

You may cancel this Agreement by contacting us. You will remain liable for all amounts due under this Agreement, at the moment of cancellation, until payment in full. All provisions of the Agreement will continue to apply until such time as you have paid all amounts outstanding.

24. SETTLEMENT OF DISPUTES WITH THIRD PARTIES

We are in no way responsible for the quality of the goods or services you purchase with your Card. Any claim or dispute between you and the merchant, including your right to compensation if applicable, will have to be settled between you and the merchant. In addition, certain advantages or services related to your Card may be offered by a third party, in which case we are not responsible for any such offers or for the conduct or actions of such third parties. Any claim or dispute between you and a third party, including your right to compensation if applicable, must be settled directly between you and the third party.

25. ASSIGNMENT OF RIGHTS

We may from time to time and without your consent assign to any person any amounts owing to us under the Agreement and arising from your use of your Account and Card, with or without the benefit of the rights set out in the Agreement or arising from any security, if applicable. Moreover, you cannot assign your rights hereunder without obtaining prior authorization, in writing, from us. This Agreement is legally binding on our assigns.

26. CHANGES TO INFORMATION ON THE COMPANY AND AUTHORIZED SIGNATORIES

You must notify us promptly of any change in address of the Company and, if applicable, the address to which you would like to have electronic documents sent to you. If you neglect to notify us of such changes, you may not hold us liable for any damages that you may suffer as a result.

The Company must notify the Bank promptly of any changes to the information provided when the Account was opened. For example, you must notify us in writing of any changes regarding the company's administrators and officers (each individual's name, surname, occupation, and function.)

The Company must notify us of any change in Authorized Signatory and of any change to the information on the Authorized Signatories previously provided to the Bank.

27. HOLDERS AND THEIR PERSONAL INFORMATION

You must notify us of any additions or removals to the list of Holders.

You must also notify us of any changes to the Holders' personal information that was submitted during the application process, such as their name, address, telephone number and birth date, if applicable.

28. SPECIAL PROVISION – EXCLUSIVE LIABILITY OF THE COMPANY

Notwithstanding any provision to the contrary, when it is specified in your application that only the Company is liable to the Bank for any debt incurred through use of the Account or Card by the Company, the Holders or the Authorized Signatories, the conditions set out herein are amended in order to give effect to the exclusive liability of the Company.

29. APPLICABLE LEGISLATION AND JURISDICTION

This Agreement is governed exclusively by the province or territory where the Company is based. If the Company is based outside Canada, the legislation in effect in the province of Quebec governs this Agreement. You irrevocably acknowledge the exclusive competence of the courts in the above province or territory with respect to the application and interpretation of this Agreement.

A CONFIDENTIAL MATTER

At National Bank of Canada¹, we have always made it a priority to protect your personal information.

As part of our ongoing efforts to ensure that your rights are fully respected, we have developed policies and procedures aimed at protecting the personal information. Our commitment to privacy is an integral part of our Code of Professional Conduct, to which all Bank employees must strictly adhere.

Moreover, National Bank of Canada has appointed a privacy officer to ensure that the principles in our policies and procedures are strictly observed. You can contact the privacy officer by e-mail at confidentiality@nbc.ca or by regular mail at 600 de La Gauchetière West, 6th Floor, transit 4125-1, Montreal, Quebec H3B 4L2.

A Question of Service

To be able to offer you the products and services that are best suited to your needs, we require basic information about you that only you can give. For example, when you open a bank account, we will ask you for your name, address and telephone number. If the account generates interest, we also need your social insurance number to comply with current tax laws. Similarly, as some laws require that we identify you, we will need to obtain certain information concerning your identity documents and to record some of that information. Lastly, if you would like advice on investment, credit or trust products, we need to know specific financial information about your file in order to serve you properly. Other types of information, such as the state of your health, enable us to check your eligibility for certain types of products.

With your consent, we may also obtain information directly from a third party to help us determine your eligibility for our financial products and services. For credit products, for example, it is essential that we know your financial worth and your credit record. We will therefore contact other lenders, financial institutions, credit bureaus and employers.

In most cases, your consent is given on the forms used for specific products or, from time to time, on a separate form. You will notice that the declaration of consent is clear and unambiguous. We suggest that you read it over and, if you have any questions, please ask the staff at your branch or write to us at confidentiality@nbc.ca.

Your refusal to give consent could prevent us from acting on your behalf, and you may be refused a particular product or service as a result. However, once you have been granted credit, we cannot withdraw your consent to disclose information about your credit record to other lenders and to credit bureaus. This measure is designed to preserve the integrity of the credit lending process.

A Question of Identification

We also need your social insurance number to comply with tax legislation. For example, if you open an account that generates interest or if you invest in a retirement savings plan or retirement income fund, we will ask for your social insurance number so that we can issue tax receipts.

Your social insurance number also helps us identify you with financial institutions, public registries, regulatory authorities and bodies, employers and professionals. It can also enable us to distinguish your information from that of other clients whose name may be similar to yours. This differentiation is particularly important when we have to check your creditworthiness. Although you are not required to disclose your social insurance number for identification purposes, we think it is in your interest to do so.

A Question of Choice

We will obtain your consent in order to offer you, through telemarketing² or otherwise, financial products and services that are likely to interest you or meet your needs. Your personal information may also be conveyed to our subsidiaries and, in certain cases, carefully selected business partners³ so that they, too, may offer you their products and services in the same way. The consent you provide for this purpose has precedence over the National Do Not Call List⁴.

If you do not wish to be informed about our financial products and services, simply notify your branch, TelNat, your representative at the subsidiary where you do business or any of our partners to have your name removed from the list prepared by the Bank, subsidiary or partner for such purpose. This choice will not impact the service you receive in any way.

However, taking this step will not prevent the Bank from sending you regulatory inserts and printing messages on your statement of account or ABM receipts, or our employees from providing you with information about our products and services in person.

A Question of Respect

Under certain circumstances, we must disclose your information to third parties. When doing so, however, we take care to ensure your information is protected.

> If required to serve you

In order to offer you our products and services, we must disclose information about you to credit bureaus, our subsidiaries or affiliates, or some of our service providers.

If, for instance, you authorize us to convey information concerning your creditworthiness or credit record to other lenders or to credit bureaus, the only information disclosed is your identity and your ability to meet your financial obligations.

In order to offer you our products and services and to comply with the measures necessary to manage risks and update your client profile, we sometimes disclose your personal information to other subsidiaries or affiliates of National Bank of Canada where permitted by law. We inform them of changes to be made to your file, which simplifies and accelerates the processing of your applications and transactions. Information about your health, which is disclosed when you sign up for an insurance product, is not accessible to the other National Bank of Canada subsidiaries or affiliated companies.

In providing certain services to you, such as printing cheques or issuing bank cards, we occasionally use suppliers, some of which may be located in the United States. We only disclose the information to them that they need to provide the service, and we require a formal commitment from them to respect the confidentiality of any such information.

> If required by law

We are legally bound to disclose information about you when we or one of our service providers receives a valid request, search warrant, subpoena or other government or court order. These requests may come from Canadian or foreign authorities, most likely American.

> If we must protect the bank's interests

In cases where we are involved in court proceedings, we may have to disclose, on our own initiative, personal information about you. Moreover, if we must return an NSF cheque, a third party would then know that your account is overdrawn. Similarly, if we must use a collection agency, a third party could then deduce that you are not meeting your financial obligations to us.

> If public interest is endangered

It is our duty to denounce criminal activity such as fraud or money laundering. In all such cases, authorities will be contacted and personal information could be disclosed at that time.

A Question of Access

You can consult your personal information that we have on file free of charge. Simply submit a request in writing to your branch, subsidiary representative or by e-mail at confidentiality@nbc.ca. We will reply to you within 30 days of receiving your request.

A Question of Accuracy

We will do our utmost to keep your personal information up to date, but we ask that you help us by notifying us of any change in your information. In addition, if you notice any errors or inaccuracies, please let us know and we will make the necessary corrections. If we have conveyed incorrect information to third parties, we will do everything possible to bring these corrections to their attention.

A Question of Security

We take the necessary precautions to prevent your information, regardless of its form or location from being lost, destroyed, stolen, consulted, disclosed, copied, used or altered without authorization. We have implemented various security measures, such as:

> *Physical measures:* Including the protection of infrastructure, such as ensuring that access to our premises is secure, and that equipment is in a secure location.

> *Administrative measures:* Aimed at limiting access to your personal information. Only employees who need to consult your information for work purposes may do so.

> *Technical measures:* Such as closely managing passwords and using a firewall.

Moreover, the passwords, user codes and personal identification numbers (PIN) you use to access certain financial services are confidential and you are the only one who knows them. Our employees have no way of accessing this information and will never ask you for it. You should never disclose your passwords, user codes or PINs, or include personal information in e-mails. We invite you to consult the ABCs of Security on our website at nbc.ca.

A Question of Document Retention and Destruction

Your personal information is kept only for as long as the service is provided. The retention period may vary, depending on the product or service offered. Even if you stop doing business with us, we might keep some information in order to, among other reasons, comply with laws, settle future transactions or look up past transactions. When this information is no longer necessary, it is destroyed. When destroying documents, we follow strict procedures and ensure that only authorized personnel has access to them.

Any Questions?

If you have questions or comments regarding how your personal information is managed, contact the Customer Service Manager at your branch, TelNat, your subsidiary representative or write to us at one of the following addresses:

- > Privacy Officer
600 de La Gauchetière West
6th Floor
Transit 4125-1
Montreal, Quebec H3B 4L2
- > confidentiality@nbc.ca

For further information on this subject, consult the "For better banking relations with you" pamphlet, available at all our branches. In it you will find a complete description of the complaint settlement process and information on how you can contact the Ombudsman for Banking Services and Investments.

You also have the option of contacting the Privacy Commissioner of Canada at the following address:

- > Privacy Commissioner of Canada
112 Kent St.
Place de Ville
Tower B, 3rd Floor
Ottawa, Ontario K1A 1H3
Telephone: 613-995-8210
Toll-free: 1-800-282-1376

National Bank of Canada takes privacy seriously and ensures that all the necessary measures are in place to protect your personal information.

SECURITY TIPS

Your Password is your electronic signature – do not reveal it to anyone under any circumstances:

- > Do not use the same Password for more than one Card;
- > Never lend your Card to anyone. It belongs to you and is for your use only;
- > Memorize your Password – do not write it down anywhere;
- > Change your Password regularly – at least once a month – in order to reduce the chances of it being discovered. If you have reason to suspect that it is known by others, select a new one immediately;
- > Never use numbers that could be easy to identify, such as those based on your address, telephone number, social insurance number or date of birth;
- > When you are using your Card and must enter your Password, be sure to use your hand or body to block others' view of the keypad;
- > Always remember to retrieve your Card and take the transaction slip before leaving the premises;
- > Keep your eye on your Card at all times and be sure to retrieve it once you have completed your transaction.

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AGREEMENT GOVERNING THE USE OF THE MASTERCARD™ BUSINESS CARDS ISSUED BY NATIONAL BANK OF CANADA

We agree to make available to you a business Account and Card which you may use up to the Credit Limit originally indicated on the Card Carrier accompanying your Card and, thereafter, on your Statement of Account. Your first use of the Account, Card or a Cheque is confirmation of your acceptance of the terms and conditions of the Agreement or, if applicable, its renewal or amendment. You, your assigns as well as any Holder agree to respect the provisions of the Agreement.

If you would like to obtain information about your Account or your Card, you can call us during our regular business hours at 1-800-363-3339 (toll free) or at 514-394-1410 or visit our website at nbc.ca.

TERMS AND CONDITIONS APPLICABLE TO YOUR MASTERCARD

1. DEFINITIONS

Account: means the MasterCard account that you have with the Bank, alone or jointly with other individuals or legal persons, through which you may obtain Cash Advances and pay for Purchases.

Agreement: means this agreement and any amendments hereto.

Authorized Signatory: means the person(s) who completed an application form and who is (are) duly authorized to represent the Company and to manage the Account.

Automated Services: means our automated banking services accessible with your Card, including access to your Account or another bank account you have at the Bank by way of an automated banking machine or other authorized equipment.

Bank: means National Bank of Canada. The terms "we," "us" and "our" refer to the Bank and, if applicable, all its affiliates such as National Bank Trust Inc., Natcan Trust Company and National Bank Securities Inc.

Card: means a MasterCard issued by the Bank on which the name of the Company and the name of the Holder of the Card are printed.

Card Carrier: means a document on which your Card is affixed, which we have sent to the last known address in our files.

Cash Advance: means an advance of funds obtained (i) through our Teller Services or Automated Services, (ii) through the teller services or automated banking machine of any other financial institution where such cash advances are permitted, (iii) using Cheques, (iv) by transferring the balance of another credit card to your Account, (v) by performing quasi-cash transactions, (vi) by using overdraft protection with any type of account held at the Bank, or (vii) transferring funds from your Account in any authorized manner.

Quasi-cash transactions are purchases made from any merchant of articles that can be converted directly into cash. They include, but are not limited to, money orders, wire transfers, travellers cheques and transactions related to gaming (including, but not limited to, betting, off-track betting, race-track betting, casino chips and lottery tickets).

Cheques: means the cheques that may be drawn on the Account, which the Bank may give you from time to time.

Company: means the Company that applied to open a credit card account and to be issued the related cards and whose name appears on the Card Carrier.

Compensation Plan in the Event of Fraud: means the compensation plan described in section 14 of this Agreement.

Credit Limit: means the credit limit indicated on the Card Carrier and then on your monthly Statement of Account.

¹ Means *National Bank of Canada*, its successors and assigns, and all its subsidiaries offering to the public in Canada deposit and lending services, credit, debit and payment cards, trust services, custodial, brokerage, insurance and other personal financial services, including *National Bank Trust Inc.*, *National Bank Securities Inc.* and *Natcan Trust Company*. Some subsidiaries may be subject to specific statutes. A list of our main Canadian subsidiaries can be obtained at any National Bank branch.

² Telemarketing consists in using telecommunication installations to make non-solicited telephone calls or send non-solicited faxes to consumer for solicitation purposes.

³ To find out who our partners are, visit our website under http://www.nbc.ca/bnc/files/bncmisc/en/2/partenaires_e.html or call 1-888-9MYCARD (toll free)

⁴ For further information about the National Do Not Call List, go to <http://www.innte-dncl.gc.ca> or call 1-866-580-DNCL.

Electronic Banking Solutions: means our Internet Banking Solutions and our TelNAT Telephone Banking Solutions.

Holder: means the person to whom a Card is issued and, unless otherwise specified, includes the Authorized Signatory(ies) designated on the Card application form.

Password: means (i) your personal identification number (PIN), i.e., the confidentiality code that belongs to you and enables you to carry out transactions using your Card, (ii) the temporary secret code that we initially issue you and that enables you to select your PIN at an automated banking machine, (iii) the secret code that enables you to carry out transactions using one of our Electronic Banking Solutions, and (iv) the secret code that you have selected through a participating merchant for your online transactions.

Point-of-Sale Terminal: means an electronic terminal equipped with a card reader with or without a keypad used to enter the Password and which is used to pay for Purchases or to obtain Cash Advances, notably automated banking machines, point-of-sale terminals at a merchant and in-home card terminals.

Purchase: means the acquisition of goods and services, in person, over the telephone, via the Internet or through the mail, by any individual or legal person, from any merchant affiliated with the MasterCard International Inc. system at the time of the Purchase.

Statement of Account: means the detailed statement of all amounts debited or credited to your Account that we send to you on a monthly basis.

Teller Services: means the services offered in our branches during regular business hours where you may carry out different banking transactions.

You and Your: means the Company and each individual or legal person who has signed and produced a Card application, who has an Account, whose name appears on the monthly Statement of Account or to whom a Card has been issued.

2. OTHER AGREEMENTS

Other agreements entered into with the Bank may also apply to the Account or Card, namely the “Agreement Governing the Use of Automated Services and Electronic Banking Solutions.” In the event of conflict, the provisions of this Agreement shall prevail over other agreements.

3. LIABILITY

If applicable, and as specified on your Card application form, the Company and Authorized Signatories are solidarily (in Quebec) and jointly and severally (in the rest of Canada) liable together for all the obligations set out in the Agreement, including any obligations resulting from the use of the Account or Card by any Holder or any other person who may be authorized to use the Account or Card. In particular, the Company and Authorized Signatories are liable for all Purchases, Cash Advances, interest and fees related to the Card and charged to the Account.

If applicable, and as specified on your Card application form, only the Company is liable for all the obligations set out in the Agreement, including any obligations resulting from the use of the Account or Card by any Holder or any other person who may be authorized to use the Account or Card. In particular, the Company is liable for all Purchases, Cash Advances, interest and fees related to the Card and charged to the Account.

4. CREDIT LIMIT

You must not use your Card beyond the Credit Limit granted to you, although we may authorize an over-limit at our discretion. Such authorization, if applicable, does not constitute an increase in your Credit Limit and you are still responsible for paying any amount in excess of your Credit Limit.

At our discretion and after reviewing you file, we may change your Credit Limit without notice. Your new Credit Limit will appear on the Statement of Account that we provide to you.

If you have selected the Cash Advances option and it has been authorized, we may restrict them to a lower amount than the authorized Credit Limit. We may impose withdrawal limits on Cash Advances whenever we deem necessary in order to protect our respective interests.

5. CHEQUES

From time to time, the Bank may issue you Cheques which will be drawn on your Account. These Cheques cannot be used to repay the balance of your Account and cannot be payable to the Bank, to yourself or be used as a specimen. They cannot be exchanged for cash or a Bank product. They must be issued in Canadian currency only and cannot be subject to stop payments. If applicable, we will inform you of the other conditions governing the use of these Cheques and if you use these Cheques, you will be bound by this Agreement as well as by the additional conditions indicated in the offer.

6. INTEREST CALCULATION

All Purchases and Cash Advances bear interest at the annual interest rate originally indicated on the Card Carrier and on your Statement of Account. Such interest is calculated on the daily balance of your Account.

No interest on the amount of Purchases charged to your Card will be payable if you pay your entire Account balance by the due date indicated on your Statement of Account. If you make a partial payment, interest will be calculated on the daily balance of your Account from the date your Purchases are posted to your Statement of Account. Interest is payable on the amount of Cash Advances and must be paid by the due date indicated on your Statement of Account. Interest accrues from the date of the Cash Advance until we receive payment in full.

If applicable, any over-limit in the amount of Credit Limit available will also bear interest at the annual interest rate in effect on your Account.

No interest will be paid to you on any credit balance on your Account.

We will notify you in writing of any changes to the annual interest rate.

7. NON-INTEREST CHARGES

If applicable, the annual fee applicable to the main Card and any additional Card is indicated on the Card Carrier. The initial fee will appear on the second statement you receive after your Card is issued, whether or not the Card is activated, and once every year thereafter. The annual fee is non-refundable.

The fees below will be charged to your Account on the day of the transaction or the event, or shortly thereafter.

Additional copy of sales slip	\$5.00 (1)
Additional copy of statement of account:	\$5.00 (1)
Cheque issued for credit balance:	\$5.00
Payment of Account declined:	\$40.00
Pre-authorized payment:	\$1.00 / month
Conversion fee for transactions in a foreign currency:	2.5% (2)
Fees for cash advances:	
> Automated services (banking machines):	\$2.00
> Teller transactions:	\$2.50
> Other financial institutions in Canada (branches* and <i>Interac**</i>):	\$2.50
> Other financial institutions outside Canada (branches* and CIRRUS**):	\$5.00

- (1) No fee will be charged for a request made within 30 days of the Statement of Account issue date.
- (2) The conversion fee for transactions in a foreign currency is equal to the exchange rate in effect on the date the transaction is posted to the MasterCard Account plus 2.5%.

* With a MasterCard network member institution.

** Trademarks of *Interac* Inc. and CIRRUS System Inc. Authorized user: National Bank of Canada.

We will notify you in writing of any changes to the non-interest charges.

8. PAYMENT

You undertake to pay the amount of any transaction carried out by means of your Card or the Account, plus the fees and interest charged under the terms of this Agreement. The minimum payment for each period corresponds to the amount indicated on your Statement of Account, i.e., one of the following:

- A. > If it is specified in your application form that only the Company is liable for any amounts owing as result of the use of the Account or Card and sufficient security has been given to the Bank by the Company to guarantee such payment, or:
 - > If it is specified in your application form that the Company and the Authorized Signatories are solidarily or jointly and severally liable for any amounts owing as a result of the use of the Account or Card:

Partial payment of 3% of the balance indicated on the Statement of Account or \$50, whichever is greater (or the amount of the new balance if it is under \$50) within 21 days of the statement date. Any overdue payment is added to the minimum payment due for a given month. If you have exceeded your Credit Limit, the minimum payment due will be 3% of the Account balance or the amount exceeding the Credit Limit, whichever is greater.

- B. > If it is specified on your application form that only the Company is liable for any amounts owing as a result of the use of the Account or Card and no security has been given to the Bank by the Company to guarantee such payment:

Payment in full of the balance indicated on the Statement of Account within 21 days of the statement date.

You may make a full payment at any time. In the case of a partial payment, interest will be calculated as described in section 6 of the Agreement

Payment can be made at no charge via our Teller Services, our Automated Services and our Electronic Banking Solutions. For payment by mail, please make your cheque or money order payable to National Bank of Canada and send it to 600 De La Gauchetière West, Transit 4040-1, Montreal, Quebec H3B 5B1.

When you make a payment, be sure to leave enough time for us to credit your Account no later than the due date indicated on your Statement of Account. Any credit note issued by a merchant will be credited to your Account on receipt. However, you are still responsible for paying the balance of your Account until we receive such a credit note.

If you do not make the minimum payment on the due date or if you do not respect any other terms of the Agreement, we can collect the amounts due from any other account you hold with us and apply them to your Account, without prior notice.

9. APPLICATION OF PAYMENTS

The payment you make is applied to the amounts that appear on your monthly Statement of Account in the following order: (i) interest, (ii) miscellaneous fees, including non-interest related fees and charges, (iii) Cash Advances outstanding from the previous balance, (iv) Purchases outstanding from the previous balance, and (v) Cash Advances and Purchases appearing on your Statement of Account for the current period. Transactions made after the billing date will be carried forward to your Statement of Account the following month.

The order of application of payments may differ from that described above when you benefit from a promotional interest rate. In such a case, we may apply your payment first to Purchases or Cash Advances bearing interest at the lowest rate.

10. USE OF ACCOUNT AND CARD

You can use your Account or Card, up to your authorized Credit Limit, for the following purposes:

- a) Paying for Purchases by charging the amount of Purchases to your Account; and
- b) Obtaining Cash Advances, if you have selected this option and it has been authorized.

The Bank may at any time and without prior notice refuse to authorize Purchases or Cash Advances, particularly if the total amount of Purchases or Cash Advances exceeds the Credit Limit or leads to an over-limit of the Credit Limit.

You acknowledge that the Account and Card are not to be used for the benefit of any other individual or legal person or on their behalf. When using overdraft protection, the cash advance used to cover the overdraft will be rounded up to the closest one hundred dollars (\$100.00). To find out the services fees which will be charged by the Bank, please refer to the “Fee Guide – Banking Services for Businesses”.

You agree that the Account and Card are to be used only in the course and for the purposes of the Company’s business activities and they may not be used for illegal or illicit purposes. We reserve the right to refuse any transaction for any reason whatsoever in order to protect our respective interests.

You can use the Card anywhere it is accepted. We cannot be held responsible if a merchant or a company refuses your Card.

11. CARD OWNERSHIP

Your Card remains our property at all times and cannot be transferred to a third party. It must be returned to us on demand, particularly if you contravene any of the provisions set out in this Agreement. We may issue, replace or revoke your Card at our discretion.

12. CARD USE PERIOD

You may use your Account or Card for the period we determine. The validation date and expiry date are indicated on your Card. However, you are still responsible for paying for any Purchase or Cash Advance made after the expiry date of your Card and charged to your Account.

13. LOSS OR THEFT OF YOUR CARD

You must notify us if your Card is lost or stolen. You must also notify us if you have reason to believe that a third party has used your Card or Account number without your authorization. You will not be held liable for the unauthorized use of your Card from the time we receive a written or verbal notice from you. Similarly, you will not be held liable for amounts of Purchases or Cash Advances charged to your Account prior to our receiving your verbal or written notice of the unauthorized use of your Card provided that (i) your Account is in good standing, (ii) you have exercised reasonable care to protect your Card and (iii) you have not notified us of two or more unauthorized activities in the previous 12 months. In all cases, you must cooperate in any investigations into the circumstances surrounding the unauthorized use of your Account or Card and, if applicable, file a complaint with the police. You authorize us to take any measures deemed necessary to recover your Card and to report the loss or theft of your Card to the appropriate authorities to facilitate its recovery.

Notwithstanding the foregoing, you are responsible at all times for transactions carried out using your Card and Password if you contributed to the unauthorized use of your Card and Password by, for example, disclosing your Password, 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. We invite you to refer to the security tips that apply to your Card and your Password at the end of this Agreement.

14. COMPENSATION PLAN IN THE EVENT OF FRAUD BY THE HOLDER

If applicable, the compensation plan entitles you to a reimbursement limited to the actual loss resulting from the fraudulent use of the Account or Card by the Holder. This plan covers fraudulent use by the Holder only and does not apply to Authorized Signatories. Compensation is limited to \$10,000 per Account per 12-month period.

To be eligible for the plan, the Company and all Authorized Signatories must fully cooperate with the Bank and file a formal complaint with the police. The plan is subject to the conditions set out in section 13 “Loss or Theft of your Card.” Notably, the plan does not apply if the Holder was negligent and contributed to unauthorized or fraudulent use of the Card by any person other than a Holder.

15. CARD PRIVILEGES

We may, at our discretion, suspend, revoke or modify the features, privileges or advantages associated with your Card. Without limiting the generality of the foregoing, we reserve the right to withdraw a rewards point program or terminate any other promotion associated with your Card. We can terminate a promotional interest rate or a reduced interest rate if you have not made the payment in accordance with section 8 “Payment” of this Agreement and if you have still not made this payment at the date of the next Statement of Account. Likewise, we can terminate a promotional interest rate or a reduced interest rate if you do not comply with one of the terms stated in this Agreement.

16. CONSENT

Each transaction carried out using your Card and your handwritten signature, on paper, through a merchant confirms that you have consented to this transaction. Furthermore, any transaction carried out with (i) your Card and your Password or (ii) your Card and the appropriate technology such as a Point-of-Sale Terminal, is just as legally binding as a transaction carried out in accordance with written instructions signed by you on paper, and you are deemed to have authorized such a transaction.

As a result, you acknowledge and agree that the posting of a transaction to your Statement of Account indicating a Purchase or Cash Advance constitutes irrefutable proof that a service or goods were supplied to you.

17. TRANSACTIONS VIA TELEPHONE, INTERNET OR MAIL

When you use your Account number to make a transaction without presenting your Card, for example by telephone, Internet or mail, you are assumed to have consented to this transaction as if it had been carried out in accordance with written instructions signed by you on paper.

As a result, you acknowledge and agree that the posting of such a transaction to your Statement of Account constitutes irrefutable proof that a service or goods were supplied to you.

18. STATEMENTS OF ACCOUNTS

Every month, we will produce and send you a Statement of Account indicating the debits and credits to your Account during the period covered by the statement unless you have not used the Account or Card and therefore have no balance payable. You must check each Statement of Account sent to you within 30 days of the statement date and notify us of any errors or irregularities appearing thereon. After this 30-day period, you will no longer be able to contest items posted to your Statement of Account. The balance will then be considered to be final and accurate, except for errors or irregularities that you will have already brought to our attention within the required period.

Any Statement of Account or notice sent to you by the Bank under the terms of the Agreement is deemed to have been delivered or given to you at your last known address in our records if it is sent to you by regular mail or, if applicable, the electronic address you have designated if it is sent to you through our Electronic Banking Solutions or other designated information processing system. Statements sent electronically are deemed to be received the moment they are sent through our information processing systems. You must notify us immediately if you have not received a Statement of Account within 10 days of the date you normally receive your monthly statement.

You may obtain a copy of supporting documents for each of the transactions appearing on your Statement of Account at no charge within 30 days of the statement date.

19. TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currency appear on your statement in Canadian dollars. A transaction in U.S. currency will be converted into Canadian dollars at the exchange rate established by *MasterCard Worldwide*, plus 2.5%. A transaction in foreign currency other than in U.S. dollars will first be converted into U.S. currency at the exchange rate established by *MasterCard Worldwide*. The amount thus converted into U.S. dollars will then be converted into Canadian currency at the exchange rate set by *MasterCard Worldwide*, plus 2.5%. The applicable exchange rate is the rate in effect at the time the transaction is posted to your statement, whether it is a debit or a credit.

20. THE À LA CARTE REWARDS PLAN

Some of our cards allow you to take advantage of our À la carte Rewards Plan, which allows you to accumulate points that can then be redeemed for merchandise, travel and other rewards. If you are holder of one of these cards, you are bound by the conditions described in the À la carte Rewards Plan Regulations. You can consult the regulations at nbcrewards.ca.

21. PASSWORD AND CONFIDENTIALITY

You must protect your Password and keep it confidential at all times. You must notify us immediately if the protection or confidentiality of your Password is compromised or if you suspect another person of knowing it.

The “Agreement Governing the Use of Automated Services and Electronic Banking Solutions” which you signed when you chose your Password applies to the transactions you perform using your Card and Password.

22. AMENDMENT TO THIS AGREEMENT

We can at any time and at our discretion modify the terms of this Agreement by providing at least 30 days’ prior notice. An amendment to the Agreement does not create a new agreement and the unamended provisions of the Agreement remain in full effect. If you use your Account or Card, draw a Cheque, or if a balance is outstanding when any amendments are made, you will be deemed to have taken cognizance of the amendments and agreed to be legally bound by them.

23. CANCELLATION AND PAYMENT ON DEMAND

The Account and Card are made available to you entirely at our discretion. We therefore reserve the right to terminate all or part of your right to use the Account and Card, particularly if you are in default with respect to the terms and conditions of the Agreement, and to demand immediate payment in full or in part of the amount of principal, interest and fees outstanding under the Agreement. If we choose to terminate your right to use your Account and Card, we will be able to exercise all our recourses, including those arising from any security. Any omission on our part to exercise any of these rights does not constitute a waiver to exercise such rights in the future.

Similarly, if you are liable for all obligations as a result of the use of the Account or Card and you assign your property to the benefit of your creditors, or if you submit a proposal to your creditors or resort to bankruptcy protection under insolvency legislation, the total amount outstanding under the Agreement will become payable immediately.