



**Municipal Finance
Authority of BC**

Information Regarding the NBC Agreement Respecting Business Accounts (the “Agreement”)

As part of the enrollment process to join the National Bank of Canada – Pooled High Interest Savings Fund (NBC-PHISA), the Bank Act specifies that we are required to disclose the Agreement to the Participants for review.

Please note, the relevant information contained in the Agreement that is applicable to the Participant is covered in Schedule “A” – Terms and Conditions and Schedule “B” – Declaration of Trust of the enrolment package. It is important to note that your agreement is with MFA and not NBC.

Any questions regarding either Schedule “A” or Schedule “B” of the Enrollment Package should be directed to the MFA at finance@mfa.bc.ca

Agreement Respecting Business Accounts

Application for Opening a Business Account or Changing an Existing Account
Sections 1 to 7

8 DEFINITIONS

Account

Means any account held at the Bank in the Client's name, including transaction, loan and investment accounts.

Agreement

Means this agreement and any amendments that may be made thereto from time to time.

Application

Means the Application for Opening a Business Account or Changing an Existing Account (as set out in Sections 1 to 7 of this form), each of its appendices and any amendments that may be made thereto from time to time.

Bank

Means National Bank of Canada (including, if applicable, its successors and assigns).

Client

Means the client named in Section 1 of the Application.

Electronic Access Device

Means a personal computer, a telephone, a cell phone, a PDA or any other digital or electronic device giving access to the Bank's services.

Item

Means any cheque, note, bill of exchange, payment order, or other similar instrument, whether or not it is negotiable.

Non-Public Information

Means any information about a business that is not public knowledge such as financial information or information about habits with regard to the use of banking services.

Passive Income

Means the portion of gross income that consists mainly of dividends, interest, income equivalent to interest, annuities, royalties, certain types of rental income, gains on derivative transactions (excluding hedging transactions), foreign exchange gains, net income from notional principal contracts and amounts received under cash value insurance contracts.

Payment Instruction

Means any instruction ordering or requesting the Bank to carry out a debit, a credit or a payment.

Personal Information

Means any information about an individual which, taken alone or together with other information, makes it possible to identify him/her, such as identity information, financial information and information about habits with regard to the use of banking services.

9 COLLECTION, USE AND DISCLOSURE OF INFORMATION

9.1 Collection of Information

The Bank shall collect Non-Public Information and Personal information about the Client and its representative(s) (hereinafter indiscriminately, for the sole purposes of this Section, the "Information") in order to offer the Client regular financial services related to the Account and to protect the interests of the Client and of the Bank. The Bank shall further collect Information in order to understand and meet the Client's needs, and to determine the Client's eligibility for various Bank products and services. The information thus collected shall be recorded in the Client's file.

This Information will be collected from the Client and its representative(s) or from persons and entities likely to have or be able to confirm the accuracy of such Information (credit reporting and assessment agencies, financial institutions, public registers, regulatory authorities and organizations, employers, professionals, persons with whom they have a business relationship, the Bank's subsidiaries and affiliated companies and Crown corporations or other organizations offering financing or supplementary guarantee programs).

9.2 Use and Disclosure of Information

9.2.1 The Information that the Bank collects and needs in order to provide the products and services requested, may be used by the Bank and disclosed to the persons and entities mentioned in the previous paragraph, any person or entity working with or for the Bank, including its suppliers, service providers, representatives and agents, as well as any other third party, as permitted by law, for the following purposes:

- To evaluate the financial position of the Client and its representative(s) and to determine their eligibility for the various products and services requested, as well as to verify the authenticity of the Information provided;
- To provide the Client and its representative(s), on a continuous basis, with the financial products and services requested;
- To allow for data processing and storage, cheque printing, statement preparation or mailing, as well as the collection and monitoring of transactions in order to protect the Client and its representative(s) and the Bank from errors and fraud;
- To enable the Bank to compile data for statistical purposes, assess the quality of its customer service and, in general, conduct its activities and ensure their compliance, thereby authorizing the Bank to record and monitor telephone conversations and other exchanges with the Client and its representative(s) (e-mail, Internet, etc.);
- To share such Information with other financial institutions in connection with the administration and management of the Client's Accounts, particularly for the purposes of processing and clearing cheques, bill payments and transfers;

- To enable the Bank to adopt the measures required and exchange with its subsidiaries and affiliated companies the Information necessary to manage risk and update the profile of the Client and its representative(s) as well as to comply with applicable legislation in its sector of activity, particularly tax legislation requiring the production of tax slips which must include, among other things, the business identification number (BIN), social insurance number of an individual, and to comply with *the Proceeds of Crime (Money Laundering) and Terrorist Financing Act*;
 - In general, to prevent, detect or control fraud and avoid or correct errors;
 - To make it easier to identify the Client and its representative(s) – and to differentiate them from the Bank's other clients and their representative(s) – with credit reporting and assessment agencies, financial institutions, public registers, regulatory authorities and organizations, employers, professionals and individuals with whom they have business relationships, as well as with the Bank's subsidiaries and affiliated companies and Crown corporations or other organizations offering financing or supplementary guarantee programs. The Client's representative(s) authorize(s) the Bank to use their social insurance number for these specific purposes, unless they declined to disclose it to the Bank when opening the Account;
 - To enable interested persons or companies to perform due diligence in the event of the sale, disposal or transfer of the business;
 - To convey the credit file of the Client and its representative(s) to credit reporting and assessment agencies, credit product insurers or other lenders in order to preserve the integrity of the credit granting process, as applicable;
 - To assess, if necessary, together with Crown corporations or other organizations offering financing or supplementary guarantee programs, the eligibility of the Client and, if applicable, of its representative(s) for these programs, which authorizes the Bank and the Crown corporations or organizations to share information about them;
 - In other cases and under conditions where legislation authorizes the Bank to use and exchange information without the consent of the Client and its representative(s).
- 9.2.2 Some of the Client's identity and financial Information may also be used and disclosed for the following purposes:
- To offer the Client, by way of telemarketing or other means, other products and services provided by the Bank or its subsidiaries and affiliated companies. Such Information will be added to the client lists that the Bank draws up and uses for this purpose;
 - To allow the Bank to disclose such Information to its subsidiaries and affiliated companies, as permitted by law, so that they may offer their products and services to the Client through telemarketing or another method.
- 9.2.3 The Client and its representative(s) expressly consent that the Bank may use this Information for the purposes indicated above.

9.3 Retention, Access and Correction

The Bank will keep the Information collected for the purposes set out in this Section for as long as it may be needed even if the Client and its representative(s) no longer do business with the Bank. The Client and its representative(s) acknowledge that they may access their Information and have it corrected, if needed, by sending a written request to their branch or by e-mailing confidentiality@nbc.ca. Furthermore, the Client and its representative(s) undertake to advise the Bank promptly of any changes related to their Information so that it may update their file(s).

The Client and its representative(s) may obtain more information on the Bank's practices concerning the protection of personal information by visiting www.nbc.ca or by referring to the pamphlet available in branches.

10 RIGHTS AND OBLIGATIONS OF THE PARTIES

10.1 Management of Accounts

10.1.1 Payment Instructions

Payment Instructions from an Account must be given on an Account intended for this purpose and, subject to Section 10.1.4 below, in the currency of the Account. Payment Instructions must be in a form authorized by the Bank.

10.1.2 Debit Authorization

The Client authorizes the Bank to debit to the Account:

- Any Payment Instructions issued, signed or accepted by the Client;
- The amount of any Item or funds transfer previously paid to the Client (by crediting an Account or otherwise) for which the Bank has not received the payment or for which the payment has been cancelled or must be reimbursed by the Bank (pursuant to the rules of the Canadian Payments Association or otherwise);
- The amount of any Item previously paid to the Client (by crediting an Account or otherwise) that was stolen or that disappeared, except if the disappearance resulted from gross negligence on the part of the Bank;
- Any amount previously paid to the Client by mistake (by crediting an Account or otherwise);
- Any amount due to the Bank by the Client, for whatever reason, even if this amount is not in the currency of the Account concerned.

10.1.3 Fees

Wherever applicable, the Client undertakes to pay fees to the Bank for the management of its Account and for the services rendered to it by the Bank as well as fees related to any request regarding the Client with which the Bank is required to comply. Such fees shall be payable in accordance with the fee structure and the terms and conditions in effect at the Bank. The Client acknowledges having received a statement of the fees and terms and conditions currently in effect, as applicable.

10.1.4 Currency Conversion

The Bank may, at its discretion, accept to process a Payment Instruction in a currency other than that of the Account.

If the amount to be debited to an Account is in a currency other than the currency of the Account, the Bank shall be authorized to convert this amount into the currency of the Account at the exchange rate set by the Bank in accordance with its usual practices for such a conversion on the date of the debit.

10.1.5 **Overdrafts**

The Client must reimburse the Bank for any amount overdrawn in its Account, with interest being at the annual rate in effect at the Bank for such overdraft; such interest may be debited monthly to the Account.

10.1.6 **Interest on Credit Balance**

A credit balance in the Account shall not bear interest, unless it is in accordance with the terms and conditions and at the interest rate, which the Bank may agree upon in writing.

10.1.7 **Waiver**

The Client is liable for the payment of any Item remitted to the Bank that it signed, accepted or endorsed, even if the Bank does not present this Item for acceptance or payment to the issuer. Consequently, the Client shall not contest any Item that it signed, accepted or endorsed and acknowledges that the Bank shall not be obliged to notify it if the Item is not paid.

10.1.8 **Remedies With Regard to Unpaid Items**

The Bank may exercise, without being bound to do so, any remedy with respect to an Item debited to an Account hereunder. Such Item may therefore be withheld or held by the Bank as security for the payment of any sum owed by the Client to the Bank.

10.1.9 **Hold Funds**

Any sum credited to the Account following a Payment Instruction shall be, unless otherwise agreed, paid "subject to final collection." Therefore, any sum credited to the Client's Account by way of the deposit of an Item or a funds transfer may be withheld by the Bank until expiry of a time period allowing for the payment of such Item or until effective receipt by the Bank of the sum of the transfer. Whether or not sums are withheld, the Client shall be responsible for reimbursing i) any Item that is subsequently returned unpaid or ii) any transfer credited to an Account for which the funds are not received by the Bank. If the sum is not withheld or the withholding period expires, the Item or the transfer is not necessarily final.

10.1.10 **Item Forms**

The Bank may dishonour an Item if such Item has been drawn up on a form not approved by the Bank or if such form has been altered or does not comply with applicable standards, including those of the Canadian Payments Association.

10.1.11 **Rules Applicable to Payment Instructions**

The Client is responsible for complying with the legal and regulatory provisions applicable to it. The Client declares and warrants to the Bank that the Items it has issued do not, directly or indirectly, violate the laws and regulations (particularly sanctions) in effect in Canada or any other jurisdiction concerned. The Bank may suspend or refuse to process any Item, without any liability, if it has grounds to doubt the legality or compliance of the payment.

The Client acknowledges that domestic or foreign regulations (including regulations on currency exchange control in effect in certain countries), the rules established by financial institutions or other events beyond the control of National Bank may result in delays, interruptions or a failure to execute the payment order. Specifically, the Client acknowledges that processing Items from or payable in a sanctioned country may result in longer processing times. The Bank shall not be liable for such delays or non-payment.

10.1.12 **Review of Statements**

- a) The Bank may from time to time provide the Client or its representative(s) with a statement of its Account. The Client undertakes to verify all debit and credit entries shown on the statement. The Client undertakes to notify the Bank forthwith should statements not be received on the date they are normally received. In addition, the Client shall notify the Bank in writing, within forty-five (45) days of the end of the period covered by the statement, of any errors or irregularities concerning the statement and the debit or credit entries shown thereon. Upon expiry of such period of forty-five (45) days (except for any errors or irregularities of which the Bank was previously notified in writing), the balance shown on the statement shall then be deemed conclusively to be correct and the Client shall be unable to exercise any remedies against the Bank with respect to the debit entries appearing on the statement or the credit entries which should have appeared thereon, even if the Bank was at fault or negligent. However, the foregoing does not prevent the Client from contesting a payment made on the basis of an irregular endorsement if such irregularity was discovered after such period of forty-five (45) days and if paragraphs b) and c) below do not present an obstacle in this regard.
- b) The Client shall maintain control procedures and take the requisite measures to avoid losses resulting from fraudulent action, failings, negligence, errors or omissions by its representatives, employees or agents. The Client may not hold the Bank liable for such losses even if it sends the Bank written notice of such error or irregularity within the timeframe stipulated in paragraph a) hereof. The Bank shall not verify the signatures appearing on Items issued by the Client or take measures to prevent losses that might arise from fraudulent action, failings, negligence, errors or omissions on the part of its representatives, employees or agents.
- c) Even if the Client notifies the Bank in writing of an error or irregularity within the timeframe stipulated in paragraph a) above, the Bank shall at no time be liable for losses when the irregularity is caused by a forged or unauthorized signature, alterations to an Item or a counterfeit Item unless:
 - i) The signature or the alteration or the counterfeited Item was at no time made by a representative, employee or agent of the Client; and
 - ii) The Client could not have avoided the loss despite the control procedures and measures stipulated in paragraph b) hereof.
- d) If the Bank receives written notice of an error or an irregularity as stipulated in paragraph a) above and if the Bank is liable notwithstanding paragraphs b) and c) above, in no case may the Bank's liability exceed

the debit amount, which should not have appeared on the statement or the credit amount, which should have appeared thereon, as applicable.

- e) The Bank shall not remit to the Client any Item it has already paid unless a specific agreement to that effect has been signed by the Bank and the Client.

10.1.13 **Electronic Communications**

Any communication or instruction that appears to have been sent by the Client by electronic means shall be deemed to be duly authorized by and binding upon the Client. The term "by electronic means" means by way of an Electronic Access Device, Internet, e-mail, fax or any other means of electronic or digital transmission or communication. The Bank shall be authorized to act upon any such communications and to give effect thereto.

The Bank reserves the right to request an additional verification of the identity of the sender before following up on a communication from the Client in which the Client gives an instruction relating to an Item.

10.1.14 **Mailing Address of Client**

Any statement of Account, notice, Item or document intended for the Client may be sent by mail to the Client's last address of record with the Bank or, if applicable, by e-mail to the e-mail address provided by the Client. Any loss resulting from an e-mail transmission shall be borne by the Client.

10.1.15 **Foreign Currency Accounts – Specific Conditions**

Foreign coins are not accepted for deposit to a Foreign Currency Account, and foreign cash is offered subject to availability. The Foreign Currency Account is governed by all legislation and regulations applicable to the relevant currency and regulatory restrictions may limit conversions and transfers. The Bank assumes no liability for i) any increase or decrease in the value of the Foreign Currency Account due to exchange rate fluctuations; ii) the unavailability of funds due to legal restrictions on the currency of the Account; and iii) any withdrawal from the Account required by competent regulatory authorities.

Foreign Currency Accounts denominated in currencies other than the U.S. dollar do not permit deposits or withdrawals in cash or the issuance of cheques. Depending on the currency of the Account, other conditions and restrictions may apply to the management of the Account.

Sums credited to a Foreign Currency Account are not insured pursuant to the Canada Deposit Insurance Corporation Act.

10.2 **Miscellaneous**

10.2.1 **Pricing of Services**

The Bank regularly reviews the fee structure of products and services. If the Client receives statements of Account, a notice with respect to the new fee structure will be sent to him thirty (30) days prior to the effective date thereof. If the Client does not receive statements of Account, posters announcing the new fee structure displayed sixty (60) days in advance at the Bank's branches and automated banking machines may be consulted to notify the Client of the new fee structure. The revised version of the Bank's "Fee Guide – Banking Services for Businesses", in which the Client shall find the fee structure for the Bank's main products and services, shall also be available in branches sixty (60) days in advance.

10.2.2 **Changes Regarding Client Information**

The Bank shall be authorized to act upon the information that it has regarding the Client until such time as it is notified of any change in such information.

10.2.3 **Changes to Services or to the Agreement**

The Bank reserves the right to change or withdraw at any time any service provided to the Client, including receipt of deposits and acceptance of Payment Instructions.

The Bank may amend this Agreement by way of a prior notice of thirty (30) days given to the Client, and such amendment shall be considered as having been accepted by the Client if it continues to use the Account thereafter.

10.2.4 **Inaccessibility**

The Client may not assign or hypothecate its rights resulting from any Account or this Agreement.

10.2.5 **Limitation of Liability**

Subject to the following, the Bank assumes no liability for loss or damage, except in the event that such loss or damage is directly attributable to negligence or willful misconduct on the part of the Bank.

In addition, even in the event of negligence on the part of the Bank and regardless of the cause of the action, the Bank shall not be liable for loss or damage resulting from the following:

- i) Actions, negligence or omissions by any other person (including the Client and any other correspondent financial institution), excluding representatives and employees of the Bank acting in compliance with the specific instructions of the Bank;
- ii) Incorrect or incomplete data or information provided to the Bank or its representatives;
- iii) Force majeure or any situation beyond the Bank's control, including system failures or a breakdown in communication systems.

In no event can the Bank be held liable for indirect, special, exemplary or incidental damage or damage for loss of income.

With the exception of the directives that must be complied with, the information communicated and issued by the Bank is purely indicative. It is understood that the information, communications and explanations related to the terms and conditions of the products and services provided by the Bank will not be considered legal, financial, sales or investment advice or recommendations. The Bank gives no guarantees as to the expected results of its products and services. The Client shall rely on the recommendations of its own advisors (who have no connection with the Bank) for the purpose of using the Bank's services.

10.2.6 **Recording of Communications and Reproduction of Documents**

The Client consents to its communications with the Bank being recorded and saved and potentially used as proof in the event of a disagreement between the Bank and the Client or in any legal or administrative proceedings in which the Bank may be involved.

The Client acknowledges that any Item or other document may be reproduced onto a digital, electronic or other medium, which may be used by the Bank or any participant in any inter-bank clearing system. In such a case, the original paper version may be destroyed.

The Client acknowledges that any reproduction of an Item or other document or of another medium replacing the original constitutes proof of its contents and is eligible to be used as proof in any legal or administrative proceedings.

The Client acknowledges that the Bank offers no guarantee regarding confidentiality of information transmitted electronically and the Client accepts the underlying risks.

10.2.7 **Several Clients or Accounts**

If an Account is opened in the name of several persons or entities, the term "Client" also means each of such persons or entities and each Client shall then be jointly and severally or solidarily liable with the others for the aggregate obligations set out herein. Should the Client have a number of Accounts, this Agreement shall apply to each of its Accounts.

10.2.8 **Governing Law**

This Agreement shall be governed and construed in accordance with the laws in effect in the province or territory in which the Client has its principal place of business on the date on which it consents to the Agreement.

11 CORPORATIONS

If the Client is a corporation, the following resolution was duly passed by its Board of Directors and is still in full force and effect unamended as at the date of the Agreement.

Resolution of the Board of Directors Regarding the Banking Business of the Client

BE IT RESOLVED:

a) **Person(s) authorized to sign agreements relating to the use of banking services.** That the banking business of the Client be carried out at the Bank and that the person(s) designated in Section 4 of the Application as being authorized to sign agreements relating to the use of banking services be authorized to sign any agreement relating to the Client's Account(s), to settle any banking business with the Bank and to sign for and on behalf of the Client any agreements pertaining to the Bank's products and services, except for those provided for in other paragraphs hereof, the whole pursuant to the terms and conditions set out in the Bank's forms or, as the case may be, pursuant to the terms and conditions they shall deem satisfactory, with full powers to appoint nominees for the purposes of said agreements.

That the person(s) designated in Section 4 be authorized for and on behalf of the Client to purchase, accept, sell, transfer, surrender, assign or otherwise negotiate any shares, bonds or other securities and to sign any required documents related thereto.

b) **Person(s) authorized to sign and endorse Items and other instruments.** That the Bank be and is hereby authorized to pay and accept all Items and other instruments signed, drawn, accepted or endorsed for and on behalf of the Client by the person(s) designated in Section 4 of the Application as being authorized to sign and endorse Items and other instruments, and in addition, to accept, for deposit to the credit of the Client's Account, all Items and other instruments endorsed in the name of the Client by these same persons, or bearing the words, "FOR DEPOSIT TO THE PAYEE'S ACCOUNT" or any other equivalent wording.

That the Bank be and is hereby authorized and required to honour, pay and debit to the Client's Account all Items and other instruments bearing the printed signature or stamped facsimile signature of the person(s) authorized hereunder and whose specimen signatures shall have been provided to the Bank, and that the Bank is hereby released from all responsibility or claim resulting from irregular or unauthorized use of any machine used to print or mechanically stamp the signature of these persons.

c) **Person(s) authorized to sign agreements respecting borrowing.** That the person or persons designated in Section 4 of the Application as being authorized to sign the loan agreements be authorized for and on behalf of the Client to exercise the rights and powers provided for in the Borrowing By-Law of the Client, a copy of which is reproduced in Section 12 hereof, if applicable, and more particularly, to make arrangements or agreements with the Bank regarding any matter related to the loans or other credits granted by the Bank to the Client, including Account overdrafts, namely and without limitation, any loan agreement, all notes or grid-notes as well as any deed or document giving the Bank a security interest, title or any rights whatsoever with respect to all or part of the movable or immovable property, personal or real property, corporeal or incorporeal, tangible or intangible, present and future of the Client, including any clause or deed of giving in payment deemed appropriate.

d) That the Bank be provided with a list of the directors and officers listed in Section 3 of the Application indicating their names, profession and title, and that the Bank be notified in writing of any change to this information; such list, when received by the Bank, shall be binding upon the Client until a written notice of the repeal or alteration thereof is given to the Bank and the Bank has acknowledged receipt thereof in writing.

e) That in the event the Client conducts business under one or more trade names, this resolution shall also apply to transactions carried out for the Client under said trade names by the persons listed in Section 4 of the Application.

f) That all Items and other instruments, agreements, deeds and documents signed, made, drawn, accepted or endorsed as stipulated above shall be valid and binding upon the Client.

g) That this resolution be communicated to the Bank and that it remain in full force and effect until written notice of the repeal or alteration thereof is given to the Bank and the Bank has acknowledged receipt thereof in writing.

12 BORROWING BY-LAW

If the Client is a corporation, the Borrowing By-Law set out below was duly passed by the Client's Board of Directors and is still in full force and effect unamended as at the date of the Agreement.

Borrowing powers:

- To borrow money and obtain advances upon the credit of the Client, from the Bank, at such time, in such amounts and on such terms as it may deem appropriate either by discounting or causing to be discounted negotiable paper or instruments made, drawn, accepted or endorsed by the Client, by overdraft, by arranging for credit, by way of loans, advances or by any other manner whatsoever;
- To issue bonds, debentures or other securities of the Client, to give them as security or otherwise assign them to the Bank under such terms, conditions and considerations as it may deem appropriate;
- To hypothecate, pledge, assign, transfer, mortgage or affect in another manner all or any personal or real property, movable or immovable property, corporeal or incorporeal, tangible or intangible, or present or future rights of the Client, to secure the said bonds, debentures or securities issued, or to secure any loans, debts, responsibilities or commitments whatsoever, present or future, direct or indirect, of the Client towards the Bank;
- To delegate from time to time, in its discretion, by resolution to one or several directors, officers or other employees of the Client, or to any other person or persons, all or any of the above-mentioned powers.

The powers provided for in this By-Law, if applicable, are in addition to those which the directors or officers of the Client may hold pursuant to any applicable law or instrument governing the Client.

This By-Law, if applicable, shall remain in full force and effect insofar as it affects the Bank, until a written notice of the repeal or alteration thereof is given to the Bank and the Bank has acknowledged receipt thereof in writing.

13 PARTNERSHIPS, ASSOCIATIONS AND TRUSTS

If the Client is a partnership, an association or a trust, the following provisions shall govern its relations with the Bank:

- In the case of a limited partnership, all the Client's partners;
- In the case of a general partnership, all the Client's partners;
- In the case of an association, all the Client's members;
- In the case of a trust, all the Client's trustees agree with the Bank as follows:

a) **Person(s) authorized to sign agreements relating to the use of banking services.** That the person or persons designated in Section 4 of the Application as being authorized to sign the agreements relating to the use of banking services be authorized, for and on behalf of the Client, to sign any agreement regarding the Client's Account(s), to settle any banking business with the Bank, to purchase, accept, sell, transfer, surrender, assign or otherwise negotiate any shares, bonds or other securities and to sign any required documents related thereto as well as any agreements pertaining to the Bank's products and services, except for those provided for in other clauses hereof, to make arrangements and waive rights, the whole pursuant to the terms and conditions set out in the Bank's forms or, as the case may be, pursuant to the terms and conditions that it (they) shall deem satisfactory.

b) **Person(s) authorized to sign and endorse Items and other instruments.** That the person or persons designated in Section 4 of the Application as being authorized to sign and endorse Items and other instruments be authorized, for and on behalf of the Client, to sign, accept and endorse all Items and other instruments and, furthermore, to make deposits to and withdrawals from any Account.

c) **Person(s) authorized to sign agreements respecting borrowing.** That the person or persons designated in Section 4 of the Application as being authorized to sign loan agreements be authorized, for and on behalf of the Client, to make arrangements or agreements with the Bank regarding any matter related to the loans or other credits granted by the Bank to the Client, including overdrafts, namely and without limitation, to sign all loan agreements, notes or grid-notes and to hypothecate, mortgage, pledge, create a security interest in, assign or execute any deed or document giving the Bank a security interest, title or any rights whatsoever with respect to all or any movable or immovable property, personal or real property, corporeal and incorporeal, tangible or intangible, present and future of the Client, including any clause or deed of giving in payment deemed appropriate.

d) **Effect of authorizations.** Any act done and any document or instrument signed for purposes of the foregoing by the persons designated in clause a), b) or c) shall be binding upon the Client.

e) **Term of Agreement.** This Agreement shall remain in force and effect notwithstanding any change in the internal affairs of the Client or in the persons who are the members or the partners of the Client and notwithstanding the death, bankruptcy, insolvency or incapacity of a member or a partner.

f) **Revocation of authorizations.** The authorizations granted herein shall remain in effect until a written notice of revocation is served on the Bank. Such revocation shall only be effective in respect of the person having filed the notice and for indebtedness and obligations incurred after the notice is received by the Bank.

*g) **Personal liability of person(s) having signed Section 5 of the Application.** The person or persons having signed Section 5 of the Application shall be jointly and severally or solidarily liable for the aggregate of all indebtedness and obligations incurred for or on behalf of

the Client by the person or persons designated in Sections 3 and 4 of the Application.

- * Provision regarding partnerships or associations (this provision does not apply if the Client is a trust).

14 CORPORATE PARTNERSHIPS

If the Client is a general partnership composed of corporations, the following resolution shall be a true copy of the resolution duly passed by the Board of Directors of each corporation and said resolution is still in full force and effect unamended as at the date of the Agreement.

If the Client is a limited partnership made up of corporations, the following resolution shall be a true copy of the resolution duly passed by the Board of Directors of each corporation which is a general partner and that said resolution is still in full force and effect unamended as at the date of the Agreement.

Resolution Regarding the Banking Business of a Partnership Composed of Corporations

WHEREAS the Corporation is a:

“general partner” in the case of a limited partnership, or “partner” in the case of general partnership.

BE IT RESOLVED:

- a) That one or more Accounts be opened with the Bank in the name of the partnership.
- b) That the person(s) designated in Section 3 of the Application be authorized for and on behalf of the Corporation, to complete the Application and to commit the Corporation to the terms of the Agreement.
- c) That the person(s) designated in Section 4 of the Application be authorized to exercise the powers stated in the Agreement for and on behalf of the partnership.
- d) That this resolution be communicated to the Bank and remain in full force and effect until a written notice of the repeal or the alteration thereof is given to the Bank and the Bank has acknowledged receipt thereof in writing.
- e) That the Secretary and the President or, where applicable, the sole director be authorized to certify that the present resolution was passed by the Board of Directors.

15 JOINT ACCOUNTS (CORPORATIONS)

If the Account is a joint account held by one or more Clients incorporated as a Corporation, the following resolution shall be a true copy of the resolution of each Corporation, duly passed by its Board of Directors and that said resolution is still in full force and effect unamended as at the date of the Agreement.

Resolution Regarding the Administration of a Joint Account (Corporations)

BE IT RESOLVED:

- a) That the Corporations open a joint Account with the Bank.
- b) That this Account be opened in the name appearing in Section 1 of the Application and that the documents for opening the Account be signed for and on behalf of the Corporations by the representatives of each Corporation.
- c) That the person(s) designated in Section 4 of the Application as being authorized to sign the agreements regarding the use of banking services, be authorized for and on behalf of the Corporations to transact and settle any banking business with the Bank and to sign, for and on behalf of the Corporations, all agreements regarding the Bank's products and services, except for those provided for in other paragraphs hereof, the whole pursuant to the terms and conditions set out in the Bank's forms or, as the case may be, pursuant to the terms and conditions that it or they shall deem satisfactory.
- d) That the Bank be and is hereby authorized to pay and accept all Items and other instruments signed, drawn, accepted or endorsed for and on behalf of the Corporations by the person or persons designated in Section 4 of the Application as being authorized to sign or endorse Items and other instruments, and in addition to accept, for deposit to the credit of the Account, all Items and other instruments endorsed in the name of the Corporations by these same persons, or bearing the words “FOR DEPOSIT TO THE PAYEE'S ACCOUNT” or any other equivalent wording.
- e) That the person or persons designated in Section 4 of the Application as being authorized to sign the loan agreements, be authorized for and on behalf of the Corporation to exercise the rights and powers provided for in the Borrowing By-Law of the Corporation a copy of which is presented in Section 12 hereof and to make arrangements or agreements with the Bank regarding any matter related to the loans or other credits granted by the Bank jointly to the Corporations including Account overdrafts, and to sign all deeds or documents for the aforesaid purposes or for the purposes mentioned in the said By-Law, including but not limited to any deed or document giving the Bank any security interest, title or rights whatsoever with respect to all or part of the movable and immovable property, personal or real property, corporeal and incorporeal, tangible or intangible, present and future, of the Corporation, including any clause or deed of giving in payment deemed appropriate.
- f) That any amount disbursed by the Bank regarding the loans and credits granted jointly to the Corporations may be credited to the Account, and any amount due to the Bank with respect to the loans and credits jointly granted to the Corporations may be debited to the Account.
- g) That the person or persons designated as being authorized to sign and endorse the Items and other instruments in Section 4 of the Application be authorized to receive the statements of Account, the cancelled Items and other instruments debited to the Account, and to certify and accept all Accounts and all Account balances between the Corporations and the Bank with respect to this Account.

- h) That the Corporations are jointly and severally or solidarily liable for any transactions performed in the Account, whether advances, Account overdrafts or other transactions resulting from the operations of the Corporations.
- i) That all the instruments and documents signed, made, drawn, accepted or endorsed, as stipulated above, shall be valid and binding upon the Corporations.
- j) That the Bank be provided with a list of the directors and officers including their first and last names, profession and title, or other agents of the Corporations authorized for the above purposes, and that the Bank be notified in writing of any change which could arise concerning such persons; such list, when received by the Bank, shall be binding upon the Corporations until a written notice of the repeal or alteration thereof is given to the Bank and the Bank has acknowledged receipt thereof in writing.
- k) That this resolution be communicated to the Bank and that it remain in effect until a written notice of the repeal or alteration thereof is given to the Bank and the Bank has acknowledged receipt thereof in writing.
- l) That the Secretary and the President or, where applicable, the sole director be authorized to certify this resolution and the Borrowing By-Law appearing in Section 12 hereof.

16 CLIENTS THAT CARRY ON A BUSINESS UNDER A NAME OTHER THAN THEIR OWN

If the Client is a person carrying on a business under a name other than his/her own as stated in Section 1 of the Application, said Client declares the following:

- a) That he/she has no partner in the enterprise carried on under such name;
- b) That he/she has registered the name of said business with the regulatory authorities responsible for registration in each province or with the competent local registry, as applicable;
- c) That he/she will be liable and responsible towards the Bank for all transactions entered into or to be entered into with the Bank, including all Items and other instruments made, drawn, accepted, endorsed or signed by the Client or by his/her duly constituted attorney under said name.