

Personal Contract (Member and Account) Terms and Conditions

These terms and conditions govern the Depositor's use of the Account (defined below). The Financial Institution does not offer the Account other than in accordance with these terms and conditions. By requesting and using the Account, the Depositor acknowledges their acceptance of these terms and conditions.

In consideration of the Financial Institution agreeing to operate the Account, the Depositor agrees as follows.

1. DEFINITIONS

1.1 INTERPRETATION – Any defined term used in the Account Contract, defined in the singular, is deemed to include the plural and vice versa.

“Access Terminal” means any device used to access any of the Depositor's Accounts, including without limitation an ATM, a computer, a portable hand-held device, or a telephone including any form of mobile telephone.

“Account” means any of the Depositor's accounts or subaccounts (if applicable) that the Depositor may have now or in the future, at the Financial Institution.

“Account Contract” means all documents, including this Personal Contract (Application, Consents and Terms and Conditions), any other consent or other form submitted by the Depositor in connection with this Personal Contract and any other agreements between the Depositor and the Financial Institution that govern the provision of services related to the Account or the operation of the Account.

“ATM” means an automated teller machine.

“Central 1” means Central 1 Credit Union.

“Contaminant” means a computer virus, worm, lock, mole, time bomb, Trojan horse, rootkit, spyware, keystroke logger, or any other malicious code or instruction which may modify, delete, damage, disable, or disrupt the operation of any computer software or hardware.

“Debit Card” means a card issued by the Financial Institution that allows the holder of the card to deposit cash and/or Instruments or withdraw cash from the Account through an ATM, authorize Transactions on the Account through an ATM, and that operates like an Instrument to purchase goods and services from merchants.

“Depositor” means the customer or member of the Financial Institution who holds the Account with the Financial Institution, and in the case of a joint Account means each individual who has signed the Personal Contract Application.

“Financial Institution” means the financial institution, named in the Personal Contract Application, where the Depositor holds the Account.

“Instrument” means a cheque, promissory note, bill of exchange, order for payment, securities, cash, coupon, note, clearing item, credit card slip for processing, other negotiable instrument, or item of deposit or withdrawal of a similar nature and its electronic equivalent, including electronic debit instructions.

“Notice Contact Information” means the contact information, including, without limitation, postal address, email address, fax number, or telephone number, provided by the Depositor to, and accepted by, the Financial Institution, through which the Financial Institution gives written notice to the Depositor in accordance with the Account Contract.

“Notification” means a written notification generated by or on behalf of the Financial Institution that provides, to the Depositor, notice of a pending or completed Transaction or a summary of the balance of the Account, including notifications issued by email or SMS text messages to any of the Depositor's Notice Contact Information.

“Notification Date” means 30 days from an Account statement date (see section 6.3).

“Overdraft Rate” means the per annum rate of interest, regardless of compounding frequency, designated by the Financial Institution as its “Overdraft Rate” from time to time.

“PAD” means a Pre-authorized Debit.

“Password” means a personal identification number, a personal access code or personal identification word used to access the Account by any means including to conduct a Transaction.

“Point-of-Sale Transaction” means the use of the Debit Card as may be permitted from time to time by the Financial Institution for:

- a) the transfer of funds from the Account to purchase or lease goods or services from a merchant (the **“Merchant”**),
- b) the transfer of funds from the Account to obtain a voucher, chit, scrip, token, or other thing that may be exchanged for goods, services, or money, or
- c) the transfer of funds into the Account from an account of a Merchant (e.g., a refund).

“Pre-authorized Debit” means a Transaction debiting the Account that is processed electronically by a financial institution in accordance with a pre-authorized debit agreement entered into by the Depositor.

“Primary Depositor” means, for joint Accounts, the first Depositor named on the Personal Contract Application. When the Primary Depositor dies, once the Financial Institution is notified of the death, the next Depositor named on the Personal Contract Application will become the Primary Depositor.

“Remote Instructions” means instructions given to the Financial Institution with respect to the operation of the Account from a remote location using a computer, portable hand-held device, telephone, mobile telephone, fax, via the Financial Institution's online banking system, email, text message transmission, or other remote communication acceptable to the Financial Institution in order to operate the Account or authorize Transactions and make arrangements with the Financial Institution.

“Survivor” means, for joint Accounts, upon the death of any Depositor, the surviving Depositor(s).

“Third Party” means any person, firm, corporation, association, organization, or entity other than the Depositor, the Financial Institution or Central 1.

“Transaction” means any debit or credit transaction processed to or from the Account by any means, including without limitation Point-of-Sale Transactions and transactions originated through an ATM, online, mobile or telephone banking or any other method of Account access that may be made available to the Depositor from time to time.

2. GENERAL

2.1 USE OF ACCOUNT –

- a) The Depositor may use and access the Account in accordance with these terms and conditions. The Depositor shall not:
 - i) use the Account for any illegal, fraudulent, or defamatory purpose, or
 - ii) take steps, or cause, or permit anything to be done that could undermine the security or integrity of the Account, including activities that threaten to harm or cause harm to any other participant in the provision, utilization, or support of the Account.
- b) The Depositor irrevocably authorizes and directs the Financial Institution to debit or credit, as the case may be, the amount of any Transaction to the Account, together with any service charges or fees, authorized using a Password, in person by the Depositor, or as otherwise contemplated or permitted by these terms and conditions, in accordance with the normal practices of the Financial Institution, which may be amended from time to time without notice.

2.2 OTHER SERVICES –

- a) The Financial Institution and Central 1 may, from time to time, make other services available to the Depositor in connection with the Account. The Depositor may be provided with separate terms and conditions in respect of any such other services which will govern the use of such other services, and such separate terms and conditions will form part of the Account Contract.
- b) If the Depositor has requested a Debit Card on the attached Personal Contract Application and the Financial Institution has approved such request, the Financial Institution will issue a Debit Card to the Depositor together with the applicable Debit Card terms and conditions.

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- c) If the Depositor has requested online banking on the attached Personal Contract Application and the Financial Institution has approved such request, the Financial Institution will issue an online banking Password to the Depositor. The use of the online banking service and Password will be subject to the applicable online banking terms and conditions.
- d) All Account services will be offered to the Depositor in the sole discretion of the Financial Institution, and nothing in this Account Contract will obligate the Financial Institution to make any particular Account services available to the Depositor. The issue of a Debit Card or an online banking Password does not amount to a representation or a warranty that any particular type of service is available or will be available at any time in the future.

2.3 THIRD PARTY SERVICES – The Financial Institution and Central 1 may, from time to time, make services provided by Third Parties available in connection with the Account. The Depositor acknowledges and agrees that:

- a) the Financial Institution and Central 1 make the services of Third Parties available for the convenience of Depositors. The services are provided by the Third Party and not the Financial Institution or Central 1. The Depositor's relationship with the Third Party shall be a separate relationship, independent of the relationship between the Depositor and the Financial Institution and Central 1, and such a relationship is outside the control of the Financial Institution and Central 1;
- b) the Financial Institution and Central 1 make no representation or warranty to the Depositor with respect to any services provided by a Third Party even if those services may be accessed by the Depositor through the Financial Institution's website;
- c) the Depositor assumes all risks associated with accessing or using the services of Third Parties;
- d) the Financial Institution and Central 1 have no responsibility or liability to the Depositor in respect of services provided by a Third Party;
- e) any dispute that relates to services provided by a Third Party is strictly between the Depositor and the Third Party, and the Depositor will raise no defence or claim against the Financial Institution and/or Central 1;
- f) the Depositor shall not:
 - i) use any Third Party service made available in connection with the Account for any illegal, fraudulent, or defamatory purpose, and
 - ii) take steps, or cause, or permit anything to be done that could undermine the security or integrity of any Third Party service, including activities that threaten to harm or cause harm to any other participant in the provision, utilization, or support of such Third Party service; and
- g) the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act and Regulations* may apply to the services provided by Third Parties and that the Third Parties may, from time to time, request information from the Depositor to address the reporting, record-keeping, client identification, and ongoing monitoring requirements of that legislation.

2.4 JOINT ACCOUNTS –

- a) If this is a joint Account, each Depositor assigns and transfers to all jointly any and all shares and monies, including all dividends and interest which now or at any time hereafter stand to the credit of the Account, and agree that all such shares and monies will be property held jointly by all of the Depositors.
- b) If this is a joint Account, unless the Depositor has requested otherwise by written notice to the Financial Institution, each Depositor consents to the Financial Institution providing any and all Account statements, notices or disclosures required to be provided to the Depositor pursuant to this Account Contract or applicable law to the first Depositor named on the Personal Contract Application only, and the provision of a statement, notice or disclosure to such first-named Depositor will constitute provision of the statement, notice or disclosure to all Depositors. If the Depositor receiving such statements, notices or disclosures on behalf of all Depositors dies, once the Financial Institution is notified of the death and updates its records accordingly, the Financial Institution will provide all statements, notices or disclosures to the Depositor named next in order following the deceased Depositor on the Personal Contract Application.

Right of Survivorship

- i) If Option A has been selected in the "Right of Survivorship" section in the attached Personal Contract Application, or if no Option has been selected, upon the death of a Depositor, the entire beneficial interest in the Account vests in the Survivor and as such, the Account assets will pass to the Survivor and will not be treated as an estate asset of the deceased Depositor but rather will be treated as a gift to the Survivor separate and apart from the deceased Depositor's estate. Such transfer of Account assets does not release the deceased Depositor nor their estate from section 2.5, Joint and Several Liability.
- ii) If Option B has been selected in the "Right of Survivorship" section in the attached Personal Contract Application, upon the death of a Depositor, the entire beneficial interest in the Account will not pass to the Survivor. In this situation, unless notified otherwise in writing, the Financial Institution is entitled to assume that each of the Survivor and the deceased Depositor had equal interests in the Account assets. The Financial Institution will pay the deceased Depositor's interest in the Account assets to the deceased Depositor's estate. Such payment does not release the deceased Depositor nor their estate from section 2.5, Joint and Several Liability.
- iii) If Option C has been selected in the "Right of Survivorship" section in the attached Personal Contract Application, upon the death of a Depositor, no beneficial interest in the Account will pass to the Survivor. The Financial Institution will pay all Account assets to the deceased Depositor's estate. Such payment does not release the deceased Depositor nor their estate from section 2.5, Joint and Several Liability.

2.5 JOINT AND SEVERAL LIABILITY – If this is a joint Account, the Depositors agree that they are jointly and severally liable to the Financial Institution for all obligations, debts, and liabilities under this Account Contract.

2.6 FORMS – The Depositor will use only such forms and Instruments as may be authorized by the Financial Institution from time to time.

2.7 SERVICE CHARGES AND FEES –

- a) The Depositor acknowledges receipt of a schedule of the Financial Institution's charges for the Account in effect at the time of acceptance of this Account Contract. By requesting the Account, the Depositor acknowledges their agreement to pay all applicable fees and service charges incurred in connection with the Account. The Financial Institution can deduct such fees and service charges from the Account (or other accounts of the Depositor with the Financial Institution) when a service is requested or performed, or as such fees and service charges otherwise become due.
- b) The Financial Institution may from time to time increase or decrease the fees or service charges applicable to the Account and provide notice of such changes by sending a notice to the Depositor's last known Notice Contact Information, by posting notice at the Financial Institution's premises or on the Financial Institution's website, by personal delivery, or by any other means the Financial Institution, acting reasonably, considers appropriate to bring the change to the attention of the Depositor. New or amended service charges and fees will become effective on the earlier of the stated effective date following publication, when an applicable service is requested or performed, or when incurred, and in any event, no later than 30 days after publication by the Financial Institution.
- c) Current fees and service charges applicable to the Account may be obtained by contacting the Financial Institution or through the Financial Institution's website. The Depositor is responsible for determining the then current fees and service charges applicable to the Account in advance of conducting Transactions or requesting services in connection with the Account.

2.8 VERIFICATION AND ACCEPTANCE OF TRANSACTIONS BY THE FINANCIAL INSTITUTION – All Transactions are subject to verification and acceptance by the Financial Institution and, if not accepted, or if accepted but subsequently determined to be in error or otherwise improper or unauthorized, the Financial Institution may, but is not obliged to, reverse them from the Account. Verification may take place at a date later than the date the Depositor authorized the Transaction, which may affect the Transaction date. Notwithstanding any other provision herein, if at any time the Financial Institution, acting reasonably, determines that a credit made to or traced to the Account was made in error or based upon a mistake of fact, or induced through or in any way tainted by fraud or unlawful conduct, the Financial Institution may place a hold on the credit and/or reverse the credit and any applicable interest.

2.9 TRUE INFORMATION – The Depositor agrees to provide true, accurate, current, and complete information about the Depositor and the Account when required by the Financial Institution and/or the Account Contract. Further, the Depositor agrees to notify the Financial Institution of any changes to such information within a reasonable period of time.

2.10 NO OBLIGATION – Nothing in the Account Contract will obligate the Financial Institution to:

- a) honour any Instrument drawn by the Depositor on the Financial Institution,
- b) accept any monies for investment in shares or for deposit,
- c) redeem shares,

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- d) transfer money, or
- e) lend money to the Depositor.

2.11 Any dispute related to goods or services supplied in a Point-of-Sale Transaction is strictly between the Depositor and the Merchant, and the Depositor will raise no defence or claim against the Financial Institution.

3. DEPOSITOR INSTRUCTIONS

3.1 **INSTRUMENTS** – Notwithstanding section 2.8, Verification and Acceptance of Transactions by the Financial Institution, the Depositor acknowledges and agrees that the Financial Institution will not be obliged to examine or assure itself of the regularity or validity of any endorsement or signature appearing on any Instrument. The Depositor releases the Financial Institution from all claims by the Depositor or others concerning the regularity or validity of any endorsement or signature.

The Depositor further acknowledges and agrees that if more than one endorsement or signature is required on an Instrument, that such an arrangement is solely between and amongst the persons constituting the Depositor, whether the Financial Institution has notice of such an arrangement or not.

The Depositor authorizes the Financial Institution, without inquiry, to honour and pay Instruments drawn on the Account, regardless of whether such Instruments are:

- a) drawn to the order of the Depositor on behalf of the Depositor who signed them,
- b) payable to cash or bearer,
- c) payable to the order and negotiated by or on behalf of the Depositor,
- d) cashed or tendered to pay the obligations of the Depositor, or
- e) deposited to the credit of the Depositor,

and regardless of whether such Instruments are deposited in person at the Financial Institution, by ATM, by mail, by night deposit service or by any other method of deposit that may be made available by the Financial Institution.

3.2 **STOP PAYMENT** – Any instruction to stop payment of an Instrument drawn on the Account must be in writing and signed by the Depositor. On receiving a stop payment instruction of an Instrument drawn on the Account, the Financial Institution will:

- a) use reasonable diligence to comply with the stop payment, but
- b) not be liable to the Depositor or any other person by reason of complying with, or failing to comply with, the stop payment, whether the Financial Institution is negligent, wilfully negligent, or otherwise.

3.3 **REMOTE INSTRUCTIONS** – The Depositor may provide Remote Instructions to any branch of the Financial Institution as permitted by the Financial Institution, through online banking or through the Financial Institution's telephone banking service, if any. The Remote Instructions may concern the Account maintained at that branch, or concern other Transactions and arrangements conducted at or with that branch.

The Financial Institution may, but will not be obliged to, act on Remote Instructions received in the name of the Depositor along with any requisite Password, if any, to the same extent as if the Remote Instructions were written instructions delivered to the Financial Institution by mail and signed by the Depositor authorized to operate the Account. Any such Remote Instructions are deemed genuine.

The Financial Institution may, in its sole discretion, acting reasonably, delay acting on or refuse to act on any Remote Instruction.

Remote Instructions are deemed received by the Financial Institution only when actually received and brought to the attention of an authorized officer of the Financial Institution capable of acting upon and implementing the Remote Instruction.

Remote Instructions can be transmitted to the Financial Institution at the telephone or fax number or email address provided by the Financial Institution, or at such other telephone or fax number or email address as the Financial Institution may advise the Depositor by notice in writing, or through online banking. Any of the persons that constitute the Depositor may act alone and provide Remote Instructions to the Financial Institution, even if two or more signatures are otherwise required to operate the Account. The Financial Institution, acting reasonably, is entitled to assume that any person identifying himself or herself as the Depositor is in fact the Depositor, and can rely upon such, and the Financial Institution may act on the Remote Instructions provided by any such person. All Remote Instructions given to the Financial Institution in the name of the Depositor will bind the Depositor.

A copy of any fax or email message or other Remote Instructions or the Financial Institution's notes of any Remote Instructions given by telephone may be entered into evidence in any court proceedings as if it were an original document signed by the Depositor. The Depositor will not object to the admission of the Financial Institution's or Central 1's records as evidence in any legal proceeding on the grounds that such records are not originals, are not in writing, are hearsay, or are documents containing information extracted from a computer, and all such records will be conclusive evidence of the Remote Instructions in the absence of documentary recorded evidence to the contrary.

3.4 **ACCESS TERMINAL TRANSACTIONS** – The Depositor acknowledges and agrees that:

- a) using a Password to authorize a Transaction constitutes authorization of that Transaction in the same manner as if authorization was given by the Depositor in person or as otherwise contemplated or permitted by the Account Contract;
- b) the Depositor will be bound by each such Transaction; and
- c) once a Password has been used to authorize a Transaction, the Transaction may not be revoked and no stop payment on the Transaction may be requested.

3.5 **FOREIGN CURRENCY TRANSACTIONS** – If the Depositor provides instructions to the Financial Institution on an Account that is denominated in a currency other than the currency of the Account, a conversion of currency may be required. In all such Transactions and at any time a conversion of currency is made, the Financial Institution may act as principal with the Depositor in converting the currency at rates established or determined by the Financial Institution, affiliated parties, or parties with whom the Financial Institution contracts. The Financial Institution, its affiliates, and contractors may earn revenue and commissions, in addition to applicable service charges, based on the difference between the applicable bid and ask rates for the currency and the rate at which the rate is offset in the market.

3.6 **BILL PAYMENTS** – The Depositor acknowledges and agrees that:

- a) bill payments made through an Access Terminal or at a branch of the Financial Institution are not processed immediately and that the time period for processing depends upon a number of factors, including, without limitation, the time when the bill payment is initiated and the internal accounting processes of the bill payment recipient;
- b) it is the responsibility of the Depositor to ensure that bill payments are authorized in sufficient time for the payment to be received by the bill payment recipient before its due date;
- c) the Financial Institution and Central 1 will not be liable for any cost, expense, loss, damage, or inconvenience of any nature or kind whatsoever arising as a result of any error, non-payment, or a delay in the processing of bill payments;
- d) if the Depositor has made or received a bill payment in error, the Financial Institution may, but is not obliged to, assist the Depositor by initiating or processing a Bill Payment Error Correction Debit, as defined under the Payments Canada Rules (as may be amended from time to time), and if so initiated, the Depositor agrees to indemnify the Financial Institution for any direct loss, costs or damages incurred, and will pay to the Financial Institution any reasonable service charges or fees related to the provision of the service; and
- e) if the Financial Institution, absent gross negligence or wilful misconduct, initiates or processes a Bill Payment Error Correction Debit affecting the accounts or affairs of the Depositor, the Financial Institution shall be held harmless for any and all loss, costs or damages suffered or incurred by the Depositor, howsoever caused, relating to the bill payment or the Bill Payment Error Correction Debit process.

3.7 **LOST OR DESTROYED INSTRUMENT** – If an Instrument drawn on the Account is lost or destroyed while in the possession of another financial institution or its agents, the Financial Institution may, for all purposes, treat a copy of the Instrument, certified as being a true copy by the other financial institution, as though it were the original Instrument.

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4. CREDITS TO THE ACCOUNT

4.1 DEPOSITS – The Financial Institution may, in its sole discretion:

- a) collect or present for acceptance or payment, through such banks or other agents as the Financial Institution may deem best, all Instruments delivered by the Depositor for deposit; and
- b) accept in payment of, or remittance for, such Instruments, cash or bank drafts, cheques, settlement cards, clearing house slips, or any other evidence of payment from the banks or other agents.

The banks or other agents described in a) and b) above will be deemed the Depositor's agent and not the Financial Institution's agent.

Any deposit made on any day during which the Financial Institution is not open for business, or at any time during which the Financial Institution is not open for business, may be credited to the Account on the next business day of the Financial Institution.

The Depositor will not deposit any coins, non-negotiable items, or anything not acceptable for deposit to the Account into any ATM.

Any credit to the Account for any non-cash Instrument is provisional and subject to a hold or reversal unless the Financial Institution has received actual irrevocable payment, free of any Third Party claims.

The Financial Institution will be responsible only for the monies actually irrevocably received by the Financial Institution from such banks or agents and free of any Third Party claims.

4.2 DEPOSITOR ACKNOWLEDGEMENT – The Depositor acknowledges that:

- a) notwithstanding that an Instrument may be provisionally posted to the Account, it is not considered processed until it has been honoured and irrevocably collected by the Financial Institution and the time for return by any process of law has expired. The credit represented by an Instrument that is not honoured and collected, or is charged back or tainted by fraud, may be reversed from the Account notwithstanding any provisional posting. The statement of account for the Account will be modified accordingly; and
- b) notwithstanding that a deposit or other credit may be provisionally posted to the Account, it is not considered processed until it has been verified and accepted by the Financial Institution. A deposit or other credit that is not verified and accepted may be reversed from the Account notwithstanding any provisional posting. The statement of account for the Account will be modified accordingly.

4.3 HOLD ON ACCOUNTS OR TRANSACTIONS – The Financial Institution may place a hold on:

- a) the proceeds of an Instrument presented by the Depositor until the Financial Institution accepts payment of, or remittance for, such Instrument; and
- b) the Account generally if
 - i) the Financial Institution becomes aware of suspicious or possible fraudulent or unauthorized Account activity that may cause a loss to the Depositor, the Financial Institution, Central 1, or an identifiable Third Party;
 - ii) an issue arises as to who the proper signing authorities are on the Account; or
 - iii) a claim is made by a Third Party to the funds in the Account which, in the Financial Institution's sole discretion, is potentially legitimate.

The Depositor authorizes the Financial Institution to make such inquiries and do such things, at the Depositor's expense, as the Financial Institution deems necessary to resolve any of the issues noted above, including applying, at the Depositor's expense, to a court of competent jurisdiction (a "**Court**") to pay funds into Court and/or seek directions from a Court.

4.4 Release of a hold by the Financial Institution is not a confirmation that a Transaction, instruction, or Instrument is in fact good and may not be relied upon as such by the Depositor. If, to the satisfaction of the Financial Institution, any improper use is established, the Financial Institution can withdraw or suspend operation of the Account without notice.

4.5 RETURNED ITEMS –

- a) The Depositor:
 - i) will be liable, without presentation, protest, or notice of dishonour to any parties, for the nonacceptance or nonpayment of any Instrument the Depositor delivered to the Financial Institution for deposit, discount, collection, or otherwise; and
 - ii) will be liable to the Financial Institution as if proper notice of dishonour, protest, and presentment had been made or given;and the Financial Institution may:
 - iii) charge such items, when dishonoured, to the Account in accordance with this section; and
 - iv) note or protest any item should the Financial Institution consider it advisable to do so, but the Financial Institution will not be liable for failure to note or protest any such item.
- b) The Financial Institution is authorized to debit the Account with the amount of any Instrument that:
 - i) is not paid on presentation,
 - ii) the Financial Institution has paid and is then called upon to refund,
 - iii) may be dishonoured by nonacceptance or nonpayment,
 - iv) is drawn on the account of a party that is bankrupt or insolvent, the proceeds of which, through no fault of the Financial Institution, have been lost, stolen, or destroyed,
 - v) the proceeds of which, for any reason, the Financial Institution is unable to collect or withdraw, has been cashed, negotiated, or credited to the Account but that has not been found good, or is found to be forged, fraudulent, counterfeit, or unauthorized, regardless of whether or not the Instrument has cleared.

4.6 OVERDRAFTS – If the Account becomes overdrawn because:

- a) the Financial Institution honours an Instrument drawn by the Depositor on an Account and insufficient funds stand to the credit of that Account to pay the Instrument in full; or
- b) an Instrument delivered by the Depositor to the Financial Institution for deposit is returned to the Financial Institution dishonoured, and insufficient funds stand to the credit of the Account to permit the Financial Institution to debit the full amount of the dishonoured Instrument; or
- c) the Financial Institution charges a fee, service charge, or other debit that the Financial Institution is authorized to charge to the Account, and if the funds standing to the credit of the Account are less than the amount charged to the Account;

then the Depositor must immediately repay the amount overdrawn plus interest at the Financial Institution's Overdraft Rate in effect from time to time by depositing sufficient funds into the overdrawn Account. If the Depositor does not immediately repay such amounts the Financial Institution may, in order to recover the overdrawn amount plus interest, and without notice to the Depositor:

- i) redeem or transfer Financial Institution shares owned by the Depositor in order to credit the overdrawn Account, or
- ii) withdraw monies on deposit from another Account in the Depositor's name and transfer them to the overdrawn Account.

If the Depositor has applied and been approved for Overdraft Protection on the Account, this section is subject to the separate Overdraft Protection Terms and Conditions that are provided to the Depositor.

The foregoing provisions do not give the Depositor any right to overdraw the Account or to authorize or permit anything, including a PAD or a Transaction authorized through a Debit Card, that would result in a negative balance in the Account.

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5. ACCOUNT SECURITY AND RISK

5.1 PASSWORD CONFIDENTIALITY –

- a) The Financial Institution can assign and/or require the Depositor to select and use one or more Passwords in connection with the use of the Account pursuant to these terms and conditions. The Depositor agrees to keep all Passwords confidential and will only reveal them to authorized Financial Institution agents or officers when required by the Financial Institution. The Depositor agrees not to record any Password in any format or medium. The Depositor can change any Password at any time. The Depositor agrees to change a Password if and when required by the Financial Institution. The Depositor acknowledges that a Password must be changed if there is a change in the persons authorized to provide Remote Instructions on the Account.
- b) The Depositor acknowledges that the Depositor is responsible for all use made of a Password and that the Financial Institution is not liable for the Depositor's failure to comply with any part of the Account Contract. The Depositor is liable for all authorized and unauthorized use, including all Transactions. The Depositor is also liable for all fraudulent or worthless deposits made into the Account. Without limiting the generality of the foregoing, the Depositor expressly acknowledges and agrees that they shall be bound by and liable for any use of a Password by any member of the Depositor's household.
- c) If the Depositor discloses a Password to a Third Party, and if the Financial Institution becomes aware of such disclosure, the Financial Institution may, in its sole discretion, waive the confidentiality requirements described in this section 5.1, but only if such disclosure was required in connection with the provision of a Third Party service. Notwithstanding any such waiver, the Depositor acknowledges and agrees that the Depositor remains responsible for all use of the Password by the Third Party.

5.2 LOST OR STOLEN DEBIT CARD OR COMPROMISED PASSWORD – The Depositor agrees to notify the Financial Institution immediately:

- a) of any suspected or actual misuse or unauthorized use of a Password; or
- b) if the Depositor suspects or becomes aware that a Password has been made accessible or become known to anyone other than the Depositor; or
- c) if the Depositor suspects or becomes aware that a Debit Card is lost or stolen.

Verbal notification will only be considered given if the Depositor speaks directly to an authorized Financial Institution officer or agent, and written notification will only be considered given if the Financial Institution gives the Depositor written acknowledgement of receipt of such notification.

If the Depositor notified the Financial Institution promptly and cooperated in any investigation, once the Financial Institution is satisfied that the Depositor complied with the requirements of this section 5 regarding Password confidentiality and is the victim of fraud, theft, or coercion by trickery, force, or intimidation, the Depositor will be entitled to recover from the Financial Institution any direct losses from the Account in such fraud, theft, or coercion incurred after notice is given to the Financial Institution.

The Depositor will change the applicable Password if any of the notification requirements above in paragraphs a), b) or c) arises.

5.3 FRAUD PREVENTION AND DETECTION – The Depositor agrees to maintain appropriate security controls and procedures to prevent and detect thefts of Instruments, or losses due to fraud or forgery involving Instruments, or fraudulent or unauthorized Transactions.

The Depositor further agrees to diligently supervise and monitor the conduct and work of all agents having any role in the preparation of the Depositor's Instruments, the Depositor's reconciliation of the statement of account for the Account, or other banking functions.

The Depositor acknowledges that the Financial Institution may, from time to time, implement additional security measures, and the Depositor will comply with all instructions and procedures issued by the Financial Institution in respect of such security measures. The Depositor is aware of the risks of unsolicited email, telephone calls, and text message transmissions from persons purporting to be representatives of the Financial Institution. The Depositor agrees not to respond to such unsolicited communications and will only initiate communications with the Financial Institution either through the Financial Institution's Internet banking website or through the Financial Institution's published contact information as shown on the Financial Institution's website.

5.4 PROCEDURES FOR ADDRESSING UNAUTHORIZED TRANSACTIONS AND FRAUDULENT ACCOUNT ACTIVITY –

- a) Where the Depositor knows of facts that give rise or ought to give rise to suspicion that any Transactions, instructions in respect of the Account, or Instruments deposited to the Account are fraudulent, unauthorized, counterfeit, or induced through or in any way tainted by fraud or unlawful conduct, or otherwise likely to be returned to the Financial Institution or found invalid for any reason ("**Suspicious Circumstances**"), the Depositor has a duty to:
 - i) make reasonable inquiries of proper parties into such Transactions, instructions, or Instruments, as the case may be, to determine whether they are valid authorized Transactions, instructions, or Instruments, as the case may be, before negotiating or, alternatively, accessing any funds derived from such Transactions, instructions, or Instruments, and
 - ii) disclose such Suspicious Circumstances to the Financial Institution, including the facts upon which the Depositor's suspicion is based.
- b) The Financial Institution may, in its sole discretion, investigate any Suspicious Circumstances disclosed by the Depositor, but the Financial Institution does not owe the Depositor any obligation to undertake its own investigation of Suspicious Circumstances. The Financial Institution will not unreasonably restrict the Depositor from the use of the Account during such investigation, as long as it is reasonably evident that the Depositor did not cause or contribute to the problem or unauthorized Transaction, has fully cooperated with the investigation, and has complied with the Account Contract, but the Financial Institution reserves the right to place a hold on all or some of the Accounts pending investigation of any Suspicious Circumstances. Any such hold or investigation is imposed or undertaken by the Financial Institution at the Financial Institution's sole discretion and for the Financial Institution's sole benefit.
- c) The Financial Institution will respond to reports of a problem or unauthorized Transaction within a reasonable period of time and will indicate what reimbursement, if any, will be made for any loss incurred by the Depositor. Reimbursement will be made for losses from a problem or unauthorized Transaction in this time frame provided that the Depositor has complied with these terms and conditions including without limitation this section 5.
- d) If the Depositor is not satisfied with the Financial Institution's response, the Financial Institution will provide the Depositor, upon request, with a written account of its investigation and the reason for its findings. If the Depositor is not satisfied, the issue will be referred for mediation to either a Financial Institution system dispute resolution service, or if no such service is available, to an external mediator if agreed between the Depositor and the Financial Institution. Neither the Financial Institution nor the Depositor will have the right to start court action until 30 days have passed since the problem was first raised with the Financial Institution.

5.5 ACCESS TERMINAL SECURITY – If any service in respect of the Account is made available to the Depositor through the Internet or a telephone service provider, the Depositor acknowledges that, although the Financial Institution uses security safeguards to protect against loss, theft, and unauthorized access, because of the nature of data transmission, security is not guaranteed and information is transmitted at the risk of the Depositor. The Depositor acknowledges and shall ensure that any private Access Terminal used to access the Account is auto-locked by a password to prevent unauthorized use of the Access Terminal, has a current anti-contaminant program, and a firewall, and that it is their personal responsibility to reduce the risk of Contaminants or online attacks and to comply with this provision. The Depositor further acknowledges that to reduce the risk of unauthorized access to the Account through the Access Terminal, the Depositor will sign out of online banking and, where applicable, close the browser when finished using it. The Depositor further acknowledges that using public or shared computers and Access Terminals, or using Access Terminals in a public place or through an open WiFi or shared Bluetooth portal, to access the Account increases the risk of unauthorized access to the Account, and will take all reasonable precautions to avoid such use or inadvertent disclosure of the Password.

5.6 EXCLUSION OF FINANCIAL INSTITUTION RESPONSIBILITY – The Financial Institution is not responsible for any loss or damage suffered or incurred by the Depositor except to the extent caused by the gross negligence or intentional or wilful misconduct of the Financial Institution, and in any such case the Financial Institution will not be liable for any indirect, special, consequential, or exemplary damages (including, but not limited to, loss of profits) regardless of the cause of action and even if the Financial Institution has been advised of the possibility of such damages. In no event will the Financial Institution be liable for any cost, loss, or damage (whether direct, indirect, special, or consequential) suffered by the Depositor that is caused by:

- a) the actions of, or any failure to act by, the Depositor, or any Third Party or their agent, including other financial institutions and their agents (and no Third Party will be considered to be acting as an agent for the Financial Institution unless expressly authorized to do so);
- b) the inaccuracies in, or inadequacies of, any information provided by the Depositor to the Financial Institution, including, but not limited to, any failed, duplicative, or erroneous transmission of Remote Instructions;

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- c) the failure by the Financial Institution to perform or fulfill any of its obligations to the Depositor, due to any cause beyond the Financial Institution's control; or
- d) forged, unauthorized, or fraudulent use of services, or forged, unauthorized, or fraudulent instructions or Instruments, or material alteration to an instruction, including Remote Instructions.

Without limiting the generality of the foregoing, the Financial Institution will not be liable for:

- a) the nonpayment of any cheque, bank draft, settlement card, clearing house slip, or any other evidence of payment accepted in payment or as a remittance from any other financial institution or agent, including as a result of the default, neglect, or mistakes of any such financial institutions or agents;
- b) any loss, damage, or injury arising from the use of any Access Terminal including any mechanical or operational failure of any such Access Terminal, except that in the event of alteration of the Account balance due to technical problems, card issuer errors, and system malfunctions, the Depositor will be liable only to the extent of any benefit they have received, and will be entitled to recover from the Financial Institution any direct losses the Depositor may have suffered; or
- c) any action or failure to act of a Merchant or refusal by a Merchant to honour the Depositor's Debit Card, whether or not such failure or refusal is the result of any error or malfunction of a device used to authorize the use of the Debit Card for a Point-of-Sale Transaction.

The Depositor releases the Financial Institution from liability for any such loss, damage, or injury.

5.7 LIABILITY FOR ERRORS AND OMISSIONS – If the Financial Institution makes an error or omission in recording or processing any Transaction, the Financial Institution is only liable for the amount of the error or omission if the Depositor has not caused or contributed to the error or omission in any way, has complied with the Account Contract, has given written notice to the Financial Institution within the time provided in this Account Contract, and to the extent the liability is not otherwise excluded by the Account Contract.

If the Depositor has given such notice, the Financial Institution's maximum liability is limited to the amount of the error or omission. In no event will the Financial Institution be liable for any delay, inconvenience, cost, loss, or damage (whether direct, special, indirect, exemplary, or consequential) whatsoever caused by, or arising from, any such error or omission.

5.8 INDEMNITY –

- a) The Depositor agrees to indemnify and hold the Financial Institution and its service providers and Central 1 and all of their connected parties, including, without limitation, their respective agents, directors, officers, employees, affiliates, and licensees (collectively, the "Indemnified Parties") harmless from and against any and all liabilities and costs, including, without limitation, reasonable legal fees and expenses incurred by the Indemnified Parties in connection with any claim or demand arising out of or connected to the Depositor's use of the Account. Depositors must assist and cooperate as fully as reasonably required by the Indemnified Parties in the defence of any such claim or demand.
- b) Without limiting the generality of the foregoing, the Depositor will indemnify and save the Indemnified Parties harmless from and against all liability, costs, loss, expenses, and damages, including direct, indirect, and consequential incurred by the Indemnified Parties as a result of:
 - i) any of the Indemnified Parties making the Account available to the Depositor;
 - ii) any of the Indemnified Parties acting upon, or refusing to act upon the Depositor's instructions, including Remote Instructions;
 - iii) any of the Indemnified Parties acting upon, or refusing to act upon, no statement requests made by the Depositor;
 - iv) any of the Indemnified Parties acting upon, or refusing to act upon the instructions of any person authorized to give instructions on behalf of the Depositor;
 - v) the honouring or dishonouring of any Instrument;
 - vi) any Transaction that results in a negative balance in the Account;
 - vii) the consequences of any Transaction authorized by the Depositor;
 - viii) the need to place a hold on the Account or Transactions, including making an application to a Court if necessary;
 - ix) the adequacy or authority of endorsements or signatures required in any arrangement made amongst the persons constituting the Depositor; or
 - x) any use of the Account by the Depositor that:
 - (1) is inconsistent with a restriction imposed on the use of the Account by the Financial Institution pursuant to these terms and conditions, or
 - (2) takes place following the suspension or termination of the Account or certain service privileges by the Financial Institution pursuant to these terms and conditions.

This indemnity will enure to the benefit of the Indemnified Parties and will be binding upon the Depositor and the Depositor's heirs, executors, successors, and assigns and shall survive the termination of the Account Contract for any act or omission prior to termination as gives rise to an indemnified claim, even if notice is received after termination.

6. ACCOUNT RECORDS

6.1 STATEMENT OF ACCOUNT – The Financial Institution will provide the Depositor with a statement of Account activity approximately monthly. Unless the Depositor requests the Financial Institution to hold the Depositor's statement for pick up by the Depositor, or appoints in writing an agent to pick up the statement, or requests no statement for the Account, the Financial Institution will provide the Depositor with a statement for the Account electronically or by regular mail, as selected by the Depositor in the Personal Contract Application. It is the Depositor's responsibility to notify the Financial Institution immediately of any change in the Depositor's address or in statement delivery preferences.

6.2 NO STATEMENT ACKNOWLEDGEMENT – If, at the request of the Depositor, the Financial Institution agrees to cease providing statements of account for the Account to the Depositor, the Depositor acknowledges and agrees that the Depositor will be responsible to obtain (whether from the Financial Institution or through online banking) and review, in accordance with section 6.3, a statement of account for the Account.

6.3 STATEMENT VERIFICATION – Regardless of whether the Depositor has chosen to receive paper or electronic statements, or to access statements through online banking, the Depositor is responsible for reviewing a statement of account for the Account at least once every calendar month. The Depositor must notify the Financial Institution of any errors, irregularities, omissions, or unauthorized Transactions of any type in a statement of account within 30 days of the statement date (the "Notification Date").

Notwithstanding any other provision of the Account Contract, after the Notification Date (except as to any errors, irregularities, omissions, or unauthorized Transactions of any type of which the Depositor has notified the Financial Institution in writing on or before the Notification Date), the Depositor:

- a) agrees that the Financial Institution's records are conclusive evidence of the Depositor's dealings with the Financial Institution regarding the Depositor's Account and are correct, complete, authorized, and binding upon the Depositor, and the Financial Institution will be released from all responsibility for Account activity preceding the statement of account for the Account; and
- b) may not claim for any purpose that any entry on the statement of account for the Account is incorrect and will have no claim against the Financial Institution for reimbursement relating to any entry, even if the entry is unauthorized or fraudulent or is based upon an Instrument or instruction that is forged, unauthorized, or fraudulent.

Nothing in this section limits in any way the rights of the Financial Institution under the Account Contract to debit the Account at any time in respect of a returned or dishonoured Instrument or other item, or to correct any error or omission.

In the absence of evidence to the contrary, the records of the Financial Institution are conclusive for all purposes, including litigation, in respect of any other matter or thing relating to the state of the Accounts between the Depositor and the Financial Institution in respect of any Transaction.

6.4 PAD REIMBURSEMENT – Despite section 6.3, Statement Verification, if the Depositor has authorized PADs to be issued against the Account, the Depositor acknowledges that the Payments Canada Rules provide specific time periods during which claims for reimbursement of PADs may be made. Claims must be made in writing to the Financial Institution within the specified time periods and in compliance with the Payments Canada Rules, as they may be amended from time to time. The Financial Institution will not be responsible for any loss suffered by the Depositor due to the Depositor's failure to comply with the Payments Canada Rules.

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6.5 RECORDS AND CHEQUE IMAGING – If the Financial Institution implements an imaging program, the Financial Institution will determine, in its sole discretion, whether copies of images of Instruments and other items will be provided for the statement of account for the Account. The Depositor acknowledges that copies of images of Instruments and other items may be provided before the Financial Institution has determined whether the Instrument or other item will be honoured or accepted and agrees that copies of images of Instruments and other items are made available by the Financial Institution as a service to the Depositor and that the provision of copies of images of Instruments and other items does not mean that the Transaction has been processed or in any way oblige the Financial Institution to honour or accept the Instrument or other item.

The Depositor acknowledges that if the Financial Institution adopts an imaging program, the physical Instruments and other items may be destroyed. If the Financial Institution has implemented an imaging program and determines not to include copies of images of Instruments and other items with the statement of account for the Account, the Financial Institution will ensure that copies of images can be made available to the Depositor upon request for at least 5 years following the date of the statement of account for the Account on which the Instrument or other item appears, subject to payment of the service charges established by the Financial Institution from time to time.

7. OPERATION OF THE ACCOUNT

7.1 MODIFICATION OF AGREEMENT – The Financial Institution may, in its sole discretion, amend the terms and conditions of the Account Contract as they relate to the Depositor's future use of the Account from time to time, for any reason, without any liability to the Depositor or any other person. The Financial Institution may provide notice of a change to the Account Contract by sending notice to the Depositor's last known Notice Contact Information, by posting notice at the Financial Institution's premises, by personal delivery, or by any other means the Financial Institution, acting reasonably, considers appropriate to bring the modification to the attention of the Depositor. The Depositor is responsible for regularly reviewing the terms and conditions of the Account Contract. If the Depositor uses the Account after the effective date of an amendment to the Account Contract, it will mean that the Depositor agrees to the amendment and adopts and is bound by the newer version of the Account Contract. The Depositor may not change, supplement, or amend the Account Contract by any means.

7.2 TERMINATION –

- a) The Account Contract may be terminated by the Depositor at any time by providing at least one business day's prior written notice to the Financial Institution.
- b) The Financial Institution may, in its sole discretion, restrict, suspend, or terminate the Depositor's Account privileges:
 - i) at any time or for any reason on at least one business day's prior written notice to the Depositor, or
 - ii) immediately without notice if the Financial Institution determines or suspects, in its sole discretion, that: (i) the Depositor has acted fraudulently or unlawfully or has otherwise not complied with the terms of the Account Contract, (ii) there has been fraudulent or illegal activity on the Account, (iii) such action is required by applicable law.
- c) The Depositor will immediately return or destroy all Debit Cards issued to it upon:
 - i) ceasing to be a member of the Financial Institution,
 - ii) termination of the Account Contract,
 - iii) termination of Debit Card privileges, or
 - iv) otherwise upon request by the Financial Institution.
- d) The Depositor will be responsible for paying all legal fees and expenses incurred by the Financial Institution in terminating the Account.
- e) The Depositor's insolvency, bankruptcy, dissolution, or death will constitute an automatic revocation of the privileges associated with the Account.
- f) Any notice of termination shall not release the Depositor from any obligations incurred under the Account Contract prior to its termination. The disclaimers, liability exclusions, liability limitations, and indemnity provisions in the Account Contract survive indefinitely after the termination of the Account Contract and apply to the extent permitted by law.

7.3 NOTICES – Any notice required or permitted to be given to the Financial Institution in connection with the Account Contract must be in writing and must be addressed and delivered to the Financial Institution at the address or fax number set forth in the Account Contract. Any notice required or permitted to be given to the Depositor in connection with the Account Contract may be given to the Depositor by delivering a written notice to the last known Notice Contact Information, or, except as to confidential financial information specific to the Depositor, by posting notice at the Financial Institution's premises or on the Financial Institution's website, or by any other means the Financial Institution, acting reasonably, considers appropriate to bring the notice to the attention of the Depositor.

7.4 ELECTRONIC EXECUTION – This Account Contract may be executed electronically at the discretion of the Financial Institution. Use of the Account shall be deemed to be acceptance of the Account Contract as of the date of first use, or in the case of a modification of the Account Contract, acceptance of the modified terms and conditions.

7.5 PROCEEDS OF CRIME LEGISLATION – The Depositor acknowledges that the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and *Regulations* apply to the operation of the Account and that the Financial Institution will, from time to time, request information from the Depositor to address the reporting, record-keeping, client identification, and ongoing monitoring requirements of that legislation. The Depositor agrees to abide by and comply with all such requests.

7.6 OTHER CLAIMS ON THE ACCOUNT – If the Financial Institution receives notice of a possible claim against, or interest in, any of the Accounts under any court order, statutory demand, or under applicable family, domestic relations, matrimonial property, or similar legislation, a marriage agreement, or a separation agreement, the Financial Institution may refuse to permit the Depositor to have any dealings with any of the Accounts, even if funds stand to the credit in any such Account. The Financial Institution will not be liable for any loss or damage resulting from any refusal by the Financial Institution under this section.

7.7 APPLICABLE LAW – This Account Contract is governed by the laws of the jurisdiction of incorporation of the Financial Institution and the federal laws of Canada applicable therein, excluding any rules of private international law or the conflict of laws which would lead to the application of any other laws.

7.8 ENUREMENT – This Account Contract will take effect and continue for the benefit of and be binding upon each of the Financial Institution and the Depositor and their heirs, executors, successors, and assigns.

7.9 SEVERABILITY – This Account Contract will be enforced to the fullest extent permitted by applicable law. If for any reason any provision of this Account Contract is held to be invalid or unenforceable to any extent, then:

- a) the offending portion of the provision shall be expunged and the remainder of such provision will be interpreted, construed, or reformed to the extent reasonably required to render the same valid, enforceable, and consistent with the original intent underlying such provision; and
- b) such invalidity or unenforceability will not affect any other provision of this Account Contract.

7.10 NO WAIVER – No waiver by the Financial Institution of any breach of or default under this Account Contract shall be deemed to be a waiver of any preceding or subsequent breach or default. The Financial Institution may, without notice, require strict adherence to the terms and conditions of this Account Contract, despite any prior indulgence granted to or acquiesced in by the Financial Institution.