERVICES SUB-AGENT, THE INDENTURE TRUSTEE, THE DEALERS, THE BENEFICIARIES OF THE TRUST OR ANY OF THEIR RESPECTIVE SHAREHOLDERS, AGENTS, OFFICERS, DIRECTORS, REPRESENTATIVES, EMPLOYEES, SUCCESSORS, ASSIGNS OR AFFILIATES. NONE OF THESE PERSONS, INCLUDING, WITHOUT LIMITATION, THE TRUST, HAS REPRESENTED OR UNDERTAKEN THAT THE RECEIVABLES WILL REALIZE THEIR FACE VALUE OR ANY PART THEREOF AND, ACCORDINGLY, NONE OF THE TRUST, THE NOTEHOLDERS OR ANY OTHER CREDITORS OF THE TRUST WILL HAVE ANY CLAIM AGAINST ANY OF THESE PERSONS FOR ANY DEFICIENCY ARISING IN THE REALIZATION OF THE RECEIVABLES. THE NOTES ARE NOT "DEPOSITS" WITHIN THE MEANING OF *THE CANADA DEPOSIT INSURANCE CORPORATION ACT* AND NONE OF THE CO-OWNERSHIP INTERESTS, THE NOTES OR THE RECEIVABLES IS INSURED OR GUARANTEED BY THE CANADA DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

PC BANK PROVIDES SERVICES TO THE TRUST IN ITS CAPACITY AS THE FINANCIAL SERVICES AGENT AND SERVICER, BUT DOES NOT GUARANTEE THE NOTES OR ANY OTHER OBLIGATIONS OF THE TRUST AND WILL NOT MAKE GOOD ANY LOSSES WITH RESPECT TO THE RECEIVABLES (AS DEFINED HEREIN) AND OTHER RELATED ASSETS.

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DOCUMENTS INCORPORATED BY REFERENCE

Copies of the documents incorporated herein by reference may be obtained on request without charge from Montreal Trust Company of Canada, the Issuer Trustee of the Trust, at 100 University Avenue, 11th Floor, North Tower, Toronto, Ontario, M5J 2Y1 (Telephone: 416-263-9342) and are also available electronically under the Trust's profile on www.sedar.com.

The following documents filed with the various securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada are specifically incorporated by reference in, and form an integral part of, this short form base shelf prospectus:

(a) the Trust's annual information form dated April 26, 2017;

(b) the Trust's comparative audited annual financial statements as at and for the years ended December 31, 2016 and 2015, together with the auditors' report thereon and management's discussion and analysis in respect thereof;

(c) the Trust's comparative unaudited interim financial statements for the three month period ended March 31, 2017, together with management's discussion and analysis in respect thereof; and

(d) portfolio information as at March 31, 2017 pertaining to the Account Assets (as defined herein) in which the Trust maintains undivided Series Co-Ownership Interests (as defined herein) filed on May 30, 2017.

Any documents of the type referred to above, any financial statements, annual filings and material change reports (excluding confidential reports) filed by the Trust with the securities commissions or similar authorities in each of the provinces and territories of Canada and any other disclosure document which the Trust has filed, or has undertaken to file, since the beginning of the financial year in respect of which the Trust's current annual information form is filed, pursuant to an undertaking to a provincial or territorial securities regulatory authority subsequent to the date of this short form base shelf prospectus and prior to the termination of the offering shall be deemed to be incorporated by reference into this short form base shelf prospectus. All shelf information omitted from this short form base shelf prospectus will be contained in one or more pricing supplements that will be delivered to purchasers together with this short form base shelf prospectus. A pricing supplement containing the specific terms in respect of an offering of Notes will be delivered to purchasers of such Notes together with this short form base shelf prospectus and will be deemed to be incorporated by reference into this short form base shelf prospectus for purposes of securities legislation as of the date of such pricing supplement, but only for purposes of the offering of such Notes (unless otherwise expressly provided therein). Upon a new annual information form and the related annual financial statements being filed by the Trust with and, where required, accepted by the applicable securities regulatory authorities during the currency of this short form base shelf prospectus, the previous annual information form, the previous annual financial statements and all interim financial statements, material change reports and information circulars filed prior to the commencement of the Trust's financial year in which the new annual information form was filed shall be deemed no longer to be incorporated into this short form base shelf prospectus for purposes of future offers and sales of Notes hereunder.

Any ''template version'' of any ''marketing materials'' (as such terms are defined in National Instrument 41-101 — *General Prospectus Requirements* of the Canadian Securities Administrators) that are utilized by the Dealers in connection with a distribution of Notes will be filed under the Trust's profile on www.sedar.com. In the event that such marketing materials are filed after the date of the applicable pricing supplement pertaining to the distribution of Notes to which such marketing materials relate but prior to the termination of such distribution, such filed versions of the marketing materials will be deemed to be incorporated by reference into the applicable pricing supplement for the purposes of the distribution of the Notes to which the pricing supplement pertains.

PC Bank, as financial services agent of the Trust (the "**Financial Services Agent**") will post under the Trust's profile on www.sedar.com on a quarterly basis certain information pertaining to the Account Assets (as defined herein) in which the Trust maintains certain undivided Series Co-Ownership Interests (as defined herein). All such posted information will be incorporated by reference into this short form base shelf prospectus for purposes of securities legislation as at the date of such posting. Upon new quarterly portfolio information being posted by the Financial Services

Agent, the previously posted quarterly portfolio information shall be deemed no longer incorporated into this short form base shelf prospectus for purposes of future offers and sales of Notes hereunder.

Except as referenced above, no other document or information is incorporated by reference in or forms part of this short form base shelf prospectus.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this short form base shelf prospectus to the extent that a statement contained herein or in any subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form base shelf prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Torys LLP and Stikeman Elliott LLP, based in part on a certificate provided by PC Bank as Financial Services Agent of the Trust as to certain factual matters unless otherwise specified in a prospectus supplement or pricing supplement, the Notes, if acquired on the date hereof, would at that time be "qualified investments" under the *Income Tax Act* (Canada) (the "**Tax Act**") for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), registered education savings plans ("**RESPs**"), deferred profit sharing plans, registered disability savings plans ("**RDSPs**") and tax-free savings accounts ("**TFSAs**") if they have an investment grade rating from a prescribed credit rating agency and either (A) they are issued on a continuous basis under a debt issuance program and the Trust had outstanding debt under the program of at least $25,000,000 or (B) they are issued as part of a single issue of debt of at least $25,000,000. Notwithstanding that the Notes may be qualified investments for trusts governed by TFSAs, RRSPs or RRIFs, the holder of a TFSA or the annuitant under an RRSP or RRIF, as the case may be, will be subject to a penalty tax if the Notes are "prohibited investments" (as defined in the Tax Act) for a trust governed by the TFSA, RRSP or RRIF, as the case may be. The Notes will generally be a prohibited investment if the holder of a TFSA or the annuitant under an RRSP or RRIF, as the case may be, (i) does not deal at arm's length with the Trust for purposes of the Tax Act or (ii) has a "significant interest" (within the meaning of the Tax Act for purposes of the prohibited investment rules) in the Trust. Pursuant to legislative proposals to amend the Tax Act released on March 22, 2017, the foregoing rules in respect of "prohibited investments" are proposed to also apply to (i) RDSPs and the holders thereof and (ii) RESPs and the subscribers thereof. Prospective purchasers should consult and rely on their own tax advisors in this regard.

TRANSACTION STRUCTURE OVERVIEW

Reference is made to the Glossary of Defined Capitalized Terms for detailed definitions of defined terms used in this short form base shelf prospectus.

The following is a brief overview of the transaction structure and is qualified by and should be read together with the more detailed information contained in this short form base shelf prospectus.

The Trust

The Trust was established by Computershare Trust Company of Canada ("**Computershare**"), as the initial issuer trustee of the Trust, pursuant to a declaration of trust made as of October 24, 2005 (the "**Original Declaration of Trust**"), for the purpose of purchasing interests in credit card receivables and related assets generated by the Originator. Pursuant to an assignment of trusts agreement made as of November 14, 2007 among the Trust, Computershare and the Issuer Trustee (together with the Original Declaration of Trust, the "**Declaration of Trust**"),

Computershare resigned as issuer trustee of the Trust and the Issuer Trustee was appointed as successor issuer trustee. The activities of the Trust are the purchase, acquisition and administration of assets that the Trust purchases or otherwise acquires from time to time for the purpose of producing income therefrom, together with all such activities as may be reasonably incidental or necessary in connection with the performance by the Trust of its obligations under the Programme Agreements. The purchase or acquisition is funded through the issuance of Notes from time to time pursuant to the terms of a trust indenture dated as of March 6, 2006 (and amended by a supplemental trust indenture made as of November 14, 2007) between the Trust and the Indenture Trustee (the "**Trust Indenture**"), all in accordance with and subject to the terms and conditions of the Programme Agreements.

The Issuer Trustee has delegated its responsibility for the day-to-day administration of the Trust to PC Bank in its capacity as Financial Services Agent. The Financial Services Agent has sub-delegated certain of its financial and other duties to CIBC in its capacity as financial services sub-agent (the "**Financial Services Sub-Agent**").

Series Co-Ownership Interests

The Trust will use the proceeds from any particular issuance of Notes to acquire a Series Co-Ownership Interest in the Custodial Assets either from the Originator or another Co-Owner. The Notes will evidence debt obligations of the Trust secured by, and with recourse limited to (except in certain limited circumstances), the Series Co-Ownership Interest acquired with the proceeds thereof. Payments on the Notes will be funded by the Trust in accordance with the terms specified in the related Series Co-Ownership Agreement. The ability of the Trust to make payments on the Notes is expected to depend primarily on the performance of the Account Assets. See "**Series Co-Ownership Interests – Purchase of Series Co-Ownership Interests**".

The Originator may from time to time sell Series Co-Ownership Interests to new or existing Co-Owners, including the Trust. The Trust may also acquire Series Co-Ownership Interests from other Co-Owners. A "**Series Co-Ownership Interest**" consists of an undivided co-ownership interest in and to the Custodial Assets, an interest in any credit enhancement relating to the purchased Series Co-Ownership Interest and an interest in funds on deposit in certain accounts relating to the purchased Series Co-Ownership Interest.

The residual undivided co-ownership interest in the Custodial Assets which is not sold by the Originator is referred to in this short form base shelf prospectus as the "**Retained Interest**". The Retained Interest is not a Series Co-Ownership Interest and may be transferred by the Originator in certain limited circumstances.

Credit Card Portfolio

Each quarter, the Financial Services Agent shall post under the Trust's profile on www.sedar.com certain information pertaining to the Account Assets in which the Trust maintains undivided co-ownership interests through its ownership of Series Co-Ownership Interests. See "**Credit Card Portfolio**".

Pool of Receivables

The relationship among the Co-Owners and the Originator is governed, in part, by the amended and restated pooling and servicing agreement made as of March 6, 2006 among the Originator, the Custodian and the Performance Guarantor (the "**Pooling and Servicing Agreement**"). Pursuant to the terms of the Pooling and Servicing Agreement, the Custodian agrees to hold the Custodial Assets as agent and bailee for the benefit of the Originator and each of the Co-Owners who owns a Series Co-Ownership Interest. The Pooling and Servicing Agreement also sets out the responsibilities of the Person (the "**Servicer**") which services the Accounts and the related Account Assets. PC Bank has been appointed as the initial Servicer. PC Bank has delegated certain of its obligations as Servicer. Notwithstanding such delegation, PC Bank, as Servicer, remains responsible to the Co-Owners for the performance of such duties.

Subject to certain limitations and restrictions, the Originator may add or remove Accounts as described in this short form base shelf prospectus under "**The Custodial Assets – Addition of Accounts**" and "**The Custodial Assets – Removal of Accounts**".

Performance Guarantor

Under the terms of the Pooling and Servicing Agreement, upon the occurrence and during the continuance of a Servicer Termination Event, Loblaw Companies Limited ("**Loblaw**") will assume, and ensure the due and timely performance of, all of the obligations and liabilities of the Originator and the Servicer (so long as PC Bank is the Servicer) under the Pooling and Servicing Agreement to the extent it is not precluded from doing so by applicable law. See "**Pooling and Servicing Agreement – Replacement of Servicer**".

PC Bank Credit Card Accounts

The Originator owns a portfolio of credit card accounts. In this short form base shelf prospectus, the customers who use the accounts and persons who are liable for amounts due under accounts are referred to as "**Obligors**".

When an Obligor makes a purchase of goods or services or receives a cash advance using a credit card issued by the Originator, the Obligor is obligated to pay the Originator the full cost of the goods or services purchased or the amount advanced, which in turn creates a Receivable.

If an Obligor pays their statement balance in full within the permitted grace period, no interest will be payable on purchases appearing on the statement. If an Obligor does not pay their entire statement balance in full within the permitted grace period, interest will be payable on all Principal Receivables, including in respect of all previously billed and unpaid purchases appearing on the Obligor's statement. The interest-free period for new purchases begins on the date the purchases are made and ends on the due date noted on the first statement on which these purchases appear, which is the date by which the Obligor must pay the statement balance for those purchases. If the Obligor does not pay the statement balance in full by the payment due date shown on the statement, interest will be charged on the purchases shown on that statement from the date such purchases were made. No grace period applies to cash advances and interest accrues on each cash advance from the date of the advance. Interest payable in respect of Receivables is included in what is referred to in this short form base shelf prospectus as "**Finance Charge Receivables**". In addition, Obligors may be required to pay other fees and charges. These fees, charges and Interchange which are received by the Originator in respect of its participation in credit card associations are also included in Finance Charge Receivables.

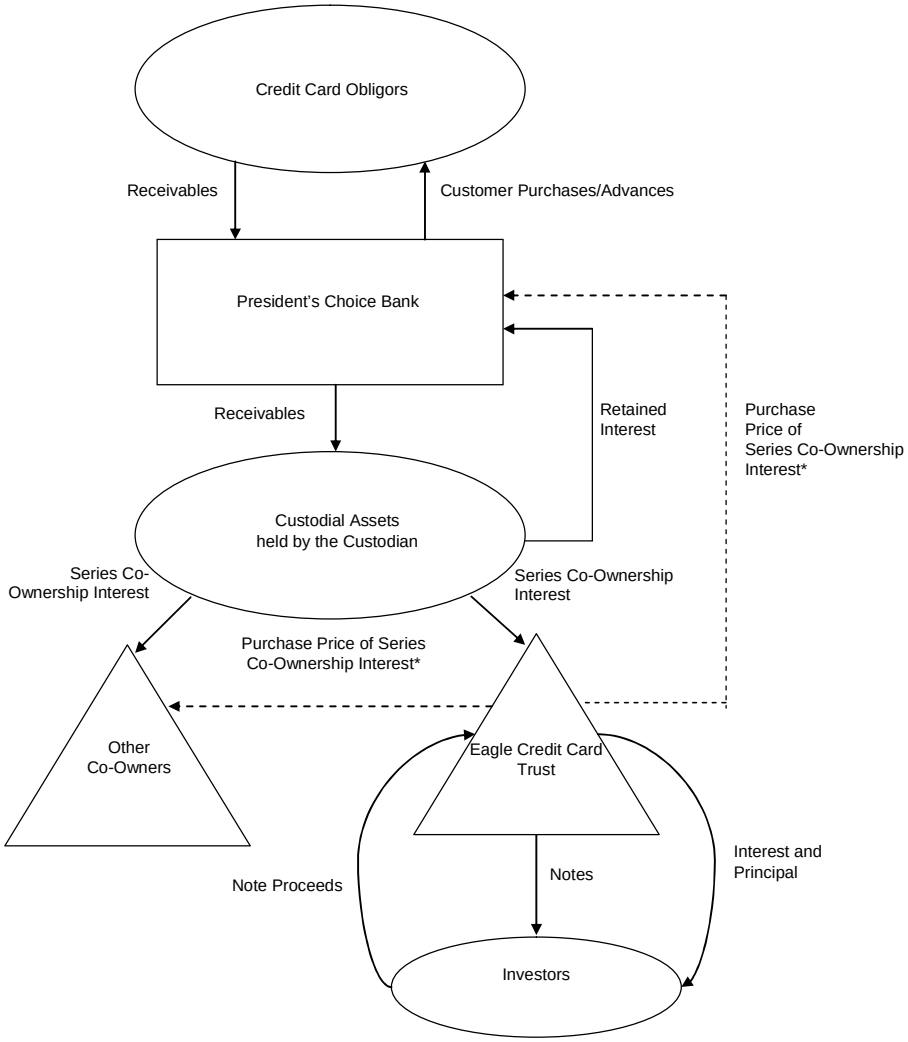
Collections and Distributions under the Pooling and Servicing Agreement

Pursuant to the Pooling and Servicing Agreement, the Servicer will be required, among other things, to service and administer the Account Assets, collect all payments in respect of the Account Assets and make all required remittances, deposits, withdrawals and transfers with respect to the Collection Account and the Series Accounts. In certain circumstances, the Co-Owners may replace PC Bank as Servicer. See "**Pooling and Servicing Agreement – Replacement of Servicer**".

During the Revolving Period for each Series, the related Co-Owner will receive only sufficient distributions to satisfy its interest payment obligations and certain of its expenses and other obligations specified in the related Series Co-Ownership Agreement. The purpose of any Accumulation Period which may be applicable to a particular Series is to accumulate enough funds to ensure payment in full of the related Notes at maturity. If an Amortization Period commences in respect of a particular Series, all amounts allocable to the Series will be paid to the Co-Owner and distributed to Noteholders monthly until the related Notes have been paid in full. See "**Series Co-Ownership Interests – Principal Terms**".

Transaction Structure

The following diagram illustrates the transaction structure.



* If Eagle Credit Card Trust acquires a Series Co-Ownership Interest from a Co-Owner, the purchase price would be paid to such Co-Owner. If Eagle Credit Card Trust acquires a Series Co-Ownership Interest from PC Bank, the purchase price would be paid to PC Bank.

If any of the Notes are denominated in a currency other than Canadian dollars, the Trust may enter into one or more currency swaps in order to hedge the currency risk, the details of which will be disclosed in the applicable pricing supplement.

EAGLE CREDIT CARD TRUST

Issuer Trustee

The Trust was established pursuant to the Declaration of Trust and is governed by the laws of the Province of Ontario. The Issuer Trustee is licensed to carry on business as a trustee in all provinces and territories of Canada. The head office of the Issuer Trustee is located at 100 University Avenue, 11th Floor, North Tower, Toronto, Ontario, M5J 2Y1.

The Issuer Trustee may at any time change the head office and location of the administration of the Trust to another location within Canada or have such other offices or places of administration within Canada as the Issuer Trustee may from time to time determine are necessary or advisable.

The Issuer Trustee is required to perform its obligations as Issuer Trustee honestly, in good faith and in the best interests of the Trust and its beneficiaries, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Issuer Trustee is deemed to have satisfied this standard of care to the extent that it has delegated the performance of its powers and duties as Issuer Trustee to the Financial Services Agent. The Issuer Trustee is entitled to be indemnified out of the Trust's property in respect of claims to which it may be subject in its capacity as Issuer Trustee, subject to certain conditions.

The Issuer Trustee may resign after giving 60 days' notice in writing (or such shorter period as the Indenture Trustee, the Financial Services Agent and the Rating Agencies may accept as sufficient) to the Indenture Trustee, the Financial Services Agent and the Rating Agencies, but no such voluntary resignation will be effective until a replacement Issuer Trustee has been appointed and has executed a written agreement agreeing to assume the obligations of the Issuer Trustee pursuant to the Declaration of Trust and all other contracts binding on the Issuer Trustee. The Issuer Trustee will also be required to resign if a material conflict of interest in its role as trustee pursuant to the Declaration of Trust arises and persists for a period of 90 days after the Issuer Trustee becomes aware of such conflict. If the Issuer Trustee does not resign after becoming aware of such a material conflict, any interested party may apply to a court for an order that the Issuer Trustee be replaced. In the event that the Issuer Trustee resigns, is removed, is dissolved, becomes bankrupt, goes into liquidation or otherwise becomes incapable of acting under the Declaration of Trust, the Financial Services Agent shall remain in office and may forthwith appoint a replacement Issuer Trustee, failing which the retiring Issuer Trustee or certain creditors of the Trust (including Noteholders) may apply to the applicable court of the Province of Ontario for the appointment of a replacement Issuer Trustee.

Financial Services Agent

Pursuant to a financial services agreement made as of October 24, 2005 (the "**Financial Services Agreement**") between the Trust and PC Bank, the Financial Services Agent has agreed to carry out certain financial services and management activities for and on behalf of the Trust, including, among other things, those activities contemplated to be performed by the Trust under the material contracts to which the Trust is a party. See "**Material Contracts**". The head and registered office of the Financial Services Agent is located at 25 York Street, P.O. Box 201, 7th Floor, Toronto, Ontario, M5J 2V5.

The following are the names, municipality of residence and offices of the officers of PC Bank directly involved in its capacity as Financial Services Agent of the Trust:

Name and Municipality of Residence	**Office**
BARRY K. COLUMB Richmond Hill, Ontario, Canada	President and Chief Executive Officer and Director
FELIX WU Toronto, Ontario, Canada	Chief Financial Officer
PUNEESH ARORA Vaughan, Ontario, Canada	Chief Risk Officer
ANDRE LEWIS Vaughan, Ontario, Canada	Treasurer

The Financial Services Agent is required to perform its duties diligently and in conformity with the Trust's obligations under applicable agreements with the degree of care and skill that a reasonably prudent person would exercise in comparable circumstances. The Financial Services Agent may appoint an agent to perform any or all of its obligations under the Financial Services Agreement, provided that PC Bank will remain liable and responsible for any of its powers and duties which it delegates, but will not be responsible to the Trust or the Issuer Trustee for any default by its agents unless PC Bank failed to meet its standard of care. The Financial Services Agent will indemnify the Trust and the Issuer Trustee in respect of certain claims to which they may be subject as a result of any negligent act or omission under the Financial Services Agreement by the Financial Services Agent; provided that this indemnity will not extend to any

liabilities incurred by the Issuer Trustee arising from its failure to satisfy the standard of care to which it is subject under the Declaration of Trust.

As long as PC Bank is the Servicer, it will be unable to resign as Financial Services Agent or to terminate the Financial Services Agreement. If PC Bank is not the Servicer, PC Bank may resign as Financial Services Agent by giving the Trust at least 30 days' written notice of its intention to resign. No resignation will become effective until a successor Financial Services Agent has been appointed and has entered into a financial services agreement whereby the successor Financial Services Agent agrees to assume, in substance, the obligations of the Financial Services Agent under the Financial Services Agreement.

In consideration of and as compensation for all services rendered by the Financial Services Agent pursuant to the Financial Services Agreement, the Trust will pay to the Financial Services Agent such regular and periodic fees as may be agreed to in writing from time to time by the Issuer Trustee and the Financial Services Agent.

Financial Services Sub-Agent

PC Bank, as Financial Services Agent, has appointed CIBC as the Financial Services Sub-Agent to perform certain of the financial and other duties of the Financial Services Agent pursuant to a financial services sub-agency agreement made as of March 6, 2006 between the Financial Services Agent and CIBC (the "**Financial Services Sub-Agency Agreement**"). The Financial Services Agent and the Financial Services Sub-Agent may, from time to time, agree to changes to the duties delegated by the Financial Services Agent to the Financial Services Sub-Agent.

The Financial Services Agent has agreed to pay the Financial Services Sub-Agent an annual fee in consideration of the services performed by the Financial Services Sub-Agent; however, no such amounts are payable by the Custodian, the Trust or the Issuer Trustee.

The Financial Services Sub-Agency Agreement provides that the Financial Services Agent may terminate the Financial Services Sub-Agency Agreement upon not less than 60 days' written notice to the Financial Services Sub-Agent, the Issuer Trustee and the Rating Agencies.

The Financial Services Sub-Agency Agreement also provides that the Financial Services Sub-Agent may resign upon not less than 60 days' written notice to the Financial Services Agent, the Issuer Trustee and the Rating Agencies or immediately with subsequent notice to the Financial Services Agent should the Financial Services Agent fail to materially comply with the terms of the Financial Services Sub-Agency Agreement.

THE ORIGINATOR AND SERVICER

PC Bank is a Schedule I Canadian chartered bank governed by the *Bank Act* (Canada) and is a wholly-owned subsidiary of Loblaw. PC Bank's head office is located at 25 York Street, P.O. Box 201, 7th Floor, Toronto, Ontario, M5J 2V5. PC Bank commenced operations on November 25, 1999 under the *Trust and Loan Companies Act* (Canada) under the name President's Choice Financial Trust Company. On November 29, 2000, President's Choice Financial Trust Company received approval to continue its operations as a chartered bank under the *Bank Act* (Canada) under the name President's Choice Bank.

In association with other financial institutions, PC Bank offers, under the President's Choice Financial® brand, a complete line of retail financial services products to individuals resident in Canada. The President's Choice Financial® Mastercard® (the "**PC Mastercard®**") was introduced in March, 2001 and the PC Mastercard® credit card program is owned and managed by PC Bank. Users of the PC Mastercard® credit card program earn PC® points loyalty rewards through an affiliated program. PC® points are awarded to PC Mastercard® customers based upon the amount spent using the PC Mastercard®, together with additional PC® points to promote desired activity on the PC Mastercard® account. PC points are redeemable for goods and merchandise in Loblaw banner stores.

CREDIT CARD BUSINESS OF PRESIDENT'S CHOICE BANK

General

The Account Assets will be generated from time to time by transactions made by Obligors using PC Mastercard® credit cards.

The PC Mastercard® credit card is issued as part of the worldwide Mastercard® system, and transactions creating receivables through the use of the credit card are processed through the Mastercard® authorization and settlement system. So long as the Originator is the Servicer, should the right of the Originator to participate in the credit card program operated by any entity or organization under whose regulations any credit cards were issued in connection with the Accounts be terminated, an Amortization Event would occur, and delays in payments on the Accounts Assets and possible reductions in the amounts thereof could also occur. The receivables in the PC Mastercard® accounts which form part of the Custodial Assets arise in a variety of PC Mastercard® accounts. Such accounts have varying billing and payment structures, including varying periodic finance charges and fees.

The PC Mastercard® credit card can be used to finance the purchase of products and services from time to time from organizations accepting Mastercard® credit cards or to obtain cash advances. As at March 31, 2017, PC Bank serviced approximately 4.0 million PC Mastercard® accounts, including accounts not forming part of the Custodial Assets, of which 1.6 million had balances greater than zero. As at March 31, 2017, the aggregate balance of receivables in the portfolio of PC Mastercard® accounts, including accounts not forming part of the Custodial Assets, was approximately $2.8 billion. PC Bank acts as Servicer of such receivables.

The Accounts were principally created through (i) applications made available to prospective cardholders at Loblaw and affiliated stores; (ii) telephone solicitations; and (iii) the internet.

Credit Granting Procedures

Each PC Mastercard® credit card account is subject to the terms and conditions set out in the related Credit Card Agreement. Under the Pooling and Servicing Agreement, PC Bank has reserved the right to change the terms and provisions of the Accounts, the Credit Card Agreements and the Servicing Standards (including, without limitation, the calculation of the amount and the timing of delinquencies, write-offs, credit, finance or service charges and other fees or amounts charged or assessed and the designation or name of the applicable credit card or credit cards) on notice to the Custodian, the Co-Owners and the Rating Agencies, so long as such change is made: (i) in order to comply with changes in applicable laws or as required by Mastercard®'s by-laws and operating regulations in effect from time to time; (ii) so that the terms of the Accounts, the Credit Card Agreements or Servicing Standards are, in the opinion of PC Bank, acting reasonably, competitive with those available to customers of its competitors; or (iii) in accordance with prudent and reasonable business judgment, provided that such change would not, in the opinion of PC Bank, reasonably be expected to have a Material Adverse Effect on PC Bank.

When PC Bank receives an application for a PC Mastercard® credit card, it is evaluated for completeness and creditworthiness of the applicant. All applications are evaluated through a combination of credit bureau scoring and certain applicant attributes, including employment, identity verification, income and credit history. Only residents of Canada are eligible to apply for a PC Mastercard® credit card. Employees of PC Bank and its affiliates are also subject to the standard credit approval process.

In the credit approval process, credit bureau scores are used to statistically derive the likelihood that an account will charge off, fall into delinquency or the Obligor will declare bankruptcy. These scores are one of the tools in the adjudication process to decide if PC Bank will grant credit to the applicant and to determine the applicant's initial credit limit.

PC Bank has retained third party service providers to perform some of the credit-granting and other services relating to its credit card business, including Total System Services Inc. ("**TSYS**") which has been retained to provide the

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credit card processing services. TSYS is a leading credit card core processing system that provides processing services for a number of credit card issuers in Canada and the United States. PC Bank remains responsible for any services performed by a third party service provider. Services which have not been delegated by PC Bank to a third party service provider are performed internally by PC Bank.

Collection Procedures

The collection process is initiated at the point when an account is in arrears and PC Bank determines, based upon an assessment of the statistical probability that the account will be charged-off, that collection procedures should be initiated. The delinquent account is placed into a collection strategy within the processing system which determines the collection actions to be taken according to the Obligor's profile. Obligor behaviour will then cause the account to either be removed from the collection system upon receipt of the appropriate payment or require that further actions be taken.

Actions which may be taken in order to recover overdue balances include:

(a) inserting a comment on the Obligor's monthly statement, the severity of which increases over time;

(b) letters sent to the Obligor demanding payment;

(c) direct contact with the Obligor (by collection staff or automated dialer); and

(d) implementing a temporary freeze on the delinquent account.

Frequency of cardholder contact is dependent upon Obligor behaviour and the severity of the delinquency.

PC Bank has outsourced the collections function to third-party collection agencies. Currently, the third-party collection agencies work directly on all problem accounts.

PC Bank charges off Receivables that are over 180 days past due. In circumstances where PC Bank becomes aware of Obligor bankruptcy, outstanding balances are immediately identified for charge-off and are charged-off 30 days following the notification. Where PC Bank becomes aware of fraud on an Obligor's account, an investigation confirming such fraud is completed within 120 days after which time outstanding balances are charged off. Once an account has been designated as a Charged-Off Account, PC Bank may transfer the account to a third-party collection agency for recovery efforts. Charged-Off Accounts do not include amounts relating to fraud. PC Bank may also, at its discretion, enter into arrangements with delinquent cardholders to extend or otherwise change payment schedules.

Interchange

Credit card-issuing financial institutions receive certain fees ("**Interchange**") from financial institutions that clear the transactions for merchants in connection with cardholder charges for merchandise and services as partial compensation for taking credit risk, absorbing fraud losses and funding receivables for a limited period prior to initial billing. This fee is calculated as a percentage of the transaction value. Pursuant to the Pooling and Servicing Agreement, PC Bank has agreed to treat the Interchange attributed to the Accounts which is payable to PC Bank as Collections and, for allocation purposes, it will be included in Finance Charge Receivables.

Billing and Payments

Monthly statements are sent by PC Bank to Obligors at the end of the applicable billing period. Each month, where an Obligor's statement balance is greater than $10, the Obligor must make a minimum payment by the payment due date shown on the statement that is equal to or greater than any past due amounts plus the greater of: (i) $10, (ii) 2.2% of the total balance shown on the statement, or (iii) the interest charges and fees billed on the statement plus $1. Where an Obligor's statement balance is less than or equal to $10, the Obligor must pay the entire statement balance by the payment due date specified in the statement.

If an Obligor pays their statement balance in full within the permitted grace period, no interest will be payable on purchases appearing on the statement. If an Obligor does not pay their entire statement balance in full within the permitted grace period, interest will be payable on all Principal Receivables, including in respect of all previously billed and unpaid purchases appearing on the Obligor's statement. The interest-free period for new purchases begins on the date the purchases are made and ends on the due date noted on the first statement on which these purchases appear, which is the

date by which the Obligor must pay the statement balance for those purchases. If the Obligor does not pay the statement balance in full by the payment due date shown on the statement, interest will be charged on the purchases shown on that statement from the date such purchases were made. No grace period applies to cash advances and interest accrues on each cash advance from the date of the advance. Interest payable in respect of Receivables is included in what is referred to in this short form base shelf prospectus as "**Finance Charge Receivables**". In addition, Obligors may be required to pay other fees and charges. These fees, charges and Interchange which are received by the Originator in respect of its participation in credit card associations are also included in Finance Charge Receivables.

Interest is calculated at the end of each billing period for each type of interest-bearing transaction by multiplying together: (i) the average daily balance for that type of transaction, (ii) the applicable daily interest rate and (iii) the number of days in the billing period. The interest calculated for each type of interest bearing transaction is then added together and included in the statement balance.

Currently, any account with any missed minimum payments is considered delinquent and any account with missed minimum payments for two consecutive billing periods is considered to no longer be in good standing pursuant to the Credit Card Agreement. Accounts that are not in good standing may become subject to the default rate of interest, which is higher than the standard purchase and cash advance rates of interest, upon the required notice being provided to the Obligor.

All paper-based customer payments (other than those made in a branch of a financial institution in Canada) received by 2:00 p.m. (EST) are applied to the account on the same day. All such payments received after 2:00 p.m. (EST) are applied the next business day. All electronic payments are processed on the day on which payment is made. PC Bank has outsourced various processing functions to TSYS. TSYS authorizes, processes and records transactions. TSYS also issues a notice via email to Obligors who have consented to receiving electronic notification that their statement is ready to be reviewed online. Obligors who have not consented to receiving electronic statements are provided with paper versions of their statements by mail.

Payments by Obligors on the Accounts are processed and applied to the balance in an Account in the following order. Payment amounts up to the minimum payment are applied to the Account balance, first to interest, second to fees, and the remainder, if any, to transactions on the Account, starting with those that have been shown on a statement. Within each type of transaction on the Account, payment amounts up to the minimum payment are applied starting with the items with the lowest rate of interest to the items with the highest rate of interest.

Payments greater than the minimum payment are prorated, meaning that they are applied proportionately against the balance owing on the Account, as follows: (i) first, against any unpaid billed amounts based on their proportion of the total remaining statement balance; (ii) second, against any new balances on the Account, which have not yet been shown on a statement, based on their proportion of the remaining balance owing on the Account; and (iii) third, the remainder of the payment, if any, will become a credit balance on the Account.

THE CUSTODIAL ASSETS

General

Pursuant to the Pooling and Servicing Agreement, PC Bank (or a Co-Owner) may, from time to time, sell Series Co-Ownership Interests to the Trust, or any other person, pursuant to a related Series Co-Ownership Agreement (and, in the case of a sale by a Co-Owner, a related Assignment Agreement). The discussion in this short form base shelf prospectus of certain provisions of the Pooling and Servicing Agreement and of the sale of Series Co-Ownership Interests pursuant to Series Co-Ownership Agreements (and, in the case of a sale by a Co-Owner, a related Assignment Agreement) does not purport to be complete and is qualified in its entirety by reference to all the provisions of the Pooling and Servicing Agreement, the related Series Co-Ownership Agreements and the related Assignment Agreements, if any.

Deposit of Account Assets with the Custodian

The Originator has transferred, pursuant to the terms of the Pooling and Servicing Agreement, without recourse (except as expressly provided in such agreement) and on a fully-serviced basis, to the Custodian, as agent and bailee of the Originator and the Co-Owners, all of the Originator's right, title and interest in, to and under the Custodial Assets after the applicable Reference Date in respect of each Account. In addition, the Originator provided (i) to the Custodian, an

encrypted computer file containing a true and complete list of all Accounts, the names and addresses of all related Obligors and the amount of Receivables owing under each such Account and (ii) to the Indenture Trustee, the decryption key relating thereto. Pursuant to the terms of the Pooling and Servicing Agreement, the Originator is required to provide an updated encrypted computer file (i) in connection with the addition or removal of any Accounts, (ii) in connection with the creation of a Series Co-Ownership Interest, and (iii) annually, by no later than the 60th day following December 31 in each year. The Originator will file financing statements and all other applicable registration documentation in accordance with applicable provincial laws to perfect the transfer and purchase by a Co-Owner of the related Series Co-Ownership Interest.

Account Selection Criteria

The Pooling and Servicing Agreement stipulates that each "**Account**" forming part of the Custodial Assets (each, an "**Eligible Account**") must, on the applicable Reference Date, satisfy the following eligibility criteria:

(a) the account is payable in Canada only and denominated in Canadian dollars;

(b) credit was granted to the related Obligor in accordance with the Servicing Standards in effect at the time;

(c) the terms of the account do not, in any material respect, contravene any laws, rules or regulations applicable thereto;

(d) the billing address of the related Obligor is located in Canada, provided that an aggregate of not more than 1% of Obligors may have a billing address located outside of Canada;

(e) the account is a consumer account established by a Credit Card Agreement between the Originator and the related Obligor in accordance with Mastercard®'s by-laws and operating regulations which provides for the extension of credit on a revolving basis to the Obligor to (i) finance the purchase of products and services from Persons that accept Mastercard® credit cards for payment; and (ii) obtain cash advances;

(f) the Receivables under such account are not evidenced by any instrument, security or chattel paper (each as defined in the *Personal Property Security Act* (Ontario));

(g) the Originator has not classified the account on its electronic records as counterfeit, cancelled, fraudulent, stolen, lost or held by a bankrupt or deceased person; and

(h) the account would not be a Charged-Off Account on the applicable Reference Date.

The Originator has represented and warranted that each Account was an Eligible Account on its related Reference Date. See "**Removal of Accounts**". There can be no assurance that the Accounts will meet the eligibility requirements after their respective Reference Dates.

The Custodial Assets

"**Custodial Assets**" refers to the Account Assets together with the Collection Account and all funds on deposit therein and Eligible Investments thereof.

"**Account Assets**" refers to (i) in respect of any Account (v) all present and future Receivables existing or arising under such Account, (w) all Related Security, (x) all other monies due or becoming due thereunder or pursuant to a credit protection plan relating to such Receivables, including any related Insurance Proceeds, (y) such interest in the related Credit Card Agreement as may be necessary to enforce the obligations of the related Obligor thereunder, and (z) all proceeds of the foregoing (excluding, for the avoidance of doubt, points awarded under the PC points loyalty program), and (ii) otherwise, the items specified in (i) above in respect of all Accounts transferred to the Custodian pursuant to the Pooling and Servicing Agreement (other than removed Accounts), as the context requires or indicates.

Subject to certain requirements, Accounts may be added or removed in the manner described under "**Addition of Accounts**" and "**Removal of Accounts**".

The Receivables

The "**Receivables**" included in the Account Assets are the aggregate amounts (being all Finance Charge Receivables and Principal Receivables) charged to related Accounts pursuant to the related Credit Card Agreements, as adjusted from time to time to account for Credit Adjustments but shall exclude any amounts representing amounts collected by the Originator as agent for third-party service providers.

The aggregate dollar amount of Receivables (and therefore the Pool Balance) fluctuates from day-to-day as new Receivables are generated in the Accounts and as existing Receivables are collected, charged-off or otherwise adjusted. The "**Pool Balance**" at any time is equal to the aggregate outstanding balances of all Principal Receivables, excluding Charged-Off Amounts, at that time.

Addition of Accounts

If, on any Reporting Date (after giving effect to the calculations, allocations, distributions and adjustments to be made on the following Settlement Date), the Pool Balance will be less than the Required Pool Amount, in each case, as of the immediately following Settlement Date, the Originator shall, on or prior to the close of business on the following Determination Date (the "**Required Identification Date**"), to the extent such accounts are available, designate Eligible Accounts to be included as Additional Accounts as of the Required Identification Date or any earlier date such that, after giving effect to such designation, the Pool Balance will be at least equal to the Required Pool Amount as at the next following Settlement Date. The failure of the Originator to designate Additional Accounts in such circumstances solely as a result of the unavailability thereof or a limitation on the Originator's ability to make such designation and transfer will not constitute a breach of the Pooling and Servicing Agreement; provided, however, that any failure to otherwise remedy the Required Pool Amount deficiency will nevertheless result in the occurrence of an Amortization Event in respect of a Series if the related Series Co-Ownership Agreement so provides.

In addition, the Originator may from time to time, in its sole discretion, subject as hereinafter provided, voluntarily designate Eligible Accounts to be included as Additional Accounts as of the applicable Addition Date and thereby sell, transfer, assign and convey to the Co-Owners undivided co-ownership interests in the related Account Assets existing on and after a specified date (the "**Addition Cut-Off Date**"); provided, however, that, unless the Rating Agency Condition in respect of each Series is otherwise satisfied,

(a) the sum of:

(i) the aggregate amount of all outstanding Principal Receivables under accounts to be added as Additional Accounts; and

(ii) the aggregate amount of all outstanding Principal Receivables (excluding any amounts owing under any Charged-Off Accounts) under accounts previously added as Additional Accounts (including accounts required to be added as Additional Accounts to remedy a Required Pool Amount deficiency) during the preceding three-month period,

must not exceed 15% of the Pool Balance on the first day of such three-month period;

(b) the sum of:

(i) the aggregate amount of all outstanding Principal Receivables under accounts to be added as Additional Accounts; and

(ii) the aggregate amount of all outstanding Principal Receivables (excluding any amounts owing under any Charged-Off Accounts) under accounts previously added as Additional Accounts (including accounts required to be added as Additional Accounts to remedy a Required Pool Amount deficiency) during the preceding 12-month period,

must not exceed 20% of the Pool Balance on the first day of such 12-month period;

(c) the sum of:

(i) the number of accounts to be added as Additional Accounts; and

(ii) the number of accounts previously added as Additional Accounts (including accounts required to be added as Additional Accounts to remedy a Required Pool Amount deficiency) during the preceding three-month period,

must not exceed 15% of the number of Accounts on the first day of such three-month period; and

(d) the sum of:

(i) the number of accounts to be added as Additional Accounts; and

(ii) the number of accounts previously added as Additional Accounts (including accounts required to be added as Additional Accounts to remedy a Required Pool Amount deficiency) during the preceding 12-month period,

must not exceed 20% of the number of Accounts on the first day of such 12-month period;

and provided, further, that any account not initially established by the Originator or an Affiliate of the Originator may not be added without satisfaction of the Rating Agency Condition in respect of each Series.

Undivided co-ownership interests in the Additional Accounts will automatically be transferred to the Co-Owners on the date which is specified in a written notice (the "**Addition Notice**") specifying the Addition Cut-Off Date and the Addition Date for such Additional Accounts provided by the Originator to the Custodian and the Servicer. An Additional Account may only be added if certain conditions are satisfied, including:

(a) the Additional Account must be an Eligible Account on the related Addition Cut-Off Date and no selection procedures believed by the Originator to be materially adverse to the Co-Owners' interests in the Account Assets shall have been used in selecting such Additional Accounts;

(b) the Originator must pay to the Servicer, for deposit to the Collection Account, all Collections with respect to such Additional Account since the Addition Cut-Off Date;

(c) the Originator must deliver to the Custodian and the Servicer an encrypted computer file containing a complete and accurate list of all Additional Accounts and specifying their account numbers or other account indicators, the amount of Receivables owing under such Accounts and the names, addresses and telephone numbers of all related Obligors;

(d) the Originator must deliver to the indenture trustee of each Co-Owner the decryption key for the encrypted computer file; and

(e) the Originator must confirm that no Amortization Event in respect of any Series has occurred, nor will the addition of such Additional Accounts result, on the Addition Date or in the foreseeable future, in the occurrence of an Amortization Event in respect of any Series.

Removal of Accounts

The Originator may, from time to time but, in any case, no more frequently than once during any Settlement Period, designate one or more Accounts to be removed on a specified date (the "**Removal Date**"). An Account may only be removed if certain conditions are satisfied, including:

(a) the Originator has delivered to the Custodian and each Rating Agency a written notice (a "Removal Notice") specifying the account numbers or other account indicators of the Accounts to be removed and the Removal Date which shall be not less than 5 Business Days following the delivery of such notice;

(b) the Originator must pay to the Servicer, for deposit to the Collection Account, an amount equal to the aggregate amount of Receivables owing under the Accounts to be removed (excluding any Charged-Off Amounts) (the "**Designated Balance**");

(c) the Rating Agency Condition in respect of each Series must be satisfied;

(d) the Originator must confirm that:

(i) no Amortization Event in respect of any Series has occurred, nor will the removal of the Accounts on the Removal Date or in the foreseeable future, result in the occurrence of an Amortization Event in respect of any Series;

(ii) immediately after giving effect to the removal of the Accounts, the Pool Balance will not be less than the Required Pool Amount;

(iii) the removal of the Accounts is not reasonably expected to have a Material Adverse Effect;

(iv) except as specified in (e) below, the Accounts to be removed are selected, in all material respects, on a random basis; and

(v) the removal of the Accounts complies with the Canadian Institute of Chartered Accountants Guideline No. 12, as the same may be amended, or any comparable statement or guideline having application to the removal of Accounts that may be issued in replacement thereof; and

(e) the Originator may designate Accounts for removal as provided in and subject to the terms of the Pooling and Servicing Agreement without being subject to the restrictions set forth in (d)(iv) above if the Accounts are designated in response to a third-party's action or decision not to act (including, without limitation, any Obligor allowing an Account to become a Charged-Off Account or an Inactive Account) and not the unilateral action of the Originator.

On deposit of the Designated Balance to the Collection Account, all right, title and interest under the Account Assets in respect of the Accounts to be removed will be transferred from the Co-Owners and the Custodian to the Originator. If a Charged-Off Account is removed in accordance with the restrictions set forth above, the Originator will be required to pay into the Collection Account, on the Settlement Date following the Settlement Period in which recoveries are made, an amount equal to 93% of the amount of any recoveries (net of any costs associated with such recovery) on such Charged-Off Account.

Discount Option

The Pooling and Servicing Agreement provides that the Originator may at any time, upon at least 30 days' prior written notice, designate a specified fixed or variable percentage (the "**Discount Option Percentage**") of the amount of Receivables arising in the Accounts on and after the date such option is exercised that otherwise would have been treated as Principal Receivables to be treated as Finance Charge Receivables (each, a "**Discount Option Receivable**"). In effect, if such option is exercised by the Originator, the Principal Receivables are treated as having been assigned by the Originator at a discount. The result of such discounting treatment is to increase the yield on the Co-Owners' undivided co-ownership interest in the Accounts beyond the actual income performance of the Accounts. The Originator also has the option of reducing or withdrawing the Discount Option Percentage, at any time and from time to time, upon at least 30 days' prior written notice, on and after the date such designation becomes effective. In addition, in any Addition Notice, the Originator may designate one or more Additional Accounts where the Principal Receivables arising under such Account will be treated as Finance Charge Receivables (each such Additional Account, a "**Discounted Account**"). Any such designations will become effective upon satisfaction of the requirements set forth in the Pooling and Servicing Agreement, including: (i) satisfaction of the Rating Agency Condition; and (ii) the Originator shall have delivered to the Custodian a certificate of an officer of the Originator stating that no Amortization Event in respect of any Series has occurred and is continuing and the Originator reasonably believes that such designation, reduction or withdrawal, as applicable, will not, on the applicable date or in the foreseeable future, result in the occurrence of an Amortization Event in respect of any Series.

Mandatory Purchase

Under the Pooling and Servicing Agreement, the Originator represents and warrants on a continuous basis, in respect of each Account, that:

(a) the encrypted computer files delivered to the Custodian and the Servicer pursuant to the Pooling and Servicing Agreement contain a complete and accurate description of the Accounts listed therein on the

applicable dates, and the information contained therein is complete and accurate in all material respects as of the applicable date of delivery and the decryption key delivered to the indenture trustee of each Co-Owner is adequate for its intended use;

(b) each Account was an Eligible Account on the applicable Reference Date; and

(c) immediately prior to transferring interests in Account Assets to the Co-Owners and the Custodian, the Originator had good title to and was lawfully possessed of the Receivables and the Related Security, if any, free and clear of all Adverse Claims (other than Permitted Liens), the Originator was entitled to assign the Receivables in whole or in part without notice to or the consent of the related Obligor, except to the extent notice is required under the *Personal Property Security Act* (Ontario) or the *Conveyancing and Law of Property Act* (Ontario) or the comparable applicable legislation of other jurisdictions in order for the assignee to enforce an assignment against the Obligor, and the applicable undivided co-ownership interests in the Custodial Assets were transferred to the Co-Owners free and clear of any Adverse Claims.

If any of the representations and warranties set out above in respect of any Account or the related Account Assets is found to have been incorrect when made, the Originator must purchase the related Account Assets by promptly paying to the Servicer, for deposit to the Collection Account, an amount equal to the aggregate amount of Receivables owing under the Accounts to be repurchased. On deposit of the purchase price to the Collection Account, all right, title and interest under the Account Assets in the Accounts to be repurchased will be transferred from the Co-Owners and the Custodian to the Originator.

Under the Pooling and Servicing Agreement, the Servicer has agreed:

(a) to not, other than as expressly permitted or contemplated in the Pooling and Servicing Agreement, (i) sell or otherwise dispose of any part of the Custodial Assets; (ii) take any action which may cause the validity, effectiveness or enforceability of any material portion of the Custodial Assets to be impaired; (iii) take any action to cause any Receivable to be evidenced by any instrument, security or chattel paper (each as defined in the *Personal Property Security Act* (Ontario)); or (iv) take or omit to take any action which may cause an Adverse Claim to attach or extend to or otherwise burden any part of the Custodial Assets and to defend the right, title and interest of the Pool Owners therein against all claims of third parties claiming through or under the Originator or the Servicer; and

(b) to not (i) permit any rescission or cancellation of any Receivable or reschedule, revise or defer payments due on any Receivable except as ordered by a court of competent jurisdiction or in accordance with the Servicing Standards; or (ii) take any other action which, nor omit to take any action the omission of which, would impair the rights of a Pool Owner in any Receivable.

If the Servicer defaults in the performance of any of its obligations set out above in respect of any Account or the related Account Assets, it is required to purchase the related Account Assets by deposit into the Collection Account of an amount equal to the aggregate amount of Receivables owing under such Account. On deposit of the purchase price to the Collection Account, all right, title and interest under the Account Assets in the Accounts to be repurchased will be transferred from the Co-Owners and the Custodian to the Servicer.

Restrictions on Amendments to the Terms and Conditions of the Accounts

Under the Pooling and Servicing Agreement, the Originator may change, subject to compliance with all applicable laws, the terms and provisions of any or all of the Accounts, the terms and provisions of the related Credit Card Agreements and its practices and procedures relating to the operation of its credit card business, in each case, in any respect whatsoever (including the calculation of the amount and the timing of delinquencies, charge-offs, credit, finance or service charges and other fees or amounts charged or assessed with respect to or in connection with the Accounts and the designation or name of the applicable card or cards) if such change is made:

(a) to comply with changes in applicable laws or as required by Mastercard®'s by-laws and operating regulations in effect from time to time;

(b) so that the terms of the Accounts, the Credit Card Agreements or Servicing Standards are, in the opinion of the Originator acting reasonably, competitive with those available to customers of its competitors; or

(c) in accordance with prudent and reasonable business judgment, provided that such change would not, in the opinion of the Originator, reasonably be expected to have a Material Adverse Effect on the Originator.

The Originator is required to notify the Custodian, each of the Co-Owners and each of the Rating Agencies of any such changes that are made.

Reporting

The Servicer is required on or before each Reporting Date to prepare and deliver a portfolio report to the Custodian and the Pool Owners relating to the Receivables payable in respect of the Custodial Assets and each Series as of the close of business on the related Determination Date. Based on this report, the Financial Services Agent will provide a monthly investor oriented summary report (the "**Investors' Monthly Performance Report**") for Noteholders which will include information concerning the performance of the Receivables, including the Pool Balance, the Required Pool Amount, the monthly payment rate, Pool Losses, the gross yield and such other information as determined by the Financial Services Agent. The form of the Investors' Monthly Performance Report will initially be substantially in the form attached to this short form base shelf prospectus in Schedule A, however the form of such report may change at the discretion of the Financial Services Agent. It is intended that the Investors' Monthly Performance Report will be posted monthly under the Trust's profile on SEDAR.

POOLING AND SERVICING AGREEMENT

The Custodian

BNY Trust Company of Canada is the Custodian under the Pooling and Servicing Agreement. The head office of the Custodian is located at 1 York Street, 6th Floor , Toronto, Ontario, M5J 0B6. The Custodian, as agent and bailee for the Pool Owners, holds the Custodial Assets and performs the duties which are specifically set out in the Pooling and Servicing Agreement. The Custodian is not required to make any examination of any documents or records related to the Custodial Assets for the purpose of establishing the presence or absence of defects, the compliance by the Originator or the Servicer with its representations and warranties or for any other purpose. The Custodian is not required to perform, or be responsible for the performance of, any of the obligations of the Originator or the Servicer under the Pooling and Servicing Agreement.

The Pooling and Servicing Agreement requires that the Custodian and any successor to the Custodian appointed from time to time pursuant to the Pooling and Servicing Agreement: (i) have the capacity and power to act as Custodian; (ii) be registered and in good standing under the *Trust and Loan Companies Act* (Canada), an *Act respecting Trust Companies and Savings Companies* (Québec) or the *Loan and Trust Corporations Act* (Ontario), and, where necessary or desirable in order to perform its duties under the Pooling and Servicing Agreement, registered under similar legislation in each of the other provinces of Canada, or be a Canadian chartered bank; and (iii) have assets with a book value which exceeds the book value of its liabilities, as set forth in its most recent audited annual financial statements, by at least $50 million, or be otherwise acceptable to the Rating Agencies.

The Custodian may resign upon 60 days' written notice to the Pool Owners (or such shorter period as is acceptable to the Co-Owners acting pursuant to a Co-Owner Direction). The Custodian's resignation will not be effective until a replacement Custodian acceptable to the Co-Owners acting pursuant to a Co-Owner Direction has been appointed and has agreed to assume the obligations of the Custodian. The Custodian will be required to resign if a material conflict of interest arises in its role as Custodian pursuant to the Pooling and Servicing Agreement that is not eliminated within 90 days after the Custodian becomes aware of such conflict. If the Custodian does not resign in the foregoing circumstances, any interested party may apply to the courts for the appointment of a replacement Custodian. The Custodian may be removed by any Co-Owner if the Custodian no longer meets the eligibility requirements described above or if the Custodian becomes bankrupt, insolvent or any action in respect of the same is taken, or its assets become liable to seizure or confiscation by any governmental authority. The Custodian may also be removed by any Co-Owner acting pursuant to a Co-Owner Direction for any other reason. No removal of the Custodian will be effective until a replacement Custodian has been appointed that has agreed to assume the obligations of the Custodian. If no replacement Custodian is appointed by the Co-Owners within 60 days following a notice of resignation by the Custodian or a notice of removal by any Co-Owner, the Custodian or any Co-Owner may apply to the applicable courts for the appointment of a replacement Custodian.

The Pooling and Servicing Agreement provides that the Co-Owners and the Originator, as the owner of the Retained Interest, will pay the Custodian reasonable compensation for all services rendered by the Custodian and will reimburse the Custodian for all reasonable expenses, disbursements and advances incurred in the exercise and performance of its duties under the Pooling and Servicing Agreement.

Servicing of the Receivables

PC Bank is the initial Servicer of the Account Assets under the Pooling and Servicing Agreement. The Pooling and Servicing Agreement requires that the Servicer service the Account Assets as agent of the Pool Owners, collect all payments due in respect of the Account Assets, maintain records, make all required remittances, withdrawals, transfers and deposits with respect to the Accounts and the Receivables, make calculations and adjustments in respect of each Series in accordance with the Pooling and Servicing Agreement and each Series Co-Ownership Agreement and report on such calculations and adjustments to the Custodian, each Co-Owner and to the Originator. PC Bank may subcontract with any appropriately qualified person or persons for the servicing of the Account Assets; provided, however, that PC Bank shall remain liable for the performance of the duties so subcontracted and all other duties as Servicer. PC Bank has subcontracted certain of its obligations as Servicer.

Servicing Compensation and Payment of Expenses

The transfer of Series Co-Ownership Interests are on a fully-serviced basis, in that the total responsibility for servicing the Account Assets is that, initially, of the Originator, who will not be entitled to receive any additional compensation for its services from the Co-Owners or out of the Account Assets. Any Replacement Servicer will be entitled to receive a servicing fee and reimbursement of its expenses satisfied solely from Collections as a Pool Expense, provided that in no event will a Replacement Servicer be entitled to receive annual fees in excess of 2.0% of the Pool Balance at any time.

Replacement of Servicer

The occurrence of any of the following will constitute a "**Servicer Termination Event**":

(a) the Servicer or the Performance Guarantor fails to observe or perform any covenant or agreement contained in the Pooling and Servicing Agreement (other than with respect to the remittance of Collections) which would reasonably be expected to result in a Material Adverse Effect in respect of the Servicer or the Performance Guarantor, as applicable, and such failure continues unremedied for a period of 60 days after delivery by the Custodian, acting on a Co-Owner Direction, of written notice thereof to the Servicer;

(b) the Servicer or the Performance Guarantor fails to make any payment or remittance required by the Pooling and Servicing Agreement and such failure remains unremedied for a period of five Business Days after the delivery by the Custodian, acting on a Co-Owner Direction, of written notice thereof to the Servicer;

(c) any representation or warranty made by the Originator as Servicer or the Performance Guarantor in or pursuant to the Pooling and Servicing Agreement is found to have been incorrect, and such incorrectness would reasonably be expected to result in a Material Adverse Effect on the Originator, provided that, if the circumstances giving rise to such incorrect representation or warranty are capable of rectification such that thereafter such representation or warranty would prove correct, such representation or warranty remains uncorrected for a period of 60 days after delivery by the Custodian, acting on a Co-Owner Direction, of written notice thereof to the Servicer; or

(d) the occurrence of certain events of bankruptcy, insolvency, receivership or liquidation with respect to the Servicer or the Performance Guarantor.

Upon the occurrence of a Servicer Termination Event, the Custodian must promptly but, in any case, within two Business Days thereof, request a Co-Owner Direction with respect to the termination of the Servicer and the appointment of a replacement servicer (the "**Replacement Servicer**") or the waiver of the Servicer Termination Event. Upon the occurrence and during the continuance of a Servicer Termination Event, the Performance Guarantor is required to assume, and ensure the due and timely performance of, all of the obligations and liabilities of the Originator and the Servicer (so long as it is the Originator) under the Pooling and Servicing Agreement to the extent not precluded from doing so by applicable law. The assumption of the Originator's and Servicer's duties by the Performance Guarantor will not diminish the obligations and liabilities of the Originator and the Servicer under the Pooling and Servicing Agreement.

In connection with any Co-Owner Direction relating to a Servicer Termination Event, the Trust may, in respect of any Series owned by it, vote to waive a Servicer Termination Event upon passage of a resolution of the holders of the Notes holding a majority of the aggregate principal amount thereof authorizing the Trust to do so. Otherwise the Trust is required to vote in favour of termination of the Servicer unless the Trust is satisfied that the Servicer Termination Event occurred as a result of inadvertence or error on the part of the Servicer and is capable of timely rectification without having a material adverse effect on the holders of the Notes. In the latter event, the Trust may vote in favour of a waiver of the Servicer Termination Event unless the holders of the Notes holding a majority of the aggregate principal amount thereof pass a resolution requiring the Trust to deliver the notice of termination.

The Servicer may not resign unless, in its opinion, acting reasonably, it is no longer permissible for it to act as Servicer under applicable laws, and there is no action which could reasonably be taken by it that would permit it to act as Servicer under applicable laws.

If a Co-Owner Direction does not identify a Replacement Servicer to replace a Servicer who is removed as a result of a Servicer Termination Event or who has resigned, the Custodian must, within 5 Business Days thereof, elicit offers from at least three Persons (who are not Affiliated with each other) who meet the eligibility criteria to act as Replacement Servicer. The Custodian will within 15 Business Days of receipt of the last bid submitted, select the Person who is prepared to immediately accept the appointment as Replacement Servicer and who bid the lowest annual service fee to act as Replacement Servicer. Each Person solicited to submit a bid must:

(a) be a Canadian chartered bank, a trust company licensed to carry on business in all of the provinces and territories of Canada, a firm of chartered accountants or a company associated with such a firm and licensed to act as a trustee in bankruptcy;

(b) in the case of a Person that is subject to risk-based capital adequacy requirements, have risk-based capital of at least $50 million or, in the case of an entity that is not subject to risk-based capital adequacy requirements, have a combined capital and surplus of at least $50 million; and

(c) have a substantial portion of its business consisting of administering and collecting one or more portfolios of revolving credit card accounts with an aggregate balance of not less than $100 million, whether or not owned by that Person.

Notwithstanding the foregoing, the Custodian may solicit bids from any other Person who satisfies the Rating Agency Condition in respect of each Series.

Where notice of termination is given to the Servicer as a result of a Co-Owner Direction, the Servicer must continue to act as Servicer until a Replacement Servicer is appointed or otherwise until the date specified in the termination notice or as mutually agreed upon by the Servicer and the Custodian, acting on a Co-Owner Direction.

If a delay in obtaining a Co-Owner Direction with respect to the termination of the Servicer would reasonably be expected to have a Material Adverse Effect in respect of the Originator, or a Replacement Servicer has not been appointed or has not accepted its appointment by the time that the Servicer ceases to act as such, the Custodian, as agent for and on behalf of the Pool Owners shall, unless the Custodian has received a Co-Owner Direction directing it to do otherwise, terminate the Servicer and appoint a Person who satisfies the criteria described above to act as interim Replacement Servicer and, except where a specific Replacement Servicer is thereafter identified in a Co-Owner Direction, apply to a court of competent jurisdiction to confirm such appointment.

Upon its appointment, the Replacement Servicer shall be the successor in all respects to the Servicer in respect of servicing functions under the Pooling and Servicing Agreement and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions thereof (except that the Replacement Servicer shall not be liable for any liabilities incurred by the predecessor Servicer), as modified by the terms of its engagement with respect to compensation. All powers and authorities of the Servicer shall be vested in the Replacement Servicer, and the Servicer shall execute and deliver all such instruments and documents and do such other acts and things as shall be necessary to effect the transfer of such powers and authorities to the Replacement Servicer. Without limiting the generality of the foregoing, the Servicer shall, on reasonable demand and at its expense, (i) assemble all records relating to the Account Assets and make them available to the Replacement Servicer during normal business hours; (ii) provide the Replacement Servicer with sufficient access to its premises, systems and continuing personnel during normal business hours to allow the Replacement Servicer to perform its obligations under the Pooling and Servicing Agreement and, in connection therewith, make available to the Replacement Servicer without charge its computer programs, including any necessary software licences, and its electronic ledgers and other records relating to the Account Assets and, to the extent that the records relating to the Account Assets consist in whole or in part of computer programs which are used by the Servicer, the Servicer shall, as soon as practicable following the receipt of a request from the Replacement Servicer, use its commercially reasonable best efforts to arrange for the license or sublicense of such programs to be transferred or assigned to the Replacement Servicer; (iii) notify all Obligors to remit all payments due under the Accounts and the related Account Assets to the Replacement Servicer; and (iv) segregate, in a manner reasonably acceptable to the Replacement Servicer, all cash, cheques and other instruments constituting Collections received by it from time to time and, promptly upon receipt, remit same to the Replacement Servicer duly endorsed or accompanied by duly executed instruments of transfer. Thereafter the Originator shall use reasonable efforts to co-operate with the Replacement Servicer in the latter's performance of its obligations under the Pooling and Servicing Agreement.

Indemnification

Under the Pooling and Servicing Agreement, the Originator is required to indemnify and hold harmless the Custodian and the Co-Owners from and against any and all damages, losses, claims, liabilities, costs and expenses (including reasonable legal fees and disbursements) awarded against or incurred by them arising out of, among other things, (i) any material incorrectness in any representation and warranty made by it; (ii) any failure by the Originator or the Performance Guarantor to perform or observe any of its covenants, duties or obligations under the Pooling and Servicing Agreement or any Series Co-Ownership Agreement; (iii) its failure to comply with any applicable law in respect of any Account Assets including any failure to render any account in accordance with any applicable law or the applicable Credit Card Agreement or to perform its obligations under any Account or the non-conformity of any Receivable with any applicable law; and (iv) any product liability claim, claim for taxes exigible on the sale of any service or merchandise, or personal injury or property damage suit or other similar or related claim or action of whatsoever sort arising out of or in connection with any merchandise or services which are the subject of any Account or the Account Assets.

Amendments

The Pooling and Servicing Agreement may be amended (i) by the Servicer, the Performance Guarantor, the Originator and the Custodian (x) to cure any ambiguity, to correct or supplement any inconsistent provision therein, or (y) acting upon a Co-Owner Direction in the case of the Custodian, to add other provisions with respect to matters or questions raised under the Pooling and Servicing Agreement which are not inconsistent with the provisions of the Pooling and Servicing Agreement; provided that in each case prior notice thereof shall have been given to the Rating Agencies, and (ii) otherwise, subject to satisfaction of the Rating Agency Condition in respect of each Series, by the Servicer, the Performance Guarantor, the Originator and the Custodian upon receipt by the Custodian of a direction of, in respect of an amendment affecting (x) any Series alone, the related Co-Owner, or (y) more than one Series, the Co-Owners of Series having aggregate Invested Amounts equal to at least $66^{2}/_{3}\%$ of the aggregate Invested Amounts of all such affected Series; provided, however, that no such amendment:

(a) reduces in any manner the amount, or delay the timing, of any remittances to be made to Co-Owners or deposits of amounts to be so remitted;

(b) changes the definition of or the manner of calculating the Invested Amount of any Series;

(c) reduces the aforesaid percentage required to consent to any such amendment or reduce the percentage specified for any act provided for under the Pooling and Servicing Agreement,

in each such case, without the consent of each affected Co-Owner. The consent of the Custodian is required in respect of any amendments which affect the Custodian's rights, duties or immunities under the Pooling and Servicing Agreement or otherwise.

SERIES CO-OWNERSHIP INTERESTS

Purchase of Series Co-Ownership Interests

In connection with each sale to a Co-Owner of a Series Co-Ownership Interest, the Co-Owner will enter into a Series Co-Ownership Agreement, pursuant to which the Co-Owner will purchase, and the Originator or another Co-Owner will sell, transfer, assign and convey to it, a Series Co-Ownership Interest as of the date specified therein. The creation, transfer and servicing of each Series Co-Ownership Interest is provided for in the Pooling and Servicing Agreement as supplemented by the related Series Co-Ownership Agreement. Each Series Co-Ownership Interest will constitute an undivided co-ownership interest in the Custodial Assets purchased pursuant to the Series Co-Ownership Agreement (and related Assignment Agreement, if any) entitling the Co-Owner to those rights and benefits set out in the Pooling and Servicing Agreement and in the related Series Co-Ownership Agreement. Neither the Originator nor any Co-Owner will have a separate interest in any Receivable under any particular Account. The Retained Interest is not a Series Co-Ownership Interest. The Originator will file financing statements and all other applicable registrations and documentation in accordance with applicable provincial laws to perfect the purchase by each Co-Owner of its Series Co-Ownership Interest.

The creation and transfer by the Originator, or the Originator and another Co-Owner, of a Series Co-Ownership Interest and the obligation of the Custodian to execute and deliver the related Series Co-Ownership Agreement is subject to certain conditions being satisfied, including:

(a) the Originator must deliver (if not previously delivered) to the Custodian and the Servicer an encrypted computer file containing a complete and accurate list of all Accounts as of the most recent Addition Cut-Off Date or as at such later date as may be agreed by the Originator and the Custodian specifying for each such Account its account number or other account indicator, the amount of Receivables owing under such Accounts and the names and addresses of all related Obligors;

(b) the Originator must deliver (if not previously delivered) to the indenture trustee of each Co-Owner the decryption key for the encrypted computer file; and

(c) the Originator must confirm that:

(i) no Amortization Event in respect of any Series has occurred and the Originator reasonably believes that such transfer will not, on the related Closing Date or in the future, result in the occurrence of an Amortization Event in respect of any Series;

(ii) immediately after giving effect to such transfer, the Pool Balance will not be less than the Required Pool Amount; and

(iii) such transfer will not in the opinion of the Originator reasonably be expected to have a Material Adverse Effect on the Originator.

Each Co-Owner may also agree to increase its Series Co-Ownership Interest by the purchase of a Supplemental Series Co-Ownership Interest. Furthermore, if, in accordance with any Series Co-Ownership Agreement, any Series Enhancement Draw or Series Reserve Draw in respect of the related Series is paid, directly or indirectly, to the Originator, the Originator will be deemed to have transferred to the related Co-Owner a Supplemental Series Co-Ownership Interest having a purchase price of equal amount.

Each Series Co-Ownership Agreement (and the related Assignment Agreement, if any) to which the Trust is a party will be in substantially identical form differing only as set out in the applicable pricing supplements.

The Invested Amount

Each Co-Owner's proportionate interest in the Account Assets will be calculated by reference to its "**Invested Amount**". The Invested Amount of each Series will initially be equal to the amount specified as such in the related Series Co-Ownership Agreement (and set out in the applicable pricing supplement) and, for each Settlement Date thereafter, the amount, in dollars, equal to:

(a) the Initial Invested Amount or the Invested Amount of the Series on the immediately preceding Settlement Date, as applicable;

plus,

(b) the aggregate purchase price of any related Supplemental Series Co-Ownership Interests transferred to the related Co-Owner during the related Settlement Period or on such Settlement Date (other than any Supplemental Series Co-Ownership Interest transferred to the related Co-Owner in consideration of the payment to the Originator of a related Series Reserve Draw or, if so provided in the related Series Co-Ownership Agreement, a related Series Enhancement Draw);

plus,

(c) the related Invested Amount Recoveries for the related Settlement Period, if any;

minus,

(d) the amount, if any, by which (i) the related Invested Amount Writedowns (less any amount calculated in (e)(ii)) for the related Settlement Period; exceeds (ii) the aggregate purchase price of any related Supplemental Series Co-Ownership Interests transferred to the related Co-Owner on such Settlement

Date pursuant to the Pooling and Servicing Agreement in consideration of the payment to the Originator of a related Series Enhancement Draw or Series Reserve Draw;

minus,

(e) the sum of (i) the aggregate amounts deposited on (or, if so specified in the related Series Co-Ownership Agreement, before) such Settlement Date to the related Distribution Account or, if and to the extent specified in the related Series Co-Ownership Agreement, another related Series Account (as described under "**Collections and Distributions – Allocation and Distributions of Collections**" below), in order to fund Principal Payments in respect of such Series; (ii) the aggregate amount of any related Series Reserve Draws or Series Enhancement Draws the proceeds of which have (x) been deposited to the related Distribution Account on such Settlement Date on account of Invested Amount Writedowns; and (y) not paid to the Originator on account of the purchase price of a related Supplemental Series Co-Ownership Interest; and (iii) the aggregate amount of any reimbursements made in accordance with the related Series Co-Ownership Agreement in respect of Series Enhancement Draws on such Settlement Date,

provided, however, that, if the Aggregate Invested Amount on any Settlement Date exceeds the Pool Balance on such Settlement Date, the Invested Amount for a Series is equal to the product of (i) the Pool Balance on such Settlement Date; and (ii) a fraction the numerator of which is the Invested Amount of the Series on such Settlement Date, and the denominator of which is the Aggregate Invested Amount on such Settlement Date, each as determined without reference to this proviso.

Principal Terms

In addition to effecting the creation and purchase of a Series Co-Ownership Interest, each Series Co-Ownership Agreement will also set out the principal terms of the Series Co-Ownership Interest.

Required Pool Amount

The "**Required Pool Amount**" means, on any day, 107% of the Aggregate Invested Amount in respect of such day; provided that the Required Pool Amount may be reduced upon (i) 30 days' prior notice to the Custodian, each Rating Agency and each Co-Owner; (ii) satisfaction of the Rating Agency Condition in respect of each Series; and (iii) confirmation by the Originator that no Amortization Event in respect of any Series has occurred and that the Originator reasonably believes that such reduction will not, on the date thereof or in the foreseeable future, result in the occurrence of an Amortization Event in respect of any Series. An Amortization Event will occur in the event that the Pool Balance is less than the Required Pool Amount on each Determination Date and such deficiency has not been remedied in accordance with the Pooling and Servicing Agreement.

Clean-up Repurchase Option

Any Series Co-Ownership Interest, to the extent provided for in the related Series Co-Ownership Agreement, may be purchased by the Servicer on a Settlement Date, if (i) the Servicer gives notice to the Custodian and any other person specified in the related Series Co-Ownership Agreement not less than 10 days before the date of purchase; and (ii) the Invested Amount of the Series Co-Ownership Interest is reduced to an amount less than or equal to 10% of the highest Invested Amount of such Series Co-Ownership Interest. The repurchase price for a Series Co-Ownership Interest will be equal to (i) the Invested Amount of the Series Co-Ownership Interest calculated on the Settlement Date on which the purchase is made (the "Purchase Date"); (ii) the amount which would have been the related Series Income Requirement for the period from, but not including, the Purchase Date to and including the date of payment in full of the aggregate purchase price minus the portion of such Series Income Requirement that relates to Pool Expenses to be borne by the related Co-Owner in relation to such period; and (iii) any additional amount specified to be included in the purchase price pursuant to the related Series Co-Ownership Agreement.

The Retained Interest

The balance of the interest in the Custodial Assets, other than the undivided co-ownership interests owned by the Co-Owners, constitutes the "**Retained Interest**" owned by the Originator. The dollar value of the Retained Interest at

any time will be equal to the amount, if any, by which the Pool Balance exceeds the Aggregate Invested Amount on such day.

CREDIT CARD PORTFOLIO

The Financial Services Agent will post under the Trust's profile on www.sedar.com on a quarterly basis certain information pertaining to the Account Assets in which the Trust maintains undivided co-ownership interests through ownership of Series Co-Ownership Interests. The information will be of two types. First, portfolio composition data will summarize the Accounts, as of a date not earlier than two months prior to the posting, by account balance, credit limit, age of accounts and geographic distribution. Second, historical performance data will summarize the Accounts, for the partial period ending no earlier than two months prior to the date of posting annual performance data for the year to date and for the two previous fiscal years, by revenue experience, loss experience, delinquencies and cardholder monthly payment rates.

COLLECTIONS AND DISTRIBUTIONS

Collection and Series Accounts

The Servicer has established and maintains an Eligible Deposit Account for the benefit of the Pool Owners, in the name of the Custodian, bearing a designation clearly indicating that the funds deposited therein are held in trust for the Pool Owners (the "**Collection Account**"). Collections will be deposited into the Collection Account by the Servicer, except in the circumstances described below.

The Servicer will be required to deposit Collections into the Collection Account (or at its option, directly to the appropriate Series Account) within two Business Days after the date of processing thereof or earlier to the extent reasonably possible, provided that so long as the Originator or the Performance Guarantor is the Servicer, the Servicer may commingle Collections for each Series as set out below under "**Commingling of Collections**", unless otherwise specified in the applicable Series Co-Ownership Agreement (and set out in the applicable pricing supplement).

The Co-Owner of a Series will establish and maintain in the name of the Co-Owner an Eligible Deposit Account (for each Series, a "**Distribution Account**") and bearing such other designations as may be required in the related Series Co-Ownership Agreement. In addition to the Distribution Account of a Series, the Co-Owner will be required, if so specified in the related Series Co-Ownership Agreement, to establish and cause to be maintained, in the name of the Person specified in the related Series Co-Ownership Agreement, one or more additional Eligible Deposit Accounts in respect of the Series for the purposes and subject to the limitations and requirements set forth in the related Series Co-Ownership Agreement (for each Series, a "**Series Account**").

Credit Adjustments

If, as a result of any Credit Adjustment, the Retained Interest Amount becomes less than zero, the Originator must, no later than the Business Day following the date of processing of such Credit Adjustment, deposit to the Distribution Accounts in respect of each Series, allocated *pro rata* based on the respective Invested Amounts, the amount by which such Credit Adjustment exceeds the Retained Interest Amount (prior to application of such Credit Adjustment) on such date of processing.

Allocation and Distributions of Collections

Each Series will be allocated an amount out of Collections received by the Servicer in respect of each Settlement Period equal to the related Series Allocable Finance Charge Collections and the related Series Allocable Principal Collections. Following the determination of the Excess Requirements in respect of each Series for a Settlement Period, the remaining Collections are required to be allocated to the Originator and any Collections allocated to a Series but not required to be deposited into its Distribution Account as described below will be reallocated to any other Series or the Originator as more fully described below.

Each Series Co-Ownership Agreement will set out the Series Income Requirement of, and amount required to be paid on account of principal on, the related Series. These amounts will vary from time to time depending upon, among other things, the remaining period to maturity of such Series at that time.

During the Revolving Period for each Series, the Co-Owner of a Series will only receive that portion of its Series Allocable Collections as is required to satisfy its Series Income Requirement and to pay certain other amounts, in each case, as specified in the related Series Co-Ownership Agreement. See "**Revolving Period**" below.

An Accumulation Period may be designated in any Series Co-Ownership Agreement. On commencement of an Accumulation Period, the Revolving Period for the related Series will terminate. The purpose of the Accumulation Period is to allow for the accumulation of enough funds to ensure that payment in full of the principal and interest on the related Series of Notes will be made on the Targeted Principal Distribution Dates thereof. During this period, a specified portion of Collections will be deposited to the related Accumulations Account in order to be in a position to pay the Noteholders in full on the Targeted Principal Distribution Dates thereof. See "**Accumulation Period**" below.

If permitted in any Series Co-Ownership Agreement, the Originator may declare a Partial Accumulation Period. On commencement of a Partial Accumulation Period, the Revolving Period for the related Series will be temporarily postponed until the termination of such Partial Accumulation Period. The purpose of a Partial Accumulation Period is to

allow for the accumulation of enough funds to repay a specified portion of the principal and interest on the related Series of Notes. During this period, a specified portion of Collections will be deposited to the related Series Account in order to be in a position to repay the specified portion of the Notes in full on the specified dates. See "**Partial Accumulation Period**" below.

Each related Series Co-Ownership Agreement will set out Amortization Events, the occurrence of which will, automatically or upon notice, result in the termination of the related Revolving Period, the Accumulation Period or the Partial Accumulation Period, as the case may be, for such Series and the commencement of the Amortization Period. During the Amortization Period, a Co-Owner will receive the full amount of its Series Allocable Collections, for application on the basis set forth in such Series Co-Ownership Agreement. If an Amortization Event occurs, Noteholders may receive repayment of their principal before or after the Targeted Principal Distribution Dates of their Notes. See "**Amortization Period**" below.

Each Series may have an Amortization Period or Accumulation Period which has a different length and begins on a different date than the Amortization Period or Accumulation Period for other Series. As a result, one or more Series may be in an Amortization Period or an Accumulation Period while other Series are not. See "**Risk Factors – Additional Series Co-Ownership Interests**".

Each Co-Owner will be required to notify the Servicer and the Custodian not later than two Business Days prior to each Settlement Date of the related Series Income Requirement and the Required Remittance Amount for the related Settlement Period. If at any time it is determined that, through error or for any other reason whatsoever, an amount or amounts have been withdrawn from the Collection Account and remitted to the Originator on account of the Retained Interest or to a Co-Owner on account of its Series Co-Ownership Interest, as the case may be, in an amount other than the amount to which the recipient is entitled under the Pooling and Servicing Agreement and under the related Series Co-Ownership Agreement, the Custodian shall adjust the amount of subsequent withdrawals out of the Collection Account and the Invested Amount of the Series relating to each affected Series Co-Ownership Interest to the extent required to redress in full the misallocation of prior remittances out of the Collection Account.

On each Settlement Date, the Custodian will be required to withdraw from the Collection Account an amount equal to the Pool Expenses, if any, payable in respect of the related Settlement Period and apply such amount to the payment of such Pool Expenses.

On (or, if so specified in the related Series Co-Ownership Agreement, before) each Settlement Date, after the withdrawals contemplated in the preceding paragraph have been made, the Custodian will be required, in respect of each Series, to withdraw from amounts on deposit in the Collection Account and deposit into the related Distribution Account or, if and to the extent so specified in the related Series Co-Ownership Agreement, another Series Account of the Series, an amount equal to the lesser of (i) the sum of (x) the related Series Allocable Finance Charge Collections; and (y) the related Series Allocable Principal Collections; and (ii) the related Required Remittance Amount less, in each case, the related Series Pool Expenses.

If, in respect of any Settlement Period, there are Excess Collections in respect of one or more Series, the Custodian will be required to withdraw from the Collection Account on the related Settlement Date an amount equal to the lesser of (i) the aggregate Excess Collections in respect of such Settlement Period and all Series; and (ii) the aggregate Excess Requirements in respect of such Settlement Period and all Series and deposit an amount equal to each such Series' Excess Requirements, if any, into the Distribution Account of each such Series; provided that if the aggregate of Excess Requirements for all Series exceeds the amount of available Excess Collections for all Series, a *pro rata* portion of such available Excess Collections shall be so deposited into the Distribution Account of each such other Series based on the relative amounts of their Excess Requirements.

On each Settlement Date the Custodian will be required to remit, on a *pro rata* basis, to the Originator, on account of the Retained Interest, the amount, if any, by which (i) the aggregate amounts on deposit in the Collection Account on such Settlement Date, exceeds (ii) the sum of (x) the amount retained in respect of Pool Expenses; and (y) the aggregate of the amounts to be deposited to the Distribution Accounts or other Series Accounts in respect of all Series, in each case, on such Settlement Date, as described above.

Required Remittance Amount

On each Settlement Date, the Custodian shall withdraw from amounts on deposit in the Collection Account and deposit in the Distribution Account for each Series (to the extent not previously deposited as described above) an amount equal to the lesser of (i) the sum of (x) the related Series Allocable Finance Charge Collections, and (y) the related Series Allocable Principal Collections, and (ii) the related Required Remittance Amount less, in each case, the related Series Pool Expenses.

Under each Series Co-Ownership Agreement, the "**Required Remittance Amount**" in respect of a Settlement Date is an amount equal to the sum of:

(a) the related Series Income Requirement in respect of the related Settlement Period;

(b) the amount, if any, to be transferred from the related Distribution Account to the related Reserve Account on such Settlement Date as described below under "**Credit Enhancement – Reserve Account**"; and

(c) the related Principal Payments, if any.

The Required Remittance Amount for any Series in respect of a Settlement Period will depend upon the debt service requirements and related expenses of the related Co-Owner during such Settlement Period which will in turn be dependent upon whether the Series Co-Ownership Interest is in its Revolving Period, Accumulation Period or Amortization Period.

Revolving Period

During the Revolving Period for a Series, the Required Remittance Amount will not include Principal Payments. Any amounts transferred to the related Distribution Account from the related Reserve Account on account of an Invested Amount Writedown, as described below under "**Credit Enhancement – Reserve Account**", will be paid to the Originator on account of the purchase price of a Supplemental Series Co-Ownership Interest in order to maintain the principal amount of the Co-Owner's investment in the Custodial Assets.

On each Settlement Date during the Revolving Period, the Trust will, in respect of each Series owned by it, transfer all amounts deposited to the related Distribution Account on account of Funding Costs to the related Accumulations Account and invest the balance in Eligible Investments. On each Interest Payment Date during the Revolving Period, the balance on deposit in the related Accumulations Account will be transferred to the related Distribution Account to be applied in accordance with the priorities set forth below under "**Application of Proceeds**".

Accumulation Period

In respect of each Series owned by the Trust, unless an Amortization Period has commenced, the Revolving Period will end and the Accumulation Period will begin on the date stipulated in the related Series Co-Ownership Agreement (and set out in the applicable pricing supplement) or such earlier or later day (the "**Accumulation Commencement Date**") declared as such by the Trust as providing sufficient time to accumulate Collections sufficient to repay all amounts owing under the related Notes and all accrued Trust Expenses and Funding Costs by the Targeted Principal Distribution Date for such Series based on (i) the expected monthly Series Allocable Principal Collections in respect of the applicable Series Co-Ownership Interest assuming a principal payment rate on the Accounts equal to the lowest monthly principal payment rate on the Accounts for the preceding 12 months, and (ii) the amount of Excess Collections in respect of each other Series expected to be available to be applied in respect of the applicable Series Co-Ownership Interest; provided that the Accumulation Commencement Date for a Series may be changed for any other reason if the Rating Agency Condition is satisfied.

On each Settlement Date during the Accumulation Period for a Series, the Trust will, in respect of each Series owned by it, transfer all amounts deposited to the related Distribution Account on account of Funding Costs to the related Accumulations Account and such amounts may be invested in Eligible Investments. On each Interest Payment Date during the Accumulation Period for a Series, the balance on deposit in the related Accumulations Account on account of Funding Costs will be transferred to the Distribution Account to be applied in accordance with the priorities set forth below under "**Application of Proceeds**".

On each Settlement Date during the Accumulation Period for a Series, the Trust will transfer from the related Distribution Account to the related Accumulations Account an amount equal to the related Controlled Accumulation Principal Amount until such time as the balance in the related Accumulations Account equals the outstanding principal amount of the related Series of Notes. See "**Application of Proceeds**" below.

On the Targeted Principal Distribution Date for a Series of Notes, the Trust will, unless an Amortization Period has commenced in respect of the related Series, apply the balance in the related Accumulations Account (i) first, in payment in full of the outstanding principal amount of the related Series of Notes, and (ii) second, by remitting the balance, if any, to the Originator. However, if any part of the principal obligations under the related Series of Notes would then remain unpaid, the Trust will instead remit the balance of the related Accumulations Account to the holders of the Series of Notes in accordance with the ranking specified in the related Series Co-Ownership Agreement (and set out in the applicable pricing supplement).

There can be no assurance that a Series of Notes will be paid in full on its Targeted Principal Distribution Date or otherwise.

Partial Accumulation Period

If permitted in any Series Co-Ownership Agreement (as indicated in the applicable pricing supplement), the Originator may declare a Partial Accumulation Period. On commencement of a Partial Accumulation Period, the Revolving Period for the related Series will be temporarily postponed until the termination of such Partial Accumulation Period.

On each Settlement Date during the Partial Accumulation Period for a Series, the Trust will, in respect of such Series, transfer all amounts deposited to the related Distribution Account on account of Funding Costs to the applicable Series Account and such amounts may be invested in Eligible Investments. On each Interest Payment Date during the Partial Accumulation Period for such Series, the balance on deposit in the applicable Series Account on account of Funding Costs will be transferred to the related Distribution Account to be applied in accordance with the priorities set forth below under "**Application of Proceeds**".

On each Settlement Date during the Partial Accumulation Period for a Series, the Trust will transfer from the related Distribution Account to the applicable Series Account the amount required pursuant to the Series Co-Ownership Agreement until such time as the balance in the applicable Series Account equals the specified amount of the related Series of Notes to be repaid on the date specified in the Series Co-Ownership Agreement (as indicated in the applicable pricing supplement). See "**Application of Proceeds**" below.

On the specified date for the Series of Notes, the Trust will, unless an Amortization Period has commenced in respect of the related Series, apply the balance in the applicable Series Account in payment of the specified amount of the related Series of Notes as set out in the Series Co-Ownership Agreement (as described in the pricing supplement).

Amortization Period

Unless otherwise set out in the applicable pricing supplement, the occurrence of one or more of the following events will constitute an "**Amortization Event**" in respect of a Series:

(a) the Originator or the Performance Guarantor fails to observe or perform any covenant or obligation contained in the Pooling and Servicing Agreement or the related Series Co-Ownership Agreement (other than those obligations referenced in (b) below), if such failure would reasonably be expected to have a Material Adverse Effect in respect of the Originator or the Performance Guarantor, as applicable, and such default remains unremedied for a period of 60 days after delivery by the Custodian, acting on a Co-Owner Direction, of written notice thereof to the Originator;

(b) the Originator or the Performance Guarantor defaults in the making of any payment or remittance under the Pooling and Servicing Agreement or the related Series Co-Ownership Agreement and such default continues for 5 Business Days after delivery by the Custodian, acting on a Co-Owner Direction, of written notice thereof to the Originator;

(c) the Servicer defaults in the performance of any payment or remittance obligation under the Series Co-Ownership Agreement or under the Pooling and Servicing Agreement (other than as a result of

inadvertence or error on the part of the Servicer) and such default remains unremedied for a period of 3 Business Days.

(d) any representation or warranty made by the Originator in the Pooling and Servicing Agreement (other than any representation or warranty which may be remedied by the Originator in the manner specified in such agreements) or any representation or warranty made by the Performance Guarantor in the Pooling and Servicing Agreement or the related Series Co-Ownership Agreement proves to be incorrect and such incorrectness would reasonably be expected to have a Material Adverse Effect in respect of the Originator or the Performance Guarantor, as applicable, provided that if such incorrect representation or warranty is capable of rectification (such that, thereafter such representation or warranty would prove correct) such representation or warranty remains uncorrected for a period of 60 days after delivery by the Custodian, acting on a Co-Owner Direction, of written notice thereof to the Originator;

(e) certain events of bankruptcy, insolvency, receivership, dissolution or liquidation of the Originator or the Performance Guarantor or the seizure of a substantial part of the Originator's or the Performance Guarantor's property;

(f) a Servicer Termination Event has occurred and is continuing;

(g) so long as the Originator is the Servicer, the Originator is no longer a general member in good standing of any entity or organization under whose regulations any credit cards were issued in connection with the Accounts, unless such termination is being contested by the Originator in good faith;

(h) the Excess Spread Percentage in respect of any Settlement Period is less than 0%;

(i) a Related Event of Default has occurred and is continuing, the Indenture Trustee has declared the amounts owing under the related Series of Notes to be due and payable and such declaration has not been rescinded and annulled;

(j) the Pool Balance is less than the Required Pool Amount on any Settlement Date and such deficiency has not been remedied in accordance with the Pooling and Servicing Agreement; or

(k) on the applicable Targeted Principal Distribution Date, the balance on deposit in the Accumulations Account is insufficient to satisfy in full the interest and principal on the related Series of Notes.

For greater certainty, an Amortization Event shall only exist based on the occurrence of one of the events specified above. No other event, including any regulatory action, including by the Office of the Superintendent of Financial Institutions, affecting the Originator shall cause an Amortization Event to occur.

An Amortization Period in respect of a Series will commence (i) in the case of Amortization Events described in paragraphs (a), (b), (c), (d) or (f) above, other than a Servicer Termination Event resulting from the occurrence of certain events of bankruptcy, insolvency, receivership or liquidation with respect to the Servicer, only if, after the applicable grace period, if any, the Custodian, acting on a Co-Owner Direction in respect of the related Series Co-Ownership Interest, provides a notice to the Servicer, and (ii) automatically upon the occurrence of any other Amortization Events (the "**Amortization Commencement Day**"). An Amortization Event in respect of a Series owned by the Trust may be rescinded and annulled by the Trust upon passage of a resolution of the holders of the related Series of Notes holding a majority of the aggregate principal amount thereof authorizing the Trust to do so. Otherwise, the Trust is required to deliver the notice specified in clause (i) above unless the Trust is satisfied that the Amortization Event occurred as a result of inadvertence or error on the part of the Servicer and is capable of timely rectification without having a material adverse effect on the holders of the applicable Series of Notes. In the latter event, the Amortization Event may be rescinded and annulled by the Trust unless the holders of the applicable Series of Notes holding a majority of the aggregate principal amount thereof pass a resolution requiring the Trust to deliver such notice.

On each Business Day during an Amortization Period for a Series, the Custodian, acting on the direction of the Servicer, will transfer from the Collections Account to the related Distribution Account all amounts allocated to the related Series Co-Ownership Interest in accordance with the Pooling and Servicing Agreement and the related Series Co-Ownership Agreement.

Commingling of Collections

Unless otherwise specified in the applicable Series Co-Ownership Agreement (and set out in the applicable pricing supplement), prior to the occurrence of the Amortization Commencement Day in respect of a Series, the Servicer shall be entitled to commingle Series Allocable Collections in respect of such Series with and as its general funds and deposit to the Collection Account (or the Distribution Account where appropriate) the amounts required to be withdrawn from the Collection Account pursuant to the Pooling and Servicing Agreement (subject to certain exceptions) on each Settlement Date if (i) the Performance Guarantor has a short term unsecured debt rating from DBRS of at least "R-1 (low)" and either (x) a short term unsecured debt rating from Fitch of at least "F1" and a long term unsecured debt rating from Fitch of at least "A" or (y) if not rated by Fitch, the Rating Agency Condition is satisfied with respect to Fitch; (ii) the Performance Guarantor has provided to the applicable Series Co-Owner a letter of credit covering commingling risk of the Servicer acceptable to the Series Co-Owner and in respect of which the Rating Agency Condition is satisfied; or (iii) the Rating Agency Condition is satisfied (collectively, the "**Commingling Tests**"), failing which the Servicer shall:

(a) deposit the Series Allocable Collections in respect of such Series Co-Ownership Interest to the Collection Account (or the Distribution Account in the circumstances described below) within two Business Days of the date of processing thereof or earlier to the extent reasonably possible until the amounts reasonably estimated to be required for distribution (excluding amounts to be distributed to the Originator) on the next following Settlement Date as specified in the Pooling and Servicing Agreement in respect of such Series Co-Ownership Interest have been accumulated therein. If, on any Settlement Date, any further amounts are required for distribution in excess of the amounts deposited to the Collection Account (or the Distribution Account in respect of such Series Co-Ownership Interest in the circumstances described below), the Servicer shall immediately remit such additional amounts to the Distribution Account in respect of such Series Co-Ownership Interest from Series Allocable Collections in respect of such Series Co-Ownership Interest so commingled;

(b) without limiting the application of paragraph (a) immediately above, if on any Business Day there is a Pool Balance Deficiency Amount, prior to the close of business on such day, make a deposit into the Collection Account from Collections received on or prior to such day in an amount equal to the lesser of:

  (i) the Pool Balance Deficiency Amount;

  (ii) the amount of Collections processed by the Servicer prior to such day in respect of the current Settlement Period (and the previous Settlement Period if the Settlement Date in respect of such previous Settlement Period has not yet occurred) less the amount of such Collections deposited to the Collection Account (or the Distribution Account in respect of such Series Co-Ownership Interest or equivalent Series Account for any other Series Co-Ownership Interest) in respect of the Required Estimated Deposit Amount and any Pool Balance Deficiency Amount; and

  (iii) the amount required so that the amount on deposit in the Collection Account (together with amounts on deposit in the Distribution Account in respect of such Series Co-Ownership Interest and equivalent Series Accounts for all other Series Co-Ownership Interests) after such deposit will equal the sum of:

    (A) the Required Estimated Deposit Amount; and

    (B) the Pool Balance Deficiency Amount;

(c) if on any Business Day after giving effect to all payments to be made on such day, the sum of

  (i) the amounts on deposit in the Collection Account (together with amounts on deposit in the Distribution Account in respect of such Series Co-Ownership Interest and equivalent Series Accounts for all other Series Co-Ownership Interests) in respect of the Required Estimated Deposit Amount that relate to Principal Payments in respect of the applicable Series Co-Ownership Interest and principal payments in respect of any other Series;

  (ii) the amounts on deposit in the Collection Account (together with amounts on deposit in the Distribution Account in respect of such Series Co-Ownership Interest and equivalent Series

Accounts for all other Series Co-Ownership Interests) in respect of the Pool Balance Deficiency Amount; and

(iii) the Pool Balance as of the close of business on the immediately preceding Business Day,

is less than the Aggregate Invested Amount after giving effect to all payments to be made on such day, deposit all Collections received during the current Settlement Period and the previous Settlement Period if the Settlement Date in respect of such previous Settlement Period has not yet occurred within two Business Days of the date of processing of such Collections to the Collection Account (or the Distribution Account in respect of such Series Co-Ownership Interest in the circumstances described below) and continue to do so until the first Settlement Date on which the sum of amounts set out in (i), (ii) and (iii) immediately above exceed the Aggregate Invested Amount.

During the Amortization Period for a Series, the Servicer shall deposit the Series Allocable Collections for such Series to the Collection Account (or the Distribution Account for such Series in the circumstances described below) within two Business Days of the date of processing of the related Collections or earlier to the extent reasonably possible until the amounts reasonably estimated to be required for distribution (excluding amounts to be distributed to the Originator) or deposit into a Series Account in respect of such Series Co-Ownership Interest on the next following Settlement Date pursuant to the Pooling and Servicing Agreement in respect of such Series Co-Ownership Interest have been accumulated therein. If, on any Settlement Date during the Amortization Period for a Series, any further amounts are required for distribution or deposit pursuant to the Pooling and Servicing Agreement in excess of the amounts deposited to the Collection Account (or the Distribution Account for such Series in the circumstances described below) by the Servicer from Series Allocable Collections for such Series, the Servicer shall immediately deposit such additional amounts to the Distribution Account for such Series from Series Allocable Collections in respect of such Series Co-Ownership Interest that have not been remitted.

Regardless of whether the Commingling Tests for a Series are satisfied, the Servicer may be permitted to commingle Collections required to be deposited in respect of any other Series if it satisfies the commingling conditions set forth for such Series. If, at any time, the Servicer is not permitted to commingle Series Allocable Collections in respect of a particular Series Co-Ownership Interest (including during the Amortization Period for such Series) but is, at such time, permitted to commingle Series Allocable Collections in respect of any other Series pursuant to the related pricing supplement and Series Co-Ownership Agreement, the Servicer shall make the deposits of Series Allocable Collections in respect of the first Series Co-Ownership Interest as described above to the Distribution Account in respect of the Series Co-Ownership Interest rather than to the Collection Account.

On each Settlement Date prior to the Amortization Commencement Day for a Series, if, after giving effect to all payments to be made on such date, the amount on deposit in the Collection Account is greater than the sum of the Required Estimated Deposit Amount and the Pool Balance Deficiency Amount, the Servicer shall be permitted to withdraw Collections from the Collection Account in an amount equal to the amount of such excess and, subject to the terms of any Series Co-Ownership Agreement, commingle such amounts with and as its general funds until the immediately following Settlement Date.

The "**Pool Balance Deficiency Amount**" means, on any day, the amount, if any, by which the aggregate of (x) the Pool Balance (calculated as of the close of business on the immediately preceding Business Day) and (y) any amounts deposited in respect of estimated Principal Payments as described under paragraph (a) of "Commingling of Collections" above for all Series (and amounts deposited in respect of estimated principal payments pursuant to analogous provisions of other Series Co-Ownership Agreements) to the Collection Account or a Series Account in respect of any Series Co-Ownership Agreement during the current Settlement Period and the previous Settlement Period if the Settlement Date in respect of such previous Settlement Period has not yet occurred, is less than (z) the Required Pool Amount calculated as of the most recently completed Settlement Date (after giving effect to all payments made on such date).

"**Required Estimated Deposit Amount**" means, at any time, the aggregate amounts required to be deposited to the Collection Account or a Series Account in respect of any Series Co-Ownership Agreement (x) as described under paragraph (a) of "Commingling of Collections" above, including any amounts required to be deposited in respect of estimated Principal Payments, and (y) pursuant to the equivalent provision in any other Series Co-Ownership Agreements including any amounts required to be deposited in respect of estimated principal payments thereunder, in each case, in

respect of the current Settlement Period and the previous Settlement Period if the Settlement Date in respect of such previous Settlement Period has not yet occurred.

CREDIT ENHANCEMENT

General

The credit enhancement available in respect of each Series may consist of internal credit enhancement, usually in the form of cash deposited in a Series Account, or external credit enhancement in the form of a Credit Enhancement Agreement, in each case, made available by way of Series Enhancement Draws or Series Reserve Draws, as applicable, in circumstances described in the related Series Co-Ownership Agreement.

Reserve Account

The credit enhancement available in respect of each Series held by the Trust will consist of a Reserve Account unless otherwise set out in the applicable pricing supplement. The purpose of the Reserve Account is, in part, to provide an additional source of funds to ensure the payment of interest and expenses attributable to the related Notes if Collections are insufficient and in the event of any Invested Amount Writedowns. The Reserve Account in respect of a Series will, unless otherwise set out in the applicable pricing supplement, have a zero balance until the occurrence of a Reserve Event in respect of such Series. Any terms used below which are defined with reference to a particular Series shall in all instances reference the same Series and will apply to each Series held by the Trust.

On each Settlement Date from and after the occurrence and during the continuance of a Reserve Period and in respect of each Settlement Period during the Pre-Accumulation Reserve Period, the Custodian will transfer from the Distribution Account to the Reserve Account, immediately prior to the release of amounts to the Originator, the lesser of (i) the amount, if any, by which (x) the related Series Allocable Finance Charge Collections, exceeds (y) the sum of (A) the related Series Income Requirement, and (B) the related Series Pool Losses, less (z) the related Invested Amount Recoveries, and (ii) the excess, if any, of the Required Reserve Account Balance over the Reserve Account Balance, in each case, on the related Settlement Date.

On each Settlement Date, the Custodian will apply the Reserve Account Balance in the following order of priority (i) first, by deposit to the related Distribution Account of an amount equal to the lesser of (x) the Reserve Account Balance, and (y) the amount, if any, by which the related Series Income Requirement exceeds the related Series Allocable Finance Charge Collections, and (ii) second, by deposit to the related Distribution Account of an amount equal to the lesser of (x) the remaining Reserve Account Balance, and (y) the amount of any related Invested Amount Writedown in respect of the related Settlement Period together with the amount, if any, of any related Invested Amount Writedowns in respect of previous Settlement Periods in respect of which the amounts were not deposited to the related Distribution Account as required by the applicable Series Co-Ownership Agreement.

On the earlier of (i) the day on which the related Invested Amount is reduced to zero and all amounts due to the Trust under the applicable Series Co-Ownership Agreement and the Pooling and Servicing Agreement have been satisfied in full, and (ii) the related Final Distribution Date, the Custodian will release the balance, if any, remaining in the related Reserve Account to the Originator in full satisfaction of any obligation to the Originator in respect of such amounts deposited therein. If as of any Determination Date, the Reserve Account Balance for a Series exceeds the applicable Required Reserve Account Balance, such excess amount shall, provided that an Amortization Period has not commenced in respect of the related Series, be released to the Originator on the related Settlement Date.

The Originator will be entitled to all income from and in respect of the Reserve Accounts provided that such income shall be deposited therein and held and applied as set out above.

Pre-Accumulation Period

The Reserve Account for each Series will also be used to fund any shortfall in payment on the related Notes on their Targeted Principal Distribution Date due to any difference between the interest rate of the related Notes and the rate of interest earned on Eligible Investments in respect of amounts deposited to the related Accumulations Account during the Accumulation Period.

During the Pre-Accumulation Reserve Period in respect of a Series, the related Required Reserve Account Balance will be increased by an amount stipulated in the related Series Co-Ownership Agreement (and as set out in the applicable pricing supplement).

On the Targeted Principal Distribution Date for a Series, the Trust shall instruct the Custodian to withdraw all amounts deposited to the related Reserve Account in respect of the Pre-Accumulation Reserve Period and deposit such amounts to the related Distribution Account for distribution as set out below under "**Application of Proceeds**".

APPLICATION OF PROCEEDS

Unless otherwise set out in the pricing supplement for a Series, on each Settlement Date (except as otherwise indicated below) after (and without duplication) any required application from the related Distribution Account described in the preceding sections has been made, all remaining amounts on deposit in the related Distribution Account (including any amounts deposited thereto as described in the preceding sections) will be applied by the Trust in the following order of priority:

(a) in payment or reimbursement, on a *pro rata* basis, of all related Trust Expenses which are due and owing by the Trust for the related Settlement Period together with any portion of the Cumulative Deficiency relating thereto and, on the related Final Settlement Date only, the aggregate amount of any accrued and unpaid related Trust Expenses for the period from the end of the related Settlement Period to and including such Final Settlement Date;

(b) from and after the occurrence and during the continuance of a Related Event of Default in respect of the related Series of Notes, all costs, charges and expenses of and incidental to the appointment of a receiver in respect of the related Series Co-Ownership Interest (including legal fees and disbursements on a substantial indemnity basis) and the exercise by such receiver or the Indenture Trustee of all or any of the powers granted to them under the Trust Indenture, including the reasonable remuneration of such receiver or any agent or employee of such receiver or any agent of the Indenture Trustee and all outgoings properly paid by such receiver or the Indenture Trustee in exercising their powers;

(c) in payment, on a *pro rata* basis, on each Interest Payment Date during the Revolving Period or the Accumulation Period for such Series, of all related Funding Costs in respect of the related Senior Notes for the related Payment Period together with any portion of the Cumulative Deficiency relating to the last completed Settlement Period within such Payment Period;

(d) in payment, on a *pro rata* basis, on each Interest Payment Date during the Revolving Period or the Accumulation Period for such Series, of all related Funding Costs in respect of the related Subordinated Notes for the related Payment Period together with any portion of the Cumulative Deficiency relating to the last completed Settlement Period within such Payment Period, in accordance with the ranking specified in the related Series Co-Ownership Agreement (and as set out in the applicable pricing supplement);

(e) by transfer, during the Accumulation Period for such Series, to the related Accumulations Account of an amount equal to the related Controlled Accumulation Principal Amount until such time as the balance of such Accumulations Account equals the outstanding principal amount of the related Notes;

(f) in payment, during the Amortization Period for such Series, on a *pro rata* basis, to the holders of the related Senior Notes of all Funding Costs in respect of such Senior Notes for the related Payment Period together with any portion of the Cumulative Deficiency relating thereto;

(g) in payment, during the Amortization Period for such Series, on a *pro rata* basis, to the holders of the related Subordinated Notes of all Funding Costs in respect of such Subordinated Notes for the related Payment Period together with any portion of the Cumulative Deficiency relating thereto, all in accordance with the ranking specified in the related Series Co-Ownership Agreement (and as set out in the applicable pricing supplement);

(h) in payment, during the Amortization Period for such Series, on a *pro rata* basis, to the holders of the related Senior Notes of the unpaid aggregate principal amount of the related Senior Notes;

(i) in payment, during the Amortization Period for such Series, on a *pro rata* basis, to the holders of the related Subordinated Notes of the unpaid aggregate principal amount of the related Subordinated Notes, all in accordance with the ranking specified in the related Series Co-Ownership Agreement (and as set out in the applicable pricing supplement);

(j) in or toward payment of all other amounts owing by the Trust in respect of the applicable Series Co-Ownership Interest or the related Notes and not otherwise specified above; and

(k) subject to as provided above under "Credit Enhancement – Reserve Account", by release of the balance, if any, to the Originator on account of the Retained Interest.

On the Final Settlement Date for a Series, the Custodian shall remit the balance, if any, remaining in the related Distribution Account and the related Reserve Account to the Originator.

If the Trust enters into an interest rate swap or a currency swap, or both, in connection with a Series of Notes, the applicable pricing supplement may set out a priority of payments which differs from the priority of payments set out above in this ''Application of Proceeds'' section.

THE TRUST INDENTURE

General

Notes may be issued from time to time in accordance with the Trust Indenture which provides for the issuance of Notes in series (each, a "**Series of Notes**") pursuant to a supplemental indenture (the "**Related Supplement**"). The aggregate principal amount of Notes that may be issued by the Trust under the Trust Indenture is unlimited, though any particular Series of Notes may be limited as set forth in the Related Supplement. The following summary of certain provisions of the Trust Indenture does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Trust Indenture and the Related Supplements.

Indenture Trustee

Computershare Trust Company of Canada is the Indenture Trustee under the Trust Indenture. The Indenture Trustee is authorized to carry on business as a trustee in all provinces and territories of Canada. The corporate trust office of the Indenture Trustee is located at 100 University Avenue, 11th Floor, North Tower, Toronto, Ontario, M5J 2Y1.

The Indenture Trustee may resign after giving 60 days' notice in writing (or such shorter period as is acceptable to the Issuer Trustee and the Rating Agencies) to the Issuer Trustee, the Financial Services Agent, the Servicer and the Rating Agencies, but no such voluntary resignation or the mandatory resignation described below will be effective until a replacement Indenture Trustee, acceptable to the Issuer Trustee and the Rating Agencies, acting reasonably, has been appointed and has executed an agreement agreeing to assume the obligations of the Indenture Trustee. The Indenture Trustee will be required to resign if a material conflict of interest arises in its role as Indenture Trustee pursuant to the Trust Indenture that is not eliminated within 90 days after the Indenture Trustee becomes aware of such conflict and, if the Indenture Trustee does not resign in the foregoing circumstances, any interested party may apply to the courts of the Province of Ontario for the appointment of a replacement Indenture Trustee. Noteholders of all outstanding series and classes may also, by Extraordinary Resolution, remove the Indenture Trustee and appoint a replacement Indenture Trustee.

Security and Limited Recourse

Payments on any Series of Notes and all other obligations of the Trust related to that Series of Notes (the "**Related Obligations Secured**"), and the performance by the Trust of all of its other obligations under the Trust Indenture or any Related Supplement will be secured under the Trust Indenture by a first charge granted by the Issuer Trustee in favour of the Indenture Trustee over the Series Co-Ownership Interest acquired with the proceeds of the issuance of that Series of Notes and other related assets, including the related Series Allocable Finance Charge Collections, the related Series Allocable Principal Collections, and all amounts on deposit in the related Distribution Account and any other related

Series Account and any credit enhancement provided in respect thereof (collectively, the "**Related Collateral**"). Each Related Supplement will provide that the Related Collateral will be held as security for the due payment of the Related Obligations Secured alone and the Related Obligations Secured will be secured solely by such Related Collateral and recourse in respect of the Related Obligations Secured will be limited to such Related Collateral.

Except in limited circumstances with respect to the Originator, Noteholders will have no recourse to, nor will there be any personal liability for the payment of principal, interest or any other amount in respect of the Notes of, the Originator, the Servicer, the Issuer Trustee (other than in its capacity as trustee of the Trust), the Financial Services Agent, the Financial Services Sub-Agents, the Indenture Trustee, the beneficiaries of the Trust, or any of their respective shareholders, agents, officers, directors, representatives, employees, successors, assigns or Affiliates, nor will Noteholders of any one Series have recourse to the Related Collateral of any other Series of Notes.

Certain Covenants

The Trust has agreed in the Trust Indenture, among other things, that it will not, unless it first satisfies the Rating Agency Condition in respect of each outstanding Series of Notes and obtains the prior consent of the Indenture Trustee:

(a) create, incur, assume or suffer to exist any encumbrance (including, without limitation, any mortgage, pledge, lien, charge, assignment, lease, hypothecation or security interest) upon or in respect of any of the Trust's undertaking, property or assets (including, without limitation, any Series Co-Ownership Interest purchased by it), other than certain liens permitted by the Trust Indenture (the "**Permitted Liens**") including, without limitation, the security interest granted to the Indenture Trustee pursuant to the Trust Indenture and liens or other encumbrances expressly permitted by the Programme Agreements;

(b) sell, transfer, exchange or otherwise dispose of any of the Related Collateral except as permitted by the Programme Agreements;

(c) engage in any activity other than the activities contemplated by the Programme Agreements; or

(d) incur indebtedness or make any loans or investments, other than as permitted by the Programme Agreements.

Related Events of Default; Rights upon Related Event of Default

The occurrence of the following events, which are set out in the Trust Indenture and in a Related Supplement, each constitute a "**Related Event of Default**" with respect to the Related Obligations Secured:

(a) the Trust defaults in making any payment in respect of the Related Obligations Secured when due and such default continues for a period of 5 Business Days after the date on which written notice of such default shall have been given to the Trust by the Indenture Trustee;

(b) any representation or warranty of the Trust under the Trust Indenture proves to have been incorrect and such incorrect representation or warranty could reasonably be expected to have a material adverse effect on the ability of the Trust to satisfy its obligations under the Related Obligations Secured and continues to be unremedied for a period of 30 days after delivery by the Indenture Trustee (or by holders of at least 50% of the aggregate principal amount of the affected Series of Notes) of written notice thereof to the Trust (or such longer period as may be reasonably necessary to cure such incorrectness but not exceeding, in any case, 90 days following such notice);

(c) the Trust fails to perform or observe any covenant in the Trust Indenture (except to any extent which has not had and which could not reasonably be expected to have a material adverse effect on the ability of the Trust to pay any of the Related Obligations Secured when the same become due and payable) and such failure remains unremedied and continues to have such material adverse effect for a period of 30 days after notice thereof is given in writing by the Indenture Trustee (or by holders of at least 50% of the aggregate principal amount of the affected Series of Notes) to the Trust (or such longer period as may be reasonably necessary to cure such failure but not exceeding, in any case, 90 days following such notice); and

(d) certain events of bankruptcy, insolvency, receivership, winding-up, dissolution or liquidation of the Trust or the seizure of a material part of the Related Collateral.

Any additional Related Events of Default will be specified in the applicable pricing supplement.

The Indenture Trustee shall give notice to the applicable Noteholders of the occurrence of any event which with the giving of notice or lapse of time or both would result in a Related Event of Default, within a reasonable time, but not exceeding, in any event, 30 days after the Indenture Trustee receives notice of the occurrence thereof, unless the Indenture Trustee in good faith determines that the withholding of such notice is in the best interests of the Noteholders and so advises the Trust. The Indenture Trustee shall give notice to the Rating Agencies of the occurrence of any event which with the giving of notice or lapse of time or both would result in a Related Event of Default within 5 Business Days after the Indenture Trustee receives notice of the occurrence thereof.

If a Related Event of Default occurs and is continuing with respect to any Series of Notes, the Notes of such series may be declared immediately due and payable by the Indenture Trustee or by the holders of not less than 50% of the aggregate outstanding principal amount of such Notes. Any declaration or acceleration may be rescinded by the holders of not less than 50% of the aggregate outstanding principal amount of the Notes of such series, but only after payment of any past due amounts and related costs and cure or waiver of all other Related Events of Default under the Trust Indenture. A Related Event of Default described in (b) or (c) above may be waived by the holders of not less than 50% of the aggregate outstanding principal amount of the affected Notes.

If a Series of Notes have become immediately due and payable following a Related Event of Default, the Indenture Trustee may institute proceedings to collect amounts due or foreclose on the Related Collateral, exercise remedies as a secured party, sell the Related Collateral or elect to have the Trust maintain possession of the Related Collateral. The Indenture Trustee will be prohibited from selling the Related Collateral following the occurrence of a Related Event of Default, other than the occurrence of certain events of bankruptcy or insolvency in respect of the Trust, unless:

(a) the holders of outstanding Notes of such series by Extraordinary Resolution consent to the sale;

(b) the proceeds of the sale will be sufficient to pay in full the principal of and the accrued interest on the Notes of such series on the date of such sale and all amounts due and unpaid upon the other Related Obligations Secured; or

(c) the Indenture Trustee determines that the proceeds of such Related Collateral would not be sufficient on an ongoing basis to make all payments on the Notes of such series and all amounts due and unpaid upon the other Related Obligations Secured as those payments would have become due if those obligations had not been declared due and payable, and the Indenture Trustee obtains the consent of the holders of Notes of such series by Extraordinary Resolution.

The holders of Notes of the affected series by Extraordinary Resolution will have the right to direct the time, method and place for the exercise of any remedy available to the Indenture Trustee or of any powers conferred on the Indenture Trustee with respect to the Related Collateral, provided that:

(a) the direction does not conflict with applicable law or the Trust Indenture and the Related Supplement;

(b) any direction to liquidate the Related Collateral will be subject to the restrictions described above;

(c) if the Indenture Trustee has elected to allow the Trust to retain possession of the Related Collateral following acceleration of the Notes of the affected series, then the approval of a contrary direction requires the approval of holders of Notes of such series by Extraordinary Resolution; and

(d) the Indenture Trustee may take any other action that it deems proper, which is not inconsistent with the direction.

No provision of the Trust Indenture requires the Indenture Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and provided with sufficient funds, in each case, to its reasonable satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur.

No holder of a Related Obligation Secured will have the right to commence any suit, action or proceeding for the payment of amounts due or for the exercise of any rights or remedies under the Trust Indenture and the Related Supplement (including foreclosure on the Related Collateral), unless:

(a) such person gave the Indenture Trustee written notice of the Related Event of Default;

(b) in the case of any suit by the holders of the Notes of the affected series, such holders by Extraordinary Resolution have requested that the Indenture Trustee exercise the rights and remedies provided for in the Trust Indenture and the Related Supplement, or in any other case, a written request has been made to the Indenture Trustee by the affected holder of a Related Obligation Secured, and the Indenture Trustee has been given reasonable opportunity to exercise such rights and remedies or to commence a suit, action or proceeding in its own name;

(c) the Indenture Trustee, when so requested, has been offered sufficient funds and security and indemnity satisfactory to the Indenture Trustee, acting reasonably; and

(d) the Indenture Trustee has failed to act pursuant to the Trust Indenture within a reasonable time (which shall not exceed 60 days) after notice, request and offer of indemnity.

Payments and Ranking Upon Related Event of Default

Upon the occurrence and during the continuance of a Related Event of Default, the Indenture Trustee shall establish and maintain one or more Related Collateral Accounts in respect of the Notes of each particular Series into which shall be deposited all Related Collections (and the proceeds of and interest on any investments permitted under the related Series Co-Ownership Agreement) such that Related Collections required to be applied to the payment of Related Obligations Secured shall be segregated. All monies standing in the Collection Account attributable to the Related Asset Interests at the time of a Related Event of Default shall be transferred to the appropriate Related Collateral Accounts in accordance with the Pooling and Servicing Agreement and the related Series Co-Ownership Agreement (but not to a related Series Account as provided therein). All further Related Collections and the proceeds of sale of any Related Collateral shall be deposited to the Related Collateral Account, all as determined by the Indenture Trustee, which determination is conclusive, absent manifest error. Notwithstanding the foregoing, all monies received on account of Related Asset Interests which have been assigned to a Related Credit Enhancer pursuant to a Related Credit Enhancement Agreement shall not be deposited to a Related Collateral Account but must be remitted by the Trust or the Indenture Trustee to the Related Credit Enhancer entitled thereto.

Upon the declaration by the Indenture Trustee that a Series of Notes is immediately due and payable as a result of a Related Event of Default, all monies standing in a Related Collateral Account or otherwise received by the Indenture Trustee or a receiver pursuant to the foregoing shall be applied in the manner and priority as indicated in the Related Supplement.

Non-Petition

In accordance with the Trust Indenture, the Indenture Trustee by entering into the Trust Indenture covenanted and agreed, and each holder of Related Obligations Secured by acquiring such Related Obligations Secured, will covenant and agree that they will not at any time institute or encourage against the Trust, or join or acquiesce in any institution against the Trust of, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any federal or provincial bankruptcy, insolvency, winding-up or similar law in connection with any obligations relating to the Related Obligations Secured or relating to any of the Programme Agreements.

Amendments to the Trust Indenture

The Trust Indenture provides that, without the consent of any Noteholders, the Indenture Trustee and the Trust may execute indentures supplemental to the Trust Indenture (such indentures supplemental to the Trust Indenture are each referred to as an "**Amendment**"), for certain purposes, including the following:

(a) adding to the limitations or restrictions specified in the Trust Indenture which, in the opinion of the Indenture Trustee, would not be materially prejudicial to the rights or interests of secured creditors (including the Noteholders);

(b) adding to the covenants of the Trust contained in the Trust Indenture for the protection of its secured creditors (including the Noteholders) or providing for additional Related Events of Default;

(c) making such provisions not inconsistent with the Trust Indenture as may be necessary or desirable with respect to matters or questions arising thereunder, including the making of any modifications in the form of notes (including the Notes) which do not affect the substance thereof and which, in the opinion of the Indenture Trustee, would not be materially prejudicial to the rights or interests of secured creditors (including the Noteholders);

(d) providing for altering the provisions of the Trust Indenture in respect of the exchange or transfer of notes (including the Notes); and

(e) subject to satisfaction of the Rating Agency Condition in respect of each Series of Notes then outstanding, for any other purposes considered appropriate by the Indenture Trustee and which, in the opinion of the Indenture Trustee, would not be materially prejudicial to the rights or interests of secured creditors (including the Noteholders);

provided, however, that the Indenture Trustee may, in its sole discretion, decline to enter into any such deed or supplemental indenture which may not afford to it adequate protection at such time when it becomes operative.

The Indenture Trustee will from time to time, upon receipt of a written request from the Trust, enter into or consent to any proposed amendment, modification, termination or waiver of, or any proposed postponement of compliance with any provision of any Programme Agreements to which it is a party or with respect to which the prior consent of the Indenture Trustee is required, which action or consent, as applicable, is to be taken or given by the Indenture Trustee without the necessity of obtaining the consent of the Noteholders or other creditors of the Trust, if such amendment, modification, termination, waiver or postponement would not materially prejudice the rights or interests of the holders of the Notes then outstanding of any Series of Notes and the Rating Agency Condition in respect of any affected Series of Notes has been satisfied; provided that if in the opinion of the Indenture Trustee such amendment, modification, termination, waiver or postponement would materially prejudice the rights or interests of any Noteholders, the Indenture Trustee will not enter into or consent to, as applicable, such amendment, modification, termination, waiver or postponement without the approval by Extraordinary Resolution of the Noteholders of the applicable Series of Notes or class thereof that would be materially prejudiced. Notwithstanding the foregoing, the Indenture Trustee may decline to consent to a specified amendment, modification, termination or waiver of, or any proposed postponement or compliance with any provision of any Programme Agreement that adversely affects its rights, duties or immunities under the Trust Indenture or otherwise.

Noteholder Meetings

The Indenture Trustee may from time to time convene meetings of Noteholders of the Trust and must convene a meeting upon receipt of a request from the Trust or a request signed by the holders of not less than 51% of the aggregate principal amount of the Notes then outstanding to which the meeting relates, subject to the Indenture Trustee receiving sufficient funds and a satisfactory indemnity. If the Indenture Trustee does not give notice of a meeting within 30 days of receiving such written request (unless due to failure to receive sufficient funds or a satisfactory indemnity), the Issuer Trustee or such Noteholders, as the case may be, may convene a meeting.

A quorum for any meeting of Noteholders will consist of holders of at least 25% of the aggregate principal amount of the Notes then outstanding to which such meeting relates. If, at any such meeting, the holders of 25% of the aggregate principal amount of such Notes then outstanding to which such meeting relates are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by Noteholders, will be dissolved or, in any other case, will be adjourned (i) if an Extraordinary Resolution is proposed, to a date, not less than 15 nor more than 60 days later, appointed by the chairperson of the meeting and not less than 10 days' notice of the adjourned meeting provided, or (ii) otherwise, to the same day in the next calendar week (or, if such day is not a Business Day, the next following Business Day thereafter) and no notice will be required to be given in respect of such adjourned meeting. At the adjourned meeting the Noteholders present in person or by proxy will constitute a quorum.

Where a proposed resolution would result in a significant change to the permitted activities of the Trust (as determined by the Financial Services Agent acting as advisor to the Trust), such resolution must be passed by the favourable votes of the holders (other than the Originator and any of its affiliates and agents) of more than 50% of the aggregate principal

amount of Notes (excluding the principal amount of any Notes held by the Originator and any of its affiliates and agents) then outstanding.

Powers Exercisable by Extraordinary Resolution

Holders of Notes will have certain powers exercisable by Extraordinary Resolution, including the power to:

(a) subject to the right of the Indenture Trustee to be provided with an indemnity or sufficient collateral and the provisions of the Trust Indenture described above under "Related Events of Default; Rights upon Related Event of Default", require the Indenture Trustee to exercise or refrain from exercising any of the powers conferred upon it by the Trust Indenture;

(b) sanction the release of the Trust from its covenants and obligations under the Trust Indenture;

(c) remove the Indenture Trustee and appoint a replacement Indenture Trustee;

(d) permit or direct the Indenture Trustee to sanction any supplement, amendment, modification, restatement or replacement of or waiver of or postponement of compliance with any Programme Agreement (other than a Related Supplement) which would otherwise not be permitted by the Trust Indenture;

(e) assent to any compromise or arrangement by the Trust with any creditor, creditors or class or classes of creditors or with the holder of any securities of the Trust;

(f) restrain any holder of any Note from taking or instituting any suit, action or proceedings for the recovery of amounts payable under such Note or under the Trust Indenture or for the execution of any trust or power under the Trust Indenture or for the appointment of a receiver or trustee in bankruptcy or the winding up of the Trust or for any other remedy under the Trust Indenture and to direct such holder of any Note to waive any Related Event of Default on which any suit or proceeding is founded;

(g) direct any Noteholder bringing any action, suit or proceeding and the Indenture Trustee to waive the Related Event of Default in respect of which such action, suit or other proceeding has been brought;

(h) subject to the provisions of the Trust Indenture described above under "Related Events of Default; Rights upon Related Event of Default", sanction the sale, exchange or other disposition of the collateral of the Related Collateral or any part thereof for such consideration as may be specified in the Extraordinary Resolution;

(i) appoint a committee with power and authority (subject to such limitations, if any, as may be prescribed in the Extraordinary Resolution) to exercise, and to direct the Indenture Trustee to exercise, on behalf of the Noteholders, such of the powers of the Noteholders as are exercisable by Extraordinary Resolution or other resolution as shall be included in the Extraordinary Resolution appointing the committee; and

(j) take any other action authorized by the Trust Indenture or directed under any other Programme Agreement to be taken by Extraordinary Resolution.

Notwithstanding the foregoing, (i) no change may be made to (x) the payee of a Note, the date of maturity of a Note, the principal amount or currency of a Note, the dates upon which payments are to be made under a Note, the interest rate or premium payable on a Note, the place of payment of a Note, or the amount or timing of distributions which are required to be made on a Note without the consent of the holder of such Note; or (y) the percentage specified in the definition of "**Extraordinary Resolution**" without the consent of all Noteholders; and (ii) no Extraordinary Resolution may be adopted which would be prejudicial to the rights or interests of the Indenture Trustee without the consent of the Indenture Trustee.

Powers Exercisable by Extraordinary Resolution by Holders of Series of Notes

The holders of Notes of a particular Series of Notes (or class thereof) will have the power exercisable by Extraordinary Resolution, in addition to any powers exercisable by holders of Notes generally and to the exclusion of holders of the Notes of all other Series of Notes (or class thereof), to sanction and agree to any supplementation, amendment, modification, restatement or replacement of or waiver of or postponement of compliance with any provisions of any Programme Agreement solely affecting such Notes or affecting the holders of Notes of such Series of

Notes (or class thereof) to a different extent than the holders of Notes of any other Series of Notes (or class thereof), provided that such supplementation, amendment, modification, replacement, waiver or postponement does not adversely affect the rights or interests of the holders of Notes of any other Series of Notes (or class thereof), as determined by the Indenture Trustee acting on the advice of counsel.

All actions which may be taken and all powers which may be exercised by Extraordinary Resolution may be taken and exercised by a resolution passed by an affirmative vote of not less than $66^{2}/_{3}$% of the votes at a serial meeting attended by at least two holders of not less than 25% of the principal amount then outstanding of the Notes, or the Notes of a particular Series of Notes (or class thereof), as applicable, or by a written instrument signed by the holders of not less than $66^{2}/_{3}$% of the principal amount then outstanding of the Notes, or the Notes of a particular Series of Notes (or class thereof), as applicable; provided that where a proposed action or exercise of power would result in a significant change to the permitted activities of the Trust (as determined by the Financial Services Agent acting as advisor to the Trust), such resolution must also be passed by the favourable votes of the holders (other than the Originator and any of its affiliates and agents) of more than 50% of the aggregate principal amount of Notes (excluding the principal amount of any Notes held by the Originator and any of its affiliates and agents) then outstanding.

DETAILS OF THE OFFERINGS

Each Series of Notes issued by the Trust will evidence limited recourse, secured debt obligations of the Trust and will be issued pursuant to a Related Supplement. Unless otherwise set out in the applicable pricing supplement, each Series of Notes will be divided into a senior class (the "**Senior Notes**") and one or more sequentially-ranked subordinated classes (the "**Subordinated Notes**").

The Notes are issuable from time to time at the discretion of the Trust during the period that this short form base shelf prospectus remains valid on terms determined at the time of issue in an aggregate principal amount not to exceed $1,000,000,000. The Notes are offered pursuant to an MTN Program, as contemplated by the National Instrument. The National Instrument permits the omission from this short form base shelf prospectus of certain variable terms of the Notes, which will be established at the time of the offering and sale of the Notes and will be included in pricing supplements, which are incorporated by reference into this short form base shelf prospectus solely for the purpose of the Notes issued thereunder. A pricing supplement containing the specific terms of any particular offering of Notes will be delivered to purchasers of such Notes together with this short form base shelf prospectus.

The specific variable terms of any offering of Notes including, where applicable and without limitation, the aggregate principal amount of Notes being offered, the issue price, the issue, delivery and maturity dates, the redemption or repayment provisions, if any, the interest rate or interest rate basis and interest payment date(s), will be established by the Trust and set forth in the applicable pricing supplement that will accompany this short form base shelf prospectus. The Trust reserves the right to set forth in a pricing supplement specific variable terms of an offering of Notes that are not within the options and parameters set forth in this short form base shelf prospectus and the terms and conditions of any interest rate or currency swap, or both, entered into in connection with such Notes. Reference is made to the applicable pricing supplement for a description of the specific terms of any offering of Notes, including, without limitation, the specific terms of any interest rate swap or currency swap, or both, entered into in connection with such Notes. Notes will be offered in such amounts, at such times, at such rates of discount or interest and on such other terms and conditions as the Trust may, from time to time, determine based on financing requirements, prevailing market conditions and other factors.

No convertible, exchangeable or exercisable securities will be offered pursuant to this short form base shelf prospectus or any pricing supplement.

Interest

Each class of Notes will bear interest at the rate per annum specified in the Related Supplement (and set out in the applicable pricing supplement) and will, in each case, be payable on each related Interest Payment Date before as well as after default and judgment with interest on overdue interest at the same rate. The interest payable on each Note on each related Interest Payment Date shall be calculated in the manner specified in the Related Supplement (and set out in the applicable pricing supplement). Any interest due but not paid on any Interest Payment Date will be due on the next succeeding Interest Payment Date together with additional interest on such amount at the applicable rate of interest for the particular class of Notes. Periodic payments of interest on the Subordinated Notes will be made on each related Interest Payment Date following payment in full of the interest payable on the related Senior Notes on such Interest Payment Date. Periodic payment of interest on the Notes of any lower-ranked class of a series will be made on each Interest Payment Date following payment in full of the interest payable on the Notes of all higher-ranked classes of that series on such Interest Payment Date.

Repayment of Principal on the Senior Notes

It is expected that payment in full of the principal and accrued interest on the Senior Notes of a series will be made on the Targeted Principal Distribution Date for that series. No principal payments will be made to the holders of the Senior Notes of a series until such date unless an Amortization Period in respect of the related Series has commenced. On each Settlement Date during the Amortization Period for a Series, holders of the related Senior Notes will be paid a *pro rata* share of all amounts on deposit in the related Distribution Account subject to prior payment of related Trust Expenses and Funding Costs in respect of such Senior Notes and the Subordinated Notes.

Repayment of Principal on the Subordinated Notes

It is expected that payment in full of the principal and accrued interest on the Subordinated Notes of a series will be made on the Targeted Principal Distribution Date for that series. No principal payments will be made to the holders of the Subordinated Notes of a series until such date unless an Amortization Period in respect of the related Series has commenced, the holders of the related Senior Notes have first received all interest and principal to which they are entitled and the holders of the related Subordinated Notes have received all interest to which they are entitled. Thereafter, the holders of each class of Subordinated Notes of that series will be paid in sequence in accordance with its ranking on each Settlement Date a *pro rata* share of all amounts on deposit in the related Distribution Account subject to prior payment of related Trust Expenses and Funding Costs in respect of such Subordinated Notes. No principal payments on the Notes of any lower-ranked class of a series will be made until all principal amounts payable to holders of the Notes of all higher-ranked classes of that series have been paid in full.

PLAN OF DISTRIBUTION

Pursuant to an agreement dated August 2, 2017 (the "**Dealer Agreement**") between the Trust and CIBC World Markets Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., Desjardins Securities Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc. and such other dealers as may be selected from time to time by the Trust (collectively, the "**Dealers**"), the Dealers are authorized as agents of the Trust to solicit offers to purchase the Notes in all provinces and territories of Canada, directly or indirectly through other investment dealers. The rate of commission payable in connection with sales by the Dealers as agents of Notes shall be as determined from time to time by mutual agreement among the Trust and the Dealers and will be set forth in the applicable pricing supplement.

The Dealer Agreement also provides that the Notes may be purchased from time to time by any of the Dealers, as principal, at such prices as may be agreed between the Trust and the Dealer for resale to the public at prices to be negotiated with purchasers. Such resale prices may vary from purchaser to purchaser and during the period of distribution. The Dealer's compensation will be increased or decreased by the amount by which the aggregate price paid for the Notes by purchasers exceeds or is less than the aggregate proceeds paid by the Dealer to the Trust.

The Trust may also offer the Notes directly to the public from time to time pursuant to any applicable statutory registration and prospectus exemptions at such prices and upon such terms as may be agreed upon by the purchaser, in which case no commission will be paid to the Dealers.

Notes may be sold at fixed prices or at non-fixed prices (that is, at prices determined by reference to the prevailing price of a specified security in a specific market), at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers. Accordingly, the price at which Notes will be offered and sold to the public may vary from purchaser to purchaser and during the period of distribution of the Notes in which case the Dealers' overall compensation will vary depending upon the aggregate price paid for the Notes by the purchasers. The rates of commission payable in connection with sales of the Notes by the Dealers will be as determined from time to time by mutual agreement of the Trust and the Dealers.

The Trust will have the sole right to accept offers to purchase Notes and may, in its absolute discretion, reject any proposed purchase of Notes in whole or in part. Each Dealer will have the right, in its discretion reasonably exercised, to reject any offer to purchase Notes received by it in whole or in part. The obligations of the Dealers under the Dealer Agreement may be terminated at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events.

The Notes will not be listed on any securities exchange.

The Notes have not been and will not be registered under the *United States Securities Act* of 1933, as amended, (the "**1933 Act**") or under any state securities laws and may not be offered, sold or delivered in the United States (as defined in Regulation S under the 1933 Act) or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act) except in certain transactions exempt from the registration requirements of the 1933 Act, including, if contemplated in the applicable pricing supplement, transactions under Rule 144A under the 1933 Act.

Each issue of Notes will be a new issue of securities with no established trading market. In connection with any offering of Notes, the Dealers may, subject to the foregoing, over-allot or effect transactions that stabilize or maintain the market price of the Notes offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. Any Dealers to or through whom Notes are sold may make a market in the Notes, but such Dealers will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that a trading market in the Notes of any issue will develop or as to the liquidity of any trading market for the Notes.

CIBC, as Financial Services Sub-Agent for the Trust, will be performing certain financial services on behalf of the Trust pursuant to agreements with the Financial Services Agent, as more fully described herein. CIBC World Markets is a wholly-owned subsidiary of CIBC. Furthermore, CIBC World Markets will be actively involved in the structuring of the Notes, the decision to distribute the Notes and the terms of such distribution. In addition, the aggregate proceeds from any offering may be used by the Trust to purchase a Series Co-Ownership Interest from another Co-Owner that is one or more trusts sponsored by CIBC. As a result of all such factors, the Trust may be considered a "**connected issuer**" of CIBC World Markets within the meaning of applicable securities legislation.

RBC Dominion Securities Inc. will be actively involved in the structuring of the Notes, the decision to distribute the Notes and the terms of such distribution. In addition, the aggregate proceeds from any offering may be used by the Trust to purchase a Series Co-Ownership Interest from another Co-Owner that is one or more trusts sponsored by Royal Bank of Canada. As a result, the Trust may be considered a "connected issuer" of RBC Dominion Securities Inc. within the meaning of applicable securities legislation.

BOOK ENTRY REGISTRATION

Unless otherwise specified in the relevant pricing supplement, the Notes forming part of each Series of Notes will be represented by one or more fully registered global Notes held by, or on behalf of, the Related Clearing Agency, as custodian, and registered in the name of the Related Clearing Agency or its nominee, except in the limited circumstances described herein. Registration of ownership and transfers of beneficial interests in the global Notes (such beneficial interests being referred to herein as "**Book-Entry Notes**") will be made only through the depository service of the Related Clearing Agency. Except as described herein, no purchaser of a Book-Entry Note will be entitled to a definitive certificate or other instrument from the Trust or the Related Clearing Agency evidencing that purchaser's beneficial interest, and no holder of a Book-Entry Note (a "**Book-Entry Note Owner**") will be shown on the records maintained by the Related Clearing Agency, except through book entry accounts of a participant in the depository system of the Related Clearing Agency (a "**Participant**") acting on behalf of the Book-Entry Note Owner.

Transfers of Book-Entry Notes will be effected through records maintained by the Related Clearing Agency or its nominee (with respect to interests of Participants) and on the records of Participants (with respect to Persons other than Participants). Persons who are not Participants, but who desire to purchase, sell or otherwise deal with their Book-Entry Notes, may do so only through Participants. The ability of a Book-Entry Note Owner to pledge its Book-Entry Note or otherwise take action with respect thereto (other than through a Participant) may be limited due to lack of a physical certificate.

Unless Notes in fully registered certificated form ("**Definitive Notes**") are issued, Book-Entry Note Owners will not be recognized by the Indenture Trustee as Noteholders. All references herein or in the Trust Indenture or in the Related Supplement to payments, notices, reports and statements to, or actions by, Noteholders will refer to the same made with respect to or by the Related Clearing Agency or its nominee, as the case may be, as the registered holder of the Notes upon instructions of a requisite number of Book-Entry Note Owners acting through Participants.

Definitive Notes will be issued to Book-Entry Note Owners or their nominees other than the Related Clearing Agency or its nominee only if (i) the Issuer Trustee advises the Indenture Trustee that the Related Clearing Agency is no longer willing or able to properly discharge its responsibilities as depository with respect to the Notes and the Related Clearing Agency is unable to locate a qualified successor depository; or (ii) after the occurrence of a Related Event of Default, Book-Entry Note Owners representing in aggregate not less than 50% of the outstanding principal amount of the affected Notes advise the Indenture Trustee through the Related Clearing Agency and the Participants in writing, that the continuation of a book-entry system through the Related Clearing Agency is no longer in the best interests of Book-Entry Note Owners.

Upon the occurrence of any of the events described in the immediately preceding paragraph, the Indenture Trustee is obliged to notify all Book-Entry Note Owners, through the Related Clearing Agency depository system, of the availability of Definitive Notes. Upon surrender by the Related Clearing Agency of the relevant Book-Entry Notes and instructions from the Related Clearing Agency for re-registration, the Trust will issue Definitive Notes and thereafter the Indenture Trustee, the Issuer Trustee and the Financial Services Agent will recognize the registered Noteholders of such Definitive Notes as the Noteholders under the Trust Indenture. Payments of principal, interest and other amounts with respect to the Notes will thereafter be made in accordance with the procedures set out in the Trust Indenture directly to Noteholders in whose names the Definitive Notes were registered at the close of business on the applicable record date. Such payments will be made by cheque mailed to the address of such Noteholder as it appears on the register maintained by the Indenture Trustee. The final payment on any Note, however, will be made only upon presentation and surrender of such Definitive Note at the office or agency specified in the Trust Indenture.

If Definitive Notes have been issued and thereafter the Trust advises the Indenture Trustee of the availability of Book-Entry Notes in regard to such Notes, the Indenture Trustee and the Trust may agree to allow for the re-

registration of such Definitive Notes as Book-Entry Notes and the Indenture Trustee will forthwith deliver notice thereof to each registered holder of such Notes. Upon surrender by any such Noteholder of its Definitive Note accompanied by instructions for re-registration of the Note as a Book-Entry Note, such Note will be re-issued as a Book-Entry Note.

USE OF PROCEEDS

Unless otherwise specified in the related pricing supplement, the Trust will use all of the proceeds of each Series of Notes to finance the purchase of a Series Co-Ownership Interest either from the Originator or another Co-Owner pursuant to the Pooling and Servicing Agreement, the related Series Co-Ownership Agreement and, if applicable, the related Assignment Agreement.

LEGAL PROCEEDINGS

There are no legal proceedings currently underway or threatened against the Trust. There are no legal proceedings currently underway or threatened against PC Bank which, if determined adversely, would reasonably be expected to have a material adverse effect on PC Bank's ability to perform its obligations under the Material Contracts to which it is a party.

In December 2006, a motion for authorization to proceed with a class action against PC Bank and a number of other banks was filed by Option Consommateurs, a Québec-based consumers' group. The class action, which was authorized by the Quebec Superior court to proceed on October 25, 2007 alleges that the cash advance transaction fees charged by the named defendants are not permitted under the *Consumer Protection Act* (Québec). The claim seeks a return of all credit fees assessed against cardholders for cash advances since the beginning of the imposition of such fees for cash advances, plus interest and punitive damages of $200 per class member. There is an agreement in principle between PC Bank and Option Consommateurs to settle the action. The settlement is not material to the Trust and is subject to approval of the court.

In May 2014, PC Bank and Loblaw were served with a proposed class action initiated in the Court of Queen's Bench of Saskatchewan by Kondiman Foods Inc. Also named as defendants were two major credit card networks, several other banks and two national retailers. The claim alleges that the defendants conspired to impose rules related to the provision of credit card network services that result in the plaintiff merchant class paying more for credit card acceptance than they would have in a competitive marketplace. The class is all merchants that accepted certain specified branded credit cards in Saskatchewan since 1992. The claim seeks unspecified monetary damages, injunctive and other relief, punitive damages, costs and interest. The plaintiff has taken no steps to advance the action since it was commenced in 2014. No statement of defence has been delivered, but counsel to the plaintiff has agreed no steps will be taken in the action without reasonable advance notice to PC Bank and Loblaw. In May 2017, Visa and Mastercard® entered into proposed settlements of other class actions, subject to court approval, that require the claim in Saskatchewan to be discontinued against them and that require the plaintiff to limit its claim against the remaining defendants, including PC Bank and Loblaw.

RISK FACTORS

Among the matters relating to the Notes that a prospective investor should carefully consider before investing in Notes, in addition to any matters set forth in the relevant pricing supplement, are the following risk factors:

Recessionary Economic Conditions and Loss and Delinquency Experience

During periods of economic recession, high unemployment, increased mortgage defaults and personal bankruptcy rates and low consumer and business confidence, credit card activity generally declines and delinquency and loss rates generally increase, resulting in a decrease in the amount of collections including with respect to finance charges. These changes in credit card activity, delinquency and loss rates and the attendant reductions in the amount of collections may be material. Concerns over the availability and cost of credit, increased mortgage defaults and personal bankruptcy rates, declining real estate values and geopolitical issues may contribute to increased volatility and diminished expectations for the economy. These factors, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, may precipitate a recession, which generally results in declines in credit card activity and adverse changes in payment patterns. The Trust cannot predict how or when these or other factors will affect repayment patterns or credit card activity and, consequently, the timing and amount of payments on the Notes could be affected.

Limited Recourse

The Notes comprising each Series of Notes will represent secured obligations of the Trust with recourse limited to the Related Collateral. The Trust is a special purpose entity with no independent business activities other than acquiring and financing the purchase of co-ownership interests in credit card receivables and related assets from time to time and other related activities, and does not have and does not expect to acquire any other significant assets. While the limited nature of the Trust's business activities limits the Trust's business risk, the Trust remains subject to all ordinary commercial risks, including fraud relating to the Custodial Assets and related transactions, or lack of performance by counterparties under any relevant agreements. Notes issued from time to time will not represent obligations of the Originator, the Issuer Trustee (other than in its capacity as trustee of the Trust), the Custodian, the Financial Services Agent, the Financial Services Sub-Agent, the Performance Guarantor, the Indenture Trustee or any of their respective Affiliates and Noteholders of one Series of Notes will have no recourse to the Related Collateral of any other Series of Notes. There is no guarantee by the Originator or the Issuer Trustee of the collection of the Receivables nor has the Originator or the Issuer Trustee represented or undertaken that the Receivables will realize their face value or any part thereof and, accordingly, the Trust will have no claim against the Originator or the Issuer Trustee for any deficiency arising in the realization of the Receivables except as set out above under "**Pooling and Servicing Agreement – Indemnification**". The Trust is not a trust company and does not carry on or intend to carry on the business of a trust company. The Series, the Notes and the Receivables are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured or guaranteed by the Originator, the Servicer, the Custodian, the Issuer Trustee, the Indenture Trustee or any affiliates thereof, or the Canada Deposit Insurance Corporation or any other governmental agency or instrumentality.

Certain Legal Matters

The undivided co-ownership interests of the Trust may be subordinate to statutory deemed trusts and other non-consensual liens, trusts and claims created or imposed by statute or rule of law on the property of the Originator or other Co-Owner, as applicable, arising prior to the time the undivided co-ownership interests in the Receivables are transferred to the Trust. The Originator or other Co-Owner, as applicable, will not give notice to Obligors of the transfer to the Trust of the Series Co-Ownership Interests or the grant of a security interest therein to the Indenture Trustee. However, under the Pooling and Servicing Agreement, the Originator will warrant that undivided co-ownership interests in the Receivables have been or will be transferred to the Co-Owner free and clear of the security interest or lien of any third-party claiming an interest therein, through or under the Originator, and under the Assignment Agreement, the other Co-Owner will warrant that the Series Co-Ownership Interest is being transferred to the Trust free and clear of the security interest or lien of any third-party claiming an interest therein, through or under such Co-Owner. The Trust will warrant and covenant that it has not taken and will not take any action to encumber or create any security interests or other liens in any of the property of the Trust, except for the security interest granted to the Indenture Trustee and except as permitted under the Programme Agreements.

The Originator will treat each transaction entered into with the Trust or other Co-Owner, as applicable, as a transfer and sale of a Series Co-Ownership Interest to the Trust or other Co-Owner, as applicable. The Originator anticipates that each selling Co-Owner will treat each transaction entered into with the Trust as a transfer and sale of its Series Co-Ownership Interest in the Custodial Assets to the Trust. As a sale, the particular Series Co-Ownership Interest would not form part of the assets of the Originator or selling Co-Owner, as applicable, and would not be available to the creditors of the Originator or selling Co-Owner, as applicable. However, upon the occurrence of certain insolvency events relating to the Originator or selling Co-Owner, as applicable, it is possible that an administrator or a creditor may attempt to argue that the transaction between (i) the Originator and selling Co-Owner did not effectively transfer the particular Series Co-Ownership Interest to the selling Co-Owner, or (ii) the Originator or selling Co-Owner, as applicable, and the Trust did not effectively transfer the particular Series Co-Ownership Interest to the Trust. Either of these positions, if accepted by a court, could prevent timely or (subject to the next following sentence) ultimate payment of amounts due to the Trust and, consequently, the Noteholders. The selling Co-Owner will register a financing statement in respect of the assignment to the selling Co-Owner by the Originator of the Series Co-Ownership Interest, and the Trust will register a financing statement in respect of the assignment to the Trust by the Originator or a selling Co-Owner of the Series Co-Ownership Interest, as required by applicable law, and, as a result, the Trust would have an interest in the Series Co-Ownership Interest superior to that of the Originator's trustee in bankruptcy, and any similar administrator of an insolvent selling Co-Owner, and any other party with a subsequently registered security interest therein. Accordingly, in a liquidation of the Originator or selling Co-Owner, as applicable, the Trust should be entitled to priority in respect of its interest in its Series Co-Ownership Interests.

In the event of the liquidation, insolvency, receivership or administration of the Originator or selling Co-Owner, as applicable, the ability of the Trust to enforce certain of its other rights in and to the Account Assets in a timely manner may also be adversely affected. Such affected rights may include the right to appoint a Replacement Servicer.

While the Originator is the Servicer, Collections held by the Originator may, subject to certain conditions, be commingled and used for the benefit of the Originator prior to each Settlement Date and, in the event of the liquidation, insolvency, receivership or administration of the Originator, the ability of the Trust to enforce its rights to the Collections in a timely manner may be adversely affected and Collections that have been commingled may be unrecoverable.

Amounts that are on deposit from time to time in the Collection Account, Accumulations Account or the Reserve Account for a Series may be invested in Eligible Investments. In the event of the liquidation, insolvency, receivership or administration of any entity with which an Eligible Investment is made or which is an issuer, obligor or guarantor of any Eligible Investment, the ability of the Trust, in respect of the Accumulations Account for a Series, and the Custodian, in respect of the Collection Account and the Reserve Account for a Series, to enforce its rights to any such Eligible Investments and the ability of the Trust to make payments to Noteholders in a timely manner may be adversely affected and may result in a loss on some or all of the Notes.

The application to an Obligor of Canadian federal bankruptcy and insolvency laws and related provincial laws could also affect the ability to collect the Receivables. Federal bankruptcy laws generally discharge bankrupt Obligors of their obligation to pay their Receivables.

In the case of the insolvency of the Issuer Trustee, it is possible that the creditors of the Issuer Trustee may attempt to argue that the assets of the Trust are held by the Issuer Trustee in its personal capacity (and not as trustee of the Trust) and are to be available to the creditors of the Issuer Trustee. Assuming that the Issuer Trustee deals with the assets of the Trust in accordance with the provisions of the Declaration of Trust, the assets of the Trust would not constitute property of the Issuer Trustee available for distribution to the creditors of the Issuer Trustee. A trustee, liquidator or receiver appointed with respect to the Issuer Trustee may be able to recover from the property of the Trust a portion of its costs that are incurred until a replacement for the Issuer Trustee, as trustee of the Trust, is appointed or pending any proceeding in respect of the property of the Trust. Such costs may exceed the compensation provided for in the Declaration of Trust.

Reliance on Certain Persons

The servicing of the Account Assets, including the collection and allocation thereof, and the making of the required deposits and transfers to and withdrawals from the Collection Account is to be performed by the Originator, as the initial Servicer (and, if a Servicer Termination Event occurs, the Performance Guarantor or a Replacement Servicer, as applicable). The Originator has subcontracted certain of its obligations as Servicer to third parties. Noteholders are

relying on the Originator's, and those entities to whom the Originator has subcontracted its obligations as Servicer, good faith, expertise, historical performance, technical resources and judgment in servicing the Account Assets.

It is possible that a material disruption in collecting the Collections may ensue if a Servicer Termination Event occurs and the Performance Guarantor or a Replacement Servicer assumes the Originator's servicing obligations or if the Originator terminates its arrangements with those with whom it has entered into outsourcing arrangements. In addition, the collection results achieved by the Performance Guarantor or a Replacement Servicer may differ materially from the results achieved during the time that the Originator is the Servicer.

TSYS provides credit card processing services for the Originator's credit card business. If TSYS becomes insolvent or is unable to perform its duties, this may result in delays in processing and recovery of information with respect to charges incurred by the respective cardholders and delays in payments to Noteholders.

Giesecke & Devrient Systems Canada, Inc. provides credit card manufacturing and embossing, personal identification number ("**PIN**"), card mailing and related services for the Originator's credit card business. If Giesecke & Devrient Systems Canada, Inc. becomes insolvent or is unable to perform its duties, this may result in delays in the provision of the card fulfillment services to new and existing cardholders.

Broadridge Customer Communications Canada, ULC provides statement composition and print production services for the Originator's credit card business. If Broadridge Customer Communications Canada, ULC becomes insolvent or is unable to perform its duties, this may result in delays in the composition, printing, and delivery of statements and may result in delays in payments being received.

Millennium 1 Solutions provides operations and servicing functions, such as call centre customer service fulfillment and processing services, for the Originator's credit card business. If Millennium 1 Solutions becomes insolvent or is unable to perform its duties, this may result in delays in the servicing of customers' accounts.

From time to time, the Originator may change the service providers it retains to provide services in connection with its credit card business. While the Originator will attempt to ensure that any new service providers provide it with the same or an improved level of service as provided to it before such change, there is no guarantee that a new service provider will do so, especially during any transition period from a current service provider to such new service provider. If the Originator delegates any its duties as Servicer in accordance with the terms of the Pooling and Servicing Agreement, such delegation shall not relieve the Originator of its liability and responsibility with respect to such duties.

The PC Mastercard® credit card is issued as part of the worldwide Mastercard® system, and transactions creating receivables through the use of the credit card are processed through the Mastercard® authorization and settlement system. Considering the Originator is the Servicer, should the right of the Originator to participate in the credit card program operated by any entity or organization be terminated, an Amortization Event would occur, and delays in payments on the Accounts Assets and possible reductions in the amount of payments may occur.

PC Bank has delegated certain of its duties as Financial Services Agent to CIBC as Financial Services Sub-Agent. The Trust is and will continue to be dependent for the administration of the Trust on the diligence and skill of the employees of PC Bank as Financial Services Agent and CIBC as Financial Services Sub-Agent. In any such case, however, PC Bank will not be discharged or relieved in any respect from its obligations under the Financial Services Agreement. See "**Eagle Credit Card Trust – Financial Services Agent**".

If the Trust enters into an interest rate swap or currency swap, or both, in connection with a Series of Notes, the Trust will be relying on the swap counterparty to make certain payments under the applicable swap agreement.

Social, Legal, Economic and Other Factors

Changes in credit card use and payment patterns by cardholders result from a variety of social, legal, economic and other factors. Consumer confidence and economic uncertainty are affected by world events and economic factors including capital markets activity, the rate of inflation, unemployment levels and relative interest rates. Similarly, changes of law which may affect the rate of periodic finance charges and other charges assessed against the Receivables may affect credit card use and payment patterns and demographic changes and changes in consumer buying habits may affect credit card use. The use of incentive programs (e.g., rewards for card usage), and social and technological factors (including payments by other means such as cell phones) may affect card use. The Trust is unable to determine

and has no basis to predict whether or to what extent changes in applicable laws, the affiliated loyalty program, or social, legal, economic or other factors will affect card use or repayment patterns. See "**Credit Card Business of President's Choice Bank**".

Geographic Concentration

In general, a pool of Receivables with a significant portion of those Receivables being owed by Obligors resident in a smaller number of provinces, territories or geographic regions may be subject to losses that are more severe than other pools having a more diverse geographic distribution of Receivables. Repayments by Obligors could be affected by economic conditions generally, by changes in governmental rules and fiscal policies in the regions where the Obligors are located, and by other factors that are beyond the control of the Obligors. To the extent that general economic or other relevant conditions in provinces, territories or regions in which the Obligors are located decline and result in a decrease in disposable incomes in the province, territory or region, the ability of Obligors to repay the Receivables may be adversely affected.

Competition in the Credit Card Industry, Emerging Payment Technologies and Origination of New Receivables

The credit card industry is highly competitive and operates in a legal and regulatory environment increasingly focused on the cost of services charged for credit cards. See, for example, the discussion under "Risk Factors – Interchange Actions", regarding voluntary actions by Visa and Mastercard® to reduce Interchange rates. There is increased use of advertising, target marketing, pricing competition and incentive programs. New credit card issuers may seek to expand or to enter the market. New federal and provincial laws and amendments to existing laws may be enacted to regulate further the credit card industry or to reduce the maximum service charges or other fees or charges that may be applied to credit card accounts. Certain credit card issuers may assess periodic service charges or other fees or charges at rates lower than the rate currently being assessed on the Accounts. Recent developments in technology have allowed non-financial institutions to offer electronic and internet-based payment solutions which can be used by a wide range of industries as the growth of e-commerce continues. The nature of these emerging payment technologies are such that it could be difficult to anticipate and/or respond to these technologies adequately or quickly. These emerging payment technologies could result in a disintermediation of traditional payment card issuers if consumer spending shifts away from current payment products such as credit cards to these emerging payment technologies.

The Trust will be dependent upon the continued ability of PC Bank to generate new Receivables. The ability of PC Bank to generate Receivables under the existing Accounts is, in turn, partly dependent on sales and customer use of the loyalty program at Loblaw and affiliated stores. The dependency on Receivables being generated from sales at Loblaw and affiliated stores is reduced to the extent that Receivables are being generated from sales made at entities other than Loblaw and affiliated stores. Customer use of the loyalty program and social and technological factors (including emerging payment technologies) may affect card use. The Trust is unable to determine and has no basis to predict whether or to what extent changes in applicable laws, the affiliated loyalty program, or social, legal, economic or other factors will affect card use or repayment patterns. There can therefore be no assurance that PC Bank will continue to originate Receivables at the same rate as in prior years. If the rate at which Receivables are generated declines significantly for reasons of competition or if repayments are made on existing Receivables more quickly than has historically been true for the Receivables, or if there is a significant decline in the amount of service charges payable under the Accounts and sufficient additional Receivables are not added, the revenue of the Trust may not be sufficient to pay Noteholders or an Amortization Period could commence and Noteholders could receive repayment of principal on their Notes prior to the scheduled maturity date of such Notes.

As a result of recent developments in the Canadian credit card industry, issuers of Mastercard® credit cards are now able to issue credit cards from competing credit card associations, such as Visa International. As a result, the Originator and other Mastercard® credit card issuers, have begun, or may begin, to issue non-Mastercard® credit card products, such as Visa credit card products. If the Originator begins to issue non-Mastercard® credit card products, the Originator may convert, or Obligors may switch, some or all of its, or their, Accounts to accounts that are not eligible to be designated as Additional Accounts without a change to the Pooling and Servicing Agreement.

Technology, Information and Cyber Security Risk Exposure

PC Bank is exposed to cyber threats that could impact the finances, reputation and operations of PC Bank. These risks are actively managed and mitigated by PC Bank's strong cyber security program that prevents, detects and responds to new and emerging threats such as data breaches, unauthorized access and denial of service attacks. These threats may directly impact PC Bank's cash flows in three major ways: customer servicing interruptions, customer attrition, and failed internal processes which impact the ability to service customers, administer the program or other adverse consequences.

The inability to service customers as a result of a servicing interruption could result in lost transaction volume and an inability to receive and/or post customer payments to their accounts. Customers may close their accounts, reduce their spending or increase their payments of revolving balances, resulting in decreased yield through lost Interchange and interest income. Furthermore, interruptions to internal processes could result in PC Bank's inability to make payments to noteholders, vendors, and other obligors. In extreme cases, administrative disruptions may further impact employees' abilities to fulfill their duties in meeting PC Bank's financial and regulatory obligations.

The Ability of the Originator to Change Terms of the Accounts

Pursuant to the Pooling and Servicing Agreement and each Series Co-Ownership Agreement, the Originator does not transfer the Accounts to the Co-Owners (including the Trust) but only the Account Assets arising under the Accounts. As owner of the Accounts, the Originator will have the right to determine the periodic finance charges and the fees which will be applicable from time to time to the Accounts, to alter the minimum monthly payment required under the Accounts and to change various other terms with respect to the Accounts. A decrease in the periodic finance charges would decrease the effective yield on the Accounts and could result in the occurrence of an Amortization Event. Except as specified above under "**The Custodial Assets – Restrictions on Amendments to the Terms and Conditions of the Accounts**", there will be no restrictions on the ability of the Originator to change the terms of the Accounts. There can be no assurances that changes in applicable law, changes in the marketplace or prudent business practice might not result in a determination by the Originator to decrease customer finance charges or otherwise take actions which would change other Account terms. In servicing the Accounts, the Servicer will be required to exercise the same care and apply the same policies that it exercises in handling similar matters for its own or other comparable accounts.

Additional Accounts

The Originator is permitted, and in some cases obligated, to designate Additional Accounts. Upon such designation, an undivided co-ownership interest in the Account Assets arising under those Additional Accounts will be conveyed to the Trust. There can be no assurance that such Additional Accounts will be of the same credit quality as the Accounts. In addition, such Additional Accounts may consist of credit card accounts which have different terms than the Accounts, including lower periodic service charges, which may have the effect of reducing the average yield on the portfolio of Accounts. The designation of Additional Accounts will be subject to the satisfaction of certain conditions described under "**The Custodial Assets – Addition of Accounts**".

Repurchase Obligation

As described under "**The Custodial Assets – Mandatory Purchase**", if certain of the representations and warranties to be contained in the Pooling and Servicing Agreement relating to the Accounts and Account Assets are found to have been incorrect when made or certain of the covenants contained therein are breached, the Originator or the Servicer, as applicable, will be obligated to repurchase the related Account Assets by way of a deposit to the Collection Account. However, there can be no assurance that the Originator or the Servicer will be in a financial position to effect such repurchase.

Consumer Protection Laws

The Receivables are subject to numerous consumer protection laws which impose requirements on the making and enforcement of consumer credit sales and the granting of consumer credit generally. Such laws, as well as any new laws or rulings which may be adopted, may adversely affect the Originator's ability to collect on the Receivables (through the assertion by Obligors of violations of such laws by way of defence or set-off) or maintain the level of service charges. The Trust may also be liable for certain violations of consumer protection legislation either as assignee from the Originator

with respect to obligations arising before the transfer of the Account Assets to the Custodian or as the party directly responsible for obligations arising after the transfer. In addition, an Obligor may be entitled to assert such violations by way of a defence or set off against the obligation to pay the amount of Receivables owing or a portion thereof. Pursuant to the Pooling and Servicing Agreement, the Originator is obligated to repurchase any Account which was not an Eligible Account on the related Reference Date, including any Account which was then in contravention of any laws, rules or regulations applicable thereto. See "The Custodial Assets – Mandatory Purchase". The Originator has also agreed in the Pooling and Servicing Agreement to indemnify the Trust, among other things, for any liability arising from such violation by the Originator. See "**Pooling and Servicing Agreement – Indemnification**".

The relationship between the Obligors and the Originator, as credit card issuer, is regulated by the *Bank Act* (Canada) and the Cost of Borrowing Regulations and the Credit Business Practices Regulations and the Negative Option Billing Regulations made thereunder.

The Cost of Borrowing Regulations limit a cardholder's liability for unauthorized use, impose disclosure requirements before or when an account is opened, as well as periodically thereafter at least monthly and for changes in account terms, and require that cardholders be given advance notice of at least one month if an interest rate is to increase. The information to be disclosed includes, among other things, the interest rate that is charged, the minimum payment required each month, and each month the total cost of borrowing, including all interest and fees. The Trust, as Co-Owner of Series Co-Ownership Interests, may be subject to liabilities to Obligors, or to any defences, rights of set-off and claims for reimbursement by Obligors, with the result that the Trust may be unable to recover from the Obligor all or part of the credit charges owing by the Obligor.

The Credit Business Practices Regulations now require that credit card holders give express consent to credit limit increases, impose restrictions and requirements on debt collection practices, prohibit over-limit fees resulting from a merchant placing a hold on a credit card and entitle Obligors to cancel certain on-going optional services that have been purchased on a credit card and to be refunded a proportional amount of the charges for that service based on the portion of the service that has not been used as of the effective date of cancellation, thereby reducing the balance outstanding under the particular Account. Cardholders must be given a minimum 21-day grace period to make payment in full before interest may be charged on new purchases and payments on a credit card in excess of the minimum payment must be allocated against charges carrying different interest rates either pro rata or based on the interest rate, beginning with charges with the highest rate and then against other charges in descending order.

The Negative Option Billing Regulations came into effect on August 1, 2012 and entitle Obligors to cancel certain on-going optional services that have been purchased on a credit card and to be refunded a proportional amount of the charges for that service based on the portion of the service that has not been used as of the effective date of cancellation, thereby reducing the balance outstanding under the particular Account.

Interchange Actions

On November 4, 2014, Mastercard® Inc. and Visa Canada announced that they would reduce their average Interchange rates for consumer credit cards to 1.5% for a 5 year period beginning April 2015. Since April 2015, Mastercard® and Visa have made several changes to Interchange rates to maintain the effective Interchange rates for the payment network at around 1.5%. Given the dynamic Interchange rate environment and payment network assumptions around future credit card usage built into the payment network forecasts, there is a risk that Mastercard® will make further adjustments to Interchange rates and/or its structure in order to ensure that its commitments are met. Any reduction in Interchange rates would reduce the amount of Interchange paid to the Originator and will have an adverse impact on the revenue yield. However, reasonable reduction in Interchange rates is not expected to have a material impact on the Trust's ability to repay the Noteholders.

Future Changes

Canadian banks, including the Originator, are the subject of extensive regulation by the Canadian federal government and the governments of the provinces and territories. Legislative and regulatory proposals and amendments are regularly advanced each year which, if adopted, could limit the types of products and services that may be offered and the amount of finance charge rates or other fees that may be charged and could affect the profitability of the Originator's credit card business or the manner in which it conducts its activities. It is impossible to determine the extent of the impact

of any new laws, regulations or initiatives (and/or changes in their interpretation or implementation) that may be proposed, or whether any of the proposals of the Canadian federal government or the governments of the provinces and territories will become law. Changes to existing consumer protection laws or the introduction of new consumer protection laws or other laws that govern the relationship between credit card holders and the originators of credit card accounts, including credit-reporting and anti-money laundering legislation (including changes in the judicial or regulatory interpretation thereof), or the introduction of new laws of such type, may place additional requirements and obligations on the Originator with respect to the origination and maintenance of credit card accounts, may limit the products or services the Originator can provide or the pricing or delivery of such products, or may increase the ability of competitors to compete with the Originator's products and services. Any such legislative, judicial or regulatory changes may affect the Originator's ability to generate new Receivables.

If the rate at which the Originator generates new Receivables declines significantly, an Amortization Event with respect to a Series could occur, resulting in payment of principal to Noteholders sooner than expected. If Collections decrease significantly at a time when Noteholders are scheduled to receive principal on the Notes, Noteholders might receive principal more slowly than planned.

Reliance on Historical Data

There can be no assurance that the historical information regarding the Account Assets will be representative of the performance of the Account Assets during the term of the Notes.

Transfer of Card Holders' Information

Federal and provincial privacy legislation requires private sector entities to advise individuals of the purpose of, and obtain their consent for, the collection, use or disclosure of their personal information, subject to certain exceptions. The requirements may be interpreted to require the consent of PC Mastercard® credit card holders to the transfer of their personal information to sub-servicers or a Replacement Servicer. It is currently PC Bank's practice to obtain each PC Mastercard® credit card holder's consent in the course of the credit application process and under PC Bank's privacy policy with the card holder; although PC Bank believes that this consent would be sufficient for the purposes of this legislation, there can be no assurance that this would be the case. If existing or future legislative requirements applicable to the Servicer were interpreted to require PC Mastercard® credit card holder consent for disclosure of personal information to sub-servicers or a Replacement Servicer in a form different from those previously obtained by PC Bank, the continued performance of servicing responsibilities or the transfer of servicing responsibilities to a Replacement Servicer could be delayed or impaired as a result of the requirements of privacy legislation applicable to the records of certain PC Mastercard® credit card holders. Delays in processing payments on the Accounts and information in respect thereof could occur and result in delays in payments or losses to Noteholders.

Co-Owner Action

Subject to certain exceptions, Co-Owners may take certain actions, or direct certain actions to be taken, under the Pooling and Servicing Agreement or the related Series Co-Ownership Agreement. However, in certain circumstances, the consent or approval of a specified percentage of all of the Co-Owners will be required to direct certain actions, including the waiver of a Servicer Termination Event or the appointment of a Replacement Servicer, in each case, following a Servicer Termination Event or the amendment of the Pooling and Servicing Agreement.

Additional Series Co-Ownership Interests

It is expected that Series Co-Ownership Interests will be created and sold from time to time. The terms of each additional Series Co-Ownership Interest may include methods for determining related allocation percentages and allocating Collections, provisions creating different or additional credit enhancement, and other terms in respect only of such additional Series Co-Ownership Interest. As each Series Co-Ownership Interest will have different attributes and entitlements, it is anticipated that some Series will be in their Revolving Periods, while others are in their Accumulation Periods, Partial Accumulation Periods or Amortization Periods. Subject to certain limitations, each Series may have entirely different methods for allocating Collections, and for calculating the amount and timing of distributions of Collections and amounts deposited to the Collection Account in respect of Credit Adjustments to the related Co-Owners. Accordingly, there can be no assurance that the sale of Series Co-Ownership Interests from time to time will not have an

impact on the timing or amount of distributions to the Trust in respect of existing Series Co-Ownership Interests, and in turn, on the holders of Notes issued to finance the purchase of such Series Co-Ownership Interests. No Series Co-Ownership Agreement may, however, change the terms of a Series Co-Ownership Interest or the terms of the Pooling and Servicing Agreement as applied to such Series Co-Ownership Interest. As long as a Series Co-Ownership Interest is existing, a condition precedent to the execution of any such additional Series Co-Ownership Agreement will be the satisfaction of the related Rating Agency Condition. There can be no assurance, however, that the terms of any other Series might not have an impact on the timing or amount of payments received by the Trust.

Repayment on Targeted Principal Distribution Date

The accumulation of Collections each month during the Accumulation Period for each Series held by the Trust equal to the Controlled Accumulation Principal Amounts is expected to enable the Trust to repay the related Notes on the Targeted Principal Distribution Date for such Notes. However, there can be no assurance that the actual performance of the pool during the Accumulation Period will be in accordance with the assumptions underlying the determination of the Accumulation Commencement Date or that the Controlled Accumulation Principal Amounts will be appropriate or correct or that any or all of the other factors underlying such determinations will be present. The distribution of sufficient Collections to the Trust by the Targeted Principal Distribution Date for a Series of Notes is primarily dependent on the monthly payment rate and will not be made in full by the Targeted Principal Distribution Date for a Series of Notes if the Collections and, to the extent available, the related Reserve Account Balance are insufficient to repay the Notes in full. No assurance can be given as to the monthly payment rates which will actually occur in any future period. The actual rate of accumulation of Collections in the applicable Accumulations Account will depend, among other factors, on the rate of Collections, the timing of the receipt of Collections and the rate of default by Obligors. As a result, repayment of Notes may occur later than their related Targeted Principal Distribution Date. The repayment of a Series of Notes on the Targeted Principal Distribution Date for such Series of Notes would also be affected by the commencement of an Amortization Period in respect of such Series and the existence of other Series. See "**Risk Factors – Additional Series Co-Ownership Interests**".

If an Amortization Event occurs in respect of a Series prior to the Targeted Principal Distribution Date of such Series, the related Series of Notes may be repaid prior to or after such Targeted Principal Distribution Date. If such repayment occurs at a time when prevailing interest rates are lower than when the related Series of Notes were issued, the applicable Noteholders may not be able to reinvest the proceeds of such Series of Notes in a comparable security with an effective interest rate equivalent to that of such Series of Notes.

Absence of Public Market for the Notes

There is currently no market through which the Notes may be sold. The Dealers expect, but are not obligated, to make a market in the Notes. None of the Trust, the promoter or any Dealer intends to apply for the inclusion of the Notes on any exchange or automated quotation system. There can be no assurance that a secondary market for trading in the Notes will develop or that any secondary market which does develop will continue or be sufficiently liquid to allow for the resale of any Notes. The secondary market for asset-backed securities at times has experienced reduced liquidity. Any period of illiquidity may adversely affect the market value of the Notes. Accordingly, this investment should be considered only by those persons who are able to bear the economic risk of the investment until the relevant Final Distribution Date.

Subordination of Payments on the Notes to Certain Trust Expenses and Other Costs

Payments of interest and principal on the Notes are subordinate to certain payments of Trust Expenses and, following a Related Event of Default, the reimbursement of all costs, charges and expenses of and incidental to the appointment of a receiver in respect of the related Co-Ownership Interest (including legal fees and disbursements) and the exercise by the receiver or the Indenture Trustee of all or any of the powers granted to them under the Trust Indenture, including the reasonable remuneration of such receiver or any agent or employee of such receiver or any agent of the Indenture Trustee and all outgoings properly paid by such receiver or the Indenture Trustee in exercising their powers, in each case, as allocated in respect of the related Notes. Trust Expenses are not significant but could increase, especially in adverse circumstances such as the occurrence of a Related Event of Default, the insolvency or winding-up of PC Bank or a Servicer Termination Event. While as of the date hereof, the Trust has not been assessed by the Canadian tax authorities for any Canadian taxes, no assurance can be given that changes in laws, assessing practices or the interpretation thereof, operations or other factors would not result in the Trust owing a material amount with respect to taxes in the future. Any

liability of the Trust for taxes allocable to a Series would be treated as Trust Expenses in respect of such Series. Amounts payable to the beneficiary pursuant to the Declaration of Trust allocable to a Series will also be treated as Trust Expenses in respect of such Series. If Trust Expenses or the costs of a receiver or the Indenture Trustee allocable to a Series following a Related Event of Default become too great, payments of interest on and principal of the related Notes may be reduced or delayed.

Ratings

It will be a condition of the closing of the offering of any Series of Notes that each class of Notes be assigned, by at least two Designated Rating Agencies, the ratings specified in the related Series Co-Ownership Agreement (and set out in the applicable pricing supplement). The ratings on the Notes address the likelihood of the receipt by the Noteholders of their entitlement to principal and accrued interest under various scenarios. However, the Rating Agencies do not evaluate and the ratings do not address the likelihood that the outstanding principal amount of any particular Series of Notes will be paid by the related Targeted Principal Distribution Date. A rating is based primarily on the credit underlying the Receivables, the levels of credit enhancement and subordination available to the Notes. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a Rating Agency if in its judgment circumstances so warrant. A revision or withdrawal of such rating may have an adverse effect on the market price of the Notes. The ratings of the Notes are not a recommendation to purchase, hold or sell the Notes, inasmuch as such ratings do not comment as to market price or suitability for a particular investor. The ratings also do not address the possibility of the occurrence of an Amortization Event, a Servicer Termination Event or a Related Event of Default, any of which could result in the partial or complete payment of the outstanding principal amount of the Notes prior or subsequent to the related Targeted Principal Distribution Date. In addition, the ratings take into consideration the capacity of those parties in a key support relationship to the Trust and the degree of covenant protection available to investors as contained in the Material Contracts. Certain changes to the arrangements referred to herein are subject to the satisfaction of the Rating Agency Condition. However, there are no assurances that the Rating Agency Condition will be satisfied while Notes are outstanding. In these circumstances, it may be difficult for the Trust to obtain confirmation that such changes will not result in a downgrade or withdrawal of the then-current ratings on the Notes, and as a result, the Trust may be restricted or delayed in completing such changes.

There can be no assurances that any rating agency not requested to rate the Notes will nonetheless issue a rating to any or all classes of the Notes and if so, what such rating would be. A rating assigned to any class of Notes by a rating agency that has not been requested to do so by the Trust may be lower than the ratings assigned thereto by any of the Rating Agencies.

The ratings categories in which the applicable Rating Agencies may be asked to rate the Notes are modified with a (sf) modifier. The (sf) modifier indicates only that the Notes are deemed to meet a certain regulatory definition of "structured finance" instruments and does not modify the meaning of the ratings themselves.

DBRS Ratings.

The definition of the ratings categories of DBRS in which DBRS may be asked to rate the Notes are set forth below in descending order of ranking:

AAA (sf)

An obligation rated "AAA" is considered by DBRS to be of the highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

AA (sf)

An obligation rated "AA" is considered by DBRS to be of superior credit quality. The capacity for the payment of financial obligations is considered high and unlikely to be significantly vulnerable to future events. The credit quality of such obligations differs from "AAA" rated obligations only to a small degree.

A (sf)

An obligation rated "A" is the third highest rated obligation after those rated "AAA" and "AA" and is considered by DBRS to be of good credit quality. The capacity for the payment of financial obligations is substantial, but

of lesser credit quality than with a "AA" rated obligations. An obligation rated "A" may be vulnerable to future events, but qualifying negative factors are considered manageable.

BBB (sf)

An obligation rated "BBB" is considered by DBRS to be of adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. An obligation rated "BBB" may be vulnerable to future events.

"AAA" is the highest ranking ratings category of DBRS. DBRS has 6 ratings categories, ranging from "BB" to "D", that rank below "BBB". Five of the lower ranking ratings categories, ranging from "BB" to "C", are assigned to obligations that are regarded as having significant speculative characteristics. An obligation rated "D" implies that an issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods. DBRS also reserves the right to downgrade ratings to "D" when it believes that a general default is imminent and unavoidable, although this is a less frequent and a more subjective decision.

The DBRS long-term rating scale is meant to give an indication of the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. All rating categories other than "AAA" and "D" also contain subcategories "high" and "low". The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category.

Fitch Ratings.

Definitions of the ratings categories in which Fitch may be asked to rate the Notes are set forth below in descending order or ranking:

AAA (sf)

"AAA" ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA (sf)

"AA" ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A (sf)

"A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

BBB (sf)

"BBB" ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

"AAA" is the highest ranking ratings category of Fitch. Fitch has six ratings categories that rank below "BBB". Five of these lower ranking ratings categories range from "BB" to "C" and are assigned to obligations that have significant speculative characteristics. An obligation rated "D" indicates a default. The ratings from "AA" to "B" may be modified by the addition of a plus or minus sign to show relative standing within rating categories. If a rating has not been modified, this indicates that the rating ranks in the middle range of the particular rating category.

Moody's Ratings.

The definition of the ratings categories of Moody's in which Moody's may be asked to rate the Notes are set forth below in descending order of ranking:

Aaa (sf)

Obligations that are rated "Aaa" are judged by Moody's to be of the highest quality, and are subject to the lowest level of credit risk.

Aa (sf)

Obligations that are rated "Aa" are judged by Moody's to be of high quality and are subject to very low credit risk.

A (sf)

Obligations that are rated "A" are the third highest rated obligations after those rated "Aaa" and "Aa" and are considered by Moody's to be upper medium grade and subject to low credit risk.

Baa (sf)

Obligations that are rated "Baa" are considered by Moody's to be subject to moderate credit risk. They are considered by Moody's to be medium grade and as such may possess certain speculative characteristics.

"Aaa" is the highest ranking ratings category of Moody's. Moody's has 5 ratings categories that rank below "Baa". These lower ranking ratings categories range from "Ba" to "C". Ratings of "Ba" to "C" are assigned to obligations that have significant speculative characteristics. The ratings from "Aa" through "Caa" may have the numerical modifiers 1, 2 and 3 applied to them. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates a ranking in the lower end of the generic rating category.

S&P Ratings.

Definitions of the ratings categories in which S&P may be asked to rate the Notes are set forth below in descending order or ranking:

AAA (sf)

An obligation rated "AAA" has the highest rating assigned by S&P. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA (sf)

An obligation rated "AA" differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

A (sf)

An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB (sf)

An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

"AAA" is the highest ranking ratings category of S&P. S&P has six ratings categories that rank below "BBB". Five of these lower ranking ratings categories range from "BB" to "C" and are assigned to obligations that have significant speculative characteristics. An obligation rated "D" is in payment default. The ratings from "AA" to "CCC" may be modified by the addition of a plus or minus sign to show relative standing within rating categories. If a rating has not been modified, this indicates that the rating ranks in the middle range of the particular rating category.

Payments were, or reasonably will be, made to the applicable Rating Agencies for the ratings the Trust has asked for and received for the Notes that are outstanding, or will be outstanding, and that continue in effect. No payments were made to any of the Rating Agencies in respect of any other service provided to the Trust by the Rating Agencies during the last two years.

Potential Rating Agency Conflict of Interest and Regulatory Scrutiny

It may be perceived that the Rating Agencies hired to rate the Notes have a conflict of interest that may affect the ratings assigned to the Notes where, as is common practice and will likely be the case with the ratings of the Notes, the

promoter, the Originator or the Trust will pay the fees charged by the Rating Agencies for their rating services. Furthermore, rating agencies have been and may continue to be under scrutiny by federal and provincial legislative and regulatory bodies for their roles in the most recent financial crisis and such scrutiny and any actions such legislative and regulatory bodies may take as a result thereof may also have an adverse effect on the perceived value of such a rating or the level of such a rating, and accordingly, the price that a subsequent purchaser would be willing to pay for the Notes and the ability to resell the Notes.

Subordinated Notes

Unless otherwise set out in the applicable pricing supplement, in respect of each Series held by the Trust, the related Subordinated Notes will serve as credit support for the related Senior Notes. Repayment of the principal amount of the Subordinated Notes will not be made until all principal and accrued interest on the Senior Notes and all interest on the Subordinated Notes have been fully paid. In such circumstances, a holder of the Subordinated Notes could lose some or all of its initial investment in the Subordinated Notes. Each lower ranked class of Subordinated Note will also serve as credit support for the higher-ranked classes of Subordinated Notes. Repayment of the principal amount of the Subordinated Notes of any lower-ranked class will not be made until all principal and accrued interest on all Subordinated Notes of the higher-ranked classes and all interest on the Subordinated Notes of such class and any lower-ranked class of Subordinated Notes have been fully paid. In such circumstances, a holder of Subordinated Notes of a lower-ranked class could lose some or all of its initial investment in the Subordinated Notes.

Subject to special class rights of Noteholders, certain amendments may be made to the Material Contracts and certain directions, demands, consents or waivers, may be provided, based on a direction given by the holders of the Senior Notes and the Subordinated Notes voting together as a single Series of Notes. As the holders of the Subordinated Notes will generally constitute a minority of the Series of Notes eligible to vote at a meeting called to consider such amendments or to provide directions, demands, consents or waivers, the holders of the Senior Notes will generally have the ability to control any direction provided to the Indenture Trustee and the Trust. Accordingly, subject to the special class rights of the holders of the Subordinated Notes, the holders of the Senior Notes will, in practical terms, have the power to determine whether amendments will be permitted and actions may be taken without regard to the position or interests of the holders of the Subordinated Notes. In certain circumstances, the position or interests of holders of the Senior Notes and of holders of the Subordinated Notes may be in conflict. As a result, holders of the Subordinated Notes may be adversely affected by determinations made which are beyond their control.

No change may be made to certain fundamental aspects of the Subordinated Notes such as the interest rate, principal amounts or maturity dates thereof. In addition, if any change is proposed relating to or affecting the Subordinated Notes differently than the Senior Notes, then holders of the Subordinated Notes (or any specially affected class thereof) shall not be bound by any action taken at a meeting or by an instrument in writing, unless a special class meeting of the holders of the Subordinated Notes (or such class thereof) is held for which approval rules as specified in the Trust Indenture shall apply. Such rules include the requirement for matters to be passed by the holders of Subordinated Notes by Extraordinary Resolution. However, the holders of the Senior Notes may at any time in their discretion renew or extend the time for payment of the Senior Notes (and thereby renew or extend the time for payment of the Subordinated Notes) without notice to or consent of the holders of the Subordinated Notes or the Indenture Trustee.

The Notes are not Suitable Investments for all Investors

The Notes are complex instruments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the expertise to analyze the default, market, amortization and reinvestment risk, the tax consequences of an investment in the Notes and the interaction of these factors.

Recharacterization of Principal Receivables

The Originator may designate a percentage of the Receivables that would otherwise be treated as Principal Receivables to be treated as Finance Charge Receivables. This designation could decrease the likelihood of an Amortization Event occurring as a result of a reduction of the average net portfolio yield for a given period. However, this designation will also reduce the aggregate amount of Principal Receivables, which may increase the likelihood that the Originator will be required to add Additional Accounts to the pool. If the Originator were unable to add Additional Accounts, an

Amortization Event could occur in respect of one or more Series. PC Bank has not previously designated Principal Receivables to be treated as Finance Charge Receivables.

MATERIAL CONTRACTS

Unless otherwise specified in the pricing supplement for any Series of Notes, the following are the contracts which have been or will be entered into by the Trust, the Issuer Trustee, the Originator, the Servicer or the Custodian, and which will be considered material to investors purchasing Notes of any Series of Notes:

(a) the Declaration of Trust;

(b) the Trust Indenture and the Related Supplement relating to each Series of Notes;

(c) the Financial Services Agreement;

(d) the Financial Services Sub-Agency Agreement;

(e) the Pooling and Servicing Agreement;

(f) the Series Co-Ownership Agreement and the Assignment Agreement, if any, in respect of each Series of Notes;

(g) the Dealer Agreement;

(h) any interest rate or currency swap agreement entered into by the Trust in respect of any Series of Notes; and

(i) the Originator's representation and indemnity covenant.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Torys LLP and Stikeman Elliott LLP, the following summary fairly describes the principal Canadian federal income tax considerations generally applicable to a prospective Noteholder if it were to acquire beneficial ownership of a Note on the date hereof pursuant to this short form base shelf prospectus and who, at all relevant times and for the purposes of the Tax Act, deals at arm's length and is not affiliated with the Trust (a "**Holder**").

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and counsel's understanding of the current administrative and assessing policies and practices of the Canada Revenue Agency (the "**CRA**") made publicly available prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as currently proposed, but no assurance can be given that this will be the case. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or any changes in the CRA's administrative and assessing policies and practices, nor does it take into account provincial, territorial or foreign legislation or considerations which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should be construed as, advice to any particular Holder and no representations with respect to the income tax consequences to any prospective Holder are made. Accordingly, prospective purchasers of Notes should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring, holding and disposing of Notes, including the application and effect, if any, of the income and other tax laws of any province, territory, state or local tax authority or foreign jurisdiction.

If the principal Canadian federal income tax considerations applicable to any particular Series of Notes are materially different from those that are described in this summary, such Canadian federal income tax considerations will be summarized in the applicable pricing supplement related to that particular Series of Notes.

Residents of Canada

The following portion of the summary applies to a Holder who, at all relevant times and for purposes of the Tax Act, is or is deemed to be resident in Canada and holds the Notes as capital property (a "**resident Holder**"). Generally, the Notes will constitute capital property to a resident Holder provided that the resident Holder does not hold the Notes in the course of carrying on a business of buying and selling securities and does not acquire them as part of an adventure in the nature of trade. Certain resident Holders who might not otherwise be considered to hold their Notes as capital property may, in certain circumstances, be entitled to have them and all other "Canadian securities" (as defined in the Tax Act) owned by such resident Holder in the taxation year in which the election is made and in all subsequent taxation years treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This portion of the summary is not applicable to a resident Holder, an interest in which would be a "tax shelter investment" as defined in the Tax Act, or a Holder that is a "financial institution" as defined in section 142.2 of the Tax Act, or a resident Holder who reports its "Canadian tax results" (within the meaning of section 261 of the Tax Act) in a currency other than Canadian currency, or a resident holder that enters into a "derivative forward agreement" as defined in the Tax Act. Such resident Holders should consult their own tax advisors.

Interest

A resident Holder that is a corporation, partnership, unit trust or a trust of which a corporation or partnership is a member or beneficiary will be required to include in computing its income for a taxation year all interest that accrues to such resident Holder on the Notes to the end of that taxation year or that becomes receivable or is received by it before the end of that year, except to the extent that such interest was included in the resident Holder's income for a preceding taxation year.

Any other resident Holder, including an individual, will generally be required to include in computing its income for a taxation year all interest on the Notes that is received or receivable by such resident Holder in that year (depending

upon the method regularly followed by the resident Holder in computing income) to the extent that such interest was not included in computing the resident Holder's income for a preceding taxation year.

If the Notes are purchased by a resident Holder at a discount from their face value, the resident Holder may be required to include an additional amount in computing its income, either in taxation years in which such amount accrues or in a taxation year in which the discount is received or receivable by the resident Holder. Resident Holders should consult their own tax advisors in these circumstances as the treatment of the discount may vary with the facts and circumstances giving rise to the discount.

Additional Refundable Tax

A resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax on its "aggregate investment income" as defined in the Tax Act for the year, which will include interest income and taxable capital gains in respect of the Notes.

Disposition

On a disposition or a deemed disposition (which will include a redemption or repayment at maturity) of the Notes in whole or in part, a resident Holder will generally be required to include in computing its income for the taxation year in which the disposition occurred all interest that has accrued on the Notes to the date of disposition to the extent that such interest has not otherwise been included in the resident Holder's income for that taxation year or a previous taxation year.

In general, a disposition or a deemed disposition of a Note will result in a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any amount included in the resident Holder's income as interest and any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base of the Note to the resident Holder immediately before the disposition. Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder must be included in computing such resident Holder's income for that taxation year, and one-half of any capital loss (an "**allowable capital loss**") realized by a resident Holder in a taxation year may be deducted from any taxable capital gains realized by the resident Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a particular taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against net taxable capital gains realized in any such years, subject to and in accordance with the provisions of the Tax Act.

Individuals (other than certain trusts) may be subject to the alternative minimum tax provisions of the Tax Act in respect of realized capital gains.

Non-Residents of Canada

The following portion of the summary applies to a Holder who at all relevant times and for purposes of the Tax Act is neither resident nor deemed to be resident in Canada and who does not use or hold and is not deemed to use or hold the Notes in or in the course of carrying on business in Canada (a "**non-resident Holder**"). Special rules which apply to non-resident insurers carrying on business in Canada and elsewhere are not discussed herein. This portion of the summary assumes that no interest paid on the Notes will be in respect of a debt or other obligation to pay an amount to a person with whom the Trust does not deal at arm's length for purposes of the Tax Act. This portion of the summary is not applicable to a non-resident Holder who is, or does not deal at arm's length with, a "specified beneficiary" (within the meaning of subsection 18(5) of the Tax Act) of the Trust. Any such non-resident Holder should consult with its own tax advisor.

Interest paid or credited or deemed to be paid or credited by the Trust to a non-resident Holder in respect of the Notes will be exempt from Canadian non-resident withholding tax unless all or any portion of such interest (other than interest on a "prescribed obligation" described below) is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation (a "**Participating Debt Interest**"). A "**prescribed obligation**" is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding which adjustment is determined by reference to a change in the purchasing power of money and no amount payable in respect thereof, other than an amount determined by reference to a change in the purchasing power

of money, is contingent or dependent upon, or computed by reference to, any of the criteria described in the preceding sentence.

In the event that a Note is redeemed, cancelled, repurchased or purchased by the Trust or any other person resident or deemed to be resident in Canada from a non-resident Holder or is otherwise assigned or transferred by a non-resident Holder to a person resident or deemed to be resident in Canada for an amount which exceeds, generally, the issue price thereof or in certain cases the price for which such Note was assigned or transferred to the non-resident Holder by a person resident or deemed to be resident in Canada, the excess may, in certain circumstances, be deemed to be interest and may, together with any interest that has accrued on the Note to that time, be subject to non-resident withholding tax if (i) any such interest is a Participating Debt Interest; or (ii) the non-resident Holder does not deal at arm's length with such person resident or deemed to be resident in Canada.

If applicable, the normal rate of Canadian non-resident withholding tax is 25% but such rate may be reduced under the terms of an applicable income tax treaty or convention.

Generally, there are no other Canadian income taxes that would be payable by a non-resident Holder as a result of holding or disposing of a Note (including for greater certainty, any gain realized by a non-resident Holder on a disposition or deemed disposition of a Note).

International Information Reporting

On July 1, 2017, Part XIX of the Tax Act, which implements the Organisation for Economic Co-operation and Development's Common Reporting Standard, came into force. Part XIX of the Tax Act imposes information collecting and reporting requirements on certain Canadian financial institutions in respect of certain "account holders" (as defined in Part XIX of the Tax Act) that are residents of countries other than Canada and the United States. If Canada and the applicable country of residence of an account holder have agreed to bilateral information exchange under the Common Reporting Standard, such information may be exchanged by the Canada Revenue Agency with the tax authorities of that country. The Trust intends to comply with Part XIX of the Tax Act (and similar requirements under Part XVIII of the Tax Act), to the extent applicable in its circumstances.

ORIGINATOR'S REPRESENTATION AND INDEMNITY COVENANT

Under the Originator's representation and indemnity covenant, PC Bank will (i) represent and warrant that all statements made in this short form base shelf prospectus, any pricing supplement or any document incorporated by reference herein, with respect to it, its business, the Custodial Assets or the underlying Receivables or the Series Co-Ownership Interests contain no untrue statement of a material fact and do not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made, and (ii) indemnify the Trust, the Issuer Trustee, the Financial Services Agent, the Financial Services Sub-Agent and the Dealers for any loss resulting from this short form base shelf prospectus, any pricing supplement or any document incorporated by reference herein containing any untrue statement of a material fact or omitting to state any material fact that is required to be stated or that is necessary to make any statement in this short form base shelf prospectus, any pricing supplement or any document incorporated herein not misleading in light of the circumstances in which it was made.

AUDITORS

The Auditors of the Trust are KPMG LLP.

LEGAL MATTERS

Unless otherwise specified in the applicable pricing supplement, certain legal matters relating to the issuance of Notes will be passed upon on the date of issuance of such Notes by Torys LLP on behalf of PC Bank and the Trust and by Stikeman Elliott LLP on behalf of the Dealers.

INTERESTS OF EXPERTS

At the date hereof, partners and associates of Torys LLP and Stikeman Elliott LLP, each as a group, beneficially own, directly or indirectly, less than 1% of the issued and outstanding securities of either the Trust or the Originator.

KPMG LLP, Chartered Professional Accountants and Licensed Public Accountants, are independent with respect to the Trust within the meaning of the Rules of Professional Conduct/Code of Ethics of the various relevant provincial professional bodies.

PROMOTER

PC Bank has taken the initiative in organizing the business of the Trust and as such may be considered a "**promoter**" of the Trust for the purposes of securities regulation in certain Canadian provinces and territories. The Trust may apply the proceeds of each offering of Notes to finance the acquisition of a Series Co-Ownership Interest from PC Bank.

Under the Financial Services Agreement, PC Bank will provide services required in connection with the offering of Notes and the ongoing operations, maintenance and regulatory compliance of the Trust.

UNDERTAKING

The Trust has filed with the local securities regulatory authority or regulator in each of the provinces and territories of Canada (the "**Securities Regulators**"), an undertaking that the Trust will not distribute credit card receivables-backed securities of a type that, at the time of distribution have not previously been distributed by prospectus, without pre-clearing with the applicable Securities Regulators the disclosure to be contained in the pricing supplement pertaining to the distribution of such novel securities.

PURCHASERS' STATUTORY RIGHTS OF ACTION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus, the accompanying prospectus supplement (including any pricing supplement) relating to securities purchased by a purchaser and any amendment thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

GLOSSARY OF DEFINED CAPITALIZED TERMS

"**Account**" has the meaning ascribed thereto under "**The Custodial Assets – Account Selection Criteria**".

"**Account Assets**" has the meaning ascribed thereto under "**The Custodial Assets – The Custodial Assets**".

"**Accumulation Commencement Date**" has the meaning ascribed thereto under "**Collections and Distributions – Accumulation Period**".

"**Accumulation Period**" means, (i) in respect of any Series, the period, if any, specified as such in the related Series Co-Ownership Agreement and (ii) in respect of any Series owned by the Trust, the period commencing on the related Accumulation Commencement Date and ending on the earlier of (x) the related Final Settlement Date, and (y) the related Amortization Commencement Day.

"**Accumulations Account**" means, in respect of any Series, the segregated Eligible Deposit Account established in the name of the related Co-Owner in accordance with the related Series Co-Ownership Agreement.

"**Addition Cut-Off Date**" has the meaning ascribed thereto under "**The Custodial Assets – Addition of Accounts**".

"**Addition Date**" means, in respect of any Additional Account, the date specified as such in the related Addition Notice.

"**Addition Notice**" has the meaning ascribed thereto under "**The Custodial Assets – Addition of Accounts**".

"**Additional Account**" means a credit card account added as an Additional Account pursuant to the Pooling and Servicing Agreement as described under "**The Custodial Assets – Addition of Accounts**".

"**Adverse Claim**" means any mortgage, deed of trust, pledge, hypothecation, hypothec, assignment (whether absolute or by way of security), deposit arrangement, encumbrance, lien (statutory or other), preference, deemed trust, participation interest, security interest, priority or other security agreement, preferential arrangement or other right or claim of any Person other than the Pool Owners of any kind or nature whatsoever, including any conditional sale or other title retention agreement and any financing lease having substantially the same economic effect as any of the foregoing.

"**Affiliate**" means, in respect of any specified Person, any other Person directly or indirectly controlling, controlled by or under common control with such specified Person and, for the purposes of this definition, "control" means, in respect of any specified Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Aggregate Invested Amount**" means, on any Settlement Date, the sum of the Invested Amounts in respect of all Series existing on such Settlement Date.

"**Amendment**" has the meaning ascribed thereto under "**The Trust Indenture – Amendments to the Trust Indenture**".

"**Amortization Commencement Day**" has the meaning ascribed thereto under "**Collections and Distributions – Amortization Period**".

"**Amortization Event**" has the meaning ascribed thereto under "**Collections and Distributions – Amortization Period**".

"**Amortization Period**" means, in respect of a Series, the period commencing on the related Amortization Commencement Day and ending on the related Final Settlement Date.

"**Asset Interests**" means (i) the assets purchased by the Trust pursuant to the Pooling and Servicing Agreement, one or more Series Co-Ownership Agreements and the related Assignment Agreement, if any; and (ii) any other rights, interests and benefits acquired by the Trust pursuant to the terms of the Programme Agreements.

"**Assignment Agreement**" means, in respect of any Series Co-Ownership Interest which is created pursuant to a Series Co-Ownership Agreement of the type referred to in clause (ii) of the definition of Series Co-Ownership Agreement, the assignment effecting the transfer of such Series Co-Ownership Interest.

"**Book-Entry Note**" has the meaning ascribed thereto under "**Book Entry Registration**".

"**Book-Entry Note Owner**" has the meaning ascribed thereto under "**Book Entry Registration**".

"**Business Day**" means any day of the year, other than a Saturday or Sunday or other day on which banks are required or authorized to be closed in the City of Toronto.

"**CDS**" means CDS Clearing and Depository Services Inc. and its successors and assigns.

"**Charged-Off Account**" means any Account (i) under which any amount owing was past due by 181 days or more; or (ii) in respect of which the Servicer has written off the related Receivables as uncollectible in accordance with the Servicer's normal accounting and collections procedures.

"**Charged-Off Amount**" means, at any time, the aggregate outstanding amount of Receivables under Accounts that are Charged-Off Accounts at such time.

"**CIBC**" means Canadian Imperial Bank of Commerce and its successors.

"**CIBC World Markets**" means CIBC World Markets Inc. and its successors.

"**Closing Date**" means, in respect of any Series, the date specified as such in the related pricing supplement.

"**Collection Account**" has the meaning ascribed thereto under "**Collections and Distributions – Collection and Series Accounts**".

"**Collections**" means (i) all payments received by the Servicer from or on behalf of any Obligors or any other relevant Person in respect of Account Assets including Recoveries, Interchange and any proceeds of sale of any Receivables sold to a third-party collection agent; and (ii) all amounts paid by the Originator to the Servicer or deposited to the Collection Account by the Servicer as described under "**The Custodial Assets – Removal of Accounts**" and "**The Custodial Assets – Mandatory Purchase**".

"**Controlled Accumulation Principal Amount**" means, in respect of a Series held by the Trust, (i) the amount specified in the related Series Co-Ownership Agreement (and set out in the applicable pricing supplement), and (ii) otherwise, an amount equal to the Invested Amount of the Series as of the related Accumulation Commencement Date divided by the number of Settlement Dates included in the period commencing after the Accumulation Commencement Date to and including the Targeted Principal Distribution Date.

"**Co-Owner**" means one or more Persons who own a Series Co-Ownership Interest.

"**Co-Owner Direction**" means a direction, in respect of any action, decision or other matter affecting (i) any Series alone, by the related Co-Owner; or (ii) more than one Series, by Co-Owners of such affected Series having aggregate Invested Amounts exceeding 50% of the aggregate Invested Amounts of all such affected Series, in each case, as of the date of such direction.

"**Credit Adjustment**" means, in respect of any Principal Receivable, any reduction thereof as a result of rebates, refunds, returns, billing errors, fraudulent borrowings, disputed items, NSF cheques and similar payment reconciliations.

"**Credit Card Agreement**" means, in respect of any Account, the agreement or agreements between the Originator and the related Obligor governing the terms and conditions of such Account, as amended, supplemented, modified, restated or replaced from time to time.

"**Credit Enhancement**" means the provision by a Credit Enhancer of credit support (howsoever characterized) in respect of Related Obligations Secured or Asset Interests, by any means whatsoever, including, without limitation, any letter of credit, any insurance policy, surety bond, cash reserve account, spread account, guaranteed rate agreement, liquidity facility, tax protection agreement or other similar agreement established for the benefit of the lender of money or the holders of Notes.

"**Credit Enhancement Agreement**" means any agreement pursuant to which a Credit Enhancer provides Credit Enhancement.

"**Credit Enhancer**" means any Person, other than the Trust and the Financial Services Agent, but including the Originator, that provides Credit Enhancement pursuant to a Credit Enhancement Agreement and their respective successors and permitted assigns.

"**Cumulative Deficiency**" means, in respect of any Series held by the Trust and any Settlement Period, the aggregate amount, if any, by which the sum of, for each prior Settlement Period, (i) the related Trust Expenses, and (ii) the Funding Costs attributable to the Payment Period in which the related Settlement Date falls, divided by the number of Settlement Periods in such Payment Period, exceeds the sum of all amounts deposited to the related Distribution Account on account of the related Series Income Requirements over the course of all such Settlement Periods (and the amount of any interest and investment earnings on such amounts and Eligible Investments thereof), in each case, pursuant to the related Series Co-Ownership Agreement and the Pooling and Servicing Agreement.

"**Custodial Assets**" has the meaning ascribed thereto under "T**he Custodial Assets – The Custodial Assets**".

"**Custodian**" means BNY Trust Company of Canada in its capacity as agent, nominee and bare trustee, under the Pooling and Servicing Agreement, and any successor agent appointed in accordance with the terms of the Pooling and Servicing Agreement.

"**DBRS**" means DBRS Limited and its successors.

"**Dealer Agreement**" has the meaning ascribed thereto under "**Plan of Distribution**".

"**Declaration of Trust**" has the meaning ascribed thereto under "**Transaction Structure Overview – The Trust**".

"**Definitive Notes**" has the meaning ascribed thereto under "**Book Entry Registration**".

"**Designated Balance**" has the meaning ascribed thereto under "**The Custodial Assets – Removal of Accounts". "Determination Date**" means, in respect of any Settlement Period, the last day thereof.

"**Designated Rating**" means a rating from any Designated Rating Organization which falls within one of the following generic rating categories of the Designated Rating Organization or a rating category that replaces a category listed below:

Designated Rating Organization	**Long-Term**	**Short-Term**
DBRS	AAA, AA, A or BBB	R-1 or R-2
Fitch	AAA, AA, A or BBB	F1+, F1, F2 or F3
Moody's	Aaa, Aa, A or Baa	P-1, P-2 or P-3
S&P	AAA, AA, A or BBB	A-1+, A-1, A-2 or A-3

"**Designated Rating Organization**" means DBRS, Moody's, S&P and Fitch and certain other rating agencies specified in the relevant securities legislation.

"**Discount Option Percentage**" has the meaning ascribed thereto under "**The Custodial Assets – Discount Option**".

"**Discount Option Receivable**" has the meaning ascribed thereto under "**The Custodial Assets – Discount Option**".

"**Discounted Accounts**" means Additional Accounts the Principal Receivables arising under which have been designated by the Originator to be treated as Finance Charge Receivables.

"**Distribution Account**" has the meaning ascribed thereto under "**Collections and Distributions – Collection and Series Accounts**".

"**Eligible Account**" has the meaning ascribed thereto under "**The Custodial Assets – Account Selection Criteria**".

"**Eligible Deposit Account**" means, in respect of the Collection Account, an account that satisfies all of the criteria applicable to an eligible deposit account set forth in the Pooling and Servicing Agreement and each Series Co-

Ownership Agreement and, in respect of a Series Account, an account that satisfies all of the criteria applicable to an eligible deposit account set forth in the related Series Co-Ownership Agreement.

"**Eligible Investment**" means, unless otherwise defined in any pricing supplement, (i) in respect of the Collection Account, an investment that satisfies the criteria specified in each Series Co-Ownership Agreement as being applicable to an Eligible Investment, and (ii) in respect of each Series Account, an investment which satisfies all of the criteria specified in the related Series Co-Ownership Agreement as being applicable to an Eligible Investment.

"**Equivalent Rating**" means, in respect of a rating from a Rating Agency, the equivalent thereof resulting from any change in the rating system of such Rating Agency.

"**Excess Collections**" means, in respect of any Series and Settlement Period, the amount, if any, by which (i) the sum of (x) the related Series Allocable Principal Collections, and (y) the related Series Allocable Finance Charge Collections, exceeds (ii) the related Required Remittance Amount.

"**Excess Requirements**" means, in respect of any Series and Settlement Period, the amount, if any, by which (i) the related Required Remittance Amount, exceeds (ii) the sum of (x) the related Series Allocable Principal Collections, and (y) the related Series Allocable Finance Charge Collections.

"**Excess Spread Percentage**" means, in respect of any Series and Settlement Period, a fraction (expressed as a percentage) (i) the numerator of which is equal to (x) the sum of (a) the related Series Allocable Finance Charge Collections, (b) the amount of any interest and investment earnings accrued on amounts on deposit in the Distribution Account for such Series and Eligible Investments thereof, (c) the amount of any interest and investment earnings accrued on amounts on deposit in the Accumulations Account for such Series and Eligible Investments thereof, and (d) such portion of the amounts in respect of the Required Pre-Accumulation Amount for such Series on deposit in the Reserve Account for such Series (determined on the basis that any draws on the Reserve Account for such Series pursuant to item (i) of the third paragraph under "Credit Enhancement − Reserve Account" shall reduce the Required Pre-Accumulation Amount on deposit in the Reserve Account for such Series) which are applied from the Reserve Account for such Series pursuant to item (i) of the third paragraph under "Credit Enhancement − Reserve Account", in each case, over the course of such and the two immediately preceding Settlement Periods, minus (y) the sum of the related aggregate Funding Costs, the related aggregate Trust Expenses (other than related Series Pool Expenses), the related aggregate Series Pool Losses and that portion, if any, of the related aggregate Series Pool Expenses allocable to fees payable to any Replacement Servicer, in each case, incurred during the course of such and the two immediately preceding Settlement Periods, all multiplied by a fraction the numerator of which is 365 and the denominator of which is equal to the number of days in such Settlement Period and the two immediately preceding Settlement Periods, and (ii) the denominator of which is equal to the related Weighted Invested Amount, less 2%.

"**Extraordinary Resolution**" means a resolution passed at a duly convened meeting of Noteholders, or the Noteholders of a particular Series (or of a class thereof), as the case may be, by the favourable votes of the holders of not less than $66^{2}/_{3}$% of the aggregate principal amount of such Notes represented in person or by proxy at the meeting; provided that where a proposed resolution would result in a significant change to the permitted activities of the Trust (as determined by the Financial Services Agent acting as advisor to the Trust), such resolution must also be passed by the favourable votes of the holders (other than the Originator and any of its affiliates and agents) of more than 50% of the aggregate principal amount of Notes (excluding the principal amount of any Notes held by the Originator and any of its affiliates and agents) then outstanding.

"**Final Distribution Date**" means, in respect of any Series, the date specified as such in the related Series Co-Ownership Agreement (and as set out in the related pricing supplement).

"**Final Settlement Date**" means, in respect of a Series, the date which is the earlier of (i) the day on which the Invested Amount is reduced to nil and all amounts due to the applicable Co-Owner under the related Series Co-Ownership Agreement and the Pooling and Servicing Agreement have been satisfied in full, and (ii) the Final Distribution Date.

"**Finance Charge Collections**" means, in respect of any Settlement Period, all Collections (other than Recoveries) and amounts paid by the Originator to the Servicer or deposited to the Collection Account by the Servicer as described under "**The Custodial Assets – Removal of Accounts**" and "**The Custodial Assets – Mandatory Purchase**" in respect of Finance Charge Receivables received by the Servicer during such Settlement Period.

"**Finance Charge Receivables**" means, in respect of any Account, (i) the amount, if any, billed to the related Obligor under the related Credit Card Agreement in respect of periodic credit or other finance charges, annual membership fees, service and transaction fees, administrative fees, late charges and any other fees or amounts charged or assessed under such Credit Card Agreement (other than amounts in respect of Principal Receivables and amounts collected by the Originator as agent for third-party service providers), (ii) Interchange with respect to such amount, and (iii) Discount Option Receivables and Principal Receivables arising under Discounted Accounts.

"**Financial Services Agent**" means PC Bank and its successors or any other person appointed in accordance with the Financial Services Agreement.

"**Financial Services Agreement**" has the meaning associated thereto under "**Eagle Credit Card Trust – Financial Services Agent**".

"**Financial Services Sub-Agency Agreement**" has the meaning associated thereto under "**Eagle Credit Card Trust – Financial Services Sub-Agent**".

"**Financial Services Sub-Agent**" means CIBC and its successors or any other person appointed in accordance with the Financial Services Sub-Agency Agreement.

"**Fitch**" means Fitch, Inc. and its successors.

"**Floating Allocation Percentage**" means, on any Determination Date in respect of any Series, the fraction, expressed as a percentage, the numerator of which is the related Invested Amount on the immediately preceding Settlement Date and the denominator of which is the greater of (i) the Pool Balance on the immediately preceding Determination Date, and (ii) the Aggregate Invested Amount on the immediately preceding Settlement Date.

"**Funding Costs**" means, in respect of a Series owned by the Trust and any Payment Period, (i) the aggregate interest (including interest on overdue interest) and other costs (expressed as a rate per annum or a dollar amount as may be appropriate in the context) of funding the applicable Series Co-Ownership Interest payable or properly accrued or amortized in accordance with Canadian generally accepted accounting principles applicable to publicly accountable enterprises during such Payment Period pursuant to the related Notes, plus (ii) all other costs and charges reasonably attributable thereto, without duplicating any Trust Expenses.

"**Holder**" has the meaning ascribed thereto under "**Certain Canadian Federal Income Tax Considerations**".

"**Inactive Account**" means, at any time, a credit card account which has a nil balance and has been inactive for a period of three months or longer.

"**Indenture Trustee**" means Computershare Trust Company of Canada and its successors.

"**Initial Invested Amount**" means, in respect of any Series, the amount specified as such in the related Series Co-Ownership Agreement (and as set out in the related pricing supplement).

"**Insurance Proceeds**" means, in respect of any Account, any amounts recovered by the Servicer pursuant to any credit protection plan insuring the related Receivables.

"**Interchange**" has the meaning ascribed thereto under "**Credit Card Business of President's Choice Bank – Interchange**".

"**Interest Payment Date**" means, in respect of a Series held by the Trust, (i) prior to the commencement of an Amortization Period, the days specified in the Related Supplement (and set out in the applicable pricing supplement), or if such day is not a Business Day, the next following Business Day, and (ii) following the commencement of an Amortization Period, each Settlement Date.

"**Invested Amount**" has the meaning ascribed thereto under "**Series Co-Ownership Interests – The Invested Amount**".

"**Invested Amount Recoveries**" means, in respect of any Series and Settlement Period, the lesser of (i) the amount, if any, by which (x) the related Series Allocable Finance Charge Collections, exceeds (y) the sum of (A) the related Series Income Requirements, and (B) the related Series Pool Losses, and (ii) the positive amount, if any, by which (x) the aggregate Invested Amount Writedowns, exceeds (y) the sum of (A) the aggregate Invested Amount Recoveries, in

each case, in respect of such Series and all prior Settlement Periods, and (B) the aggregate purchase price of any related Supplemental Series Co-Ownership Interests transferred to the related Co-Owner pursuant to the Pooling and Servicing Agreement on or prior to the related Determination Date.

"**Invested Amount Writedowns**" means, in respect of any Series and Settlement Period, the amount if any, by which (i) the related Series Pool Losses, exceeds (ii) the amount, if any, by which the related Series Allocable Finance Charge Collections exceeds the related Series Income Requirements.

"**Investors' Monthly Performance Report**" has the meaning ascribed thereto under "**The Custodial Assets – Reporting**".

"**Issuer Trustee**" means Montreal Trust Company of Canada and its successors.

"**Loblaw**" means Loblaw Companies Limited and its successors.

"**Mastercard®**" means Mastercard® International Incorporated and its successors.

"**Material Adverse Effect**" means any effect upon the business, operations, property or financial or other condition of the Originator, the Servicer or the Performance Guarantor, as the case may be, which materially adversely affects (i) in the case of the Originator or the Servicer, the interest of the Co-Owners in the Account Assets or the collectibility or enforceability thereof, or the interests of any other Person to whom a Co-Owner is obligated where the obligation to such Person is satisfied primarily from the proceeds of the related Series or the ability of the Originator or the Servicer, as applicable, to perform its obligations under the Pooling and Servicing Agreement or under any Series Co-Ownership Agreement, and (ii) in the case of the Performance Guarantor, the ability of the Performance Guarantor to perform its obligations under the Pooling and Servicing Agreement or under any Series Co-Ownership Agreement, in each case, without regard to the existence of any credit enhancement in respect of any Series.

"**Moody's**" means Moody's Investors Service, Inc. and its successors.

"**MTN Program**" has the meaning ascribed thereto on the cover page.

"**National Instrument**" has the meaning ascribed thereto on the cover page.

"**Noteholders**" means the registered holders of the Notes.

"**Notes**" means credit card receivables-backed notes of the Trust offered pursuant to this short form base shelf prospectus.

"**Obligor**" has the meaning ascribed thereto under "**Transaction Structure Overview – PC Bank Credit Card Accounts**".

"**Originator**" means President's Choice Bank and its successors.

"**Partial Accumulation Period**" means, in respect of any Series, the period, if any, specified as such in the related Series Co-Ownership Agreement.

"**Participant**" has the meaning ascribed thereto under "**Book Entry Registration**".

"**Payment Period**" means, in respect of a Series and any Interest Payment Date, (i) initially, the period from the Closing Date to the initial Interest Payment Date; and (ii) thereafter, each period from the last day of the immediately preceding Payment Period to the next following Interest Payment Date.

"**PC Bank**" means President's Choice Bank and its successors.

"**PC Mastercard®**" means President's Choice Financial® Mastercard®.

"**Performance Guarantor**" means Loblaw Companies Limited and its successors.

"**Permitted Liens**" has the meaning ascribed thereto under "**The Trust Indenture – Certain Covenants**".

"**Person**" means any individual, corporation, estate, partnership, joint venture, association, joint-stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

"**Pool Balance**" has the meaning ascribed thereto under "**The Custodial Assets – The Receivables**".

"**Pool Balance Deficiency Amount**" has the meaning ascribed thereto under "**Collections and Distributions - Commingling of Collections**".

"**Pool Expenses**" means the fees and all expenses subject to reimbursement under the Pooling and Servicing Agreement which are payable to (i) the Custodian, (ii) any Replacement Servicer; and (iii) the independent auditors in respect of the annual report to be provided under the Pooling and Servicing Agreement.

"**Pool Losses**" means, in respect of any Settlement Period, (i) the aggregate amounts that become Charged-Off Amounts during such Settlement Period; less (ii) the aggregate amount of Recoveries received by the Servicer during such Settlement Period.

"**Pool Owners**" means, collectively, the Co-Owners and the Originator in their respective capacities as owners of undivided co-ownership interests in the Custodial Assets.

"**Pooling and Servicing Agreement**" has the meaning ascribed thereto under "**Transaction Structure Overview – Pool of Receivables**".

"**Pre-Accumulation Reserve Period**" means, in respect of a Series held by the Trust, the period commencing on the earlier of (i) the day specified as such by the Servicer in a written notice delivered to the Trust, the Custodian and the Originator; and (ii) the date that is three months prior to the related Accumulation Commencement Date, and ending on the related Targeted Principal Distribution Date.

"**Principal Collections**" means, in respect of any Settlement Period, the sum of (i) all Collections (other than Recoveries) and Deemed Collections in respect of Principal Receivables received by the Servicer during such Settlement Period, and (ii) the aggregate amount of related Recoveries received by the Servicer during such Settlement Period.

"**Principal Payments**" means, in respect of a Series held by the Trust, on any Settlement Date falling during (i) the related Accumulation Period, the related Controlled Accumulation Principal Amount together with all such amounts in respect of any prior Settlement Dates which remain unpaid; (ii) the related Amortization Period, the lesser of (x) the related Series Allocable Principal Collections in respect of the related Settlement Period; and (y) the related Invested Amount; or (iii) the related Partial Accumulation Period, the amount required pursuant to the Series Co-Ownership Agreement.

"**Principal Receivable**" means, in respect of any Account, any Receivable in respect of the purchase price for goods, wares, services or merchandise and taxes applicable thereto and the amount of all cash advances charged thereto but excluding Discount Option Receivables and Principal Receivable arising under Discounted Accounts.

"**Programme Agreements**" means the Trust Indenture, the Declaration of Trust, the Financial Services Agreement and all other applicable agreements as set out in the Trust Indenture.

"**Rating Agency**" means, in respect of any Series or any securities which are serviced primarily from the entitlements to Collections therefor ("**Related Securities**"), each rating agency, if any, specified in the related Series Co-Ownership Agreement to rate such Series or Related Securities.

"**Rating Agency Condition**" means, in respect of any Series, a condition which is met when, after delivery of the required notice of any action has been made to each Rating Agency for the Series or for the Related Securities, each such Rating Agency has notified the Originator, the Servicer, the Custodian and the Co-Owner of the Series that such action will not decrease or result in the withdrawal of the rating(s) in effect immediately before the taking of such action in respect of the Series or the Related Securities in respect of which it is a Rating Agency.

"**Receivables**" means, at any time in respect of any Account, the aggregate amounts (being Finance Charge Receivables and Principal Receivables) charged to such Account pursuant to the related Credit Card Agreement, as adjusted from time to time to account for Credit Adjustments, less any portion of the foregoing amounts attributable to amounts collected by the Originator as agent for third-party service providers.

"**Recoveries**" means, in respect of any Settlement Period, all Collections during such Settlement Period in respect of Accounts determined, at any time after the respective Reference Dates, to have been Charged-Off Accounts.

"**Reference Date**" means, in respect of: (i) the Accounts initially designated by the Originator, November 30, 2001, (ii) Additional Accounts, the related Addition Cut-Off Date, and (iii) Related Accounts, the date it became a Related Account.

"**Regulations**" has the meaning ascribed thereto under "**Certain Canadian Federal Income Tax Considerations**".

"**Related Account**" means an Account which is replaced by a new credit card account as a result of (i) the loss or theft of a credit card relating to such Account, or (ii) the combination or consolidation of two or more Accounts, in each case, provided that the Originator has assigned a new card number in respect of such Account.

"**Related Asset Interests**" means, in respect of any Series of Notes, all Asset Interests, the purchase of which was financed by the issuance of such Series of Notes.

"**Related Clearing Agency**" means, in respect of any Series of Notes, CDS or any other organization registered as a clearing agency under applicable law which may be specified in the Related Supplement.

"**Related Collateral**" has the meaning ascribed thereto under "**The Trust Indenture – Security and Limited Recourse**".

"**Related Collateral Accounts**" means, in respect of any Series of Notes, those accounts into which related Collections and the proceeds of the sale of any Related Collateral are to be deposited pursuant to the terms of the Trust Indenture.

"**Related Collections**" means, in respect of any Series of Notes, all Collections with respect to the Asset Interests the purchase of which was financed by the issuance of such Series of Notes.

"**Related Credit Enhancer**" means a Credit Enhancer under a Related Credit Enhancer Agreement.

"**Related Credit Enhancer Agreement**" means a Credit Enhancement Agreement pursuant to which Credit Enhancement has been provided in respect of Related Asset Interests or Related Obligations Secured.

"**Related Event of Default**" has the meaning ascribed thereto under "**The Trust Indenture – Related Events of Default; Rights upon Related Event of Default**".

"**Related Obligations Secured**" has the meaning ascribed thereto under "**The Trust Indenture – Security and Limited Recourse**".

"**Related Securities**" has the meaning ascribed thereto in the definition of "**Rating Agency**".

"**Related Security**" means, in respect of any Receivable, all contracts, securities, bills, notes, guarantees and other documents now held or owned or which may be hereafter taken, held or owned by the Originator or anyone acting on its behalf in respect of the Receivable, including all conditional sale agreements, hire-purchase agreements and other instruments (negotiable or otherwise) and agreements made or entered into respecting the sale of the goods, wares or merchandise or respecting the rendering of the services in connection with which such Receivable is owing, any renewals thereof, any substitutions therefor, all proceeds thereof, all monies payable thereunder, all rights and claims of the Originator thereunder, in respect thereof or evidenced thereby, all the right, title and interest of the Originator in and to the respective chattels and moveable property in respect of which such instruments or agreements were entered into or given and the benefit of all insurance and claims for insurance effected or held for the protection of the Originator in respect of such chattels and moveable property, together with the records evidencing, recording, or in any way relating to such Receivable and all contracts, securities, bills, notes, agreements and other documents relating to such Receivable other than the related Credit Card Agreement.

"**Related Supplement**" has the meaning ascribed thereto under "**The Trust Indenture – General**".

"**Removal Date**" has the meaning ascribed thereto under "**The Custodial Assets – Removal of Accounts**".

"**Removal Notice**" has the meaning ascribed thereto under "**The Custodial Assets – Removal of Accounts**".

"**Replacement Servicer**" has the meaning ascribed thereto under "**Pooling and Servicing Agreement – Replacement of Servicer**".

"**Reporting Date**" means, in respect of any Settlement Period, the 12th calendar day following the related Determination Date or, if such day is not a Business Day, the immediately following Business Day.

"**Required Estimated Deposit Amount**" has the meaning ascribed thereto under "**Collections and Distributions - Commingling of Collections**".

"**Required Identification Date**" has the meaning ascribed thereto under "**The Custodial Assets – Addition of Accounts**".

"**Required Pool Amount**" has the meaning ascribed thereto in "**Series Co-Ownership Interests – Required Pool Amount**".

"**Required Pre-Accumulation Amount**" means, in respect of any Series held by the Trust, the amount specified in the related pricing supplement.

"**Required Remittance Amount**" has the meaning ascribed thereto under "**Collections and Distributions – Required Remittance Amount**".

"**Required Reserve Account Balance**" means, in respect of any Series held by the Trust, on any day (i) during a related Reserve Period when the related Excess Spread Percentage is (w) less than 5.0% but equal to or greater than 4.0%, 2.0%, (x) less than 4.0% but equal to or greater than 3.0%, 3.0%, (y) less than 3.0% but equal to or greater than 2.0%, 4.0%, and (z) less than 2.0%, 5.0%, in each case of the related Invested Amount on such day, (ii) during the related Pre-Accumulation Reserve Period, an amount equal to the sum of (x) the related Required Pre-Accumulation Amount; and (y) the aggregate amounts deposited into the related Reserve Account under this clause (ii) prior thereto, and (iii) at any other time, zero.

"**Reserve Account**" means, in respect of any Series, the Eligible Deposit Account, established in the name of the Custodian as agent for the Originator and the Trust in respect of such Series and designated as the Reserve Account for such Series for the purposes set out in the related Series Co-Ownership Agreement. The Reserve Account shall constitute a Series Account in respect of the related Series Co-Ownership Interest.

"**Reserve Account Balance**" means, in respect of any Series, at any time, the amount, if any, on deposit in the related Reserve Account at such time.

"**Reserve Event**" means, in respect of any Series, the related Excess Spread Percentage in respect of any Settlement Period being less than 5.0%.

"**Reserve Period**" means, in respect of any Series, a period commencing on the occurrence of a related Reserve Event and ending at such time as the related Excess Spread Percentage in respect of any Settlement Period equals or exceeds 5.0%.

"**Retained Interest**" has the meaning ascribed thereto under "**Series Co-Ownership Interests – The Retained Interest**".

"**Retained Interest Amount**" means, at any time, the amount, if any, by which the Pool Balance exceeds the Aggregate Invested Amount, in each case, at such time.

"**Revolving Period**" means, in respect of any Series, the period from the related Closing Date to the first day of the related Accumulation Period or the related Amortization Period or the related Partial Accumulation Period, as the case may be, provided that, upon the end of any related Partial Accumulation Period, the Revolving Period shall be reinstated.

"**S&P**" means Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"**Securities Regulators**" has the meaning ascribed thereto under "**Undertaking**".

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Senior Notes**" has the meaning ascribed thereto under "**Details of the Offering**".

"**Series**" or "**Series Co-Ownership Interest**" means an undivided co-ownership interest in and to the Custodial Assets entitling the owner thereof to the rights and benefits set out in the Pooling and Servicing Agreement and the related Series Co-Ownership Agreement, and, for greater certainty, the Retained Interest is not a Series Co-Ownership Interest.

"**Series Account**" has the meaning ascribed thereto under "**Collections and Distributions – Collections and Series Accounts**".

"**Series Allocable Finance Charge Collections**" means, in respect of any Series for any Settlement Period, the product of (i) the Floating Allocation Percentage in respect of such Series on the related Determination Date, and (ii) the Finance Charge Collections in respect of such Settlement Period.

"**Series Allocable Principal Collections**" means, in respect of any Series for any Settlement Period, the product of (i) the related Series Share, and (ii) the Principal Collections in respect of such Settlement Period.

"**Series Allocable Collections**" means the Series Allocable Finance Charge Collections and the Series Allocable Principal Collections.

"**Series Co-Ownership Agreement**" means, in respect of any Series Co-Ownership Interest, either (i) the series co-ownership agreement executed and delivered in connection with the creation and transfer thereof by the Originator to the Co-Owner of such Series Co-Ownership Interest; or (ii) the series co-ownership agreement executed and delivered in connection with the amendment of the respective Series owned by the Originator and one or more other Co-Owners together with the Assignment Agreement executed and delivered in connection with the transfer of such Series Co-Ownership Interest to the Co-Owner thereof, in each case, as amended, supplemented, modified, restated or replaced from time to time.

"**Series Enhancement Draw**" means, in respect of any Series, any amount specified as such in, and calculated or otherwise determined in accordance with, the related Series Co-Ownership Agreement.

"**Series Income Requirement**" means, in respect of any Series held by the Trust for any Settlement Period, an amount equal to the sum of (i) the related Trust Expenses, and (ii) the Funding Costs attributable to the Payment Period in which the related Settlement Date falls, divided by the number of Settlement Periods in such Payment Period, and (iii) the related Cumulative Deficiency, if any, less the sum of (a) all amounts previously deposited to the Accumulations Account for such Series during such Settlement Period on account thereof and the amount of any interest and investment earnings earned on such amounts and Eligible Investments and (b) the amount of any interest and investment earnings accrued on amounts on deposit in the Distribution Account for such Series and Eligible Investments thereof, as the case may be, and received during the related Settlement Period.

"**Series of Notes**" has the meaning ascribed thereto under "**The Trust Indenture – General**".

"**Series Pool Expenses**" means, in respect of any Series for any Settlement Period, the product of (i) the Floating Allocation Percentage in respect of such Series on the related Determination Date; and (ii) the aggregate Pool Expenses reasonably attributable to such Settlement Period.

"**Series Pool Losses**" means, in respect of any Series for any Settlement Period, the product of (i) the Floating Allocation Percentage in respect of such Series on the related Determination Date; and (ii) the Pool Losses in respect of such Settlement Period.

"**Series Reserve Draw**" means, in respect of any Series, any amount specified as such in, and calculated or otherwise determined in accordance with, the related Series Co-Ownership Agreement.

"**Series Share**" means, in respect of any Series for any Settlement Period occurring (i) during the Revolving Period in respect of such Series, the Floating Allocation Percentage in respect of such Series on the related Determination Date; and (ii) during the Accumulation Period, the Amortization Period or any Partial Accumulation Period in respect of such Series, the Floating Allocation Percentage in respect of such Series on the last Determination Date during the Revolving Period in respect of such Series.

"**Servicer**" means (i) the Originator acting in its capacity as initial servicer, pursuant to the Pooling and Servicing Agreement and its successors and permitted assigns unless and until a Replacement Servicer has been appointed following a Servicer Termination Event; and (ii) after such appointment, the Replacement Servicer from time to time.

"**Servicer Termination Event**" has the meaning ascribed thereto under "**Pooling and Servicing Agreement – Replacement of Servicer**".

"**Servicing Standards**" means, at any time, the customary policies and procedures established by the Originator and followed by the Servicer in relation to its credit business, including its policies and procedures and the exercise of judgment by its employees in accordance with its normal practice for determining the creditworthiness of credit customers, the extension of credit to customers and relating to the maintenance of Accounts and collection of Receivables.

"**Settlement Date**" means, in respect of any Settlement Period, the 17th day following the related Determination Date or, if such day is not a Business Day, the immediately following Business Day.

"**Settlement Period**" means (i) initially, a period from but excluding the Cut-Off Date to and including the last day of the calendar month next following the calendar month in which such Cut-Off Date occurred; and (ii) thereafter, each period from the day next following the last day of the immediately preceding Settlement Period to and including the last day in the calendar month next following the calendar month in which the previous Settlement Period ended.

"**Subordinated Notes**" has the meaning ascribed thereto under "**Details of the Offering"**.

"**Supplemental Series Co-Ownership Interest**" means, in respect of a Series, an additional undivided co-ownership interest in the Account Assets transferred to the related Co-Owner.

"**Targeted Principal Distribution Date**" means, in respect of a Series, the date specified as such in the related Series Co-Ownership Agreement (and set out in the applicable pricing supplement), or if such day is not a Business Day, the next succeeding Business Day.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Tax Proposals**" has the meaning ascribed thereto under "**Certain Canadian Federal Income Tax Considerations**".

"**Taxes**" means any Canadian, foreign, federal, provincial, state, municipal, local or other tax of any kind or nature whatsoever.

"**Trust**" means Eagle Credit Card Trust.

"**Trust Expenses**" means, in respect of any Series and Settlement Period, an amount equal to the Series Pool Expenses in respect of such Settlement Period and all of the Trust's ongoing costs of operation, administration, financing and marketing which are attributable or reasonably allocable to the related Series Co-Ownership Interest and such Settlement Period including:

(a) administration and advisory fees, trustee fees, printing fees, legal, audit and other fees (exclusive of any audit fees included as Pool Expenses) related to the operation of the Trust;

(b) income, capital, large corporation or other Taxes (including any related interest charges or penalties) imposed on the Trust;

(c) all fees, costs and disbursements related to the realization and enforcement of the Trust's entitlement to income and cash flow in respect of the related Series Co-Ownership Interest; and

(d) an amount equal to the amounts payable by the Trust to the Trust's beneficiaries, such amount not to exceed $20,000 in any calendar year;

in each of the foregoing cases, in respect of such Settlement Period all as adjusted to take account of any excess or deficiency of actual Trust Expenses incurred by the Trust in any prior Settlement Period by comparison to any estimate made by the Trust of Trust Expenses in respect of such prior Settlement Period, to the extent such excess or deficiency has not already resulted in an adjustment of the Trust Expenses in any prior Settlement Period; provided, however, that "**Trust Expenses**" shall not include any such costs of operation, administration and financing paid under any agreement other than the Programme Agreements related to the related Notes or for any other reason whatsoever.

"**Trust Indenture**" has the meaning ascribed thereto under "**Transaction Structure Overview – The Trust**".

"**TSYS**" means Total System Services, Inc. and its successors.

"**Weighted Invested Amount**" means, in respect of a Series and (i) the initial Settlement Period ending after the related Closing Date, the related Initial Invested Amount, (ii) the second Settlement Period ending after the related Closing Date, the sum of the related Initial Invested Amount and the related Invested Amount on the initial Settlement Date ending after the related Closing Date, all divided by two, (iii) the third Settlement Period ending after the related Closing Date, the sum of the related Initial Invested Amount and the related Invested Amounts on the first two Settlement Dates ending after the related Closing Date, all divided by three; and (iv) any other Settlement Period, the sum of the related Invested Amounts for the Settlement Date falling during such Settlement Period and the two immediately preceding Settlement Dates all divided by three.

CERTIFICATE OF THE TRUST AND PROMOTER

Date: August 2, 2017

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

EAGLE CREDIT CARD TRUST
By its Financial Services Agent,
PRESIDENT'S CHOICE BANK

By: (Signed) BARRY K. COLUMB
President and Chief Executive Officer

By: (Signed) FELIX WU
Chief Financial Officer

PRESIDENT'S CHOICE BANK
(as Promoter)

By: (Signed) BARRY K. COLUMB
President and Chief Executive Officer

By: (Signed) FELIX WU
Chief Financial Officer

CERTIFICATE OF THE DEALERS

Date: August 2, 2017

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in this prospectus by reference will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

CIBC WORLD MARKETS INC.	**RBC DOMINION SECURITIES INC.**	**BMO NESBITT BURNS INC.**
By: (Signed) ANDREW MACIEL Managing Director	By: (Signed) NUR KHAN Managing Director	By: (Signed) SUMANT INAMDAR Director

DESJARDINS SECURITIES INC.	**NATIONAL BANK FINANCIAL INC.**	**SCOTIA CAPITAL INC.**	**TD SECURITIES INC.**
By: (Signed) WILLIAM TEBBUTT Managing Director	By: (Signed) RICHARD BRYAN Managing Director	By: (Signed) BRAD SHIELDS Director	By: (Signed) PETER O'SULLIVAN Director

SCHEDULE A
FORM OF INVESTORS' MONTHLY PERFORMANCE REPORT

Investors' Monthly Performance Report
Eagle Credit Card Trust

Collateral:	**Credit Card Receivables**	**Originator/Servicer:**	**President's Choice Bank**
Pay Frequency:	Revolving & Accumulation Period: ■; Amortization Period: ■		
Structure:	■	**Distribution:**	Public
Issue Date:	■	**Coupon Dates:**	Series ■ : ■
Series:	*Description*	*Moody's Rating:*	*DBRS Rating:*
Series ■		*S&P Rating:*	*Fitch Rating:*
Class ■ :	$■	■	■
Class ■ :	$■	■	■

POOL PERFORMANCE

Settlement Period Ending	**Pool Balance (000's)**	**Required Pool Amount (000's)**	**Payment Rate[(1)]**	**Pool Losses[(2)]**	**Gross Yield[(3)]**
■	$■	$■	■%	■%	■%
■	$■	$■	■%	■%	■%
■	$■	$■	■%	■%	■%

(1) Payment Rate is the Principal Collections and Finance Charge Collections (excluding Interchange) for the Settlement Period as a percentage of the Pool Balance at the beginning of the Settlement Period.

(2) Pool Losses represent the amounts which became Charged-Off Amounts in the Settlement Period, but do not include amounts attributable to fraud, less the amount of any recoveries in the Settlement Period, shown as a percentage of the average of the Pool Balance at the beginning and end of the Settlement Period and annualized based on a 365 day year.

(3) Gross Yield is the Finance Charge Receivables billed in the Settlement Period, including Interchange, shown as a percentage of the average of the Pool Balance at the beginning and end of the Settlement Period and annualized based on a 365 day year.