Tangerine Business FlexiDraft™ Terms

Tangerine Business FlexiDraft™ (Overdraft Protection)

Definitions: These are some definitions you should know that apply:

"you", "your" means the business client whose name the Tangerine Business Spending Account is opened in.

"we" "our" or the "Bank" means Tangerine Bank.

Eligibility and Other Agreements: Tangerine Business FlexiDraft™ (Overdraft Protection) ("FlexiDraft") is an optional service that is available to business clients of Tangerine Bank with a Tangerine Business Spending Account (also referred to as the "Account" or "Business Account"). These Tangerine Business FlexiDraft terms (the "FlexiDraft Terms" or "Terms") apply in addition to the Tangerine Business Account Terms that apply to the Tangerine Business Spending Account.

Reference to "FlexiDraft" or "Overdraft Protection" means this optional overdraft protection that is available on the Tangerine Business Spending Account. When you choose to apply this protection to your Tangerine Business Spending Account you will also accept and agree to these Tangerine Business FlexiDraft terms and the applicable interest and fees that apply (available on your Fee Schedule).

You must consent to a credit check in order to receive FlexiDraft. FlexiDraft may be declined if the Business Client's credit profile, business performance, or other risk factors do not meet Tangerine Bank's criteria.

Limit: During the application process, you will be asked to indicate your preferred FlexiDraft limit. Tangerine will determine the approved limit at its sole discretion based on your request and applicable credit criteria. The approved limit, if any, will not exceed the amount you have requested, and we will advise you of the approved limit once your application is complete. You can ask to have your limit reduced or increased at any time. Requests for limit increases will trigger a credit bureau check and additional credit review. We may, at any time and without prior notice, reduce, suspend or cancel your limit.

Your FlexiDraft will take effect once you accept these FlexiDraft terms.

FlexiDraft covers overdrawn balances in your Account that result from transactions on your Account including a cheque, pre-authorized payment or any other debit we authorize, such as an electronic bill payment, ABM and Client Card transactions and email money transfers. We may refuse any transaction at our discretion if the amount would cause your FlexiDraft limit to be exceeded.

Unarranged Overdrafts: We may, at our discretion, allow your Account to become overdrawn (go into a negative balance) and exceed your approved FlexiDraft limit. Any such overdrawn amount is considered an unarranged overdraft under these FlexiDraft terms. Interest will be charged on the overdrawn balance at the applicable rate, and any applicable fees that may apply. You must repay any unarranged overdraft amount immediately upon demand.

Interest and Any Fees on FlexiDraft: Interest is charged on the amount of any overdrawn balance (a negative balance) at the applicable interest rate, and any applicable fees that apply, as disclosed in the Fee Schedule (and as disclosed to you by us). Interest is calculated daily on the amount of the overdrawn balance assessed at the end of the day and is charged to your Account monthly. You must repay that interest as part of your overdrawn balance.

Note: If you are using the feature “Spaces” on your Tangerine Business Spending Account, any overdrawn balance is based on your Total Account Balance (not the Main Account Balance that excludes funds you have allocated to your Spaces). You will only be charged interest on the overdrawn balance that exceeds your Total Account Balance. See your Tangerine Business Account Terms and review the section on “Spaces” for more details.

Payment: You are required to make deposits to your Account no later than the last day of each month in amounts sufficient to cover the amount of any interest charged for FlexiDraft during that month in order to keep your Account in good standing. You are not required to bring your Account to a positive balance, unless we require you to do so, provided that you meet your obligation to cover applicable interest charges month over month. You must repay all amounts owing under your FlexiDraft upon demand.

Default: You will be considered to be in Default under these FlexiDraft Terms if you fail to repay any amount owing when due (including amounts sufficient to cover the amount of any interest charge each month as set out under the Payment section above) or upon demand, fail to make deposits sufficient to cover applicable interest charges each month, breach any terms and conditions applicable to your Account or terms or conditions that apply to FlexiDraft, provide inaccurate or misleading information, or if we determine, that your financial condition has deteriorated (each referred to as a “Default”).

If you are in Default, we may demand immediate repayment of all amounts owing, suspend or cancel your FlexiDraft, close your Account, or take any other steps we consider appropriate to recover amounts owed, including referring your Account to a debt collection agency. Defaults may be reported to credit bureaus, which can adversely affect your credit history and/or rating.

Termination: FlexiDraft may be terminated by us at any time, without notice, unless notice is required by law. However, where no Default or other risk concern exists, we will provide at least thirty (30) days’ written notice prior to terminating this FlexiDraft. You may cancel FlexiDraft at any time, provided all outstanding amounts are repaid in full and you send us notice that you wish to cancel it and then we will cancel it upon receipt of that notice.