

Canadian Tire and Scotiabank enter strategic business partnership

Torys acted as counsel to Scotiabank, working with an in-house team led by Anita Mackey, Senior Vice-President & Associate General Counsel, GWM & Strategic Transactions, Colin Levere, Senior Legal Counsel, Mergers & Acquisitions and Giancarlo Ruscio, Student-at-law. The Torys team team included Ian Arellano, Adam Armstrong and (Ricco) A.S. Bhasin (corporate), Ebad Rahman, Harry Cherniak and Paulina Taneva (corporate), Jerald Wortsman and Richard Johnson (tax), Adam Delean, Jim Hong and Simon Williams (lending), Blair Keefe (regulatory), Susan Nickerson (employment) and Jay Holsten (competition).

On October 1, 2014, Canadian Tire Corporation, Limited (Canadian Tire) and Scotiabank officially closed the strategic partnership transaction that includes Scotiabank acquiring a 20% equity interest in Canadian Tire's financial services business for C\$500 million in cash and a comprehensive new co-marketing agreement.

As part of the new partnership structure, Scotiabank is providing a committed funding facility of up to C\$2.25 billion to Canadian Tire's financial services business for backstop financing of its credit card receivables. The agreement also provides an option for Canadian Tire to sell up to an additional 29% of its financial services business to Scotiabank within the next 10 years.

Canadian Tire's [financial services division](#) is the eighth largest credit card issuer in Canada with C\$4.4 billion in receivables, 1.8 million active customer accounts and C\$12 billion in annual spend volume.

[Scotiabank](#) is a leading financial services provider in over 55 countries and Canada's most international bank, with assets of C\$783 billion, as at January 31, 2014.

Further information can be found on Canada Newswire's [website](#).

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