

Personal
Account
Operating
Agreement



Personal Account Operating Agreement

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Personal Account Operating Agreement

The terms and conditions that apply to the Accounts and use of our Services are set out below. Some Accounts and Services may be governed by separate agreements with BlueShore Financial Credit Union (BlueShore Financial). Unless otherwise notified, this Agreement applies to all Client Accounts and any new Accounts, Remote Access Services, or other Services that we may provide to you in the future, and your use of those Accounts or Services confirms your acceptance of this Agreement as applies to that Account or Service.

There are four major parts to this Agreement:

- A. [General Rules Applicable to Accounts](#)
- B. [Additional Rules Applicable to Remote Access Services](#)
- C. [Other Terms](#)
- D. [Definitions](#)

This Agreement includes important terms and conditions governing your relationship with BlueShore Financial. It is important that you take the time to read and ensure that you understand the terms and conditions that apply to you. If you have any questions about this Account Operating Agreement, just ask any of our Account Representatives or contact our Solution Centre at 604.982.8000 or 1.888.713.6728.

In exchange for BlueShore Financial maintaining the Accounts that you have opened and providing you Services, you agree to the following terms and conditions.

A. GENERAL RULES APPLICABLE TO ACCOUNTS

1. Credit Union Membership

If you are not already a client of BlueShore Financial, by applying to open an Account you apply to become a member of BlueShore Financial and agree to subscribe and pay for the minimum number of membership shares in BlueShore Financial.

2. Opening Accounts and Client Information

You authorize BlueShore Financial to open Accounts for you in accordance with the Account Application. You will:

- (a) take all steps required by us to verify your identity and your authority to hold or operate Accounts and use Services;
- (b) provide information and documents, or take other steps, required by BlueShore Financial, to meet our regulatory or other legal obligations or to comply with our risk management policies. You will provide information and requested documentation so that we know who is giving Instructions, directly or indirectly, relating to use of your Accounts and Services, to know your intentions for use Accounts and our Services, to give us information about any Transaction or proposed Transaction, and to verify or periodically update the information and documents provided to us when we ask you to do so; and
- (c) if we ask you to, provide an initial deposit at any BlueShore Financial branch or by a cheque drawn by you on an account held by you at a Canadian financial institution, including BlueShore Financial, any other credit union, caisse populaire, chartered bank or trust company.

If you refuse to do these things:

- (a) **we may, in our discretion and without notice, close or place a Hold on Accounts, refuse to act on Instructions or complete Transactions, reverse Transactions, limit your access to Services, or refuse to proceed further with an Account Application; and**
- (b) **we will not be liable for any Loss of any kind arising from taking such action.**

3. Copy of Agreement and Signatures

You acknowledge receiving a copy of this Agreement and agree that it does not require a signature to be binding.

4. Use of Accounts

You agree to use the Accounts and Services only for lawful personal banking purposes. You will not use the Account or Services for the benefit of Third Parties or in any manner that is defamatory of BlueShore Financial or any Third Party. You will not use the Accounts or Services in any manner associated with illegal activities or activities that could harm our reputation. You will take all reasonable precautions to maintain the security and integrity of the Accounts, to prevent fraud on the Accounts, and to prevent delivery of fraudulent or counterfeit Instruments for deposit to the Accounts.

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Where you know of any Suspicious Circumstances, you have a duty to:

- (a) before negotiating or accessing any funds derived from Suspicious Circumstances, to make reasonable inquiries of proper Third Parties into the Suspicious Circumstances to ensure that Transactions, Instructions or Instruments, as the case may be, are valid and authorized; and
- (b) disclose to BlueShore Financial your suspicion and the facts upon which your suspicion is based.

BlueShore Financial may, in its discretion, investigate any Suspicious Circumstances, whether or not disclosed by you, but does not owe you any obligation to do so. BlueShore Financial may place a Hold on any Accounts pending investigation of improper use of Accounts or Services or Suspicious Circumstances. If, to our satisfaction, any improper use is established, BlueShore Financial can, in its discretion, place or maintain a Hold, or close Accounts or limit or withdraw Services without notice.

5. Deposits and Payments to BlueShore Financial

Deposits to Accounts can be made in Canadian funds at any BlueShore Financial branch, through any Canadian ATM displaying the "Exchange" logo, through direct deposit or Remote Deposit Service, from other Accounts at BlueShore Financial, from External Accounts, or by mailing a cheque to the BlueShore Financial branch where the Accounts are maintained. Deposits to the Accounts may only be made in foreign currency where facilities are available. We have the right to refuse any deposit.

We can credit deposits to the Accounts made by any person on your behalf, and you are responsible for those deposits. If a deposit is made by cheque or other non-cash Instrument, we can, but are not obliged to, implement a Hold Period, for a duration deemed appropriate by us to allow for clearing or potential chargeback of the Instrument, except to the extent prohibited by law. We may apply or extend a Hold without prior notice if we receive a notice of claim or chargeback affecting funds on any of the Accounts or if payments received are or become revocable. Any credit to the Accounts for any non-cash Instrument is provisional and subject to reversal unless we have received actual irrevocable payment, free from any Third Party claims.

You will not deposit any coins through an ATM and will not deposit non-negotiable items or anything not acceptable for deposit to the Accounts in any way. You are liable for all fraudulent or worthless deposits made to the Account. You agree to pay to us any Loss suffered by us as a result of deposit of any non-negotiable, fraudulent or otherwise worthless Instrument, Instruments that BlueShore does not accept for deposit, or does not accept for deposit using the Service employed by you to make the deposit, or arising from the deposit of any coins into an ATM.

BlueShore Financial may collect or present for acceptance all Instruments delivered to us by you for deposit, discount, collection or otherwise. You will provide any missing or required endorsements for those Instruments and indemnify and save us harmless from all Losses in connection with our handling of any Instruments. If you are unavailable to provide an endorsement on Instruments deposited to the Accounts when requested to do so, you authorize representatives of BlueShore Financial to endorse such Instruments for deposit to your Account, to act as your agent in doing so, and BlueShore may, in doing so, rely upon delivery of the Instrument for deposit as your representation that the Instrument is good and that you are entitled negotiate and be paid on the Instrument.

All Transactions are subject to verification and acceptance by BlueShore Financial, and if not accepted, will be reversed. Verification may take place on a date later than the date that you initiate the Transaction or that provisional credit is given to you. BlueShore Financial may also set restrictions on the value or types of Instruments that may be deposited, including deposits through ATMs or Remote Deposit Services. Current information about maximum deposit amounts and Instruments that may be deposited through ATMs, Remote Deposit Services, or otherwise, are available at any BlueShore Financial branch, on the Website, or by contacting the Solution Centre.

You also agree that BlueShore Financial has absolute discretion to stipulate the manner of payment of any amounts owing by you to BlueShore Financial under this Agreement or any other agreement that you have with BlueShore Financial. Any attempt by you to make payment to BlueShore Financial in a manner that is not acceptable to us will not be a legal tender of amounts due and owing by you to us and refusal by BlueShore Financial to accept such a payment will not relieve you of your obligations to make timely and full payment to us in a manner acceptable to us.

6. Withdrawals

Subject to our rights to refuse or limit Transactions and Services, and to any election you made on the Account Application form: (a) you can make withdrawals from the Accounts at any BlueShore Financial branch or through designated ATMs using your Access Card; (b) draw encoded cheques on the Accounts for which the cheques are encoded; and (c) use your Access Card to make direct payment Transactions at a POS or through Remote Access Services that BlueShore Financial agrees to provide to you or through which BlueShore Financial is prepared to accept Instructions. All Transactions are subject to applicable Service Charges.

7. Transfers

You may transfer funds using Services that BlueShore Financial Agrees to provide, including through Remote Access Services that permit transfers from the Accounts to another Account or to an External Account. Some transfers may be provided through Third

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Party Service providers and, in such case, the ability to engage in and complete the Transaction may be subject to additional rules, requirements or contracts between you and the Third Party Service Provider, and to payment of Third Party fees.

8. Maximum Withdrawal and Transfer

BlueShore Financial, in its discretion, may restrict the amount of withdrawals that can be made, or require notice periods for withdrawals, including maximum amounts that you can withdraw, pay or transfer through a POS or Remote Access Terminal, or in cash at a branch. BlueShore Financial may, in its discretion, alter withdrawal restrictions from time-to-time without prior notice to you. Current information about maximum withdrawal amounts applicable to the Accounts and Services are available at any BlueShore Financial branch, may be posted on the Website or obtained by contacting the Solution Centre. BlueShore Financial may, in its discretion, require that you provide it with 7 days' advance notice of any withdrawal from the Accounts in excess of \$50,000, and any withdrawal of cash in excess of \$9,000.

9. Authorized Account Charges

You agree to pay the following obligations and authorize BlueShore Financial to charge any of your Accounts in respect of such obligations, even if such charge creates or increases an overdraft, including:

- (a) **Instruments Drawn of Transactions on Accounts:** the amount of any Instrument drawn on the Accounts and any other Transactions or payment Instructions, including Instructions given verbally. You request and authorize BlueShore Financial to accept, rely upon and act upon your Instructions given in any manner permitted by the Remote Access Services, or which appear to have been provided by you, as if you had given signed written Instructions to BlueShore Financial, and even if those Instructions conflict with any other Instructions given at any prior time concerning the Accounts. You also authorize BlueShore Financial to debit the Accounts for any amounts BlueShore Financial has paid or incurred to implement the Instructions;
- (b) **Unpaid Instruments:** the amount of any Instrument that:
 - i. is not paid on presentation; or
 - ii. BlueShore Financial has been requested by you, to refund; or
 - iii. may be dishonoured by non-acceptance or non-payment; or
 - iv. involves a party that is bankrupt or insolvent; or
 - v. the proceeds of which, for any reason, BlueShore Financial is unable to collect or withdraw or has been charged back through the clearings; or
 - vi. has been cashed, negotiated or credited to any of the Accounts but which has been shown to the satisfaction of BlueShore Financial, in its discretion, to be the proceeds of a fraudulent Transaction, including a counterfeit Instrument, an Instrument that has been altered, fraudulently prepared, signed or endorsed, an Instrument that has been returned or charged back to BlueShore Financial, or an amount for which demand has been made on BlueShore Financial through the clearings or otherwise for any reason whatsoever, and which appears in our discretion to be valid. You agree that BlueShore Financial retains all rights and remedies against all parties liable on any unpaid Instrument whether debited to the Accounts, or not, and if your Account is debited, such debit is not deemed payment of the Instrument;
- (c) **Lost or Destroyed Instruments:** the amount of any Instrument or the proceeds of which is lost, stolen, destroyed or otherwise disappears, other than solely through BlueShore Financial's own actual negligence;
- (d) **BlueShore Financial Costs and Service Charges:** all Service Charges and any and all expenses incurred by BlueShore Financial relating to operation of the Accounts, or when acting on your behalf. Current information on the Service Charges is available at any BlueShore Financial branch, through the Website or by contacting the Solution Centre. You irrevocably authorize and direct BlueShore Financial to debit the Accounts for the full amount of the Service Charges, costs or expenses reasonably incurred, or any amount otherwise owing by the Client to BlueShore Financial for any reason. Costs recoverable by BlueShore Financial relating to the operation of the Accounts shall include, but not be limited to, any and all costs, fees and expenses incurred by BlueShore Financial relating to disputes about this or any other agreement you may have with BlueShore Financial, disputes about or arising out of the Services, or arising out of your dealings with BlueShore Financial, the Accounts or the Services, including investigation costs, search fees, Court filing or registration fees, costs of responding to Third Party demands and Court orders for information about the Accounts and Services which require response, and include actual legal fees and expenses incurred by BlueShore Financial in respect of such matters. BlueShore Financial's right to recover costs shall not apply where you successfully pursue a claim against us in Court and we are ordered by the Court to pay your costs. While costs and expenses charged against the Accounts must be commercially reasonable, BlueShore Financial has no obligation to limit its recoverable costs and expenses to the best possible price available in the market;

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- (e) **Amounts Owing and Expenses:** any other amounts you owe to us; and
- (f) **Taxes:** all taxes including taxes on the supply of goods and services, if applicable, as required to be collected by BlueShore Financial.

The amounts set forth above owing to BlueShore Financial are deemed to be secured by any funds on deposit in the Accounts, and BlueShore Financial may consolidate and setoff such amounts owing to BlueShore Financial as between Accounts, with or without demand.

10. Instruments and Instructions

You authorize BlueShore Financial to, without enquiry, honour and pay all Instruments drawn on any of the Accounts and to implement any Instructions:

- (a) if the Instruments or Instructions are (where required) signed or are deemed to be signed, or are otherwise authorized, or reasonably appear to be authorized, by you;
- (b) if the signatures (where required) are substantially similar to specimens you provide on your signature card; and
- (c) regardless of the payee of such Instruments or whether they have been endorsed, or appear to have been endorsed, by the named payee.

BlueShore Financial is not required to confirm the identity or the validity of Instructions when provided with your PAN, Client Number or Access Codes, or an Access Card is used to give Instructions and, except as expressly specified in this Agreement, such Instructions shall be deemed to be authorized by and binding upon you. You acknowledge and agree that such Instructions may not be subject to revocation or countermand. BlueShore Financial may, in its discretion, require proof at any time of authority or verification of your identity before acting upon Instructions in your name, using your PAN, Client number or Access Codes, or otherwise, and may, in our discretion, refuse to accept any Instructions if we are not satisfied with such proof, but we have no obligation to you to do so.

11. Digital or Electronic Representations

BlueShore Financial is entitled to act upon any Digital or Electronic Representation made on your behalf, or reasonably appearing to be made on your behalf, for all purposes as though it were an original paper document or Instrument or an Instruction delivered directly to us by you and signed by you. You acknowledge that we and other financial institutions may reject or refuse to act upon any Digital or Electronic Representations, documents or Instruments that do not comply in all respects with all applicable laws, as well as the by-laws, regulations, Rules and standards of the Canadian Payments Association or BlueShore Financial.

12. Transaction Refusal and Reversal

BlueShore Financial may refuse to complete any Transaction, or reverse any Transaction, without any liability to you, if any of the following occurs:

- (a) the Transaction is one that BlueShore Financial cannot process;
- (b) the Transaction exceeds your balance, or overdraft, or credit limit, involves an Account that we deem as inactive, or exceeds the Transaction limits set by BlueShore Financial for the type of Transaction or Service you use to give your Instructions;
- (c) the Transaction is a bill payment or other payment to a person that does not accept the Transaction;
- (d) the Transaction violates any provision in this Agreement or any other agreement you may have with BlueShore Financial;
- (e) you are in violation of this Agreement or any other agreement you have with BlueShore Financial;
- (f) BlueShore Financial is unable to commence or complete the Transaction due to an equipment operational failure or malfunction or other causes beyond BlueShore Financial's control or reasonable control;
- (g) BlueShore Financial becomes aware that the Transaction originates from or involves a counterfeit or fraudulently prepared, issued or altered Instrument or the proceeds of fraud, a breach of trust, or criminal activity; or
- (h) for any other reason BlueShore Financial, in its discretion, reasonably considers necessary to protect its interests, whether legal, reputational or otherwise.

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BlueShore Financial may verify all Transactions and Instructions and if not accepted, Transactions will be reversed. Verification may take place on a date after the date that you initiate the Transaction. Amounts credited to the Accounts from non-cash deposits, or cash deposits through an ATM, may not be available for withdrawal until the deposits are verified. Withdrawals or transfers using the Access Card will be debited to the Accounts after the Instruction is received by us and when we process the Transaction.

13. Interest Bearing Accounts

If any of the Accounts are entitled to be credited for interest paid by BlueShore Financial on a positive balance, or charged interest on an overdraft balance, BlueShore Financial will calculate and pay or charge interest in accordance with our applicable interest rates, calculation periods and payment frequencies. You acknowledge having received details on interest rates, calculation periods and payment frequencies applicable to each of the Accounts, including interest payable on any Overdraft Amount. BlueShore Financial may change the interest rate in effect on the Accounts and the rate payable, including on any Overdraft Amount, from time to time, in accordance with BlueShore Financial's policies and any applicable laws. Information on applicable interest rates may be obtained from a BlueShore Financial branch, through the Website or by contacting the Solution Centre.

14. Authorized Overdrafts

You may apply for and, in BlueShore Financial's discretion, be granted overdraft privileges on the Accounts. If you are granted overdraft privileges on any of the Accounts, you will not conduct or try to conduct any Transaction that would result in an unauthorized overdraft exceeding your authorized overdraft limit. You will pay BlueShore Financial interest on the authorized overdraft amount at the rate agreed to between you and BlueShore Financial, and absent an agreed rate, the higher rate of 24% per annum compounded monthly (an effective annual rate of 26.82%) or BlueShore Financial prime, plus 5%, per year, compounded monthly, up to the maximum effective annual interest rate permissible by law. Any authorized overdraft shall be repayable on demand, and in any event, a positive credit balance must be re-established in the Account for one full day within 90 days of the creation of the overdraft. In the event of a breach of this provision or failure by you to repay an authorized overdraft immediately upon demand, any outstanding overdraft of all or any of the Accounts shall become an unauthorized overdraft.

15. Unauthorized Overdrafts

Unless you have authorized overdraft privileges, overdrafts are not permitted on any of the Accounts. You will not conduct or try to conduct any Transaction that would result in an unauthorized overdraft or increase to an unauthorized overdraft. If any of your Accounts go into an unauthorized overdraft, you agree to pay BlueShore Financial interest on the Overdraft Amount at the higher rate of 24% per annum compounded monthly (an effective annual rate of 26.82%) or BlueShore Financial prime, plus 5%, per year, compounded monthly, up to the maximum effective annual interest rate permissible by law.

We may in our discretion, process a Transaction and charge Service Charges to the Accounts, even if an unauthorized overdraft is created or increased. If we do so, it will not constitute permission by us for you to maintain or have future unauthorized overdrafts on the Accounts. You agree to pay to BlueShore Financial the Overdraft Amount. Overdraft Amounts are immediately due and payable to us without need for demand, however, you must pay such Overdraft Amount to us immediately if we make demand for payment.

In the event of an Overdraft Amount on any of the Accounts, BlueShore Financial may, in its discretion:

- (a) setoff the amounts on deposit or as later deposited to the credit of any of the Accounts against the Overdraft Amount without prior notice to you; and/or
- (b) if the Overdraft Amount is not paid immediately on demand, treat your failure to re-establish or maintain a credit balance in the Accounts, or any of them, as a request by you to withdraw from the membership of BlueShore Financial, in which case:
 - i. your Agreement to this term may be relied upon by us as your written request to withdraw from the membership of BlueShore Financial; and
 - ii. BlueShore Financial may close Accounts, redeem or purchase, in its discretion, your membership shares, and setoff any amounts on deposit to the credit of any Accounts, the liquidated amount in your membership share Account, and any declared but unpaid dividends on your membership shares, against the Overdraft Amount and other amounts you owe to BlueShore Financial; and/or
 - iii. treat the Overdraft Amount, or the amount of it that remains after we exercise our setoff rights, as a demand loan in the Overdraft Amount, bearing interest at the rates payable on an Overdraft Amount stipulated above.

16. Stop Payment

BlueShore Financial may stop payment on any Instrument drawn on the Accounts on receipt of a Stop Payment Request. BlueShore Financial may process a Stop Payment Request without further investigation or inquiry, and the person making the Stop Payment Request is deemed to have your authority to give that Instruction to us. When we receive a Stop Payment Request, we will

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take commercially reasonable steps to stop the payment. We are not liable for complying with or failing to comply with a Stop Payment Request even if we or any person we are legally responsible for is negligent in failing to implement the Stop Payment Request. You agree to reimburse us for any expenses incurred in complying with or attempting to comply with your Stop Payment Request and to indemnify all Indemnified Parties against any Loss arising from implementing a Stop Payment Request.

17. Foreign Currency Transactions

If you provide Instructions to conduct a Transaction that is denominated in a currency other than the currency of your Account, and we accept the Instructions or Transaction, one or more conversions of currency are required to complete the Transaction. When a conversion of currency is made, BlueShore Financial may act as principal with you in converting the currency at rates established or determined by us, affiliated parties, or parties with whom BlueShore Financial contracts for foreign exchange services. In addition to applicable Service Charges, BlueShore Financial, its affiliates and contractors may earn revenue, commissions, or fees on currency conversions. You agree that such revenue, commissions or fees may be included in and charged as part of the exchange rate charged to you. The cost of currency conversion may not be known to you or precisely determinable in advance or until the amount of the Transaction is charged to your Account. If currency conversions on this basis are not acceptable to you, you agree that you will not transact in foreign currency on your Account, including withdrawing foreign currency from ATMs, POS transactions in foreign currency, or delivering any Instrument to us for deposit in a currency other than the currency of your Account. We agree to convert currency at commercially reasonable rates, including revenue, commissions, and fees charged in respect of the conversion. You agree that we may, in our discretion, charge you our prevailing conversion fee at the time of conversion, if any, up to a maximum of 5% of the value of the Transaction, in addition to any other Service Charges you must pay. You agree that conversion fees up to 5% of the value of the Transaction are commercially reasonable.

When you purchase foreign currency directly from BlueShore Financial, the rate of exchange we charge you and any Service Charges you must pay will be disclosed or, alternatively, are available to you on request, at the time of the Transaction.

If you deposit Instruments denominated in a currency other than the currency of your Account and we accept the Instrument for deposit, you agree that we may:

- (a) for Canadian dollar Accounts, convert the amount of the Instrument to Canadian dollars using our Canadian dollar sell rate for the currency of the Instrument in effect at the time the conversion is processed for provisional credit to the Account;
- (b) for Accounts held in a foreign currency:
 - a. for Canadian dollar deposits, convert the amount of the Instrument to the currency of the Account using our Canadian dollar sell rate for the currency of the Account in effect at the time the conversion is processed; or
 - b. for other foreign currency deposits, by converting the amount of the Instrument to Canadian dollars using our sell rate for the currency of the Instrument, and then doing a second conversion of that amount to the currency of the Account using our Canadian dollar sell rate for the currency of the Account;for provisional credit to the Account;
- (c) in any case where we do not have a Canadian dollar sell rate in effect to complete the conversion using a commercially reasonable rate of exchange available from Third Parties to purchase the currency of the Account using the currency of the Instrument accepted for deposit, or to purchase a currency for which we have a sell rate and then to convert that amount to the currency of the Account at our sell rate for that currency.

You also agree that if any Instrument in a currency other than the currency of your Account is accepted for deposit, such deposit is provisional and subject to reversal. If any such Transaction must be reversed, the process outlined above for conversion of your deposits, will apply to conversions undertaken for return of funds, and you may be charged additional fees, commissions and Service Charges, as part of those conversions for return of funds. The amount charged to your Account for return of funds may be different than the amount of the deposit. The risk of Loss on such Transactions shall be borne entirely by you without any right of recourse against BlueShore Financial and without any right to recover any fees charged to you in respect of the original deposit.

When you conduct Transactions with an Access Terminal, or through a POS, in a foreign currency we receive a debit Instruction initiated by you and which may be received by us after processing through one or more international electronic networks that participate in the international payments system. The Instruction we receive asks us to pay a stipulated amount in U.S. dollars, regardless of the currency of your Transaction with the Access Terminal or POS. The Transaction amount between you and BlueShore Financial will be the amount of your Transaction, including fees by the owner of the Access Terminal or POS, converted into U.S. dollars by one or more Third Parties. Foreign currency conversion completed by Third Parties occurs at rates that we do not set, and which may include revenue, commissions or fees of those Third Parties. More than one currency conversion may be completed by Third Parties before your Instruction is received by us. The amount charged to your Account will be the U.S. dollar value of the Instruction we receive. If the Transaction is conducted on an Account denominated in Canadian dollars, the amount charged to your Account will be the amount of the U.S. dollar Instruction we receive, converted to the Canadian dollars at BlueShore Financial's sell rate for purchase of U.S. dollars in effect at the time of the conversion.

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Currency conversions will be completed when and at rates in effect when the Transaction is processed by us, which may not be the same rate in effect when you completed your Transaction.

You agree that we may change our practices for foreign currency conversions at any time without amending this Agreement, including amending our fees or the process, rates, and Service Charges for foreign currency conversions. Whether or not a currency conversion is completed in strict compliance with the terms of this Agreement, you agree that you shall have no claim or right of recovery against us if the claim is limited or excluded under this Agreement, and otherwise, you agree that the maximum amount of any claim shall be the amount by which you can prove the Transaction cost of the foreign currency conversion exceeds commercially reasonable rates.

18. Joint Accounts

An application for a joint Account can be made on behalf of more than one Client, if each proposed holder of the joint Account signs the Account Application. Unless expressly specified by the joint Account holders, a request to open a joint Account shall be deemed to be an instruction to hold the Account subject to a right of survivorship. All rights, obligations and liabilities arising from operation of a joint Account shall be joint and several amongst all Account holders and this Agreement shall apply to each joint Account holder in every respect. You acknowledge that for joint Accounts, we may rely on the joint and several covenant of the joint Account holders for all Transactions on the joint Account. You agree that any joint Account holder is entitled to make Transactions, give Instructions and receive information on Accounts designated as joint Accounts with BlueShore Financial without the approval of any other joint Account holder. We may act upon Instructions given by any one joint Account holder as though all joint Account holders gave the Instructions, despite the death, or incapacity of any joint Account holder. In the event that BlueShore Financial is given written notice of the death or incapacity of any joint Account holder, or is notified that the Account ceases to be jointly held, BlueShore Financial may, in its discretion, place a Hold on the Account or allow the Account to continue to operate for the benefit of the remaining Account holders. **Despite any notice given to BlueShore Financial as contemplated in this paragraph, and without prejudice to any claims the Account holders may have against each other, you agree that you shall not claim against BlueShore Financial for any Loss arising out of operation of the joint Accounts as a result of BlueShore Financial acting on Instructions of any joint Account holder, and hereby release, remise and discharge BlueShore Financial from any such claims.**

19. Account Statements, Transaction Verification and Electronic Communications

BlueShore Financial will send you a periodic Account Statement, or make Electronic Statements available to you at least once annually, for each Account, and more frequently, at our option, or if required by law. **Except where required by law to provide paper Account Statements, we may choose to provide you with Electronic Statements only. You designate Online Banking as the information system that we may use to deliver notifications, Electronic Statements, or other documents in digital or electronic form to you.** You also agree that we may, at our option, provide notifications, Electronic Statements or other documents in digital or electronic form to you by email or SMS text message, to an email address or telephone number you provide to us for purposes of communicating with you, or through other Remote Access Services used by you. Where we, in our discretion, decide or agree, or we are required by law to send you paper Account Statements, we may send them to you by regular mail to your most recent address appearing in BlueShore Financial's records. It is your responsibility to update the address information we have on file when you have a change of address.

You agree that you will use Online Banking, Mobile Banking, or other Remote Access Services to review the Accounts and Transactions at least once monthly. You are deemed to receive an Electronic Statement each time that you do so. If you do not do so you are deemed to have received an Electronic Statement on the 28th day of each month. Regular periodic Electronic Statements we provide are deemed to be received by you on the earlier of the time they are accessed by you or 3 days after BlueShore Financial makes the Electronic Statements available to you through Remote Access Services. If we send paper Account Statements to you, you are deemed to have received and reviewed those 5 days after they are sent to you. If you have opted out of Remote Access Services, and cannot access your Account and Transaction Information remotely, and you have not received a paper Account Statement on or before the 28th day of any calendar month, you are deemed to have received an Account Statement on that day and agree that you will attend at a branch of BlueShore Financial to obtain and review an Account Statement on that day, or the next business day after that, and shall review the Accounts and Transactions for the period back to the 28th day of the preceding month.

Notifications and other documents in digital or electronic form we provide to you are deemed to be received by you when they are posted and available to you through Online Banking, Mobile Banking or other Remote Access Services, or when they are sent by SMS text message or by email as contemplated above.

You agree to examine every Account Statement as soon as you receive it or are deemed to have received it. This means, amongst other things, that you must review your Transaction history each time you use Remote Access Services. You will immediately and, in any event, within the Verification Period give notice in writing to BlueShore Financial of any errors, objections, omissions or irregularities, including any fraud, forgery, material alteration or unauthorized activity of any type, or debits or credits wrongly made, included in or preceding each such Account Statement.

Unless objected to by you by notice in writing delivered to us within the Verification Period, you agree that BlueShore Financial's records are conclusive evidence of your dealings with BlueShore Financial regarding the Accounts, and any risk of error in your Account Statements shall be borne entirely by you. Without restricting the foregoing, on expiry of the Verification Period, you agree

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that the Account Statement is correct, complete, reflects all authorized Transactions binding upon you, that all amounts charged to the Accounts are valid and proper charges, that you are not entitled to any additional credits, and that BlueShore Financial is released from all responsibility for Account activity preceding the Account Statement.

You acknowledge and agree that despite the expiry of the Verification Period:

- (a) even if a negotiable Instrument has been credited to your Account, that credit is provisional only and may be subject to reversal by BlueShore Financial as permitted or required by law or as contemplated under this Agreement, and
- (b) a deposit or other credit on the Account Statement may not have been verified and, until verified and accepted may be reversed from the Account notwithstanding any provisional posting.

Expiry of the Verification Period does not prevent BlueShore Financial from charging proper Service Charges or other amounts contemplated in this Agreement to the Accounts. Furthermore, nothing in this verification clause is intended to, or shall override the ability of BlueShore Financial to request a reversal of Transactions pursuant to the Rules where it is permitted or required to do so.

20. General Liability Exclusion, Liability Limitation, and Indemnity

LIABILITY EXCLUSION

Unless caused solely by the negligence, intentional misconduct or fraud of BlueShore Financial, BlueShore Financial will not under any other circumstances be liable to you or any other person for any Loss or other damage whether in contract, tort or under any other theory of law or equity, arising from, connected with, or relating to the Accounts or use of Services or Instruments drawn on or deposited to the Accounts, and notwithstanding that BlueShore Financial may have been advised of the possibility of such Loss or damage being incurred by you or any other person.

Under no circumstances will BlueShore Financial be liable to you for:

- (a) any loss of use, loss of production, loss of income or profits (anticipated or otherwise), loss of markets, economic loss, special, indirect or consequential loss or damage or punitive damages;
- (b) any Loss of any kind caused or contributed to by the fraud, theft, dishonesty, unauthorized Account activity or use of Services by or with the assistance of a member of your household;
- (c) Loss caused by:
 - i. actions or omissions to act by you;
 - ii. your breach of this Agreement;
 - iii. Transactions or Instructions of any kind, authorized or not, which are not reported to us in writing within the Verification Period;
 - iv. cancelling or restricting your use of the Remote Access Services with or without notice to you;
 - v. system malfunction, equipment failure (whether your equipment or BlueShore Financial's equipment), system interruption or system unavailability;
 - vi. executing any inaccurate or incomplete Instructions and Account information received by BlueShore Financial from you;
 - vii. failing to successfully countermand a Transaction, Instrument or Instruction;
 - viii. delays in implementing any Instruction; or
 - ix. misuse of any of your sensitive banking information, including your Client Number, E-Transfer passwords, signatures, your PAN, Access Card, and Access Code, to engage in Transactions, provide Instructions, or otherwise obtain access to the Accounts and Services if that sensitive information was voluntarily disclosed by you to any Third Party;

all regardless of any negligence or other fault or wrongdoing by BlueShore Financial or any other person for whom BlueShore Financial is responsible, and notwithstanding that BlueShore Financial may have been advised of the possibility of such loss or damages being incurred by you or any other person.

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You will not be liable for Transactions completed through use of your Access Card or the Remote Access Services if you have been a victim of fraud or theft or have been coerced by trickery, force or intimidation and, comply with your obligations in this Agreement, including reporting the incident to BlueShore Financial promptly and cooperating fully in any subsequent investigation.

LIABILITY LIMITATION

To the extent liability of BlueShore Financial is not otherwise excluded or limited in this Agreement or otherwise at law, BlueShore Financial shall only be liable to you for actual direct loss caused by the act or omission of BlueShore Financial (i.e. the amount by which the funds standing to your credit in your Accounts were reduced by the act or omission).

RELEASE OF CLAIMS AND AGREEMENT NOT TO SUE

You agree that BlueShore Financial shall not be held liable and is released from all claims for any Loss which for which our liability is excluded, or to the extent it has been limited in this Agreement. You agree that you will not start or continue any legal process against us that is released or for a liability or Loss that is excluded by this Agreement.

INDEMNITY

You agree to indemnify and Hold the Indemnified Parties harmless from and against any and all Loss, incurred by the Indemnified Parties in connection with:

- (a) any of the Indemnified Parties making MemberDirect Services available to you,
- (b) any of the Indemnified Parties acting upon, or refusing to act upon, Remote Instructions,
- (c) any of the Indemnified Parties acting upon, or refusing to act upon, no statement requests made by you through MemberDirect Services,
- (d) any Transaction that results in a negative balance in the Account, or
- (e) the consequences of any Transaction authorized by you.

You will assist and co-operate as fully as reasonably required by the Indemnified Parties in the defence of any such claim or demand.

SURVIVAL OF LIABILITY EXCLUSIONS, LIMITATIONS AND INDEMNITY

All disclaimers, liability exclusions, liability limitations and indemnity provisions in this Agreement, in this section or otherwise, survive indefinitely after the termination of this Agreement and apply to the fullest extent permitted by law.

21. Waiver of Protest

Unless you provide BlueShore Financial with contrary written Instructions:

- (a) **Waiver:** you waive presentment, protest or notice of dishonour for non-acceptance or non-payment in respect of any Instrument delivered to BlueShore Financial or deemed to be delivered to BlueShore Financial by you for deposit, discount, collection or for any other purpose and you are liable to BlueShore Financial as if such presentment, protest or notice of dishonour had been given. BlueShore Financial's records respecting the time of presentment, payment or dishonour will be conclusive evidence of such in the absence of evidence to the contrary; and
- (b) **BlueShore Financial Protest:** BlueShore Financial may, in its discretion, note or protest in the usual course any Instrument which BlueShore Financial considers should be noted or protested, but BlueShore Financial shall not be liable for any failure to note or protest an Instrument.

22. Family Law Act

If we have notice of a possible claim under the *Family Law Act*, or as amended, (British Columbia), BlueShore Financial may refuse to permit any dealings with monies on deposit in the Accounts and may return or refuse to process any Instrument unpaid even though you have monies on deposit. BlueShore Financial shall not be liable for any resulting Loss or damage to you or any other person.

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23. Hold on Accounts or Transactions

BlueShore Financial may place a Hold on the Accounts or Transaction if any of the following occurs:

- (a) BlueShore Financial becomes aware of any Suspicious Circumstances;
- (b) an issue arises as to who are the proper signing authorities on the Accounts;
- (c) a claim is made by a Third Party to the funds in the Accounts which, in our discretion, is potentially legitimate;
- (d) BlueShore Financial, in its discretion, determines that it has received conflicting Instructions from you on the Accounts; or
- (e) BlueShore Financial is given written notice of the death or incapacity of any joint Account holder, or is notified that an Account ceases to be jointly held.

You authorize us to make such inquiries and do such things, at your expense, as we deem necessary to resolve any of these issues, including applying at your expense to a Court to pay funds into Court or seek directions from a Court. You agree to indemnify BlueShore Financial for any expense or cost incurred by BlueShore Financial arising from the need to place a Hold on the Accounts or Transactions, including legal and other expenses incurred relating to an application to a Court.

Any Hold imposed by us pursuant to any of the terms of this Agreement, or investigation undertaken by us, is imposed or undertaken by us in our discretion and for our sole benefit. Release of a Hold by us is not a confirmation that a Transaction, Instruction or Instrument is in fact good and may not be relied upon as such by you. We are not liable for any Loss or damage of any kind, for any unprocessed Transactions otherwise related to a Hold imposed while exercising our rights under this Agreement or as otherwise required or permitted by law.

24. Right of Setoff

We may use any of the money deposited in the Client's Accounts, to pay any debts or other obligations the Client owes to BlueShore Financial whether such debts or obligations are owed by the Client alone or jointly with others. For a joint Account, all joint Account holders consent to the application, up to the full amount on deposit in the joint Accounts, to the payment of any debt or other obligations owed to BlueShore Financial by the other joint Account holders, irrespective of each joint Account holder's contribution, and despite the death, dissolution, or incapacity of any joint Account holder. In the event of a redemption or purchase of your membership shares by BlueShore Financial for any reason, BlueShore Financial may use the amounts payable to you for the redemption or purchase of your membership shares, including declared but unpaid dividends, to pay any debts or obligations that you owe to BlueShore Financial. Joint holders of membership shares authorize BlueShore Financial to set off against the amount due on redemption or purchase, including declared but unpaid dividends, the amount of any debt or other obligations owed to BlueShore Financial by any of the joint Account holders, irrespective of each joint Account holder's interest in the joint membership shares, and despite the death, dissolution, or incapacity of any joint Account holder.

25. Client's Responsibilities

In addition to your responsibilities elsewhere in this Agreement, you agree to:

- (a) **Secure Documents:** ensure that all cheque books, Account Statements, Electronic Statements, withdrawal or deposit slips, Access Cards, PAN, Account Codes, Client Number, and all other records provided to you in connection with the Accounts are stored and disposed of in a safe and secure manner;
- (b) **Secure Mobile Devices and Computers:** ensure that your Mobile Devices and any computer used by you to access Services, provide Instructions or initiate Transactions are password or biometric protected, that you do not share your password, or store your PAN, Account Codes or Client Number on your Mobile Device or computer in any manner understandable to anyone gaining access, that you keep all firewalls, and anti-virus software up to date and ensure that you run anti-virus searches on at least a weekly basis, that you practice safe computing practices when using Mobile Devices and computers, and that you store and dispose of your Mobile Device and computers in a safe and secure manner;
- (c) **Prevent Unauthorized Access:** ensure that you take reasonable steps to identify and prevent fraudulent or unauthorized access to or activity using the Accounts or Services, take appropriate precautions to reduce the risk of Loss by implementing reasonable measures, including bank reconciliations and regular Transaction Verification, follow appropriate Access Terminal security protocols, and record particulars of any unauthorized Account access or activity. You will ensure that your cheques are numbered sequentially, that you write cheques only in words and figures without blank spaces that may facilitate alteration, you will keep your PAN, Client Number and Access Codes confidential and secure, you will immediately take all available steps to prevent any unauthorized access or activity, or continuation of such unauthorized access or activity, and you will take all reasonable steps to recover Losses resulting from the unauthorized access or activity once detected from the person who engaged in such activity;

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- (d) **Confirm Information and Instructions:** ensure that all information and all Instructions, PANs, Client Numbers and Access Codes, provided by you to BlueShore Financial are accurate and if entered from a computer terminal, are entered correctly;
- (e) **Disclosure of Documents and Information:** disclose and deliver-up to BlueShore Financial any and all information, identification or other documentation requested by BlueShore Financial for purposes of verifying your identity, address, occupation or business, or relating to use of the Accounts or the Services, including information about your Transactions, Instructions or Instruments or such other information, identification, or documentation as may reasonably be required by BlueShore Financial;
- (f) **Ensure Compliance with this Agreement:** ensure that all parties authorized to conduct Transactions or access Accounts or Services on your behalf, if any, are made aware of this Agreement and accept their obligations, responsibilities and liabilities under the Agreement before conducting any Transactions or accessing Accounts of Services; and
- (g) **Comply with BlueShore Financial Guidelines:** observe all BlueShore Financial instructions and/or guidelines communicated by BlueShore Financial in writing, posted at any BlueShore Financial branch, on the Website, or otherwise communicated to you by BlueShore Financial through Remote Access Services, or otherwise, in relation to operation of Accounts. **(Note: BlueShore Financial will never initiate a communication with you by email asking for your personal or Account information.)**
- (h) **Not to Undermine Security:** refrain from taking any steps, or from causing, or permitting anything to be done that could undermine the security or integrity of the Services (including activities that threaten to harm or cause harm to any other participant in the provision, utilization, or support of any Services or Third Party services accessed through our Services or facilities).

You must notify BlueShore Financial, or its agent, immediately, in person or by telephone through BlueShore Financial's Solution Centre (within Vancouver call 604.982.8000 or outside Vancouver call 1.888.713.6728) if any of the following occurs:

- (a) you become aware of any Suspicious Circumstances in respect of the Accounts;
- (b) if your PAN, Client Number or Access Codes may have been lost, stolen, or otherwise become accessible to an unauthorized person;
- (c) your Account Statements, a paper copy of your Electronic Statements, passbooks, cheque books, Access Card, PAN, Access Codes or confidential Account information becomes lost, misplaced or stolen; or
- (d) for those Accounts where written Account Statements are delivered, you do not receive an Account Statement by the 28th of the month for the prior statement period

You agree to fully co-operate with BlueShore Financial and any police authority for the purpose of prosecution or in recovery efforts relating to any loss due to fraud or unauthorized Account activity.

26. Our Electronic Records

BlueShore Financial may, in its discretion and subject to applicable laws, create and retain Digital or Electronic Representations of all records relating to the Accounts, Instructions, or your use of Accounts and Services, and may destroy the original paper versions of those records, if any, without prior notice to you. BlueShore Financial's Digital or Electronic Representations of those records may, except where expressly prohibited by law, be relied upon as originals and are admissible in any legal, administrative or other proceedings between the parties in the same manner as an original of the document, and you will not object to the admission of BlueShore Financial's Digital or Electronic Representations of those records as evidence in legal, administrative or other proceedings on the grounds that they are not originals, are not in writing, are hearsay, are not the best evidence or are documents containing information extracted from a computer.

27. Closing Accounts

You may close any or all of the Accounts at any time.

BlueShore Financial may also, at its discretion, close any or all of the Accounts without prior notice and without liability to you or any other person.

Upon closure of all of the Accounts, you agree that: (a) you are deemed to have provided your resignation as a member, effective immediately; (b) that this Agreement will be your written request to withdraw from the membership of BlueShore Financial; and (c) BlueShore Financial may also close your membership share Account.

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Subject to BlueShore Financial's rights under this Agreement, you agree that BlueShore Financial may return any funds remaining in the Accounts after closure by issuing and delivering a BlueShore Financial official cheque payable to you. Delivery of the official cheque may be made personally to you or your agent or power of attorney, by sending it, by courier or mail, to your most recent address in BlueShore Financial's files, to such other address as you may designate in writing, by personally delivering it to such address, or as otherwise permitted by law.

B. ADDITIONAL RULES APPLICABLE TO REMOTE ACCESS SERVICES

1. Use of Remote Access Services and Access Terminals

You may use the Remote Access Services and Access Terminals or a POS to access the Accounts, to conduct Transactions, and provide Instructions to BlueShore Financial as permitted by BlueShore Financial. **BlueShore Financial is not required to confirm the identity or authority of any person who conducts Transactions or provides Instructions using the Remote Access Services or through an Access Terminal or POS and may rely upon Remote Instructions as genuine. Except as expressly specified otherwise in this Agreement, Transactions undertaken or Instructions provided by way of any Remote Access Services, or through an Access Terminal or POS, shall be deemed to be authorized by you and binding upon you to the same extent as if you delivered original signed Instructions in writing to BlueShore Financial. You acknowledge and agree that such Instructions may not be subject to revocation or countermand.**

2. Electronic Access to Accounts

Remote Access Services provided by BlueShore Financial, or Transactions through a POS or ATM, may be governed by additional and supplementary agreements. The Remote Access Services may be accessed and used only by Clients who qualify for membership, are at least 19 years of age or are a Junior Member of BlueShore Financial, and who have been granted authorization to use the Remote Access Services by BlueShore Financial.

If you make an error using an ATM, POS, other Access Terminal or otherwise through the Remote Access Services, you must immediately contact BlueShore Financial's Solution Centre. You may not be able to stop or reverse a Transaction made through an ATM, POS, other Access Terminal or the Remote Access Services. You will be responsible for all Loss arising from your error and to indemnify the Independent Parties for any Loss suffered from your error or any assistance provided by them to rectify it.

3. Availability of Remote Access Services

The availability of Remote Access Services depends on telecommunications systems, computer hardware and software, and other equipment, including equipment belonging to BlueShore Financial and Third Parties. BlueShore Financial does not guarantee and is not obliged to provide continuous or uninterrupted access to Remote Access Services. BlueShore Financial is not liable for any Interruption Claims. The Client releases and agrees to hold harmless BlueShore Financial from any and all Interruption Claims.

4. Remote Instructions

You may provide Remote Instructions, as permitted by BlueShore Financial. BlueShore Financial may, in its discretion, delay acting on or refuse to act on any Remote Instruction, for purposes of verification or otherwise, but is not obliged to do so. A Remote Instruction is deemed to be received by BlueShore Financial, only when actually received and reviewed by an employee or agent of BlueShore Financial capable of acting upon and implementing the Remote Instruction. You may request that BlueShore Financial not accept Remote Instructions for Accounts designated by you by providing a written request to BlueShore Financial, after which this paragraph will not apply to such Accounts and all Instructions will need to be given in person at a branch. In such case Remote Access Services will not be available to you.

5. E-Transfer Services

If you use the E-Transfer Services, you acknowledge and agree that:

- (a) the E-Transfer Services are only available in Canadian dollars;
- (b) your Account will be debited as soon as you initiate an E-Transfer Transaction, and BlueShore Financial, or a Service Provider who provides the E-Transfer Services, may Hold the E-Transfer Transaction amount until the recipient successfully claims the E-Transfer Transaction or the E-Transfer Transaction is cancelled. You will not be paid interest on the E-Transfer Transaction amount while held. To the extent permitted by law, BlueShore Financial is deemed to have a security interest in the E-Transfer Transaction amount from the time the Account is debited until the recipient successfully claims the E-Transfer Transaction or the E-Transfer Transaction is cancelled. BlueShore Financial cannot guarantee the date of deposit;
- (c) E-Transfer Transactions are subject to number and dollar limits that may change from time to time without prior notice to you;

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- (d) BlueShore Financial will not be responsible or liable for any Loss or damages incurred as a result of funds held or limits set by BlueShore Financial, the E-Transfer Service Provider, or another Participating Financial Institution;
- (e) BlueShore Financial, another Participating Financial Institution, and E-Transfer Service Providers are entitled to pay the E-Transfer Transaction amount to anyone who claims to be the recipient and successfully provides the necessary password;
- (f) BlueShore Financial will not be liable for Losses or damages incurred as a result of a person other than the intended recipient guessing or obtaining the necessary password; and
- (g) BlueShore Financial will not be liable for any Loss arising as a result of a delay in processing an E-Transfer Transaction or for E-Transfer Transactions claimed by someone other than the intended recipient.

If you are the sender, the E-Transfer Transaction and the E-Transfer Transaction amount will be returned to you but not any applicable service charges:

- (a) if the recipient does not claim the E-Transfer Transaction within the stipulated period from the date the E-Transfer Transaction is initiated; or
- (b) if the E-Transfer Transaction cannot be successfully sent to the recipient's email address as provided by you, or if the recipient declines the E-Transfer Transaction.

Where sending an E-Transfer, you are responsible for providing the recipient's correct email address or a valid phone number that can receive SMS text messages for the recipient. You will immediately update either or both if there are any changes. You represent to BlueShore Financial recipients have consented to your use of their email address or telephone number for each E-Transfer Transaction.

If the recipient successfully claims the Transaction but provides incorrect account information, the E-Transfer Service Provider or its agent may request and require delivery of correct account information from the recipient prior to making payment or may mail an Instrument to the recipient to an address provided by the recipient without notifying you first.

As the sender, you may cancel a Transaction up to the time the recipient successfully claims the E-Transfer Transaction. As a recipient, you acknowledge that an E-Transfer Transaction may be cancelled up to the time you successfully claim the E-Transfer Transaction. All disputes must be resolved directly between the sender and the recipient. BlueShore Financial may refuse to provide E-Transfer Services to you at its discretion and will not be liable for any Loss arising as a result of:

- (a) a delay in processing an E-Transfer Transaction;
- (b) E-Transfer Transactions claimed by someone other than the intended recipient; or
- (c) an error made by the sender or the recipient.

BlueShore Financial may cancel a Transaction if it has reason to believe that a mistake has occurred or if it believes that the Transaction is related to unlawful or fraudulent activity.

The terms and conditions of this section relating to E-Transfer Services apply only when you use the E-Transfer Service. These terms apply in addition to the other terms and conditions in this Agreement and other agreements you have entered into specific to your use of the E-Transfer Services. If there is a conflict between this section relating to E-Transfer Services and the other terms and conditions in this Agreement or any other agreement you have with BlueShore Financial that is not specific to the Transaction in issue, this section relating to E-Transfer Services will apply to the extent necessary to resolve the conflict with respect to E-Transfer Services.

6. BlueShore Financial Access Card

You shall use your Access Card only for the purpose of using an ATM or POS or obtaining such other Services as are agreed upon between you and BlueShore Financial, or otherwise permitted by BlueShore Financial. BlueShore Financial remains the owner of the Access Card issued to you and you shall return it upon request. This Agreement, and the fact that you have the use of an Access Card, does not give you credit privileges or any entitlement to overdraw the Accounts of to use any specific Service.

7. Liability for Access Card

Once you have requested and first used the Access Card, you are liable for all use of the Access Card by any person prior to the expiry, cancellation or notification to us of the misuse, loss or theft of the Access Card, that your Access Code may be compromised or any other Suspicious Circumstances relating to your Access Card or Access Code. However, in the event of alteration of your

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Account balance due to technical problems attributable solely to BlueShore Financial, card issuer errors or system malfunctions, you will be liable only to the extent of any benefit you have received, and will be entitled to re-instatement of your Account balance by BlueShore Financial.

BlueShore Financial is not liable to you for any action or failure to act of a merchant or refusal by a merchant to honour the Access Card for any reason. If you purchase any goods or services from a merchant via a POS Transaction, you must settle any dispute regarding the goods or services purchased directly with the merchant. BlueShore Financial is not liable for any problems with such goods or services.

BlueShore Financial may relieve you from liability for unauthorized use of your Access Card where you have inadvertently contributed to the unauthorized use and co-operated in an investigation or proceeding. Circumstances where BlueShore may do so include:

(a) where:

- i. your Access Codes have become known to someone other than you despite your having met all of your obligations under this Agreement, or otherwise at law, relating to the confidentiality of your PAN, Client Number and Access Codes, and security of Access Terminals;
- ii. the Transactions in question, using the Access Card, occurred after BlueShore Financial received notice from you of misuse, loss or theft of your Access Cards, that your Access Codes may be compromised or other Suspicious Circumstances relating to your Access Card or Access Code; and
- iii. BlueShore Financial will not otherwise be liable for any damages or other liabilities that the Client may incur by reason of BlueShore Financial acting, or failing to act, on Remote Instructions given in the name of the Client whether or not the Client actually gave the Remote Instructions.; or

(b) as otherwise required as a result of BlueShore Financial's adoption of the *Canadian Code of Practice for Consumer Debit Card Services*. That code applies to consumer Access Card Transactions but will not relieve the Client from liability in respect of Access Card Transactions on a business Account.

Notification to BlueShore Financial shall not be treated as received by BlueShore until received by a representative of BlueShore Financial capable of acting on the notification to disable your Access Card.

8. PAN, Client Number and Access Codes

You will be provided with a PAN or Client Number and you must select Access Codes associated with your Access Cards and to obtain access to Remote Access Services. Your PAN, Client Number and Access Codes remain the property of BlueShore Financial and may be cancelled or suspended by BlueShore Financial at any time without prior notice to you and without any liability to you or any other person.

9. Confidentiality of PAN, Client Number and Access Codes

Your Access Codes must be different from any identification number or other secret code you use for other banking or non-banking services. You may not use your birth date, your telephone number, your address, your social insurance number or any other readily identifiable combination of letters or numbers in your Access Codes (e.g. 1111, 1234, etc.). You may change your Access Codes at any time. You agree to change your Access Codes periodically and when required by BlueShore Financial.

Your PAN, Client Number and Access Codes are for use of the individual to which they are assigned or by whom they are selected. You must take all reasonable precautions to maintain the secrecy of your PAN, Client Number and Access Codes. You agree not to disclose your Access Codes to any other person. You must memorize your Access Codes and not record them anywhere in a format which can be read or readily deciphered.

BlueShore Financial may, from time to time, require additional security measures, and the Client must comply with all such security measures. **The Client is aware of the risks of unsolicited email, telephone calls, and text message transmissions from persons purporting to be representatives of BlueShore Financial or requesting disclosure of sensitive banking information. You will not respond to such unsolicited communications and will only initiate communications with BlueShore Financial either through Online Banking, or through BlueShore Financial's published contact information, as shown on BlueShore Financial's website, or as provided by BlueShore Financial officers, employees, and agents.**

10. Access Terminal Security

Some Remote Access Services are made available through the Internet or a telephone service provider. You acknowledge that, although BlueShore Financial uses security safeguards to protect against loss, theft, and unauthorized access, because of the nature of data transmission, security is not guaranteed and information is transmitted at your risk.

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You agree that you will follow appropriate security protocols, including:

- (a) ensuring that any private Access Terminal used to access Online Banking and MemberDirect Services is auto-locked by a password to prevent unauthorized use of the Access Terminal, has a current anti-contaminant protection software installed and a firewall.
- (b) take reasonable steps to reduce the risk of contaminants or online attacks and the risk of unauthorized access to the Accounts, including compliance with your obligations under this Agreement and additional security policies and protocols implemented by you or required by BlueShore Financial.
- (c) signing out of Online Banking and, where applicable, closing the browser when finished using it.
- (d) refraining from using public or shared computers or other Access Terminals, or using Access Terminals in a public place, or through an open Wi-Fi or shared Bluetooth portal, to access Remote Access Services or, alternatively, ensuring that adequate precautions are taken to protect Access Codes and your PAN from inadvertent disclosure or otherwise being compromised.
- (e) refraining from using public free internet email service providers to communicate with us with respect to the Accounts and Services, or to communicate confidential information relating your banking which may be used to obtain or facilitate unauthorized access to the Accounts and Services;
- (f) ensuring that any information entered into or stored on any Access Terminal you use to access the Services or engage in Transactions is protected against unauthorized disclosure and access; and
- (g) to never, under any circumstances leave an Access Terminal used to access the Accounts or Remote Access Services or POS, until the session has been terminated and you have logged out of the Accounts or Remote Access Services accessed through an Access Terminal.

11. Third Party Services

BlueShore Financial may, from time-to-time, make services provided by Third Parties available through BlueShore Financial's Website, including the Online Banking portal, and provide links to Third Party websites used to access those services. You acknowledge and agree that:

- (a) BlueShore Financial makes the services of Third Parties available through BlueShore Financial's website for the convenience of the Client. The services are provided by the Third Party and not BlueShore Financial. Your relationship with the Third Party shall be a separate relationship, independent of the relationship between you and BlueShore Financial, and such a relationship is outside the control of BlueShore Financial;
- (b) BlueShore Financial makes no representation or warranty to you with respect to any services provided by a Third Party;
- (c) you assume all risks associated with accessing or using the services of Third Parties;
- (d) BlueShore Financial has no responsibility or liability to you in respect of services provided by a Third Party;
- (e) any dispute that relates to services provided by a Third Party is strictly between you and the Third Party, and you will raise no defence or claim against BlueShore Financial as a result of the conduct of a Third Party;
- (f) collection, use and disclosure of information provided by you to the Third Party will be subject to confidentiality and privacy policies of the Third Party and beyond the control of BlueShore Financial; and
- (g) if we use a Third Party to complete a Remote Instruction on your behalf or to provide you a Service, you agree that the Third Party is your agent and is not acting as our agent.

12. Links

BlueShore Financial's public access Website, and our Online Banking portal accessed through the Website, may provide links to other websites, including those of Third Parties. You acknowledge that Third Party websites are independent of BlueShore Financial's and their use may be subject to separate agreements. BlueShore Financial has no liability or responsibility for, or control over Third Party websites or their content. Links are provided for convenience only, and you assume all risk resulting from accessing or using Third Party websites.

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13. Additional Disclaimers, Liability Exclusions, and Liability Limitations for the Remote Access Services

Your use of the Remote Access Services, including any materials, data or information transmitted, communicated, posted, submitted, downloaded or otherwise obtained through use of the Remote Access Services is at your own risk.

You are solely responsible for provisioning, configuring and maintaining all Access Terminals and software you use or allow other persons to use in connection with your use of the Remote Access Services.

The operation of the Remote Access Services may be affected by numerous factors beyond the control of BlueShore Financial. The operation of the Remote Access Services may not be continuous or uninterrupted or accessing them fully secure. Security, privacy, and data transmission risks cannot be eliminated. Password protection may not prevent unauthorized access to information or data, including your PAN, Client Number and Access Codes and any other information or Instructions transmitted to access the Remote Access Services.

You agree that BlueShore Financial and its Service Providers are not liable to you or any other person for any Loss or damage incurred by you or any other person arising from or related to any misprints or errors arising in connection with the Remote Access Services, or other Loss arising as a result of BlueShore Financial or its Service Providers providing or failing to provide Remote Access Services to you, except to the extent that the Loss results solely from BlueShore Financial's error and is not otherwise excluded by the terms of this Agreement or any other agreement you have entered into with BlueShore Financial.

14. Bill Payments Made Through MemberDirect Services

You acknowledge and agree that:

- (a) bill payments made through Online Banking are not processed immediately and that the time period for processing depends upon a number of factors, including, without limitation, the time when the bill payment is authorized and the internal accounting processes of the bill payment recipient;
- (b) it is your responsibility to ensure that bill payments are authorized in sufficient time for the payment to be received and processed by the bill payment recipient before its due date; and
- (c) BlueShore Financial will not be liable for any Loss arising as a result of non-payment or a delay in the processing of bill payments.

15. epost™ Services

If BlueShore Financial, through MemberDirect Services, makes epost™ Services available and you use the epost™ Services:

- (a) you consent to epost™ preparing, using, and disclosing reports relative to the performance and/or operation of the epost™ Services, including statistical or performance reports and other analysis, compilation, and information about the epost™ Services or you, and reports that pertain to your involvement in and use of the epost™ Service. You further consent to epost™ disclosing to BlueShore Financial's epost™ Service Provider specific data that consists of the total number of Billers for which you have registered, without identifying those Billers, and without identifying detailed data of your viewing activities;
- (b) you acknowledge that epost™ will not respond directly to you with respect to any inquiries, requests, questions, complaints, or other issues relating to the epost™ Services in any way, other than to direct you to BlueShore Financial or the Biller; and
- (c) you acknowledge that the consents contained in a) above are requirements of the epost™ Services and that if such consents are withdrawn, your participation in the epost™ Services may be suspended or terminated after which bills and emails will not be delivered to you through epost™ Services.

16. Transfers With External Accounts

If BlueShore Financial Online Banking enables you to authorize the transfer of funds between the Account and an External Account, then:

- (a) you agree to inform BlueShore Financial in writing of the External Accounts you wish to link to the Account in a form acceptable to BlueShore Financial;
- (b) BlueShore Financial reserves the right to refuse to accept the External Account, to terminate the External Account transfer Service at any time, or to limit the External Account Transfer Services, including the number of External Accounts that

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may be linked to the Account, the dollar value of transfers, the number of transfers, and the type of transfers that can be conducted between the Account and the External Account (specifically, whether transfers will be in the form of credits to the External Account, debits from the External Account, or both credits to and debits from the External Account), all without prior notice to you;

- (c) you agree that you are solely responsible for providing BlueShore Financial with all required details of the External Account necessary to link it to your Account and that BlueShore Financial may rely upon the information provided by you for this purpose;
- (d) you and the Participating Financial Institution holding the External Account must provide authorization to establish the link between the Account and the External Account;
- (e) you agree to not to link the Account to an account that is not owned by you;
- (f) you may only link an Account to an External Account with a financial institution domiciled in Canada that is in the same currency as the linked Account;
- (g) BlueShore Financial reserves the right to Hold funds received from an External Account;
- (h) you consent to the use and disclosure of personal and confidential banking information between BlueShore Financial and the Participating Financial Institution that Holds the External Account for purposes of verifying the External Account or any Transactions transferring funds between the Account and the External Account. You represent and warrant to BlueShore Financial that you have all necessary authority to grant this consent on behalf of all individuals whose personal information has been disclosed to BlueShore Financial in respect of the Accounts and Services or to the financial institution holding the External Account;
- (i) funds usually arrive in your External Account or Account within 3 to 5 business days from the day the request is initiated. BlueShore Financial cannot guarantee the date of deposit to the Account or External Account;
- (j) all transfers to an Account from an External Account may be reversed if the Transaction that was the source of funds in the originating External Account is reversed, funds are returned or it is found not to be good for any reason, or if the any transfer is reversed or cannot be delivered for any reason; and
- (k) you agree that for security or risk management purposes and at BlueShore Financial's discretion, a nominal sum may be transferred to the External Account once per year.

17. Transfers With Linked Accounts

If BlueShore Financial through MemberDirect Services enables the Client, to link multiple Accounts to a single user name to allow such persons to access the Accounts and other Accounts they have with BlueShore Financial from a single user name, it will not constitute a merger of the Accounts. If the Accounts are linked through MemberDirect Services, then:

- (a) BlueShore Financial reserves the right to refuse any specific request to link Accounts to other accounts;
- (b) you agree that BlueShore Financial, in its discretion, may limit the type of Transactions that can be conducted between linked Accounts, specifically whether Transactions will be in the form of credits to an Account, debits from an Account, or both credits to and debits from an Account;
- (c) BlueShore Financial reserves the right to limit the number of Accounts that can be linked, the dollar amount of Transactions to or from a linked Account, and the number of Transactions to and from a linked Account;
- (d) BlueShore Financial reserves the right to apply a Hold on a Transaction transferring funds to a linked Account for a period of time to be determined by BlueShore Financial, during which time the Transaction proceeds or portion thereof will not be accessible to you;
- (e) you acknowledge and agree that BlueShore Financial cannot guarantee the date of completion of a Transaction to or from a linked Account. BlueShore Financial will not be held liable for any Loss arising as a result of a delay in the processing of Transactions; and
- (f) all transfers between Accounts may be reversed if the Transaction that was the source of funds in the Originating Account is reversed, funds are returned or it is found not to be good for any reason, or if the transfer cannot be completed for any reason.

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18. Remote Deposits

If BlueShore Financial, through MemberDirect Services, makes the Remote Deposit Service available to you to make deposits to the Accounts you acknowledge and agree that:

- (a) solely for the Remote Deposit Service, BlueShore Financial appoints you as its agent, to act on behalf of BlueShore Financial in the creation and transmission of an Official Image to BlueShore Financial, and any other related duties that may be required by BlueShore Financial, all in accordance with the Rules and applicable legislation governing negotiable Instruments. In this context, transmission to and receipt by BlueShore Financial of the Official Image will have the same effect as if the negotiable Instrument was delivered to a branch of BlueShore Financial for negotiation and clearing. This role as agent cannot be further delegated by you. You are responsible and liable for:
 - i. ensure ensuring that all Official Images created and transmitted are of good quality and fully and accurately capture all material details of the Eligible Bill,
 - ii. maintaining adequate safeguards and procedures for the preservation of originals of all Eligible Bills transmitted as Official Images, and
 - iii. verifying that deposits expected to be made to the Account reconcile with dates and amounts applicable to transmissions made using the Remote Deposit Service and for providing immediate notice to BlueShore Financial of any errors, omissions, irregularities, or concerns about suspicions of fraudulent Instruments or compromise of the security applicable to the use of the Remote Deposit Service;
- (b) BlueShore Financial may, upon receipt of what reasonably appears to qualify as an Official Image, treat such as an Official Image and, as if it were an original of a negotiable Instrument received for deposits to the Accounts at a branch of BlueShore Financial;
- (c) the creation of an Official Image will be done using a method authorized by BlueShore Financial, in its discretion, from time to time. Further, you agree to take all proper and necessary precautions to prevent any other person from purporting to create or transmit an Official Image to the credit of your Account;
- (d) nothing in this Agreement obliges BlueShore Financial to accept for deposit any item whether it is or purports to be an Official Image. You shall not purport to create or transmit an Official Image of any item that does not qualify as an Eligible Bill. If you have any suspicions or concerns about the authenticity, validity, negotiability, or chain of title to any item purporting to be an Eligible Bill, then none of you will seek to use the Remote Deposit Service for negotiation or collection of that item. Instead, you will bring the original of that item to the counter of the branch of Account, identify the specific concerns to BlueShore Financial, and fully disclose all material facts known by any of you, relating to that item and fully cooperate with any inquiry or investigation of the concerns;
- (e) under the Remote Deposit Service, Eligible Bills include those listed in the definition of that term in this Agreement and such additional negotiable Instruments as may be allowed to be negotiated by Remote Deposit Services under the Rules and which BlueShore Financial, in its discretion, gives you notice that it will allow such Instruments to be deposited by Remote Deposit Services from time to time. You will not seek to use the Remote Deposit Service to deposit any negotiable Instrument into an Account different than the currency denominated on the negotiable Instrument, and shall not attempt to deposit foreign currency Instruments or Instruments drawn on financial institutions domiciled outside Canada without prior permission of BlueShore Financial;
- (f) Official Images received through the Remote Deposit Service are subject to number and dollar limits that may change from time to time without prior notice to you;
- (g) any Transaction made on any day or at any time during which BlueShore Financial is not open for business, may be credited to the Account on the next business day of BlueShore Financial;
- (h) once an Official Image of an Eligible Bill has been transmitted to BlueShore Financial through the Remote Deposit Service, no further Official Images of that Eligible Bill will be created or transmitted through the Remote Deposit Service (or any other similar service) unless you are requested to do so by BlueShore Financial in writing. As soon as you create the Official Image, you must mark the face of the original Eligible Bill to indicate that it has been deposited and to prevent its deposit a second time. You also agree that you will safely retain possession of the original of the Eligible Bill without further use or negotiation, transfer, or delivery to any other person;
- (i) in addition to your other obligations in the Agreement, you agree to indemnify and hold the Indemnified Parties harmless from and against any and all Loss in connection with any claim or demand in any way connected to your breach of your obligations with respect to Remote Deposit Services, or otherwise relating to your use of the Remote Deposit Services. This indemnity includes but is not limited to any claims or demands arising from the duplicate negotiation of items that you present to BlueShore Financial as Official Images of Eligible Bills. You must assist and fully cooperate with the Indemnified Parties in the defence of any indemnified claim or demand;

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- (j) on transmission of an Official Image of an Eligible Bill to BlueShore Financial, you are responsible for immediately marking the face of the Eligible Bill with a clear notation or mark that prevents renegotiation of the Eligible Bill and indicates that the Eligible Bill has been imaged and transmitted for deposit, taking care not to obliterate any material particulars of that Eligible Bill. (For example: This can be done by writing "void" or "paid" or placing a diagonal stroke across the face of the item with a pencil, pen, or brightly colored highlighter.) For a period of 90 days after transmission of the Official Image to BlueShore Financial, or such shorter period as stipulated by BlueShore Financial in writing, you will retain and produce to BlueShore Financial immediately on our written request, the original of all imaged Eligible Bills. If you receive our written request to do so, you will retain an Eligible Bill for a longer period of time and deliver the original of all specified Eligible Bills to us within 5 business days of the request. If you fail to comply with our written request made pursuant to this provision, then BlueShore Financial may place a Hold on or reverse any credit made to the Account in relation to the specified Eligible Bills, even if reversing the credit creates an overdraft on the Account. If no request is received within the time period you are required to retain the Eligible Bill in this Agreement and, provided that you have verified a credit to the Account that reconciles to the Official Image transmitted, **you agree to immediately and securely destroy the original of the Eligible Bill**. Acceptable destruction methods include shredding, pulping, burning, or any other means that ensures that the original negotiable Instrument cannot be reused;
- (k) you are responsible for any and all costs associated with obtaining a replacement negotiable Instrument in the event that BlueShore Financial requests that you re-transmit an Official Image in accordance with (h) above, and must comply with the request even if the original negotiable Instrument was destroyed in accordance with your obligations under this Agreement or otherwise lost;
- (l) in BlueShore Financial's discretion, electronic notices related to the Remote Deposit Service may be generated and sent to you using the contact information you have provided to BlueShore Financial for that purpose. To receive electronic notices, you must provide the electronic contact information required by BlueShore Financial. Alternatively, BlueShore Financial may, in its discretion provide such notices to you using messages accessible to you when you access Online Banking or other Remote Access Services;
- (m) an electronic notice, if any, sent in connection with the Remote Deposit Service is for information purposes only and is no guarantee that the Official Image will be accepted by BlueShore Financial, is good, or that the Account will be credited; and
- (n) BlueShore Financial will not be liable for any Loss you suffer arising as a result of use of the Remote Deposit Service, including, but not limited to, a delay in processing a Transaction or BlueShore Financial requiring you to obtain another negotiable Instrument.

19. Viewing Cheque Imaging

BlueShore Financial may, in connection with MemberDirect Services, permit you to view and print images of Instruments drawn on the Account and such images may be made available before BlueShore Financial has determined whether the Instrument will be honoured or accepted. You acknowledge and agree that such images are made available by BlueShore Financial as a service to you and the provision of such images does not mean that the Transaction has been processed, nor does it in any way oblige BlueShore Financial to honour or accept the Instrument, or that the Instrument is good.

20. Viewing Documents

BlueShore Financial may, in connection with MemberDirect Services, permit you to view and print images of documents. You acknowledge and agree that such images are made available by BlueShore Financial as a service to you and the provision of such images does not in any way oblige BlueShore Financial to permit you to view and print images of documents in the future.

21. Website Use Agreement

Your use of the Website is governed by a Website Use Agreement, as amended from time to time, which may be found at <http://www.blueshorefinancial.com/>. Each time you use the Website, you signify that you have read, understood and agreed, without limitation or qualification, to be bound by the Website Use Agreement as it then reads. If you do not agree with each provision of the Website Use Agreement, you may not use the Website. In the event of a conflict between this Agreement and the Website Use Agreement, this agreement shall govern in respect of any Remote Access Services you access through Online Banking.

C. OTHER TERMS

1. Notice

Except for specific terms in this Agreement or any other agreement expressly to the contrary, any notice required or contemplated by any provision of this or any other agreement to be given to BlueShore Financial shall be in writing and is deemed given when actually received by us. Either party may give notice by Digital or Electronic Representation, mail or fax. Notice may be given to you, except where expressly prohibited by law, by mail, fax, email, other Digital or Electronic representation, through Online Banking, Mobile Banking, at an ATM or through another Access Terminal, or any other means BlueShore Financial reasonably believes will

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bring the notice to your attention, and is deemed to have been received on the earliest of: (a) the time the notice is actually received by you; (b) the time the notice is deemed to be received by you in law; or (c) 5 business days after sending the notice to you.

2. Termination of Access Privileges and Agreement

BlueShore Financial may, in its discretion, change, suspend or terminate the Access Card or Services or any of their features at any time, or your ability to access the Accounts through the Access Terminals, or this Agreement in its entirety for any reason, without any prior notice to you, and without any liability to you or any other person. Without limiting the generality of the foregoing, BlueShore Financial may cancel your ability to use the Remote Access Services if you do not access your Account for 180 consecutive days or breach any provision of this Agreement.

If this Agreement is terminated or your ability to use any Service is restricted, suspended, or terminated, this Agreement will nevertheless continue to apply and be binding upon you in connection with the Accounts and Services.

3. Evidence of Transactions

A paper Transaction record dispensed mechanically as a result of the use of the Access Card constitutes a record of your Instructions. In the absence of evidence to the contrary, the records of BlueShore Financial are conclusive for all purposes, including litigation in respect of: (a) any Instructions given to BlueShore Financial; (b) the making of a withdrawal, deposit, payment or transfer through the use of the Access Card, POS or the Remote Access Services; (c) any other matter or thing relating to the state of Accounts between you and BlueShore Financial in respect of any Transaction.

4. No Other Representations, Warranties or Obligations

The representations, warranties and obligations of BlueShore Financial expressly set out in this Agreement, and any other applicable agreement, constitute the entire representations, warranties and obligations of BlueShore Financial with respect to your Accounts and Services. Except for changes to this Agreement made in accordance with the terms of this Agreement, any advice, information or statements provided by BlueShore Financial, its Service Providers, its agents or their representatives, whether oral or written, will not create any binding representation, warranty or condition or vary or amend this Agreement, including the liability exclusions, liability limitations, release and indemnity provisions, and you may not rely upon any such advice or information for that purpose. This Agreement supersedes any pre-existing agreements, communications, representations and discussions between you and BlueShore Financial relating to the Accounts and Services. Any other agreements between you and BlueShore Financial or terms of business relating to the Accounts or the Services shall remain unaffected, except that if any conflict between such terms and the terms of this Agreement arises, this Agreement shall prevail in so far as the conflict relates to the subject matter of this Agreement.

5. Personal Information Protection

BlueShore Financial, its subsidiaries, its affiliates, and its agents may collect, use and disclose your personal information in order to provide financial Services and products to you, to identify and inform you about Services or products for which you may be eligible, to verify or determine your identity, and to comply with legal and regulatory requirements and to manage its legal and operational risk, all in accordance with this Agreement and the BlueShore Financial Privacy Policy.

You agree to provide BlueShore Financial with your SIN if you have Accounts that earn interest and your SIN is required for purposes of tax reporting, if you purchase certain products such as a retirement savings plan or retirement income funds, if you have a registered education savings plan and wish to receive a Canada Education Savings Grant, or if you operate a trust account for a trust that does not have a Canada Revenue Agency registration number and we must report earned interest for tax purposes. When provided, you also agree that BlueShore Financial may use your SIN as an aid to match credit reporting and credit history information, and for statistical and record keeping purposes.

You also agree that, when BlueShore Financial evaluates your eligibility for the Accounts or Services requested by you, or for purposes of recovering any indebtedness owed by you to BlueShore Financial, BlueShore Financial may collect credit or other personal information about you from Third Parties such as credit reporting agencies, credit grantors and those income sources and personal references that you identify to BlueShore Financial. You also agree that BlueShore Financial may disclose credit and other financial information about you, including your SIN, to credit reporting agencies, credit issuers and other credit grantors. You may withdraw this consent in writing upon reasonable notice, but in that event you agree that BlueShore Financial will have the right to cancel or withhold access to the Accounts and use of the Services for which credit worthiness may be or become relevant as a result of your indebtedness to us or potential to become indebted to us through the ordinary operation of your Accounts. If you are in default of your obligations and we have made demand on you for repayment of your indebtedness, you authorize and consent to the disclosure to us, directly from any Third Party, the amount of any of your indebtedness owing to that Third Party, together with all information relating to any security that you have granted in favour of that Third Party, requested by us from the Third Party in order to permit us to enforce our rights against you.

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You may obtain a current version of the BlueShore Financial Privacy Policy at your branch, by accessing the Website at www.blueshorefinancial.com or by contacting the BlueShore Financial Personal Information Protection Officer at:

BlueShore Financial,
Attn: Personal Information Protection Officer
1250 Lonsdale Avenue
North Vancouver, B.C., Canada
V7M 2H6
Telephone: (604) 982-8000
Facsimile: (604) 983-4593
E-mail: privacymanager@blueshorefinancial.com

If you have any questions about BlueShore Financial's privacy policies or procedures, or if you wish to make a complaint about non-compliance with the BlueShore Financial Privacy Policy, or if you want to access your personal information held by BlueShore Financial, please contact the BlueShore Financial Personal Information Protection Officer by telephone, fax, email or mail.

6. Assignment

You shall not assign the whole or any part of this Agreement or your rights and obligations hereunder or any funds in any of the Accounts, or member shares in BlueShore Financial without the express prior written consent of BlueShore Financial. Unless expressly agreed to the contrary in writing, any such assignment shall be subordinate to BlueShore Financial's rights of set-off and security interests. BlueShore Financial and its agents may assign this Agreement and their respective rights and obligations under this Agreement without your consent.

7. Governing Law, Jurisdiction and Dispute Resolution

This Agreement, the Accounts, your use of the Services, and all matters relating thereto are governed solely by the laws of the Province of British Columbia, and the federal laws of Canada applicable therein, excluding any rules of private international law or the conflict of laws which would lead to the application of any other laws.

Any proceedings relating to any dispute connected with, relating to or arising from this Agreement, the Accounts, your use of the Services, or any matters relating thereto shall be resolved before the Courts of the Province of British Columbia, Canada, sitting in the City of Vancouver, and you hereby irrevocably submit and attorn to the original and exclusive jurisdiction of those Courts in respect of any such dispute.

You shall not initiate any arbitration, actions, claims or other such legal proceedings relating to any dispute connected with, relating to or arising from this Agreement, the Accounts, your use of the Services, or any matters relating thereto against BlueShore Financial until after you have provided BlueShore Financial with written notice of the nature of the dispute and allowed BlueShore Financial 21 days from the date such notice is delivered to BlueShore Financial to resolve the dispute to your satisfaction.

8. Changes to this Agreement

BlueShore Financial may, in its discretion, amend this Agreement from time to time, for any reason, without any liability to you or any other person. Notice of a change to this Agreement may be displayed in BlueShore Financial's branches or on the Website and that will be deemed notice to you. If you access the Accounts or use the Services after the effective date of an amendment to this Agreement, it will mean that you agree to the amendment and adopt and are bound by the newer version of this Agreement. You may not change, supplement or amend this Agreement by any means.

9. Force Majeure

BlueShore Financial shall not be responsible or liable for any delay or failure in the performance of any obligation under this Agreement as a result of any Act of God, strike, lockout or labour disruption, war, riot, civil commotion, fire, flood, loss of power, computer hardware or software malfunction, or other event beyond the reasonable control of BlueShore Financial.

10. Severability

If any provision of this Agreement is found to be unlawful, void or for any reason unenforceable, then such offending provision or portion thereof shall be deemed to be severable from the rest of the Agreement and shall not affect the validity and enforceability of any remaining provisions.

11. No Waiver

No waiver by BlueShore Financial of any breach of or default under this Agreement shall be deemed to be a waiver of any preceding or subsequent breach or default. BlueShore Financial may, without notice, require strict adherence to the terms of this Agreement, despite any prior indulgence granted to or acquiesced in by BlueShore Financial.

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12. Enurement

The provisions of this Agreement will enure to the benefit of and be binding upon BlueShore Financial and including you and your heirs, executors, administrators, successors and personal representatives and your directors, officers, employees, agents, subsidiaries, affiliated corporations, predecessors, successors, and assigns.

D. DEFINITIONS

1. Defined Terms

All defined terms in the Account Application and this Account Operating Agreement have the following meanings:

"Access Card" means a card issued to you by BlueShore Financial for identification, to facilitate access to the Accounts and Services and your provision of Instructions, or to engage in or authorize Transactions, through an Access Terminal, a POS, or otherwise through Remote Access Services;

"Access Code" means a unique personal identification number or "PIN", being a combination of numbers, letters, or characters, for identification and confidential use by you when accessing the Accounts or Services, providing Instructions, or engaging in or authorizing Transactions through an Access Terminal, otherwise through Remote Access Services, or using a POS;

"Access Terminal" means any device you use to access any of the Accounts or Services, including an ATM, a computer, a Mobile Device, or a telephone;

"Account" means any of the Accounts which the Client may have, now or in the future, at any branch or agency of BlueShore Financial;

"Account Application" means any application of the Client to open Accounts and subscribe for the Services as set out in the application, and, for new Clients, means a Client Application Form;

"Account Statement" means any record of a Transaction or information about the Accounts, including an Electronic Statement;

"Agreement" means this Account Operating Agreement and all terms and conditions agreed to and accepted in your Account Application;

"ATM" means an Automated Teller Machine;

"Biller" means a person who uses the epost™ Services to deliver bills and invoices to their customers electronically;

"BlueShore Financial" or the **"Credit Union"** means BlueShore Financial Credit Union;

"BlueShore Financial Privacy Policy" means the BlueShore Financial Personal Information Protection Policy, as amended from time to time;

"Client" means the person or persons whose names appear on the Client Application Form and who have been accepted Members by BlueShore Financial;

"Client Number" means the account operating number assigned to you by BlueShore Financial;

"Client Application Form" means the application form submitted to BlueShore Financial by a prospective Client wherein the prospective Client applies to become a Member of BlueShore Financial;

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

"Court" means any court of competent jurisdiction;

"Digital or Electronic Representations" means digital or electronic representations of any document or Instrument or Instruction, or the relevant digital or electronic information from the document or Instrument or Instruction;

"epost™ Services" means an electronic mail service provided by EPO Inc. (doing business as epost™) that facilitates the delivery of bills and invoices from Billers to their customers using MemberDirect Services;

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"Electronic Statement" means an Account Statement accessed or made available to you through an Access Terminal or otherwise through the Remote Access Services;

"Eligible Bill" means a bill that is of a class specified by a by-law, a Rule, or a standard made under the *Canadian Payments Act*, and defined therein as an 'eligible bill', and which BlueShore Financial and Third Party Service providers permit to be used with Remote Deposit Services. For greater certainty, under this Agreement, an Eligible Bill supporting an Official Image, must be a paper-based Cheque in your possession, complete and regular on its face, immediately payable to you as payee, denominated in Canadian Dollars, and drawn on a financial institution domiciled in Canada. For purposes of this Agreement, third party Instruments that were either delivered to you with the payee in blank or were endorsed over to you and post-dated or stale-dated Instruments shall not qualify as Eligible Bills. Any Instrument that has been in any way transferred to you from anyone other than the drawer, endorsed over to you, or altered after being drawn shall not qualify as an Eligible Bill. BlueShore Financial may, from time-to-time, in its discretion, designate additional types of Instruments as an Eligible Bill for purposes of this Agreement, or restrict the classes of Instruments that will qualify as an Eligible Bill;

"E-Transfer Services" means the Interac E-Transfer Services which enable you to use your email address and a Canadian dollar denominated Account, to send and receive money to or from the holder of another Canadian dollar denominated bank account, situated in Canada, using an Access Terminal, or such other Accounts as we may permit from time to time;

"E-Transfer Transactions" means Transactions sent and received through the E-Transfer Services;

"External Account" means any account the Client holds at any Canadian financial institution or investment firm capable of being linked to the Accounts;

"Hold" means to withhold access to some or all of the funds which are deposited into an Account, including deposits by cheque or other non-cash Instrument;

"Hold Period" means the period of time during which BlueShore Financial can, but is not obliged to place a Hold;

"Indemnified Parties" means BlueShore Financial and its Service Providers and all of their connected parties, including their respective agents, directors, officers, employees, affiliates, assigns and licensees;

"Instructions" means any Transaction instruction, or any request for information or electronic banking Service, or direction, in connection with Remote Access Services, or use of POS or Access Terminal, or concerning the operation of any Client Accounts, whether delivered to us directly or indirectly through the use of electronic, telephonic or other communication channels, including Digital or Electronic Representations. An Instruction includes a Remote Instruction;

"Instrument" means cheques, bills of exchange, promissory notes, orders for payment of money, securities, cash, coupons, notes, clearing items, credit card slips for processing, other negotiable instruments or items of deposit or withdrawal of a similar nature, and their electronic equivalents, including electronic debit instructions;

"Interruption Claims" means any Loss, cost, damage, injury, inconvenience, or delay of any nature or kind whatsoever, whether direct, indirect, special, or consequential, that the Client may suffer in any way arising from non-continuous or interrupted service or BlueShore Financial providing or failing to provide the Remote Access Services, or from the malfunction or failure of telecommunication systems, computer hardware or software, or other equipment, or other technical malfunctions or disturbances for any reason whatsoever, or from any lost, incomplete, illegible, misdirected, intercepted, or stolen messages, or failed, incomplete, garbled, or delayed transmissions, or online failures;

"Loss" means any and all cost (including legal fees incurred), loss, damage, injury, inconvenience, or delay of any nature or kind whatsoever, whether direct, indirect, special, or consequential, including any fine, penalty or interest charges we or the Client may suffer, as the case may be, in any way arising from the operation of the Account, use of the Services, including all Interruption Claims;

"MemberDirect Services" means the services offered by BlueShore Financial from time to time that let you access the Account of Services using an Access Terminal. However, MemberDirect Services do not include card services such as POS purchases or smart cards provided by a Third Party;

"Mobile Device" means a mobile phone, tablet, personal computer or other electronic device by which you can issue Instructions, conduct a Transaction or use our Services;

"Mobile Banking" means a Service provided via a Mobile Device, via SMS text messaging, WAP Browser, or other similar Mobile Device technology, or other similar Service as BlueShore Financial may offer in the future;

"Official Image" means an electronic image of an Eligible Bill, either created in accordance with the provisions of this Agreement and that otherwise complies with the requirements to permit negotiation and clearing of that Eligible Bill in accordance with the by-laws, standards, or Rules;

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"OnLine Banking" means BlueShore Financial's remote access electronic banking service accessible through the Website;

"Overdraft Amount" means the amount of any unauthorized overdraft and the interest on the overdraft amount which you agree to pay to BlueShore Financial in accordance with the section of this Agreement entitled Unauthorized Overdrafts;

"PAD" means a Preauthorized Debit;

"PAN" means the Primary Account Number, and is the number located on the front of your Access Card or other card issued by BlueShore Financial, as the case may be;

"Participating Financial Institution" means any financial institution other than BlueShore Financial participating in the provision of Remote Access Services;

"POS" means a point of sale terminal which allows you to use your Access Card and Access Code to send an Instruction to us for the transfer of funds:

- (a) from the Accounts to purchase or lease goods or services from a seller, lessor or service provider (e.g. a merchant);
- (b) from the Accounts to obtain a voucher, chit, scrip, token or other item that may be exchanged for goods, services or money; or
- (c) into the Accounts from an account of a merchant (e.g. a refund);

"Remote Access Services" means a Service provided in relation to the Accounts and Services through an electronic or telephone service delivery channel, including E-Transfer Services, MemberDirect Services, OnLine Banking, Mobile Banking, Telephone Banking, Remote Deposit Services and any other Service accessed other than at a branch of BlueShore Financial that we may provide now or in the future;

"Rules" means the published rules and standards of the Canadian Payments Association as amended from time to time;

"Preauthorized Debit" means a Transaction debiting the Account that is processed electronically by a financial institution in accordance with your written request;

"Remote Deposit Service" means the remote deposit service provided by BlueShore Financial and accessed through MemberDirect Services, that allows you, using an Access Terminal or other means authorized by BlueShore Financial, in its discretion, to create, transmit, receive and hold as agent of BlueShore Financial, an Official Image for deposit to the Account;

"Remote Instructions" means instructions given to BlueShore Financial with respect to the operation of the Account, other than in person at one of our branches, using an Access Terminal, including through Mobile Banking, Telephone Banking, Online Banking, or other Remote Access Services, by email, text message transmission, or other Digital or Electronic Representation, or verbally by telephone or mobile phone, to access or operate the Account or authorize Transactions or use Services;

"Service" means any service provided by BlueShore Financial to the Client, including Remote Access Services;

"Service Charges" means all service charges and Transaction fees for products and Services provided by BlueShore Financial as per the BlueShore Financial service fee schedule as amended from time to time, which we may charge you under this Agreement, and for prevailing charges imposed by other financial institutions, including Service Providers charged separately or as part of the cost of a Transaction or Third Party Service, in respect of your use of the Accounts and Services;

"Service Provider" means such third party service providers as may be selected by BlueShore Financial from time to time;

"SIN" means Social Insurance Number;

"SMS" means Short Message Service;

"Solution Centre" means BlueShore Financial's Solution Centre which may be contacted by phone: 604.982.8000 (in Vancouver) or 1.888.713.6728 (outside Vancouver) or such other telephone numbers posted on the website from time to time;

"Stop Payment Request" means the written or electronic request made by you to BlueShore Financial to stop payment on any Instrument drawn on the Accounts;

"Suspicious Circumstances" means any facts that give rise or ought to give rise to suspicion that any Transactions or Instructions in respect of the Accounts, or Instruments deposited to or written on the Accounts, are fraudulent, unauthorized, counterfeit, may have a defect in title or otherwise are likely to be returned to BlueShore Financial or found not to be good for any reason;

Personal Account Operating Agreement

"Telephone Banking" means BlueShore Financial's telephone access banking service;

"Third Party" means any person, firm, corporation, association, organization, or entity other than BlueShore Financial, including a Participating Financial Institution;

"Transactions" means a deposit, withdrawal, transfer, debit, or other similar activity from or to the Accounts, as permitted under this Agreement;

"Verification Period" means 30 days from the earlier of: (a) the date on which an Account Statement is received by you; or (b) is deemed to have been received by you;

"you", "your", "yours" means the Client and where the context applies, includes each person signing the Account Application, and all individuals with legal authority to conduct a Transaction or provide Instructions on behalf of the Client;

"we", "us", "our" means individually and collectively BlueShore Financial and its affiliates; and

"Website" means BlueShore Financial's Internet website at www.blueshorefinancial.com or such other address as BlueShore Financial may designate in the future.

2. Rules of Interpretation

In this Agreement, except as otherwise provided or as the context otherwise requires:

- a. reference to "this Agreement" and other similar terms refers to this Agreement as a whole and not just to the particular section in which those words appear;
- b. headings are for reference only and do not define, limit or enlarge the scope or meaning of this Agreement or any of its provisions;
- c. words importing the singular number only include the plural, and vice versa;
- d. reference to a day, week, month, or year, means a calendar day, week, month, or year, unless expressly stated otherwise;
- e. reference to currency is to the lawful money of Canada;
- f. a word importing a gender includes both genders;
- g. "person" includes an individual, corporation, partnership, joint venture, association, trust, unincorporated organization, society or any other legal entity;
- h. "including" or "includes" means including or includes, as applicable, without limitation or restriction;
- i. "discretion" or "option" means a person's sole, absolute and unfettered discretion or option;
- j. "law" includes common law, equity, statutes, regulations, ordinances, orders in council, and mandatory guidelines, and reference to a specific law includes all regulations, ordinances, orders in council and mandatory guidelines made thereunder and all amendments to, or replacements of, the law or any regulation, ordinance, order in council or mandatory guideline in force from time to time, as applicable; and
- k. The headings and captions will be considered as provided for convenience only and as not forming a part of this Agreement, and will not be used to interpret, define, or limit the scope, extent, or intent of the Agreement or any of its provisions.