

For the purposes hereof, the term “we” designates National Bank of Canada and all its subsidiaries (including National Bank Trust Inc., Natcan Trust Company, National Bank Securities Inc.) 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 agree to offer you our Automated Services and our Electronic Banking Solutions (hereinafter the “Services”). In exchange, you agree to comply with the terms and conditions of this agreement as well as our instructions concerning the use of our Services. The first use of our Services will confirm your acceptance of the terms and conditions hereof.

1. DEFINITIONS

Access Card Number: means the number indicated on the front of your Card or the number that we issue to you which, when used with a Password, enables you to access our Services;

Account: means an account you have with the Bank, alone or jointly with other persons, that is accessible via our Services, or the account for which you are acting as attorney;

Automated Services: means our banking services that enable you to carry out a Transaction via your Card and a Password at a Point-of-Service Device or via a payment application to a Point-of-Service Device without PIN;

Bill: means a bill issued by a participating merchant that you pay via our Services;

Card: means a debit card that we commonly call a “Bank Card” or, as applicable, a *MasterCard* credit card or any other valid payment card we have issued to you. The Card identifies you when you access our Services to carry out a Transaction and when you request a banking service at the branch;

Document: means any Bill or other document linked to our Services or any purchase of goods and services from a participating merchant including, in particular, any notice, statement of account, pre-authorized debit notice, deposit notice and any information regarding such documents or any other document available from time to time and their electronic version;

Electronic Access Device: means a personal computer, a telephone, a mobile phone, a smart phone, a PDA or any other wireless digital or electronic device that enables you to access our Services;

Electronic Banking Solutions: means our banking services that enable you to carry out a Transaction with your Access Card Number and a Password via our *TelNat Telephone Banking Solutions* or via our *Internet Banking Solutions*, or via our *Mobile Banking Solutions* concurrently with an Electronic Access Device;

Interac* e-Transfer: means a Transaction that enables you to send funds from an Account and receive funds to an Account by email or via certain Electronic Access Devices. *Interac** e-transfers are performed online through our Internet Banking Solutions and Mobile Banking Solutions;

Password: means, as applicable, (i) your PIN (personal identification number), (ii) temporary authenticator code that we initially issue to you and that enables you to then choose your PIN and (iii) the secret code that enables you to carry out Transactions on your Account via our Electronic Banking Solutions;

Payment Card Network: means an electronic payment system used to accept, send or process Transactions made with your Card in exchange for cash, goods and services, and transfer information and funds between you and issuers, purchasers and participating merchants. The *Interac*, *Cirrus*, *NYCE*, *The Exchange* and *Maestro* networks are payment card networks;

Personal Identification Question: means the questions and answers you will be asked to choose and provide to prove your identity when using our Services;

Point-of-Service Device: means a device that you activate with the Card and a Password to carry out a Transaction (for example an ABM, a point-of-sale terminal at a participating merchant or an in-home debit card terminal);

Point-of-Service Device without PIN: means a device that you activate via a payment application that you use to carry out a Transaction without a PIN (for example, a payment application on the Card, a key tag or a cell phone);

Transaction: means a deposit, withdrawal, payment, all fund transfers, *Interac** e-transfers, balance inquiry, authorization request or any other transaction on your Account that we allow you to carry out via our Services;

Website: means our Internet site located at www.nbc.ca which provides access to our Internet Banking Solutions.

2. INSTRUCTIONS

When you use our Services, you must read and when applicable follow the instructions we provide. These instructions indicate how to access our Services through certain Electronic Access Devices or how to perform certain Transactions, e.g. *Interac** e-transfers. They appear online whenever you use an Electronic Access Device. They may also be conveyed to you in the form of notices, brochures or guides available at branches, via our ABMs, our Website, or in any other manner we may decide upon from time to time. The instructions may change periodically. Also, you must regularly consult our security related instructions in the *ABCs of Security* section of our Website.

3. PROTECTION, LOSS AND THEFT OF YOUR CARD

The Card remains our property and cannot be transferred to a third party. You must return the Card to us on demand, particularly if you violate any of the conditions hereof. You acknowledge that the Card is issued to you for your personal benefit and is not to be used for the benefit of another person or on his behalf (except if you are acting as an attorney) or in the operation of a business. Your Card may not be used for illegal or illicit purposes. We may refuse any Transaction for any reason whatsoever in order to protect

our respective interests. We may issue, renew, replace or revoke your Card if we deem it appropriate. You must notify us if your Card is lost or stolen. If you do not do so promptly, you may incur losses on your Account.

4. WITHDRAWAL LIMITS AND HOLD FUNDS ORDERS

We will set limits for the use of your Card, some of which may be daily, weekly or depend on the type of Transaction. The maximum cash withdrawal amount and the purchase or transfer limit on your Account using your Card for a given day will be determined in accordance with these limits. We will inform you about these limits at the appropriate time, particularly when you apply for your Card. Whenever possible, we will allow you to choose the limits that best meet your needs in accordance with the criteria we define. At any time, we may impose, remove or reduce limits, and apply hold funds orders when you deposit an item to your Account if we deem it necessary to protect our respective interests.

5. ELECTRONICALLY TRANSMITTED COMMUNICATIONS / INSTRUCTIONS AND CONSENT

Any electronically transmitted communications or instructions we receive from you shall be deemed sent by you, authorized by you and shall be binding on you. The expression “electronically transmitted” refers to any means of communication we authorize from time to time, namely by way of an Electronic Access Device, the internet, email, fax or other means of electronic transmission.

You are essentially consenting to Transactions performed on your Account using (i) your Card and your handwritten signature or your Password concurrently with a Point-of-Service Device or (ii) your Card concurrently with a Point-of-Service Device without PIN or (iii) your Access Card Number and your Password concurrently with an Electronic Access Device.

Any electronically transmitted communications or instructions shall have the same legal effect as if they had been carried out in accordance with written instructions on paper signed by you. You shall be deemed to have consented to said communications or instructions and acknowledged that the posting of a Transaction to your statement of account constitutes irrefutable proof that a service or goods were supplied to you, subject to your right to contest this Transaction by the prescribed deadline.

6. PROTECTION OF PASSWORDS, ACCESS CARD NUMBERS AND PERSONAL IDENTIFICATION QUESTIONS

You must keep your Password, Access Card Number and Personal Identification Questions secret and confidential at all times.

You are liable for any losses incurred with respect to the use of our Services and for any access gained to the information in your Account if you are negligent, in particular, by disclosing your Password, Access Card Number or Personal Identification Questions, by protecting them in an inappropriate manner, or by using a Password based on personal information such as your name, telephone number, address, date of birth, or social insurance number. Passwords, Access Card Numbers and Personal Identification Questions should be unique and hard to guess.

You must notify us immediately if your Password, Access Card Number and Personal Identification Questions are revealed or if you suspect that another person has learned them. We provide you with a Password so that you can access our Services the first time. However, you must change this Password the first time you use our Services. You undertake to comply with our instructions concerning the protection of your Password, your Access Card Number and your Personal Identification Questions.

7. TERMS RESPECTING ELECTRONIC ACCESS DEVICES

The Electronic Access Device you use to access our Services must be protected at all times. You must adopt all possible reasonable measures to ensure you are not revealing any personal information when using our Services. This includes making sure no one can see your Device's screen or keypad as you enter the information or overhear your telephone conversation. You must notify us immediately if your Electronic Access Device is lost or stolen.

Depending on the Electronic Access Device you use, e.g. mobile phone, you may not always have access to the full range of features, functionalities, content and information our Services can provide. For instance, this agreement, notices, legal disclaimers, our confidentiality policy, the *ABCs of Security* section, links, Documents, Invoices, the full details of your Transactions and Account might not be available. Some terms and conditions will appear strictly once you click on certain links or information icons. You are, however, responsible for familiarizing yourself with these as you would any other applicable agreement or instructions.

You might be unable to use an Electronic Access Device to access our Services outside Canada. Any service provider fees resulting from your use of your Electronic Access Device to access our Services shall be incurred by you.

8. LIABILITY AND RESPONSIBILITY

8.1 You are liable or responsible for:

- Transactions carried out with your Card, your Password, your Access Card Number or a Personal Identification Question before you have informed us of their loss, theft or unauthorized use;

- b) Transactions carried out with a Point-of-Service Device, a Point-of-Service Device without PIN, and an Electronic Access Device before you have informed us of the loss, theft or unauthorized use of your Card, your Password, your Access Card Number, a Personal Identification Question or your Electronic Access Device;
- c) Errors you make when using a Point-of-Service Device, a Point-of-Service Device without PIN, or an Electronic Access Device;
- d) Fraudulent or valueless deposits made with your Card and your Password at a Point-of-Service Device;
- e) Losses affecting your Account or access gained to the information it contains or a loss of your data if you use our Services in an inappropriate manner or contrary to our instructions, in particular, those concerning the protection of your Card, your Password, your Access Card Number, your Personal Identification Questions or your Electronic Access Device;
- f) Losses affecting your Account if an unauthorized person succeeds in penetrating the security systems protecting the Electronic Access Device that you control, if these systems are inadequate or if you access our Services using an Electronic Access Device containing an application that could potentially disclose your Passwords, your Personal Identification Questions or compromise these;
- g) Losses affecting your Account resulting from a communication problem or your enrolment in other Internet services or any network that places an Electronic Access Device in contact with other devices. Consequently, you accept the risks inherent in the communication and transmission of information via these networks;
- h) Checking entries to your Account on a monthly basis and notifying us within the prescribed deadline of any error or irregularity relating to these entries;
- i) Fulfilling your obligations under this agreement and any other agreement specific to one of our Services or failing to comply with the instructions that we give you from time to time about our Services;
- j) Participating in fraudulent, criminal or dishonest activities with regard to Services;
- k) Accessing our Services with an Electronic Access Device which you should reasonably know contains an application that may reveal to anyone your Password, your Access Card Number and your secret questions or otherwise compromise them in any way;
- l) Failing to read a Document or notice sent to you electronically or update your information with the appropriate sender;

However, you are not liable for the Transactions mentioned in paragraphs (a) and (b) if (i) you can prove to us that you adequately protected at all times your Card, your Password, your Access Card Number, your Personal Identification Questions as well as your Electronic Access Device, and that (ii) these were obtained by fraud, theft, coercion, force or intimidation, ruse or trickery provided you promptly notify us of such incident, file a complaint with police authorities and cooperate fully with any investigation into the circumstances surrounding their unauthorized use.

8.2 We are liable for:

- a) Losses affecting your Account if the Card or your Access Card Number is expired or cancelled;
- b) Losses affecting your Account following cancellation of our Services;
- c) Losses affecting your Account resulting from negligent conduct by us, our employees and out agents.

In the event of a breakdown in any device that we control or an interruption in our Services, we are responsible for taking all reasonable business measures to restore them to proper working order as quickly as possible. Conversely, we are not responsible for damages resulting from interruptions in the service you use to connect to a network with your Electronic Access Device, the provider of which shall be deemed your agent for the purposes of this provision.

However, we are not liable for indirect, punitive or exemplary damages suffered by you regardless of the cause, in whole or in part, (in particular, service interruptions, losses of data, information and income, or any other loss of an economic nature) even if we were notified of the possibility of these damages.

9. MASTERCARD CREDIT CARD

If the Card that you use is a *MasterCard* credit card that we issued to you, our respective responsibilities concerning direct and indirect cash advances or purchases of goods and services are set out in the agreement governing the issue and use of this card. However, the Transactions that we allow you to carry out with the *MasterCard* credit card are governed by this agreement.

10. LIMITATION OF LIABILITY

The loss affecting your Account will not exceed the balance of your Account and, if applicable, the limits that we set with regard to the use of our Services. However, the loss incurred may be greater than the balance of your Account if it consists of a line of credit, overdraft protection, is linked to another account or was credited further to a fraudulent or worthless deposit at an ABM.

11. WARRANTIES

We do not make any express or implied warranties with respect to our Services, the Internet, Payment Card Networks, deeds and actions of participating merchants, browsers, any Point-of-Service Device, Point-of-Service Device without PIN and Electronic Access Device that you control, notably warranties as to merchantability and fitness for a particular

purpose. We are not liable for the deeds, actions, acts or omissions by any network connector or for any problems with the software you use.

12. TRANSACTIONS ON YOUR ACCOUNT

After we have checked and accepted them, the Transactions carried out via our Services will be credited or debited to your Account in accordance with your instructions. The transaction record produced when our Services are used will confirm your written instructions.

The confirmation number produced and transmitted when you carry out a Transaction via an Electronic Access Device will constitute proof that the Transaction has been successfully completed. You authorize us to make any corrections to your Account in the event of inaccuracy or error when using our Services.

You recognize that there may be a delay between the time a Transaction is carried out and the time it is posted to your Account. You recognize that the amount of authorization requested by a participating merchant for your Transaction may be different from the amount of this Transaction.

You undertake to maintain sufficient available funds at all times in your Account to avoid overdrafts when participating merchants submit authorization requests and when the Transaction is posted to your Account. If not, we are not obliged to follow your instructions for this Transaction.

*Interac** e-transfers are subject to specific terms you need to be aware of. These terms are obtainable online via our Internet Banking Solutions and Mobile Banking Solutions.

13. VERIFICATION AND VIGILANCE OBLIGATIONS

You undertake to check the entries on each statement of account that we send you and, if you have a passbook for your Account, the entries shown in it in accordance with the terms and conditions governing the handling of your Account. You undertake to maintain in good working order any Electronic Access Device that you own or control with regard to the use of our Services. You must not use our Services in an illegal, fraudulent or illicit manner or in a way that might jeopardize their security, integrity and efficiency.

14. VALIDATION OF TRANSACTIONS ON YOUR ACCOUNT

If you so request in writing and depending on the circumstances, we can ask a participating merchant to produce a receipt, Bill or any other Document confirming, to our satisfaction, that the service or goods were in fact supplied to you. We must receive your written request within 30 days of the statement date or, if your Account has a passbook, within 30 days of the month end.

15. TRANSACTIONS IN FOREIGN CURRENCY

If you carry out a Transaction in a foreign currency with your Card, this Transaction will be converted into Canadian dollars at an exchange rate that corresponds to the exchange rate of the Payment Card Network in effect when this Transaction is posted to your Account, to which a percentage of 2.5% is added. If you use the *Cirrus*TM or *Maestro*TM networks and this Transaction is carried out in a foreign currency other than the U.S. dollar, it will first be converted into U.S. dollars by that network at the exchange rate established by that network, and then converted into Canadian dollars at the exchange rate established by that network when this Transaction is posted to your Account, to which a percentage of 2.5% is added.

16. 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. The contents of such envelopes and the payment of your Bills are subject to checking and acceptance by us. A reasonable time is required to process the contents of the envelopes and Bill payments. We are not liable for the interest or penalties that you may be charged as a result of this delay. You undertake to carry out a Transaction before the due date indicated on your Bills.

17. ELECTRONIC OR OTHER MEDIA AND PROOF

The recording of Transactions on electronic or other media that we produce will constitute proof, in the same manner as written proof, and will be final and binding. You agree that a Document on an electronic medium that we produce and that reproduces the recording of your Transactions will constitute admissible evidence in any legal proceeding and will have precedence over any data that you have stored regarding such Transactions. When our Services 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 will have the same legal weight as Documents received on paper. You undertake to follow our instructions concerning Document delivery via our Services.

18. AMENDMENTS

We may amend the conditions relating to this agreement by way of a written notice posted or transmitted at least 30 days in advance at our ABMs, on our Website, by interactive voice response, mail or electronically. A copy of the amended agreement will be available on our Website. We may also amend at our entire discretion the nature of our Services by informing you in the most appropriate manner for the circumstances. We may send an advance notice to the most recent address we have on record, and if you hold an account jointly with one or more individuals, to the primary account holder's most recent address on file. Your first use of our Services following such amendment will be deemed to confirm your acceptance thereof.

19. ACCOUNT OVERDRAFTS AND SERVICE CHARGES

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

agree there could be additional fees from third parties, including fees charged by the service provider used to connect to an Electronic Access Device or to access our Services, or fees charged to the sender or recipient of an *Interac*® e-transfer.

20. COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION

You authorize us to collect, use and disclose personal information on you for the purpose of providing you with our Services. The collection, use and disclosure of your personal information are governed by our policy in that regard, which is available on our Website. This information is needed to identify you and enable you to access our Services. Said personal information primarily consists of your name, address, telephone and fax numbers, e-mail address, financial information, and any other useful information such as information or numbers relating to Bills or Accounts held with participating merchants, an Electronic Access Device and geotagging when applicable.

When you access Documents via our Services, you expressly agree that we, any firm that processes Documents and participating merchants who have chosen to present Documents via our Services, may gather and exchange among ourselves your personal information. This information may also be used and disclosed for the following purposes:

- a) To offer you, by way of telemarketing or other means, in particular via your personal telephone number, other products and services offered by us, our subsidiaries, our affiliated companies and our select business partners, which are well established businesses chosen by us. Your information will also be added to client lists that we prepare and use for this purpose.
- b) To enable us to provide this information, as permitted by law, to our subsidiaries, our affiliated companies, representatives and agents, and our select business partners so that they can offer you, by way of telemarketing or other means, in particular via your personal telephone number, products and services that may interest you.

Please note that in the course of providing you with Electronic Banking Solutions, we may collect your online activity information in our Website, the secure websites of our affiliated companies and their advertisements hosted on third-party sites, through cookies and other tracking technologies. This information may be used together with other information we have about you to assess the effectiveness of our online promotions, gather data on the functionality of our Website, better understand your interests and needs, personalize your online experience, and send you information on products and services that might be of interest to you.

21. CONFIDENTIALITY AND SECURITY

We will take all reasonable measures at our disposal to ensure the confidentiality of all electronic exchanges of data, the security of your Transactions carried out using our Services and the protection of your personal information. You acknowledge that you can obtain additional information in this regard by consulting the *ABCs of Security* and the Confidentiality Policy available on our Website.

22. LINKS AND APPLICATIONS

Links from and to websites are strictly provided for reference purposes. We do not assume any responsibility for the websites linked to our Website, their content, privacy policies, associated third parties, products and services.

You link to another website at your own risk and we are not liable for any resulting damages. We do not approve websites linked to and from our Website other than the websites of our affiliated companies.

We do not assume any responsibility for any problems or other consequences resulting from downloading applications. Their use is governed by the terms of the accompanying license agreement.

The terms below apply if you download an application we provide to access our Services using certain Electronic Access Devices (the "Application"):

We grant to you a non-transferable and non-exclusive license to use the Application via Electronic Access Devices. The license authorizes you to use the Application in object code format for the purpose of using our Services or accessing any features, functionalities, content or information made available by us using Electronic Access Devices.

We retain at all times all intellectual property rights, including without limitation, the copyright, for the Application.

You agree not to copy the Application and not to disclose or distribute the Application to third parties. We have no obligation to provide any training, maintenance or other assistance for the Application.

YOU ACCEPT THE APPLICATION "AS IS" AND ASSUME THE ENTIRE RISK FOR ITS PERFORMANCE. WE SHALL NOT BE LIABLE FOR ANY DAMAGES RESULTING FROM YOUR USE OF THE APPLICATION.

23. SETTLEMENT OF DISPUTES

You will inform us in the event of any disagreement concerning a Transaction carried out using our Services by contacting one of our representatives directly. If the problem cannot be settled by the representative, we will conduct an investigation, if we can do so, as quickly as possible. Any decision about a possible reimbursement will depend on the results of our investigation. You undertake to cooperate with us in that regard and provide us with, if applicable, a statement or affidavit, information, computer files or any other documents required for this investigation. We will report the outcome of our 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, our representative will refer you to a person who can be contacted as a last resort. You can also read our complaint management policy on our Website.

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

24. OTHER AGREEMENTS

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

25. TERMINATION OF AGREEMENT

After giving reasonable notice, we may terminate this agreement at any time by issuing a notice, and we may withdraw all or only a part of our Services. We may refuse a Transaction on your Account if we deem it necessary to protect our respective interests. You may terminate this agreement at any time simply by notifying us and returning your Card to us if we request it.

26. GOVERNING LAW AND JURISDICTION

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 jurisdiction of the courts in the province or territory specified above regarding the application and interpretation of this agreement.

27. CANADIAN CODE OF PRACTICE FOR CONSUMER DEBIT CARD SERVICES

We voluntarily comply with the *Canadian Code of Practice for Consumer Debit Card Services* and we undertake to provide a degree of consumer protection equivalent to that offered by this Code. For more information about this Code, refer to the website of the Canadian Bankers Association at www.cba.ca.

26. POWER OF ATTORNEY

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

SECURITY TIPS

BANK CARD AND ELECTRONIC ACCESS DEVICE SECURITY

Make sure your Electronic Access Device uses official authorized applications from reputable providers. Also, be sure the operating system is legitimate and unaltered.

When using our Electronic Banking Solutions, you must secure your Electronic Access Device by installing the appropriate protection software and keeping it up to date. This includes installing antivirus and anti-spyware programs as well as firewall protection so you can carry out online transactions with complete peace of mind. You must take any and all corrective action recommended by your operating system provider;

Protect your Card and Electronic Access Device at all times: never lend them to anyone or leave them unattended. Get into the habit of locking your Electronic Access Device.

PASSWORD SECURITY

Your Password, Access Card Number, Personal Identification Questions and the answers to your secret questions constitute your electronic signature. They serve to confirm your consent for electronic transactions or electronically transmitted communications or instructions. Do not store or reveal this information;

Memorize your Password, never use the same Password for more than one Card or Service, and change your Password regularly;

Never use a Password based on your personal information (name, address, telephone number, Social Insurance Number or date of birth). It would be too easy to guess;

When you use your Card or Electronic Access Device, block the keypad with your hand or body as you type in your Password. Never be afraid to appear overly cautious.

Perform your transactions only if you feel thoroughly comfortable. Ask people standing too close to you to step back to ensure your Password remains private. If you believe someone might have seen you enter your Password, change it immediately.

BEST PRACTICES

Log out of your session and quit your browser after each time you use our Electronic Banking Solutions to prevent others from accessing your information;

Clear your cache regularly;

Beware of e-mails that appear to be sent by National Bank or MasterCard prompting you for personal information. Do not click on any hyperlinks and do not under any circumstances reply to the email sender with the personal information asked for;

Simply clicking on hyperlinks provided in these fraudulent e-mails can trigger the installation of malicious software without your knowledge that could compromise the security of your Electronic Access Device.

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