

For the purposes hereof, the term “we” designates National Bank of Canada and all its subsidiaries (including National Bank Trust, Natcan Trust Company, National Bank Securities) which offer the public in Canada deposit and lending services, credit, debit and payment cards, as well as trust, custodial, brokerage, insurance and other personal financial services.

We wish to offer you our **Automated Services** and our **Electronic Banking Solutions**. In exchange, you agree to respect the terms and conditions of this agreement as well as our instructions concerning their use. Using our Automated Services and Electronic Banking Solutions once shall confirm your acceptance of the terms and conditions hereof.

## 1. DEFINITIONS

In this agreement, the following terms are defined as follows:

**Access Number:** means the number corresponding to the number on your Card which, combined with your Password, allows us to confirm your identity when you use our Electronic Banking Solutions;

**Account:** means your bank account(s), or any account(s) for which you are acting as attorney, accessible through our Automated Services or Electronic Banking Solutions;

**Automated Services:** means our automated banking services that can be accessed using your Card, including access to your Accounts through any Equipment;

**Bill:** means a bill issued by a specific provider of goods and services which is paid using our Automated Services or Electronic Banking Solutions;

**Card:** means a debit card that we commonly call a “Client Card”, a MasterCard credit card, or any other valid debit or credit card we have issued in your name and which, when used with a Password, enables us to confirm your identity so that you can carry out banking transactions involving your Accounts;

**Confirmation Number:** means the number we give you to confirm that you have successfully completed a transaction using our Electronic Banking Solutions;

**Document:** means any document or electronic Bill or other type of document linked to your purchases of goods and services from a supplier accessible via our Automated Services or Electronic Banking Solutions, including any notice, statement of account, pre-authorized debit notice, deposit notice and any information regarding such documents or any other document which we may make available to you from time to time;

**Electronic Banking Solutions (or “Solutions”):** means our Internet, and TelNat telephone banking Solutions, which enable you to access various banking services, such as balance information on your Accounts, lines of credit and credit cards, a record of past transactions on your Accounts, funds transfers and National Bank Mutual Fund transactions. With certain Solutions, you can access Bills and Documents and make payment on them, as well as order cheques;

**Equipment:** means Point-of-service terminal, a computer, a touch-tone telephone or other equipment offering direct transmission of our Automated Services and Electronic Banking Solutions;

**Password:** means (i) your PIN (personal identification number), i.e., the confidential code that belongs to you and enables you to carry out transactions using our Automated Services, (ii) the secret code that we initially issue to you and that enables you to choose your PIN at the automated banking machine, and (iii) the secret code that enables you to carry out transactions using our Electronic Banking Solutions;

**Point-of-Service Terminal:** An electronic terminal equipped with a card reader and a PIN keypad for carrying out transactions via Automated Services or Electronic Banking Solutions, such as ABMs, a point-of-sale terminals or in-home debit card terminals.

**Website:** means our Internet site, which provides access to our Internet Banking Solutions and is located at [www.nbc.ca](http://www.nbc.ca).

## 2. DIRECTIVES

When you use our Automated Services or our Solutions, you must read and follow the instructions we give you in the form of notices, brochures and guides available at branches and automated banking machines or in any other manner we may decide upon from time to time. These instructions are subject to change at any time. Please refer to them.

Moreover, if you use our Internet banking Solutions, you undertake to follow our instructions with respect to security as set out in the *ABCs of Security* section of our Website and any other instructions we may convey to you from time to time.

## 3. OWNERSHIP OF THE CARD, LOSS AND THEFT

The Card issued to you remains our property and cannot be transferred to anyone else. You must return the Card to us if we ask for it, especially if you violate any of the conditions hereof. You must notify us if your Card is lost or stolen. If you do not do so promptly, you may incur losses in your Accounts.

## 4. WITHDRAWAL LIMITS AND HOLD FUNDS ORDERS

We may impose withdrawal limits or apply a hold funds order when we deem it necessary to protect our respective interests with regard to transactions carried out on your Accounts.

## 5. SIGNATURE

Each and every transaction performed using (i) your Card and your Password or (ii) your Access Number and one of your Passwords shall have the same legal effect as if it had been performed in accordance with written instructions signed by you.

## 6. OBLIGATIONS

You undertake to maintain any Equipment needed to use our Automated Services and our Solutions in good working order. If you use our Internet banking

## 6. OBLIGATIONS (CONT.)

Solutions, you must regularly visit our Website to take note of our instructions. Furthermore, you must not use our Automated Services and our Solutions in an illegal, fraudulent or illicit manner or in a way that might jeopardize the security, integrity and efficiency of our Automated Services or our Solutions.

## 7. PASSWORDS AND CONFIDENTIALITY

**You must keep your Passwords secret and confidential at all times.** You shall be liable for any losses incurred with respect to the use of our Automated Services and our Solutions and for any access gained to the information in your Accounts if you show negligence by disclosing one of your Passwords, making a note of it in a form that is easily decipherable or using a Password based on data pertaining to you, such as your name, telephone number, address, date of birth or social insurance number. You must notify us right away if one of your Passwords is revealed or if you suspect that someone else has learned it. We provide you with your first Password for our Solutions. However, you must change this Password the first time you use the Solutions, and change it regularly thereafter and whenever we ask you to.

## 8. LIABILITY AND RESPONSIBILITY

8.1 You are liable for:

- Transactions carried out on your Accounts with your Card or your Access Number before you have informed us of the loss, theft or misuse of your Card or Access Number. You are not liable for such transactions if (i) you can prove to us that you adequately protected your Card and your Equipment at all times, and that (ii) your Password was obtained by coercion, force or trickery. However, you must notify us as quickly as possible, file a complaint with police authorities and cooperate with investigations into the circumstances surrounding the unauthorized use of your Card or your Password.
- Errors you make when using the Equipment with your Card or Access Number, notably during person-to-person transfers.
- Fraudulent or worthless deposits made with your Card and the Equipment.
- Losses affecting your Accounts or access gained to the information they contain if you use our Solutions in an inappropriate manner or contrary to instructions, notably the instructions relating to Passwords in Section 7.
- Losses affecting your Accounts if an unauthorized third party succeeds in penetrating the security systems protecting your Equipment or if said Equipment is protected by inadequate security systems.
- Losses affecting your Accounts resulting from a communication problem or an error on your part or your enrollment in other Internet services or any other network placing your Equipment in contact with other Equipment. You accept the risks inherent in the communication and transmission of information via the Internet.
- You are also responsible for checking your Account entries on a regular basis.

8.2 We are liable for:

- Losses affecting your Accounts if the Card or your Access Number is expired or cancelled.
- Losses affecting your Accounts following cancellation of our Solutions.  
In the event of a breakdown in our Equipment, we are responsible for taking all reasonable measures to restore it to proper working order as quickly as possible.  
In the event of an interruption in service following a breakdown in our Solutions, we are also responsible for taking all reasonable measures to enable you to access our Solutions as quickly as possible.

## 9. MASTERCARD CREDIT CARD

If the Card you use is a MasterCard credit card, our respective responsibilities concerning direct and indirect cash advances are set out in the *Agreement Governing the Issue and Use of a MasterCard Credit Card Issued by the Bank* which was given to you at the time your Card was issued.

## 10. INDEMNIFICATION

You undertake to indemnify and hold us harmless from and against any and all losses, costs and damages as well as any and all claims or suits which may be brought against us by third parties because of your failure to comply with our instructions and with your obligations under this agreement.

## 11. LIMITED LOSSES

In the event that you are held liable for a loss affecting one of your Accounts, the loss is limited daily to the amount of authorized transactions at an automated banking machine. For transactions at a point-of-sale terminal or through our Solutions, your loss is limited to the balance of your Accounts. In such cases, however, your loss may be higher than the balance of the Accounts if these Accounts include a line of credit or overdraft protection, if they are connected to other Accounts, or if they have been credited following a fraudulent or worthless deposit at an automated banking machine.

## 12. WARRANTIES

We do not make any express or implied warranties with respect to our Automated Services and our Solutions, the Internet, the online providers of goods and services, the Internet browsers and the Equipment, notably warranties as to merchantability and fitness for a particular purpose. We shall not be liable for any acts or omissions by any Internet or online provider of goods and services, nor for any problems with the software you use.

## 13. FORCE MAJEURE

We shall not be liable for any losses you may incur in one of your Accounts with respect to the use of our Automated Services or our Solutions or with respect to access to the information contained in one of your Accounts due to circumstances beyond our control; furthermore, we shall not be liable in the event you are unable to access our Automated Services or our Solutions because of such circumstances.

## 14. ACCOUNT TRANSACTIONS

After we have checked and accepted them, transactions carried out on your Accounts using our Automated Services or our Solutions shall be debited or credited to your Accounts in accordance with your instructions. The transaction record that we produce when our Automated Services are used shall confirm your instructions. The Confirmation Number we produce and transmit to you when you use our Solutions shall constitute proof that the transaction has been successfully completed. You authorize us to make any corrections to your Accounts in the event of inaccuracy or error when using our Automated Services and our Solutions.

## 15. CONTENTS OF ENVELOPES INSERTED IN AUTOMATED BANKING MACHINES AND BILL PAYMENTS

Our books and records concerning the contents of envelopes inserted in automated banking machines and concerning Bill payments are binding on you. The contents of such envelopes and the payment of your Bills are subject to checking and acceptance by us. There may be some delay in the processing of envelope contents and Bill payments. We are not liable for the interest or penalties you may be charged as a result of a delay in processing envelope contents or Bill payments.

## 16. ELECTRONIC OR OTHER MEDIUM AND PROOF

The recording of banking transactions on an electronic or other medium shall constitute proof, in the same manner as written proof, and shall be final and binding on you. You hereby agree that a Document reproducing data recorded on an electronic medium shall constitute admissible evidence in any legal proceeding and shall have precedence over any data you have stored regarding such banking transactions. When you use any of our Solutions that can give you access to Documents, you choose to receive the Documents in electronic form and no other. You recognize that the Documents thus received in electronic form shall have the same legal weight as Documents received on paper. You undertake to take due note of the instructions concerning Document delivery via our Solutions.

## 17. AMENDMENTS

We may amend the conditions relating to our Automated Services upon notice posted at the branch or at automated banking machines. We may amend the conditions relating to our TelNat telephone banking Solutions upon notice posted at the branch or communicated by interactive voice response. We may amend the conditions relating to our Internet banking Solutions upon notice published on our Website. Copies of the amended agreement will be available at branches and on our Website. We may also amend at our entire discretion the type of products and services we offer by informing you in the most appropriate manner for the circumstances. Your first use of our Automated Services or our Solutions following such amendment shall be deemed to confirm your acceptance thereof.

## 18. ACCOUNT OVERDRAFTS AND SERVICE CHARGES

Account overdrafts shall be allowed in your Accounts provided you have overdraft protection from us. You shall pay when due any fees for the use of our Automated Services and our Solutions according to the applicable fee structure, and you authorize us to debit such fees from your Accounts. We may modify these fees from time to time in compliance with applicable legislation.

## 19. PERSONAL INFORMATION

You authorize us to collect personal information on you for the purpose of providing you with our Automated Services and our Solutions. The personal information obtained from your application form will be recorded in your file with respect to the Automated Services and the Solutions in which you have enrolled.

We may also convey the information you give us to any person working for us insofar as it is necessary for providing our Automated Services and our Solutions to you as well as to facilitate your identification and distinguish you from other users. You authorize us to use your social insurance number for this specific purpose.

You expressly authorize us to use said information for the purposes indicated above. You recognize that you may at any time prohibit us from using the information for such purposes by notifying us to that effect. You shall not be prevented from using our Automated Services and our Solutions for the sole reason that you do not consent to your social insurance number being used for the above purposes. In all cases, you shall be notified of the consequences of your refusal in this regard.

When you access Documents via our Solutions, you expressly agree that we, any firm that processes Documents and the suppliers of your goods and

## 19. PERSONAL INFORMATION (CONT.)

services who have chosen to present Documents via our Solutions may gather and exchange among ourselves personal information concerning you. Said personal information shall consist of your name, address, telephone and fax numbers, e-mail address and any other useful information such as information or numbers relating to Bills or accounts held with the suppliers of your goods and services. This information is needed to identify you and enable you to access Documents via our Solutions.

## 20. CONFIDENTIALITY AND SECURITY

We shall take all reasonable measures at our disposal to ensure the confidentiality of all electronic exchanges of data, the security of transactions carried out using our Automated Services and our Solutions and the protection of your personal information. You acknowledge that you may obtain additional information in this regard by consulting the [ABCs of Security](#) and the [Confidentiality Policy](#) sections available on our Website or by obtaining a copy from the branch of our brochure "Strictly Between You and Us".

## 21. SETTLEMENT OF DISPUTES

You shall inform us in the event of any disagreement concerning a banking transaction carried out using our Automated Services or our Solutions by contacting one of our representatives directly. If the problem cannot be settled by the representative, we shall conduct an investigation. You undertake to cooperate with us in such cases and provide us with the information, electronic files or other documents we require as part of the investigation. We shall report the outcome of the investigation to you and, if applicable, the reasons for the failure to resolve the disagreement to your satisfaction.

If you are not satisfied with the outcome of the investigation, the representative shall refer you to a person who can be contacted as a last resort. You can also obtain a copy at the branch of our brochure entitled "For Better Banking Relations With You", which explains our complaint settlement process.

Any request, question, complaint or problem related to a Document or the goods and services obtained from a supplier shall be resolved between you and such supplier. We shall not be liable for any failure by such supplier to credit any amount whatsoever to your Accounts following a request therefore by you, or for the application by the supplier of additional charges, in particular late charges or a penalty.

## 22. OTHER AGREEMENTS

All the terms and conditions governing the agreements respecting your Accounts shall remain in force and shall apply concurrently with the terms and conditions hereof. In the event of any discrepancy between such agreements and this agreement, this agreement shall prevail.

## 23. TERMINATION OF AGREEMENT

After giving reasonable notice, we may terminate this agreement at any time by issuing a notice and may withdraw all or only a part of our Automated Services or our Solutions. You may terminate this agreement at any time simply by notifying us and returning your Card to us if we request it.

## 24. APPLICABLE LEGISLATION AND COMPETENCE

This agreement is governed exclusively by the laws of the province or territory in which you reside. If you reside outside of Canada, this agreement is governed by the laws in effect in the province of Quebec. You irrevocably consent to the exclusive competence of the courts in the province or territory specified above regarding the application and interpretation of this agreement.

## 25. POWER OF ATTORNEY

If you are acting as attorney for an Account and you use a Card, you are liable for all transactions carried out in the Account, in accordance with the terms and conditions of this agreement.

### 10 SECURITY TIPS

1. Your Passwords and the answers to your secret questions (Internet banking) are your electronic signature; never reveal them to anyone.
2. Do not use the same Password for more than one Card or Solution.
3. Never lend anyone your Card.
4. Memorize your Passwords; do not write them down anywhere.
5. Change your Passwords regularly.
6. Never use numbers based on your name, address, telephone number, social insurance number or date of birth as a Password; they are too easy to guess.
7. Protect your Card at all times.
8. When you use your Card and have to enter your Password, use your hand or body to block anyone else's view of the keypad. Don't be afraid of looking overcautious.
9. Make sure you take your Card and your transaction record with you when you're finished.
10. After making a withdrawal with your Card, put the money away immediately.