

Terms and Conditions

PROGRAM OVERVIEW

1. The plum® rewards program (the "Program") is a loyalty reward program offered by Indigo Books & Music Inc. ("Indigo", "us", "our" or "we") to customers of Chapters, Indigo, Coles, Indigospirit, SmithBooks and The Book Company (the "Stores" or each individually a "Store") and online at www.chapters.indigo.ca

The Program allows persons who have completed the membership enrolment steps in accordance with the present Terms and Conditions and who have been issued a Plum Rewards Card (the "Program Members" or "Members") to collect plum points when making purchases in-store, on-line and through the Indigo mobile app on items identified from time to time by Indigo ("Eligible Purchases"), and to redeem these plum points for rewards, benefits and/or rebates offered by Indigo from time to time.

Indigo may designate from time to time, partners from whom Members will be able to collect or redeem plum points or receive other benefits in the Program (the "Program Partners" or "Partners").

Members acquire no vested right or entitlement to the continued availability of any particular reward or benefit, Program Partner or redemption level.

PARTICIPATION IN THE PROGRAM MEMBERSHIP ENROLMENT

- 2. Membership is free and no initial purchase is required in order to become a Member.
- 3. To enrol, you must have a valid Canadian address and be 16 years of age or older. At a minimum, you must provide your first name, last name, and a valid email address. If you do not have a valid email address, you must provide a valid mailing address. You may also be asked to provide data such as gender or preferred language during the sign-up process. Only one plum rewards account ("Plum Rewards Account") is permitted per person.
- 4. Only one loyalty program account (i.e. one Plum Rewards Account or one irewards account) is permitted per person. You cannot be an active Member of both the irewards program and the plum rewards program at the same time. A single purchase may be eligible for irewards benefits or plum rewards benefits, but not both.
- 5. To become a Member, simply ask a Store employee to sign you up, visit www.indigo.ca/plumrewards and complete the online form, or sign up via our Indigo mobile app. To become a valid Member, you must complete the enrolment process by providing complete and accurate information and indicating your acceptance of these Terms and Conditions. You may be required to register your account to complete the enrolment process within a defined period of time before plum points are awarded to your Account.
- 6. After completion, you will receive a plum rewards member number ("Member Number"). If you sign up in-store, you will be given a card with a unique Member Number (the "Plum Rewards Card" or the "Card"). If you sign up online, you will be provided with a virtual membership card with a unique Member Number ascribed to it. When you present a valid photo ID matching your account information at any Store, you will be given a Card at cash. Members may be charged for replacement cards.
- 7. The Plum Rewards Card is not a credit card. The Card is the property of Indigo and it may be revoked at any time by Indigo in the event of breach of the Terms and Conditions of the Program by a Member, misuse or abuse of the Program by a Member, fraud, and/or any other actions deemed by Indigo to be contrary to the Program or the interests of its Members or Partners.
- 8. Members cannot share their account number and account information with anyone else. Membership benefits apply only to the individual Plum Rewards Account holder. Account information, including, but not limited to, the Indigo or Plum Rewards Account password should be protected and kept secure.
- 9. You must advise us immediately of any changes of Personal Information (as defined herein) including name, address, and email address either by asking a Store employee to update the information in-store, by visiting www.indigo.ca/plumrewards or by contacting us at 1-877-977-PLUM (1-877-977-7586). Indigo shall not be liable for misdirected email or mail communications, including any notices under these Terms and Conditions or any consequences thereof where your Personal Information is inaccurate or no longer valid. If we believe that some of our records are inaccurate, we may contact you to verify our records. We reserve the right to cancel any Account for which we have incomplete or inaccurate Personal Information and all points redemptions on that Account may be blocked and any points awarded may be forfeited. The submission of false or fictitious Personal Information will result in all the plum points accumulated on an Account being forfeited.
- 10. Indigo reserves the right to refuse issuance of an Account to any person who does not follow the prescribed enrolment procedures.
- 11. Plum rewards membership is only available to individuals. Plum rewards membership will not be available to corporations, businesses, charities, partnerships, enterprises, schools or anyone other than an individual, unless written approval is received in advance from Indigo, in its sole discretion. Plum points will not be awarded if in Indigo's reasonable opinion the merchandise purchased will be used for resale or commercial use and any plum points awarded on such purchases will be forfeited. If a plum rewards Member was awarded points for an offer or promotion in which a Member purchased product in excess of reasonable quantities, the plum points awarded as a result of that offer or promotion may be forfeited without prior notice and the Account may be suspended or closed.
- 12.If for any reason we believe a Member is under the age of 16, we reserve the right to request proof of age. If such proof is not provided, all Personal Information regarding that individual may be deleted from our system and the Membership may be terminated, including the immediate forfeiture of all plum points.

COLLECTION OF PLUM POINTS

- 13. To collect plum points following enrolment, you must make Eligible Purchases in-store, online or through the Indigo mobile app. Any unauthorized reproduction of the Plum Rewards Card may lead to legal prosecution and forfeiture of all plum points and membership in the Program.
 - At Cash, In-store: The Member's personal Plum Rewards Card must be presented to the cashier before the Eligible Purchase transaction is completed.
 - At Kiosk, In-store: The Member's personal Plum Rewards Card must be entered, swiped or scanned at the kiosk before the order for an Eligible Purchase Transaction is complete.
- 14.At indigo.ca & Indigo mobile app: Log on with your email address and password. Make sure your plum account number is added to your Account Centre before the Eligible Purchase Transaction is complete.
- 15. Plum points may be awarded retroactively if the original receipt and your Plum Rewards Card is produced in-store within 14 days of the date of the original Eligible Purchase.
- 16. Plum points will be awarded at the rate of 5 plum points for each dollar spent on Eligible Purchases. Plum points will be calculated by reference to the net (Eligible Purchase price less discounts) pre-tax total on each cash register receipt. The total plum points awarded and reflected on the cash register receipt will be rounded to the closest 10 cents spent (for example, \$2.30 x 5 equals 11.5 points

awarded and will round up to 12 points, and \$2.28 x 5 equals 11.4 points and will round down to 11 points). Indigo may offer special promotions from time to time offering additional plum points ("bonus plum points"). Such bonus plum points, once awarded, shall form part of the Member's plum points balance (the plum points and bonus plum points collectively referred to as "plum points").

- 17.All plum points awarded for an Eligible Purchase as well as the Member's current plum points balance are shown on the cash register receipt for each in-store purchase when a Plum Rewards Card is presented before the completion of the purchase transaction. In the event that plum points do not appear on a receipt due to a technical failure, they will be updated on the cash register receipt at a later purchase transaction date. On occasion, bonus plum points will be issued for a particular purchase or activity after the purchase or activity has taken place. In this case, plum points will be updated on the cash register receipt at a later purchase transaction date. Members may also inquire about their plum points balance online at www.indigo.ca/plumrewards, on the Indigo mobile app, or by calling the Plum Rewards Customer Service Centre at 1-877-977-PLUM (1-877-977-7586). In the event of a discrepancy our internal database and records will govern.
- 18.Occasionally, through specified promotions by participating Stores and/or Program Partners, additional plum points (and/or other rewards or benefits) may be awarded for using the Plum Rewards Card, or for being a Member. These plum points may not always be recorded on the cash register receipt at the time of the transaction, in which event the balance will be recorded on a cash register receipt at a later purchase transaction date.
- 19.Indigo's standard Return/Exchange Policy applies. In the event of a return/exchange of any Eligible Purchase, plum points will be deducted automatically from the Account that was used for the Eligible Purchase (whether or not the Plum Rewards Card is presented at the time of return and/or exchange). The Member will be reimbursed for the Eligible Purchase price shown on the receipt and in accordance with Indigo's Return/Exchange Policy which is printed on the back of every receipt and also available online at www. chapters.indigo.ca. Upon the return and/or exchange of Indigo products awarded through the redemption of plum points, all redeemed plum points will be forfeited and the Member will receive the full value of the returned product.
- 20.All plum points totals, as shown on the cash register receipts, will be deemed correct unless otherwise substantiated by the Member by bringing forward evidence satisfactory to Indigo. In the case of a discrepancy, our internal database and records govern. Discrepancies must be addressed with the Plum Rewards Customer Service Centre within three months of the date on which the discrepancy occurred. Indigo reserves the right to restrict redemption or put a "hold" on plum points for up to 90 days from the date the points are posted to an Account if Indigo has reasonable belief that fraud has occurred or in the event of a breach or suspected breach of the Terms and Conditions of this Program.
- 21.Plum points are not transferable from one Member to another. Indigo may, however, in its sole discretion allow the transfer of plum points in accordance with the "transfer points" terms and conditions posted from time to time at www.indigo.ca/plumrewards
- 22. Plum points are reduced to zero upon closure of a plum rewards membership (including conversion to irewards)
- 23. Upon the death of a Member, the Member's account will be closed and any plum points in the account will be forfeited. Plum points are not divisible in the case of divorce.
- 24. Should any Member not collect plum points or redeem plum points for 12 consecutive calendar months, the membership will be deemed to be inactive and all accumulated plum points will be forfeited. If a Member's only activity in 12 consecutive calendar months consists of transferring points under any plum promotion in existence from time to time, the membership will be deemed inactive and all accumulated plum points will be forfeited.

REDEMPTION OF POINTS

25.a) Plum points may be redeemed for rewards consisting of a predetermined dollar discount reward off a purchase in-store, in accordance with the plum points redemption schedule in force on the date when the plum points are redeemed by the Member ("Redemption Transaction").

The following redemption schedule is provided for illustrative purposes only. The updated plum points redemption schedule in effect from time to time is available at www.indigo.ca/plumrewards

POINTS REQUIRED REWARD VALUE

2,500	\$5
4,500	\$10
8,500	\$20
20,000	\$50
35,000	\$100

There is a maximum number of plum points that may be redeemed in any single Redemption Transaction. Based on the illustrative redemption schedule above, 35,000 plum points is the maximum that members can redeem in any single Redemption Transaction.

Points will not be awarded on the portion of the Redemption Transaction paid for by redemption of plum points.

From time to time, special promotions may be run during which one or more redemption level(s) may temporarily be altered and/or suspended, new redemption levels added or points may be redeemed directly towards the purchase of specific products or services. Promotions may vary from Store to Store and between in-store, kiosk, online and the Indigo mobile app.

- b) Indigo may, from time to time, offer supplementary programs, rewards, benefits or promotions related to the plum rewards program.
- 26.In-store: In accordance with Federal and Provincial tax legislation, GST, PST, HST and any other applicable taxes are calculated and payable by the Member on the full amount of the purchase price of the item subject to a dollar discount reward during a Redemption Transaction.

Online: In accordance with Federal and Provincial tax legislation, GST, PST, HST, any other applicable taxes and delivery are calculated and payable by the points redemption amount the Member is using during the redemption transaction. ((For example: Member adds \$10 product to cart and wants to use 2500 points (\$5.00) to redeem during the on-line transaction - (the member's points will be allocated against both the purchase price, delivery & the tax portion of the purchase)).

- 27. Subject to section 29, a Member's plum points balance will be reduced by the number of points required to obtain the desired point redemption level. Unredeemed plum points plus any plum points awarded in the current Redemption Transaction will remain in the Member's Plum Rewards Account and can be applied to a subsequent Redemption Transaction.
- 28. Plum points can only be redeemed if the required point redemption level is acquired prior to the Redemption Transaction. A Member may not make more than two redemptions, at any reward level, within one day. Only one redemption is available per Redemption Transaction.
- 29. When redeeming plum points, Indigo will automatically select the maximum eligible plum points redemption level available. Alternatively, you may select a different eligible redemption level by informing the cashier prior to the Redemption Transaction. In either case, your Account must have the appropriate number of plum points. For example, if you have accumulated 9,000 plum points, the maximum redemption level available is 8,500 plum points (based on the example redemption schedule referenced above). However, you may elect to redeem only 4,500 points on a \$30.00 transaction; in this case the reduction off the purchase price will be \$10.00.

If the purchase price is lower than the redemption value of the points, the remaining dollar value will be forfeited. For example, if you have accumulated 8,500 plum points and wish to redeem all these points on a transaction with a purchase price of eligible products of \$15.00, then the reduction off the purchase price will be \$15.00 and the difference between the \$20.00 maximum reward discount and the \$15.00 discount (i.e. \$5.00) will be forfeited. (This example is based on the example redemption schedule referenced above.)

30. Products and services eligible for plum points redemption will be posted at www.indigo.ca/plumrewards and updatedon a periodic basis.

- 31.Redemption Transactions can be made in-store, online at Indigo.ca or through the Indigo mobile app. Plum points may not be redeemed for purchases in-store made entirely at in-store kiosks.
- 32. Plum points may not be collected or redeemed by any person other than the plum rewards Member. A Member must present his/her Plum Rewards Card when redeeming plum points to protect the integrity of the Member's points balance. Proof of Card ownership may be required. Each Member is responsible to ensure that all Personal Information is correct and up-to-date and Indigo reserves the right to block redemptions where the Member information is inaccurate or incomplete. Members are entirely responsible for keeping their Account secure.
- 33. You must notify Indigo immediately if your Plum Rewards Card is lost or stolen. Notify a Store employee at cash in-store, or contact us at 1-877-977-PLUM (1-877-977-7586) to ensure a replacement card is properly issued to the correct person, and that all plum points in your Account are accessible only by you. Upon verification of proper identification, a new Member number or Card will be provided to the Member by the Plum Rewards Customer Service Centre or in-store, respectively. The accumulated unredeemed plum points balance shall remain intact.
- 34.If a lost Plum Rewards Card is found and used by any other person, all plum points relating to purchases made by such other person will be credited to the Member's Account. Indigo assumes no liability or responsibility for plum points redeemed by any person(s) prior to the notification to the Plum Rewards Customer Service Centre that the Plum Rewards Card is lost or stolen. Any plum points redeemed prior to notification shall be at the Member's risk.
- 35.Indigo will not be liable or responsible in any manner for any tax consequences or any charge imposed by or with the authority of any government, which may flow from any participation in the plum rewards program.
- 36. From time to time, Indigo may advertise or offer exclusive offers to select Members to redeem plum points for items other than a discount reward, or receive other benefits or discounts.
- 37. Plum points have no cash value and are not exchangeable for cash. Except as permitted from time to time by Indigo at www.indigo.ca/plumrewards, plum points cannot be assigned, exchanged, sold, traded, bartered, purchased or given by gift or otherwise sold. Any plum points so acquired are void. The accumulation of plum points does not entitle the Program Members to any vested rights, and Indigo and/or the Program Partners do not guarantee in any way the continued availability of any reward, redemption level, rebate or any other benefit. Indigo assumes no liability to Members as regards the addition or deletion of Program Partners or of items for which plum points can be collected and/or redeemed.

PRIVACY

38.We are committed to protecting your privacy. We will maintain the privacy and security of all personal information collected from Members, including, but not limited to: name, address, email address, telephone numbers, date of birth, account number and purchasing information ("Personal Information").

We collect your Personal Information for the following purposes:

- To set up and administer the Program including ongoing management of plum Accounts, and to accurately record points and to update point balances;
 - · To process redemptions and issue rewards;
 - To communicate with Members;
 - To send Members a Notice of Termination in compliance with Section 45 of the present Terms and Conditions;
 - To understand Members' shopping and information needs and preferences, and to offer Members relevant information, products, services and rewards to meet those needs and interests, and to measure the effectiveness of promotions and programs; and
 - · To provide Members with special offers and rewards from Indigo and the Program Partners.

By providing your Personal Information to us, you consent to our use of the information for the purposes specified herein.

- 39.On occasion Indigo may collect additional personal information from Members on a voluntary basis through questionnaires or other methods. The plum rewards membership status of any Member who does not wish to participate will not be affected.
- 40.All membership information will be used solely as disclosed herein and will not be sold or rented to any other organization. Personal Information will not be used or disclosed for purposes other than those for which it was collected, except with your consent or as required by law.
- 41. The personal information that you provide to Indigo as a plum rewards member or while using HYPERLINK "http://Indigo.ca" Indigo.ca may be transferred to third party service providers or strategic business partners for market research; to determine product and shopping preferences; and to make recommendations of products, services or other benefits in order to enhance your customer experience.
- 42.In the event that Indigo transfers personal information to any third party, a contract containing appropriate privacy protection terms will be in place before any information is transferred. These terms will provide that the third party will not use the personal information for any other purpose than that agreed with Indigo and will keep the personal information secure.
- 43. You have the right to know what information is held in your Member file and the right to challenge the accuracy and completeness of your information and have it amended as appropriate. To request access to your file, a written request should be sent to:

Indigo Privacy Officer Indigo Books & Music Inc. 468 King Street West, Suite 500 Toronto, Ontario M5V 1L8 email: privacyoff@indigo.ca

- 44. Member information is stored in Indigo's confidential databases located in Toronto, Ontario and in the state of California, USA. Access to this information will be restricted only to authorized personnel of Indigo, its agents, Program Partners or service providers for the purpose of carrying out the Program.
- 45. By sharing your email address and as an active customer and plum rewards Member, Indigo Program Partners or service providers may communicate to you special offers, services, promotions and program information. You can unsubscribe from receiving such messages at any time by visiting the preferences section in your online account at indigo.ca, by contacting customer service at 1.877.977.PLUM (7586), by requesting the change at your local store, or by clicking unsubscribe at the bottom of any promotional email.
- 46.All Member information will be subject to the Indigo Books & Music Inc. Privacy Policy as amended from time to time in accordance with its terms. For the most current version of the Indigo Books & Music Inc. Privacy Policy please see www.chapters.indigo.ca

GENERAL INFORMATION

- 47. The plum rewards program will terminate at 11:59 p.m. on March 11, 2016 (the "Termination Date"). At 12:00 a.m. on the first day following the Termination Date (the "Renewal Date"), the Program will be renewed automatically for successive terms of six (6) months following the Renewal Date (the "Renewed Termination Date") and the Member's plum points will be maintained unless:
 - a) Indigo gives notice by e-mail or regular mail to the Program Members, at least thirty (30) days before the Termination Date or the Renewed Termination Date, that the plum rewards program will not be renewed ("Notice of Termination"). In this case, all plum points collected by Members will be redeemable for a minimum of sixty (60) days after the Termination Date or the Renewed Termination Date, as the case may be; OR
 - b) The Member notifies Indigo that it no longer wishes to be a Member. A Member may notify Indigo by email at: plumrewards@indigo. ca, by telephone at 1-877-977-PLUM (1-877-977-7586), by registered mail at 468 King Street West, Suite 500, Toronto, Ontario, M5V 1L8, Attention: Plum Rewards Program, or by speaking to a Store employee at cash in-store.
 - If Indigo gives a Notice of Termination, it may, in its sole discretion, establish a replacement program.

- 48. If events beyond Indigo's control materially affect Indigo's ability to operate the Program, the Program may be suspended or terminated without notice
- 49. Your acceptance of the Terms and Conditions on-line and/or first time usage of a Plum Rewards Card constitutes your agreement to all the Terms and Conditions of the Program.
- 50. Any abuse by a Member of the Program's privileges, any failure by a Member to follow the Program's Terms and Conditions, or any misrepresentation by a Member may subject the Member to expulsion from the Program, including forfeiture of all accumulated plum points.
- 51. Every effort has been made to ensure that the information herein is correct. Indigo is not responsible for any errors or omissions in printed copies of these Terms and Conditions nor those published from time to time on its website.
- 52. Any waiver by Indigo of the strict observance, performance or compliance by a Member with any of the Terms and Conditions contained herein, either expressly granted or by course of conduct, shall be effective only in the specific instance and shall not be deemed to be a waiver of any rights or remedies of Indigo as a result of any other failure to observe, perform or comply with the Terms and Conditions. No delay or omission by Indigo in exercising any right or remedy hereunder shall operate as waiver thereof or of any other right or remedy.
- 53. Save for Québec Members, by redeeming plum points for rewards, the plum rewards Member releases Indigo and the Program Partners from any and all liability and claims regarding the redemption and use of the reward and any loss or damage caused by goods and services supplied as a reward.
- 54. Save for Program Members who reside in the Province of Québec, these Terms and Conditions shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein. Save for Program Members who reside in the Province of Québec, all Members attorn to the jurisdiction of the Province of Ontario. Indigo has the final authority as to the interpretation of these Terms and Conditions and as to any other questions or disputes regarding the Program.
- 55. Save for residents of Québec, Members agree that Indigo will not be responsible for any reward, rebate or any other benefit provided by a Program Partner or any other third party participating in the Program and as such, releases Indigo, its parent, affiliates, divisions, related companies, and all of our and their respective officers, directors, owners and employees, (collectively "Releases") from any and all liability and claims arising from or connected to such reward, rebate or benefit, including the collection, redemption and use thereof as well as any loss or damage caused by such reward, rebate or benefit. Indigo or any of the above-mentioned Releases shall not be responsible for any delay in the shipping of rewards. SAVE FOR RESIDENTS OF QUÉBEC AND TO THE EXTENT PERMITTED BY LAW, ALL ASPECTS OF THE PROGRAM AND EVERYTHING ON ANY PROGRAM PARTNERS' SITE IS PROVIDED "AS IS" WITHOUT ANY CONDITION, REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.
- 56.By participating in this Program, you agree that: (i) you will contact us directly and give us the opportunity to try to resolve any and all disputes before you take any action in court, or otherwise; (ii) except for Program Members who reside in the Province of Québec, any and all disputes, claims and causes of action arising out of or connected with the Program shall be resolved individually, without resort to any form of class action; (iii) any and all claims, judgments and awards shall in no event include legal fees; and (iv) except for Program Members who reside in the Province of Québec and to the extent permitted by Law, under no circumstances will Member be permitted to obtain awards for, and Member hereby waives all rights to claim punitive, incidental and consequential damages and any other damages other than for actual out-of-pocket expenses, and any and all rights to have damages multiplied
- 57.In the event that any provision in these Terms and Conditions is determined to be invalid, illegal, or unenforceable, such determination shall not affect the validity and enforceability of any other remaining provisions of these Terms and Conditions.

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