

Personal Account Terms and Conditions

This document includes general terms and conditions applicable to all Account types, as well as specific terms and conditions applicable to each Account type. These terms and conditions contain important details about your Account with the Bank as defined below.

If you have any questions about your Account or these terms and conditions, please contact us by:

Email: customer.experience@bridgewaterbank.ca

Phone: 1.866.243.4301

Mail: Bridgewater Bank
Suite 150, 926 – 5th Ave SW
Calgary, AB T2P 0N7

By applying for an Account with us, you agree to and accept the following terms and conditions as applicable to your Account type. If any of the general terms and conditions conflict with a provision in the specific terms and conditions, the specific terms and conditions will apply. These terms and conditions apply to all Accounts applied for or renewed after February 1, 2011.

A. GENERAL TERMS AND CONDITIONS – APPLICABLE TO ALL ACCOUNTS

Definitions

The following terms used in these terms and conditions are defined as follows:

“We,” “our,” “us” or “the Bank” refer to Bridgewater Bank, and “you,” “your,” “Customer,” or “Account holder” refer to each person in whose name an Account has been opened.

“Account” means any one or more of a GIC or a Smart eSavings Account™

“External Account” means a deposit account that you have at another Canadian financial institution and which is linked to your Account as described in these terms and conditions.

“GIC” means a deposit type product called a guaranteed investment certificate that you acquire from us in a fixed amount and for a fixed term which you select from the choices we offer, and for which we guarantee the rate of interest (or how the rate of interest is determined) for the term.

“Smart eSavings Account” means an interest-bearing deposit account that you open with us and which we refer to as a high-interest savings account.

Opening an Account

You may open an Account with us if:

- You are a citizen or permanent resident of Canada and reside in a province or territory in which we offer the Account;
- You are of the age of majority in the province in which you reside;
- Your Account will be used for personal purposes only, and not business or other purposes;
- You provide us with the funds required to open the Account through a means acceptable to us and which is honored by your financial institution. For a Smart eSavings Account, the initial minimum deposit amount is \$25. For a GIC: the full amount of the GIC is required. If you are a new Customer, these funds must be provided through a signed, fully encoded Canadian dollar cheque drawn on an External Account and payable to the Bank; and
- You comply with all our other Account opening requirements;
- We can confirm your identity as required by law.

We may limit the number of External Accounts associated with your Bridgewater Bank account (i.e. accounts which you can use to move funds in and out of your high interest savings account). You agree and consent to our verifying information provided by you by methods including, but not limited to, obtaining reports from any credit bureaus, credit reporting agencies, or similar third parties.

Currency: All Accounts are held in Canadian dollars. We do not accept cheques drawn on financial institutions outside of Canada, including the United States. We do not accept U.S. dollar cheques from Canadian financial institutions.

Use: All Accounts must be used for lawful personal purposes only, and not for business or other purposes.

Joint Accounts

When an Account is jointly held by two or more people, each Account holder is bound by these terms and conditions. The following terms also apply to jointly held Accounts:

- Any of the Account holders may conduct transactions on the Account. We will act on instructions given by any Account holder, without the consent or authorization of any other Account holder. This includes but is not limited to, closing a Smart eSavings Account and renewing a GIC.
- You are responsible, both jointly and individually, for all transactions, obligations, and service charges relating to your Account.
- We may disclose your Account information to any joint Account holder.
- Unless we agree otherwise, Account statements, notices, and other documents sent to the address in our records, being the address for either the Account of the Account's primary applicant or Account holder, will be considered sent to each Account holder.
- In the event that an Account holder wishes to remove their name from your Account, the Account must be closed and reopened with a new Account number and name(s) of the new Account holder(s).
- If an Account holder dies, any balance in your Account will become the property of the remaining Account holder(s). For this purpose, each of you hereby assigns your interest in the Account to your joint Account holder (or joint Account holders jointly if there are more than two joint Account holders). (This sub-paragraph will not apply if an Account holder lived in Quebec at the time of his/her death).

Accounts held for the benefit of others – “In trust” or similar designations

We are not required to recognize anyone other than you as having an interest in your Account, except joint Account holders. We may permit you to open an 'in trust' or similar account in which you name someone else as beneficiary; however we will only accept instructions for that Account from you and will only provide Account information to you. We are under no obligation to seek authorization or input from any other person.

Updated/New Personal Information

You agree to notify us of any changes to your personal information, such as your address, that you provide to us at or after the time you apply to open your Account. You also agree to provide us with additional personal information that we may reasonably require from time to time. We may report any activity in any way connected with your Account that we believe to be suspicious or unlawful to any law enforcement or government agencies. We may also place a hold on part or all of the funds in your Account pending our verification of any new or updated personal information that we receive. This verification may include requesting supporting documentation from you.

Instructions

We will be entitled to act on any acceptable instructions received by telephone, fax, email, or by any other means provided by us. We are under no obligation to confirm receipt of instructions. You may be required to satisfy our verbal or other customer authentication requirements in order to validate your instructions and this will constitute authorization for us to process your instructions. We will be entitled to refuse or delay implementation of any instructions for any reason we deem advisable, including contacting you to verify your instructions and identity.

Electronic Communication

We may present or send any document relating to your Account in an electronic format, including but not limited to these terms and conditions, any other agreements, and any request for additional information. A copy of an electronic communication will be admissible in any legal, administrative, or other proceedings in the same manner as an original document in writing. You agree to waive any right to object to the introduction of any copy of electronic communications as evidence.

Electronic Funds Transfer: Pre-Authorized Debits and Credits: Canadian Payments Association

- *Authorization:* By opening an Account according to the requirements set out under “Opening an Account” above, you authorize us and the financial institution with which you hold your External Account to process funds transfers between your Account and your External Account in accordance with your instructions and the rules of the Canadian Payments Association. You confirm that all individuals who have opened your Account or agreed to these terms and conditions are all those who are required to sign on your External Account. The financial institution at which you maintain your External Account is not required to verify that the debits are drawn in accordance with this authorization.
- *Funds Transfer Pre-Authorized Debits:* You acknowledge that the funds transfer (debits or credits) that you instruct under these terms and conditions will be funds transfer pre-authorized debits, meaning debits authorized by a person by which funds are moved among the person’s accounts held at different financial institutions. You may instruct funds transfer to occur at set intervals and on a sporadic (one-time) basis.

Funds transfer that you instruct to occur at set intervals from your External Account to your Smart eSavings Account will be withdrawn from your External Account regardless of any other sporadic (one-time) debits or credits that you may request or authorize from or to the External Account.

You may instruct us to make a funds transfer by completing and sending us a Pre-Authorized Debit (PAD) and Credit (PAC) Agreement. These are available:

- as a printable form online at bridgewaterbank.ca,
- by calling 1.866.243.4301,
- or using any other method that we accept.

To validate verbal instructions, you will be required to satisfy our customer authentication requirements. This will constitute authorization for us to process the transaction requested.

We are unable to guarantee the date your funds will arrive in either your External Account or your Account. The manner and requirements related to how money is transferred into and out of your account may be amended by us, without prior notice. We may also refuse to accept any deposits or place limits or minimums on deposit amounts. We may also restrict access to your Account without notice to you if required by law or legal process or if we believe that there is unusual or suspicious activity related to the Account.

If you do not have enough money in any account to complete a funds transfer transaction, we will be under no obligation to make further attempts to process the transfer or to notify you of the incomplete transfer. In all cases, you are responsible for making alternate transfer arrangements. In the case of transfers that you have scheduled at set intervals, only the transfer currently scheduled will be cancelled in the case of insufficient funds; future dated transfers will not be affected.

Notification: You waive your right to receive pre-notification of the amount of each debit made to your External Account and agree that you do not require advance notice of the amount of pre-authorized debits before the debits are processed.

- *Changes:* You may request changes to the amount, frequency, and date of any debits authorized under these terms and conditions by calling us at 1.866.243.4301 at least 10 days before the next scheduled debit or credit, or use any other method that we accept.
- In order to change an External Account you must submit a Pre-Authorized Debit (PAD) and Credit (PAC) Agreement and a “VOID” cheque or confirmation of your new External Account information from your financial institution. These items must be received by us at least 10 days prior to your next

scheduled debit or credit. You can obtain the required PAD or PAC Agreement in printable form online at bridgewaterbank.ca or by calling 1.866.243.4301.

- **Cancelling:** You may cancel a pre-authorized debit or revoke your authorization at any time, provided that you give notice to in writing to: Suite 150, 926 – 5th Ave SW Calgary, AB T2P 0N7

We must receive notice of changes or cancellation at least 10 days prior to the date of the next scheduled debit or credit. To obtain a sample cancellation form or for more information on your rights to cancel pre-authorized debits, you may contact us, the financial institution where you have your External Account, or visit cdnpay.ca. Cancellation of any pre-authorized debit or authorization will take effect only when the cancellation is received and acknowledged by us. Cancelling any pre-authorized debit or authorization does not revoke or amend these terms and conditions or any other agreement that exists between you and the Bank.

No Recourse: You will not have recourse rights through the Canadian Payments Association if any debit made does not comply with these terms and conditions. To obtain more information, you may contact your financial institution, us or visit cdnpay.ca. If a discrepancy occurs in a pre-authorized debit that you initiated through us, please contact us at 1.866.243.4301 and we may be able to assist you in clarifying the matter.

Right to Set-Off

We may apply any credit balance in any of your Accounts (including the amount of a GIC that has not yet matured) against any debt or other obligation (including contingent obligations) that you or any of your joint Account holders owes us at that time or which will become due to use in the future. We may do this without first giving you notice and regardless whether the Accounts involved are joint or individual Accounts.

Service Charges

We may charge you service charges in connection with your Account and debit your Account for these charges. Our current service charges are available online at bridgewaterbank.ca. Our service charges are subject to change, and if we increase or introduce a new service charge we will post a notice online at bridgewaterbank.ca at least 30 days in advance of the effective date of the change.

In the Event of Death

In the event of your death, but subject to the rights of any joint Account holder(s) as described above under "Joint Accounts," we will provide any balance in your Account (principal plus accrued interest) to your estate on the request of your legal representative and close the Account. Your legal representative must first demonstrate to our satisfaction that they have appropriate legal authority to receive this balance on behalf of your estate. Until your Account is closed, we will be entitled to freeze or restrict transactions on your Account as we deem advisable.

Canada Deposit Insurance Corporation (CDIC) Insurance

The Bank is a member institution of Canadian Deposit Insurance Corporation (CDIC). All of our Accounts are eligible for CDIC insurance. The maximum basic protection for eligible deposits is \$100,000 (principal and interest combined) per depositor in each CDIC member institution; however, CDIC insures eligible deposits separately in certain cases. More information on CDIC insurance coverage is available online at cdic.ca.

Transfer and Assignment

Your Accounts are not transferable or assignable.

Changes to these terms and conditions

We may amend these terms and conditions without prior notice to you, unless we are required by law to give you such notice. The most recent copy of these terms and conditions is available on our website at bridgewaterbank.ca or by calling us at 1.866.243.4301.

Limitation of Bank's Liability

We will not be responsible for any indirect or consequential damages, losses, costs, or any failure to obtain any profit in connection with your use of your Account, without limitation and however caused. Our liability to you is limited to the direct losses that you suffer or expenses that you incur if we have been grossly negligent or have intentionally acted contrary to our obligations to you. You will be responsible for any loss, cost, or liability (including legal costs as between solicitor and his own client on a full indemnity basis) incurred by us as a result of your failure to comply with these terms and conditions.

Indemnity

You agree to indemnify us against any claims, costs, or liabilities incurred by us in connection with any services provided by us to you or any other dealings between you and us, including any claim or liability resulting from our endorsement on any instrument, arising out of a forged or unauthorized signature on that instrument or otherwise.

Notices and Communications

We will send statements and all other notices and communications regarding an Account and these terms and conditions to you by ordinary mail, or otherwise as determined by us from time to time, directed to the most recent mailing or other applicable contact address for the Account in our records. See "Joint Accounts" for additional terms regarding communications to joint Account holders. Items sent by ordinary mail will be deemed received by you five days after the date of mailing, and items sent by electronic methods of communication will be deemed received by you on the date they were sent.

Privacy Policy

The Bank is committed to respecting the privacy rights of all its current, past and prospective Customers. Our Privacy Policy affirms this commitment. It describes how the personal information of Customers is collected, used, and disclosed. A copy of our Privacy Policy is available at bridgewaterbank.ca or by calling us at 1.866.243.4301.

By applying to open an Account with us, you consent to the collection, use, and disclosure of your personal information as described in the application and in accordance with our Privacy Policy. Your application and our Privacy Policy forms part of these terms and conditions and your agreement to these terms indicates that you accept the terms of your application and the Privacy Policy.

You also agree that we may disclose your personal information such as names, addresses, and phone numbers, but no sensitive information including specific financial data or credit ratings, to allow our agents, affiliates, third parties, and other selected companies to promote products and services to you that we or they believe may be of benefit or interest to you. If you decide that you do not wish us to share your personal information with third parties for these purposes, you may:

- call us toll free at 1.866.243.4301,
- send us an email to customer.experience@bridgewaterbank.ca or,
- write to us at:
Bridgewater Bank Customer Experience
Suite 150, 926 – 5th Ave SW
Calgary, AB T2P 0N7

Complaint Resolution

Customer experience is a priority at the Bank and we are focused on providing you with outstanding service. If you have a concern, please let us know. All of the Bank's associates have the knowledge and experience to handle customer inquiries and, in most cases, resolve a concern immediately.

Bridgewater Bank Customer Experience
Suite 150, 926 - 5th Ave SW
Calgary AB T2P 0N7
1.866.243.4301
customer.experience@bridgewaterbank.ca

For further details on our complaint resolution process, you may obtain the Bank's complaint resolution brochure "We Want to Hear From You" by calling 1.866.243.4301 or by visiting our website at bridgewaterbank.ca.

You may also contact the Financial Consumer Agency of Canada (FCAC) in writing, at 427 Laurier Ave. West, 6th Floor, Ottawa, Ontario, K1R 1B9 or through its website at fcac-acfc.gc.ca

Governing Law

These terms and conditions and every transaction for an Account are governed by the laws of the Province of Alberta and the laws of Canada applicable in Alberta.

B. TERMS AND CONDITIONS THAT APPLY ONLY TO SMART ESAVINGS ACCOUNTS (IN ADDITION TO THE GENERAL TERMS AND CONDITIONS)

Interest Information

Interest on your Smart eSavings Account is calculated daily on the entire closing balance and is paid into your account monthly on the last day of the month. If this day falls on a weekend, statutory holiday or other non-business day for the Bank, interest will be calculated to, and paid on, the Bank's next business day. We may change the interest rate and the method by which it is calculated from time to time without prior notice to you.

Up-to-date information on current rates, the method by which interest is calculated, and the most recent changes (if any) are available online at bridgewaterbank.ca or by calling 1.866.243.4301.

Deposits and Withdrawals

After making your initial deposit for purposes of opening your Smart eSavings Account in accordance with "Opening Your Account" above, you may make further deposits to and withdrawals from that Account in the following ways:

Deposits

- By electronic funds transfer, at set intervals and by sporadic (one-time) request, from your External Account. Each deposit must be in the amount of \$25 Canadian dollars or more.
- By mailing us a cheque payable to Bridgewater Bank for deposit into your Account.

Withdrawals

- By electronic funds transfer to your External Account or into another Account. We may require that you give us up to 10 days notice to withdraw funds from your Smart eSavings Account. Withdrawals may be subject to holds as described in "Holds on Funds" below.
- See "Electronic Funds Transfer" above for further terms applicable to deposits and withdrawals. Cash and traveler's cheques are not accepted for deposit, and we will not be responsible for any losses that you may incur if you send these items to us.

Holds on Funds

We may place a hold on deposits made by cheque, electronic funds transfer, or other instruments to ensure that they are paid before you are permitted to withdraw the deposits funds, as follows:

- For deposits less than \$1,500, no more than four business days after the day of the deposit if it is deposited in person or no more than five business days if it is deposited in any other manner. For deposits greater than \$1,500, no more than seven business days after the day of the deposit if it is deposited in person or no more than eight business days if it is deposited in any other manner.
- Up to 15 business days for a non-encoded or partially encoded Canadian dollar cheque drawn on a Canadian financial institution.
- A hold provides no guarantee that a cheque or other non-cash deposit will not be returned after the hold period expires. If a cheque or other deposit is returned to us unpaid for any reason at any time, either during or after the expiry of the applicable hold period, we will charge the amount of the cheque or non-cash deposit plus any applicable service charges to your Smart eSavings Account.

Exceptions to the above apply to accounts opened for less than 90 days.

Not Registered

Your Smart eSavings Account is not a registered or registrable product for income tax or other purposes.

Account Statements and Transactions

Account statements will only be provided to you semi-annually. Account statements will be sent to you by mail or otherwise as determined by us from time to time. Details of transaction activity and balances for your Smart eSavings Account will be available by calling 1.866.243.4301 and by any other means provided by us. You must notify us in writing of any errors or omissions in your Account statements within 30 days of the statement date. Your Account statement and transaction records for the statement period will be deemed correct if we do not receive written notice from you to the contrary within this time, and we will be released from any claims concerning them.

Overdraft

We do not permit or administer negative balances, or overdrafts, on your Account. In the event that a negative balance occurs due, for example, to the non-payment of a deposited cheque or to service charges charged to your Account, you must immediately repay that overdraft plus applicable service charges. All overdraft balances will be treated as an unpaid demand loan and we will be entitled at any time, either before or after the Account is closed, to take legal action against you for recovery of these amounts.

Inactive and Dormant Accounts

If you do not use your Smart eSavings Account for a continuous 12-month period, your Account status will be changed to inactive. In order to reactivate and use your Account, you must provide us with proof of your identity and address that is satisfactory to us. If your Account remains inactive for a further year after receiving an inactive status, your Account status will be changed to dormant and we will send you a statement at that time and after each of a further three and seven years of dormancy. Any balance in your Account will be transferred to the Bank of Canada after 10 years of inactivity (eight years of dormancy) and we will notify you of this transfer by mail to your last known address in our records.

Closing your Account

You may close your Smart eSavings Account at any time; however, we reserve the right to require up to 10 days advance notice to do so. We may close your Smart eSavings Account for any reason upon giving you 30 days prior written notice. We may close your Account without giving you prior notice if:

- your Smart eSavings Account goes into an overdraft balance,
- you use your Smart eSavings Account for business purposes,
- your Account status is inactive with a zero balance,
- we suspect that you are using your Account for unlawful purposes, or,

- you move outside of Canada or to any province or territory in which we do not offer the Smart eSavings Account product.

C. TERMS AND CONDITIONS THAT APPLY ONLY TO GICS (IN ADDITION TO THE GENERAL TERMS AND CONDITIONS)

Interest

On GICs having terms of less than one year, interest is calculated daily on the principal amount based on the number of days in the current calendar year (365 or 366) and is paid on maturity. On GICs having terms of one year or longer, interest is calculated daily on the principal amount based on the number of days in the current calendar year (365 or 366) and, depending upon the customer's choice at the time the GIC is applied for, is either paid monthly, paid annually (on maturity in the case of a one year term), or compounded (i.e., added to the principal) annually and paid on maturity (on GICs having terms of two years or longer). If a day on which an interest payment is due falls on a weekend, statutory holiday or other non-business day for the Bank, interest will be calculated to, and paid on, the Bank's next business day. However, no interest will be paid in respect of any period beyond the date of maturity. Interest will be paid to you, in accordance with your instructions, either by electronic funds transfer to your External Account, transfer into your Smart eSavings Account or cheque.

Redemption

Our GICs are not redeemable or cashable prior to maturity except in the event of the death of a sole Account holder. In that case, see "In the Event of Death" above. In the event of the death of a joint Account holder, see "Joint Accounts" above.

Maturity and Renewal

Your GIC will mature on the last day of its term, even if that day is not a business day. The principal balance of your GIC and any unpaid interest to the date of maturity will be paid to you, in accordance with your instructions, by:

- electronic funds transfer to your External Account,
- transfer into your Smart eSavings Account,
- transfer (also known as renewal) into a new GIC, or,
- cheque sent to your deposit broker (if any).

If we have not received instructions for the disposition of the funds in your GIC by our close of business on the Bank's last business day before the date of maturity, we may at our discretion deposit the funds into a new GIC of the same type and term at the then-prevailing interest rate. We will promptly provide you with details of this new GIC. If you wish to cancel this GIC, you will have:

- 14 days after issuance, for a new GIC with a term less than 90 days, or,
- 30 days after issuance, for a new GIC with a term of 90 days or more.

We will not be responsible for any losses or costs you may suffer as a result of any cheque that we send you (or your deposit broker) being delayed or lost in the mail.

Not Registered

Your GIC is not a registered or registrable product for income tax or other purposes.

™ Trademark of Bridgewater Bank.