

SMART eSAVINGS ACCOUNT AGREEMENT AND GUARANTEED INVESTMENT CERTIFICATE (GIC) TERMS AND CONDITIONS

With the exception of Bridgewater Bank GICs issued through a deposit broker, this document applies to each Bridgewater Bank GIC and Bridgewater Bank Smart eSavings Account that is open, applied for, or renewed on or after February 01, 2020. This document does not apply to Bridgewater Bank GICs issued through a deposit broker.

This document replaces any prior Terms and Conditions that applied to such Products. If you submit or consent to submitting an application to open a Bridgewater Bank GIC or a Bridgewater Bank Smart eSavings Account or make a transaction with respect to either such Product on or after February 01, 2020, it will mean that you have received, read, accepted, and agree to be bound by this document and the Agreement.

Parts I and II of this document apply to GICs. Parts I and III of this document apply to Bridgewater Bank Smart eSavings Accounts. If you currently have only one of the two Products listed above, some sections of this document may not apply to you at this time. If you apply for an additional Product in the future, your submission of an application for such Product will mean that you have received, read, accepted, and agree to be bound by this document and the Agreement with respect to such Product.

PART I

1.0 Definitions

1.1 In these Terms and Conditions, the following terms shall have the respective meaning set out below:

- (a) **“Account”** means your Bridgewater Bank Smart eSavings personal deposit account;
- (b) **“Agreement”** means, collectively, these Terms and Conditions and your completed and accepted application to open an Account or purchase a GIC, as applicable, as well as any supplementary documentation we provide and forms completed and submitted in conjunction with your application;
- (c) **“Business Day”** means a day that Bridgewater Bank’s head office is open for business;
- (d) **“cheque”** includes personal cheque, certified cheque, and bank draft;
- (e) **“Claim”** includes claims, judgments, actions, demands, liabilities, losses, injuries, costs and expenses (including court costs and legal fees and expenses on a solicitor and own client full indemnity basis), damages, penalties, fines, obligations, causes of action, lawsuits, prosecutions, charges, orders, and proceedings, of every kind and nature whatsoever;
- (f) **“Date of Issue”** means, with respect to your GIC, the later of: (i) the date on which the Term begins; and (ii) as mutually agreed in writing by you and Bridgewater Bank;
- (g) **“EFT”** means electronic funds transfer;
- (h) **“External Account”** means a personal deposit account in your name at a Canadian financial institution other than Bridgewater Bank;
- (i) **“Guaranteed Investment Certificate”** or **“GIC”** means an investment issued by Bridgewater Bank, other than through a deposit broker, that provides a set annual rate of return over a fixed period of time and guarantees the return of the investor’s capital;

- (j) **“Legal Representative”** means either: (i) the appointed attorney of an Account Holder or a GIC Holder pursuant to a valid and active Power of Attorney or equivalent document; or (ii) the personal representative, executor, administrator, judicial trustee, or other similar position holder with respect to the estate of a deceased Account Holder or GIC Holder, as applicable;
- (k) **“Maturity Date”** means the date on which your GIC matures;
- (l) **“Month”** means a period of time that commences at the start of the first day and ends at the end of the last day of January, February, March, April, May, June, July, August, September, October, November, or December, as applicable;
- (m) **“Product”** means either your Account or your GIC, as applicable;
- (n) **“Redemption Date”** means the earliest of: (i) the date on which your GIC is redeemed; (ii) the date we terminate your GIC; and (iii) the Maturity Date;
- (o) **“Term”** means the period commencing on the Date of Issue and continuing up to and including the Redemption Date;
- (p) **“Terms and Conditions”** means the recitals and Parts I, II and III of this document;
- (q) **“we”, “our”, and “us”** mean Bridgewater Bank; and
- (r) **“you”, “your”, “Account Holder” and “GIC Holder”** mean the individual in whose name a Product is held, and if a Product is jointly held, means each individual in whose name the Product is held as well as all of the individuals in whose name the Product is jointly held.

2.0 Currency

- 2.1 All amounts will be deposited, calculated, and paid in Canadian currency.

3.0 Your Information

- 3.1 You agree to promptly notify us of any changes to your contact information and other information set out in your application and any forms completed and submitted in conjunction with your application, including your address, and to provide us with additional information that we may reasonably require from you from time to time.
- 3.2 We may, at our sole discretion, restrict transactions on and/or freeze your Product pending receipt and/or verification of any new or updated information that we request or receive. If such information is not promptly received or confirmed to our satisfaction, we may terminate your GIC and/or close your Account.

4.0 Providing Instructions

- 4.1 You may provide instructions regarding your Product to us by telephone, fax, email, or by any other communication method provided by us. Any instructions given to us by such methods will be treated as if such instructions were written and signed instructions. You agree and confirm that, other than as required by applicable law, we are under no obligation to confirm our receipt of any instructions from you, and that we may rely on instructions from you without independent verification.
- 4.2 We will only accept instructions regarding your Product from you. We are not obligated to accept instructions regarding your Product from anyone other than you, however we may elect to accept

instructions from your Legal Representative if we determine, in our sole discretion, that such person has the legal authority to act on your behalf.

5.0 Notices, Communications, and Documents

5.1 All documents, notices, and communications regarding your Product sent to you by us by ordinary mail will be deemed received five (5) Business Days after the item's postmark date, and items sent electronically will be deemed received on the earliest of: (a) the date it was sent; and (b) the date it is posted or otherwise made available on our website.

5.2 You hereby acknowledge having required that the Agreement and all notices and documents relating thereto be drafted in English. Vous reconnaissez avoir exigé que la présente convention ainsi que tous les avis et documents s'y rapportant soient rédigés en anglais.

6.0 Electronic Materials

6.1 By submitting an application for a Product, you consent to receiving electronic materials from us and agree that, effective the date that you submit your application, we may present or send the Agreement and any document, notice, and/or communication relating to the Agreement or your Product to you in electronic form, including by telephone, by fax, by email, or by posting the same on our website.

6.2 You may revoke your consent for electronic delivery of documents, notices, and communications at any time.

6.3 Electronic documents, notices, and communications will be retained and made available to you in accordance with our Privacy Policy. You are responsible for retaining a copy of each electronic document, notice, and communication that we provide you.

6.4 An electronic copy of a document, notice, or communication relating to your Product, including an electronic copy of the Agreement, will be admissible in any legal, administrative, or other proceeding as if it was an original physical version of the same. You agree to waive any right to object to the introduction of any item as evidence due to it being in an electronic form.

7.0 Set-Off

7.1 Notwithstanding anything else in the Agreement, we may, at any time and from time to time, at our sole discretion and without notice to you, apply any or all of the funds in your Account and/or your GIC (including the principal balance of a GIC that has not yet matured and any earned but unpaid interest) against any outstanding debt or other obligation that you (or with respect to a jointly held Product, any one (1) or more of the Account Holders or GIC Holders) owe us.

7.2 If we choose to exercise a right of set-off, we shall also have the right to terminate your Product. If your Product is terminated pursuant to this Section 7.0:

- (a) the balance of your Account, less any outstanding debts or other obligations owed to us, will be paid by cheque or EFT sent to you, provided however for joint Accounts, any earned but unpaid interest will be paid to the primary Account Holder, as identified in your Account application;
- (b) the principal amount you paid to us for your GIC plus any earned but unpaid interest, less any outstanding debts or other obligations owed to us, will be paid by cheque or EFT sent to you, provided however for joint GICs, any earned but unpaid interest, less any outstanding debts or other obligations owed to us, will be paid to the first GIC Holder identified in your GIC application.

8.0 Unlawful or Inappropriate Activity

8.1 We may, at our sole discretion, at any time and from time to time without providing reason or notice to you:

- (a) restrict access to your Product;
- (b) refuse to release funds in your Product;
- (c) freeze your Product;

if required by law or legal process or if we have reasonable grounds to believe that there is unusual, improper, or suspicious activity relating to your Product or if you are in breach of the Agreement.

8.2 You agree to cooperate fully with us in any investigation arising from or relating to your Product, including any law enforcement investigation.

8.3 We reserve the right to comply with any third party demands which have been issued under federal or provincial legislation, or any court order we receive in relation to your Product.

9.0 Liability and Indemnity

9.1 You are responsible and liable for and shall protect, indemnify, and hold Bridgewater Bank and its officers, directors, employees, agents, and affiliates harmless from and against any and all Claims:

- (a) arising out of or attributable to any negligent act or omission, wilful misconduct, or breach of the Agreement by you or any third party acting on your behalf;
- (b) incurred by us in connection with any Product or services provided by us to you or any other dealings between you and us, including any Claim arising out of or related to a forged, altered, or unauthorized instrument.

9.2 You acknowledge and agree that you are solely responsible for timely payment of all taxes owing to any taxation authority in relation to your Products.

9.3 You agree that we may take any action authorized or permitted by the Agreement or by law without incurring any liability to you, even if such action causes you to incur a loss or other Claim.

9.4 Unless applicable legislation or an industry code to which we have publicly committed requires otherwise, we are not responsible or liable to you for any damage, loss, or Claim unless, and only to the extent, such damage, loss, or Claim was directly caused by our negligence and is not otherwise disclaimed in the Agreement.

9.5 In addition to the foregoing, we will not, in any circumstances, even if caused by our negligence, be responsible or liable to you for any Claim arising out of or relating to:

- (a) you sending a form of deposit to us that we have indicated in these Terms and Conditions or otherwise that we will not accept;
- (b) any cheque, EFT, or funds that you send to us or that we send to you being delayed, lost, stolen, or destroyed in transit to or from you or while in the possession of any other bank or third party;
- (c) any forged, altered, or unauthorized item;

- (d) any error or omission in your Account statement or other transaction record that is brought to our attention more than thirty (30) days after the statement date;
- (e) our acting on any instruction from you or that appears to be from you;
- (f) our failure to act, execute, or complete any instructions from you due to any reason beyond our control;
- (g) our compliance with any third party demand issued under federal or provincial legislation or any court order we receive in relation to your Product;
- (h) any dispute between you and:
 - (i) any joint Account Holder;
 - (ii) any joint GIC Holder;
 - (iii) the estate, heirs, executors, administrators, or Legal Representatives of any past or current joint Account Holder or joint GIC Holder, as applicable;
- (i) the errors, acts, or omissions of other banks or third parties.

9.6 Notwithstanding any other provision of the Agreement, you expressly agree that in no event will Bridgewater Bank or its officers, directors, employees, agents, or affiliates be responsible or liable to you for any indirect, consequential, incidental, special, aggravated, punitive, exemplary, or breach of duty of good faith and honesty damages, losses, costs, or Claims whatsoever or for any lost profits and/or loss of opportunity incurred by you arising out of or relating to your Product, any services provided by us to you, or the Agreement, regardless of the cause of action, even if such damage, loss, or Claim was a result of our negligence or the negligence of our employee, agent, or representative or we knew such damage, loss, or Claim was likely.

9.7 Notwithstanding any other provision of the Agreement, our maximum cumulative liability to you for all Claims arising under or relating to your Product, any services provided by us to you, and the Agreement, shall be limited to an amount equal to:

- (a) for Claims relating to your Account, the balance of your Account as of the date the Claim arose; or
- (b) for Claims relating to your GIC, the principal amount you paid to us for your GIC plus applicable earned but unpaid interest as of the date the Claim arose, if any;
- (c) for all other Claims, the lower of:
 - (i) the balance of your Account as of the date the Claim arose; and
 - (ii) the principal amount you paid to us for your GIC plus applicable earned but unpaid interest as of the date the Claim arose, if any.

10.0 Changes to these Terms and Conditions

10.1 Notwithstanding Section 13.10, we may, at any time and from time to time, at our discretion and without notice to you (unless advance notice is required by law), change or replace these Terms and Conditions.

10.2 Notice of changes to or the replacement of these Terms and Conditions will be provided to you and will be posted on our website.

10.3 You agree to be bound by any revisions to these Terms and Conditions and to any replacement terms and conditions issued by us that apply to your Products.

10.4 The most recent version of these Terms and Conditions is available on our website at www.bridgewaterbank.ca or by contacting us via one of the methods set out in Section 15.0.

11.0 CDIC Insurance

11.1 Bridgewater Bank is a member of the Canada Deposit Insurance Corporation (“CDIC”). GICs and Accounts offered by Bridgewater Bank are eligible for CDIC deposit insurance coverage, subject to any applicable rules, regulations, and limitations of the CDIC. For more information about CDIC deposit insurance coverage, visit the CDIC website at www.cdic.ca.

12.0 Privacy Policy

12.1 Our Privacy Policy forms part of the Agreement, and your acceptance of these Terms and Conditions indicates that you also accept the terms of our Privacy Policy and consent to the collection, use, retention, and disclosure of your personal information in accordance with our Privacy Policy. Our Privacy Policy is available on our website or by contacting us via one of the methods set out in Section 15.0.

12.2 You agree that we may disclose your personal information – such as your name, mailing address, phone number, and email address, but excluding sensitive information, such as specific financial data or credit ratings – to allow our agents, affiliates, third parties and other selected companies to promote products and services that we believe may be of benefit or interest to you. If you do not want us to share your personal information with third parties for these purposes, please notify us via one of the methods set out in Section 15.0. Under no circumstances will we sell or provide your personal information to any unaffiliated third party.

13.0 General

13.1 *Titles and Headings.* The division of these Terms and Conditions into sections and the insertion of headings and titles is for convenience and ease of reference only and shall not be used to construe or interpret these Terms and Conditions or any of its provisions.

13.2 *Singular and Plural.* Unless the context requires otherwise, in these Terms and Conditions words in the singular include the plural and words in the plural include the singular.

13.3 *Includes and Including.* In these Terms and Conditions, the word “includes” means “includes without limitation” and the word “including” means “including but not limited to.”

13.4 *Notice.* In these Terms and Conditions, the phrase “without notice” means both “without notice” and “without prior notice.”

13.5 *Fair Meaning.* The language in the Agreement is to be interpreted as to its fair meaning, and not strictly for or against either party.

13.6 *Third Party Information.* All contact information and website addresses of third parties included in these Terms and Conditions are accurate as of the date first referenced at the start of these Terms and Conditions. Bridgewater Bank is not responsible for ensuring that such information is accurate or available to you, and will not incur any liability to you in relation to the same.

- 13.7 *No Waiver.* No failure or delay by us in exercising any right, power, privilege, or remedy under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power, privilege, or remedy under the Agreement. Our waiver of any one (1) or more defaults by you in the performance of the Agreement shall not operate as or be construed as a waiver of any future default or defaults by you, whether of a like or different character.
- 13.8 *Time is of the Essence.* Time is of the essence of the Agreement.
- 13.9 *Severability.* If any provision of the Agreement is determined, in whole or in part, to be unenforceable, invalid, or in contravention of applicable law, such provision shall be deemed modified to the minimum extent required to best accomplish the objectives of such provision within the limits of applicable law, and all other provisions of the Agreement will continue in full force and effect.
- 13.10 *Amendment.* Any purported amendment to the Agreement shall be void and of no force or effect unless such amendment: (a) is in writing; (b) expressly indicates the agreement of Bridgewater Bank to such amendment; and (c) is signed by you and Bridgewater Bank.
- 13.11 *Assignment.* You may not assign the Agreement in whole or in part.
- 13.12 *Enurement.* The Agreement is binding upon and enures to the benefit of: (a) you, your estate, your Legal Representatives, and your heirs; and (b) us and our successors and assigns.
- 13.13 *Conflicts.* If there is a conflict or inconsistency between these Terms and Conditions and any other document forming part of the Agreement, these Terms and Conditions shall prevail to the extent of such inconsistency or conflict.
- 13.14 *Governing Law.* The Agreement, your Product, and every transaction, dispute, and Claim arising from or relating to the Agreement and/or your Product will be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in Alberta, except for any rule of law that would make the law of any other jurisdiction applicable.
- 13.15 *Survival.* The following Sections shall survive the expiry or termination of the Agreement: 1.0; 2.0; 3.0; 5.0; 6.0; 7.0; 8.0; 9.0; 12.0; 13.0; 14.0; 15.0; 18.0; 19.0; 20.0; 27.0; 30.0; 31.0; and 32.0.
- 13.16 *Entire Agreement.* The Agreement sets out the entire agreement between you and Bridgewater Bank with respect to your Product. The Agreement supersedes all prior agreements, understandings, negotiations, and discussions, including previous versions of terms and conditions and client agreements, whether oral or written, by or between you and us relating to your Product.

14.0 Complaints and Concerns

- 14.1 Customer satisfaction is a priority at Bridgewater Bank. If you have a concern or complaint about your Product or any other service we provide, please let us know. For information on our complaint resolution process, see our complaint resolution brochure, *We Want to Hear from You*, by visiting our website or by contacting us via one of the methods set out in Section 15.0. You may also contact the Financial Consumer Agency of Canada in writing at 427 Laurier Avenue West, 6th Floor, Ottawa, Ontario, K1R 1B9 or through its website at www.canada.ca/en/financial-consumer-agency.html.

15.0 Contact Us

- 15.1 If you have any questions or concerns about your Product or the Agreement, please contact us by email at customer.experience@bridgewaterbank.ca or at the telephone number or address provided on our website and at the bottom of this page.

PART II – GICs

16.0 Purchasing a GIC

16.1 An application to purchase a GIC is not binding upon us until:

- (a) it is approved by us;
- (b) we receive the applicable funds; and
- (c) all of the requirements set out in Section 16.2 have been met.

16.2 To be eligible to purchase a GIC from us, you must:

- (a) be a citizen or resident of Canada and reside in a province or territory in which we offer GICs;
- (b) have attained the age of majority in the province or territory in which you reside;
- (c) purchase the GIC in your name, and not in the name of or on behalf of a third party (including a business or other entity);
- (d) provide to us the funds required to purchase the GIC in full in Canadian funds and in a format that is acceptable to us;
- (e) provide valid identification to us as required by law;
- (f) provide your Social Insurance Number to us for tax reporting purposes; and
- (g) comply with all of our other applicable requirements.

16.3 You agree to provide to us all information and documentation that we deem necessary for us to verify your identity and complete our verification process at the time your GIC is purchased and from time to time during the Term as we may request. You consent to our use of and our obtaining reports from credit bureaus, credit reporting agencies, and other similar third parties to verify your identity. The purchase of your GIC cannot be finalized until all required information has been provided and your identity has been verified to our satisfaction.

16.4 In accordance with applicable law, GICs may be subject to additional restrictions within the province or territory in which you reside or are domiciled.

16.5 If you fail to satisfy any of the above requirements or any of our other requirements, we may, at our sole discretion, refuse to open a GIC for you and/or terminate your GIC at any time.

17.0 Your GIC

17.1 Between the Date of Issue and the Redemption Date, your deposit funds will be invested in a Bridgewater Bank GIC.

17.2 There are no fees payable by you to Bridgewater Bank in association with your GIC.

17.3 We will issue a GIC certificate for your GIC.

17.4 We do not issue GIC statements, however the current value (meaning the principal amount and accrued but unpaid interest) for your GIC is available upon request.

- 17.5 If we mistakenly credit an amount to your GIC, we have the right to correct that error at any time prior to the end of the Term.
- 17.6 Your GIC is not assignable or transferable.
- 17.7 Your GIC is not a registered or registerable product for income tax or other purposes.
- 17.8 Subject to any exceptions set out in these Terms and Conditions, you may not redeem your GIC prior to its Maturity Date.
- 17.9 Your GIC is for personal use only. If we suspect that your GIC is being used or is intended to be used for business or other non-personal purposes, we may, at our sole discretion, restrict transactions on, freeze, and/or terminate your GIC without providing notice to you.
- 17.10 Your GIC will mature on the last day of the Term. Upon maturity, either:
- (a) your GIC will not automatically renew and the principal amount you paid to us for your GIC plus any earned but unpaid interest will be paid to you by cheque or EFT, provided however for joint GICs, the principal amount plus any accrued but unpaid interest will be sent to the first GIC Holder identified in your GIC application; or
 - (b) your GIC will automatically renew as set out in your application.
- 17.11 We may, at our sole discretion, terminate your GIC at any time without providing reason or notice to you. Subject to Section 7.1, if your GIC is terminated:
- (a) the principal amount you paid to us for your GIC, less any outstanding debts or other obligations owed to us, will be paid by cheque or EFT sent to the deposit broker we have on file for you; and
 - (b) any earned but unpaid interest, less any outstanding debts or other obligations owed to us, will be paid by cheque or EFT sent to you, provided however for joint GICs, any earned but unpaid interest will be paid to the first GIC Holder identified in your GIC application.
- 18.0 Interest on Your GIC**
- 18.1 Except as otherwise set out herein, interest will be payable to you at the rate and as set out in your GIC application.
- 18.2 If the Term is less than one (1) year, annual interest will be calculated daily during the Term on the principal amount based on the number of days in the Term and paid on the Redemption Date.
- 18.3 If the Term is one (1) year or longer, annual interest will be calculated daily during the Term on the principal amount based on the number of days in the applicable calendar year and, depending upon the interest payment option selected in your GIC application, either be:
- (a) paid monthly;
 - (b) paid annually; or
 - (c) compounded annually and paid on the Redemption Date.
- 18.4 If applicable, simple interest will be calculated on the principal amount of your GIC only.

- 18.5 If applicable, compound interest will be calculated on the principal amount of your GIC and any previously accrued but unpaid interest.
- 18.6 If the day on which an interest payment is due falls on a day other than a Business Day, interest will be paid on the next Business Day.
- 18.7 No interest will be due or payable to you if we allow your GIC to be redeemed prior to the Maturity Date for any reason other than death of a GIC Holder.
- 18.8 Your GIC will not accrue any interest:
- (a) prior to the Date of Issue;
 - (b) after the Redemption Date, including if your GIC is redeemed prior to the Maturity Date due to the death of a GIC Holder or otherwise.

19.0 Joint Ownership of GICs

- 19.1 When a GIC is jointly held by two (2) or more individuals, each individual:
- (a) must meet the requirements set out at Section 16.2;
 - (b) may provide instructions to us regarding the joint GIC;
 - (c) may access information regarding the joint GIC;
 - (d) is responsible both jointly and severally for all transactions and obligations relating to the joint GIC; and
 - (e) is bound by the Agreement.
- 19.2 We may act on instructions given to us by any joint GIC Holder and disclose information to any joint GIC Holder, without confirming the consent of or receiving authorization from any other joint GIC Holder.
- 19.3 Unless we agree otherwise in writing, each document, notice, and communication relating to a joint GIC will be sent to the first GIC Holder identified in your GIC application.
- 19.4 Subject to Section 19.5, each joint GIC is held by the joint GIC Holders as joint tenants with rights of survivorship. This means that if one (1) of the joint GIC Holders dies during the Term, the surviving joint GIC Holders will become the sole owners of the joint GIC and no ownership in the GIC will transfer to the estate of the deceased individual.
- 19.5 If one (1) or more of the joint GIC Holders resides in or is domiciled in Quebec, the joint GIC will be held by the joint GIC Holders as undivided co-owners.

20.0 Incapacity or Death of a GIC Holder

- 20.1 The Legal Representative of a GIC Holder:
- (a) must demonstrate to our satisfaction that they have appropriate legal authority to act on behalf of the GIC Holder; and

- (b) upon demonstrating to our satisfaction that they have the appropriate legal authority to act on behalf of the GIC Holder, will have the same rights, responsibilities, and obligations with respect to the GIC and the Agreement as the GIC Holder held prior to their incapacity or death, as applicable.
- 20.2 Upon receiving notice of the death or incapacity of a GIC Holder, we may, at our sole discretion, restrict transactions on, freeze, and/or terminate the GIC Holder's GIC as we deem prudent or advisable.
- 20.3 If a sole GIC Holder dies during the Term, the GIC (meaning the principal amount paid to us for the GIC plus any unpaid interest earned up to the Redemption Date) will be paid out to the estate of the deceased GIC Holder.
- 20.4 In accordance with Section 19.4, upon receiving notice of the death of a joint GIC Holder and the required supporting documentation to confirm the same, we will, at the request of the surviving joint GIC Holders, either:
- (a) update our records to show only the surviving joint GIC Holders as the joint GIC Holders and allow the GIC to continue until the Maturity Date; or
 - (b) terminate the GIC.
- On the Redemption Date, we will pay out any balance in the joint GIC (the principal amount paid to us for the GIC plus earned but unpaid interest) to the surviving GIC Holders as detailed at Section 17.10(a).
- 20.5 In accordance with Section 19.5, upon receiving notice of the death of a joint GIC Holder whose domicile was Quebec at the time of their death, the GIC (meaning the principal amount paid to us for the GIC plus any unpaid interest earned up to the Redemption Date) will be paid out to the estate of the deceased GIC Holder and the surviving GIC Holders as detailed at Section 17.10(a).

PART III - BRIDGEWATER BANK SMART eSAVINGS ACCOUNTS

21.0 Opening an Account

- 21.1 Your application to open an Account is not binding upon us until: (a) it is approved by us; and (b) all of the requirements set out in Section 21.2 have been met.
- 21.2 To be eligible to open an Account, you must:
- (a) be a citizen or resident of Canada and reside in a province or territory in which we offer Accounts;
 - (b) have attained the age of majority in the province or territory in which you reside;
 - (c) open the Account in your name, and not in the name of or on behalf of a third party (including a business or other entity);
 - (d) provide to us the minimum funds required to open an Account in Canadian funds and in a format that is acceptable to us;
 - (e) provide valid identification to us as required by law;
 - (f) provide your Social Insurance Number to us for tax reporting purposes; and
 - (g) comply with all of our other applicable requirements.

- 21.3 You agree to provide to us all information and documentation that we deem necessary for us to verify your identity and complete our verification process at the time your Account is opened and from time to time thereafter as we may request. You consent to our use of and our obtaining reports from credit bureaus, credit reporting agencies, and other similar third parties to verify your identity. Your Account cannot be opened until all required information has been provided and your identity has been verified to our satisfaction.
- 21.4 In accordance with applicable law, your Account may be subject to additional restrictions within the province or territory in which you reside or are domiciled.
- 21.5 If you fail to satisfy any of the above requirements or any of our other requirements, we may, at our sole discretion, refuse to open an Account or choose to close your Account at any time.

22.0 Your Account

- 22.1 Transaction requests can be made by contacting us via one of the methods set out in Section 15.0 and by other methods made available by us from time to time.
- 22.2 To link your Account to an External Account, you must provide us with an encoded personal cheque from your External Account that is in the standard format for cheques approved by Payments Canada. A maximum of two (2) External Accounts can be linked to your Account.
- 22.3 Your Account is for personal use only. If we suspect that your Account is being used or is intended to be used for business or other non-personal purposes, we may, at our sole discretion, restrict transactions on, freeze, and/or close your Account without providing notice to you.
- 22.4 You will be fully accountable for any transaction on your Account that is reversed or not processed. If a cheque, EFT, or other deposit is returned to us unpaid or unable to be processed for any reason at any time, whether during or after the expiry of the applicable hold period (if any), the amount of the cheque, EFT, or other deposit, plus any applicable service fees, will be charged to your Account.
- 22.5 Negative balances, also known as overdraft, are not permitted on your Account. If at any time your Account has a negative balance you must immediately repay the overdraft amount to us plus all applicable service fees. All overdraft balances will be treated as an unpaid demand loan made by us to you and we will be entitled at any time, whether before or after your Account is closed or terminated, to take legal action against you for recovery of such loan. This includes overdrafts that occur due to service fees being charged to your Account or due to a cheque, EFT, or other deposit being returned to us unpaid or unable to be processed.
- 22.6 If you do not agree to a change we make to the interest rate for your Account or the Agreement, you must notify us immediately and stop using your Account. If you use your Account or have funds deposited to your Account after the effective date of a change to the interest rate for your Account or the Agreement, it will mean that you accept and agree to such change.
- 22.7 You agree to take all reasonable precautions to maintain the security and integrity of your Account and to prevent fraudulent transactions in your Account, and to promptly advise us of any suspicious circumstances that you are aware of relating to an item for deposit or other transaction or activity related to your Account.
- 22.8 Your Account is not assignable or transferable. You may not give anyone a security interest in any funds in your Account, whether by assignment, hypothec, transfer, or otherwise. We are not obligated to recognize anyone other than the Account Holder(s) as having any interest in an Account.
- 22.9 Your Account may be subject to daily limits or other limits set by us at any time and from time to time.
- 22.10 Your Account is not a registered or registerable product for income tax or other purposes.

23.0 Service Fees

- 23.1 By opening an Account, you expressly agree and authorize us to charge applicable service fees to your Account and you agree to pay such service fees. A list of the service fees applicable to your Account and the usual amount charged by us for services is available on our website.
- 23.2 Service fees will be charged to your Account at the time you incur them.
- 23.3 If a service fee applicable to your Account is to be increased or we intend to introduce a new service fee applicable to your Account, we will provide notice of the same on our website at least sixty (60) days immediately before the effective date of such increase or new charge.
- 23.4 If you do not agree to a change we make to the service fees applicable to your Account, you must notify us immediately and stop using your Account. If you use your Account or have funds deposited to your Account after the effective date of a change to the service fees applicable to your Account, it will mean that you accept and agree to such change.

24.0 Deposits and Withdrawals

- 24.1 The minimum deposit amount to your Account is twenty-five dollars (\$25) per deposit. We may increase or decrease the minimum deposit amount at any time without providing notice to you.
- 24.2 The initial deposit to your Account must be paid to us in the form of a cheque drawn on a personal deposit account in your name from a Canadian financial institution and payable in Canadian dollars.
- 24.3 After the initial deposit, you may make subsequent deposits to your Account as follows:
- (a) at pre-set recurring intervals by EFT from your External Account;
 - (b) upon request by EFT from your External Account.
- 24.4 Deposits to your Account cannot be made by:
- (a) cash;
 - (b) travellers cheque;
 - (c) wire transfer;
 - (d) partially-encoded cheque;
 - (e) non-encoded cheque;
 - (f) post-dated cheque;
 - (g) a cheque made payable to someone else and endorsed to you;
 - (h) a cheque payable in a currency other than Canadian dollars;
 - (i) a cheque drawn on a financial institution outside of Canada, including the United States.
- 24.5 You may make one (1) free withdrawal from your Account per Month. A service fee will apply to each subsequent withdrawal per Month. Unused withdrawals cannot be carried forward.

- 24.6 We, in our sole discretion, may:
- (a) deem a deposit or withdrawal to be fraudulent or counterfeit and refuse to process the transaction;
 - (b) refuse a deposit an instrument for any reason.

24.7 Notwithstanding Section 28.3, if we mistakenly credit an amount to your Account, we have the right to correct that error at any time prior to your Account being closed.

25.0 Electronic Funds Transfers

25.1 You may request that we make a one-time or recurring EFT between your Account and your External Account by completing and sending us a pre-authorized debit (“**PAD**”) or a pre-authorized Credit (“**PAC**”) agreement. The PAD and PAC agreement forms are available on our website or by contacting us via one of the methods set out in Section 15.0.

25.2 By initiating a one-time or recurring EFT, you:

- (a) authorize us and the financial institution that holds your External Account to electronically transfer funds between your Account and your External Account according to your instructions;
- (b) confirm that all Account Holders agree to such EFT.

25.3 While we do not promise or guarantee when the transfer of funds pursuant to an EFT will be completed, it typically takes one (1) to two (2) Business Days for funds transferred by EFT to arrive in an Account or External Account. Transfers to your Account may be subject to a hold period, as set out in Section 26.0.

25.4 Any EFT scheduled for a non-Business Day will occur on the next Business Day.

25.5 You may make changes to or cancel a pre-scheduled EFT at any time by contacting us via one of the methods set out in Section 15.0. We require ten (10) days advance notice to process a change to or to cancel a pre-scheduled EFT. Changes to and cancellations of EFTs will only take effect when the change or cancellation is received and processed by us.

25.6 One-time EFTs to or from your External Account are separate from and will not cancel or impact any scheduled recurring EFTs.

25.7 If you do not have sufficient funds in your Account to complete an EFT to your External Account as scheduled, we will be under no obligation to make further attempts to process the EFT or to notify you of the incomplete EFT; it is your responsibility to make alternate transfer arrangements. For EFTs that you have scheduled at set intervals, only the current EFT will be cancelled if your Account has insufficient funds; future-dated EFTs will not be cancelled due to the failed transfer.

25.8 To change your External Account, you must provide us with:

- (a) PAD and PAC agreements; and
- (b) a cheque marked as “VOID” or other confirmation of your new External Account information from your financial institution.

The above items must be received by us at least ten (10) days prior to your next scheduled EFT.

- 25.9 All EFTs will be processed in accordance with the applicable rules of Payments Canada.
- 25.10 You waive your right to receive pre-notification of the amount of each EFT debit made to your External Account and agree that you do not require advance notice of the amount of a pre-authorized EFT debit before the debit is processed. You understand that you will not receive a notice from us that sets out the amount that will be debited or the due date of a pre-authorized EFT debit.
- 25.11 We may amend the manner and requirements related to how we transfer funds into and out of your Account by EFT without providing notice to you. We may refuse to accept any EFT deposit or decide to place limits or minimums on EFTs at any time and from time to time at our sole discretion.

26.0 Holds and Access to Funds Policy

- 26.1 Deposits made by EFT or by a cheque that is not a “Qualifying Cheque”, as defined below, may be held in full for up to ten (10) Business Days. We may, at our sole discretion, increase the hold period beyond ten (10) Business Days if we require additional time to confirm that the EFT or non-Qualifying Cheque will clear.
- 26.2 “**Qualifying Cheque**” means a paper-based cheque that is:
- (a) encoded with magnetic ink to allow for character recognition;
 - (b) not damaged or mutilated such that it is unreadable by cheque clearing systems;
 - (c) drawn on a financial institution located in Canada; and
 - (d) issued in Canadian dollars.
- 26.3 We may place a hold on deposits made to your Account by Qualifying Cheque until we have verified that the funds will be available from your External Account to cover the deposit. Although the deposit will be reflected in your Account balance immediately, you may not be able to access funds that are being held until the hold period has expired.
- 26.4 Funds deposited to your Account by Qualifying Cheque shall be made available for withdrawal:
- (a) for deposits not exceeding \$1,500, no more than five (5) Business Days after the day of the deposit;
 - (b) for deposits greater than \$1,500, no more than eight (8) Business Days after the day of the deposit.
- 26.5 Notwithstanding Section 26.4, the first \$100 of funds deposited to your Account by Qualifying Cheque shall be available for withdrawal on the Business Day following the day of the deposit.
- 26.6 Sections 26.4 and 26.5 do not apply to:
- (a) deposits we have reasonable grounds to believe are being made for illegal or fraudulent purposes;
 - (b) Accounts that are opened with an initial deposit of \$150,000 or more;
 - (c) Accounts that have been open for less than ninety (90) days on the date the cheque is deposited;
 - (d) cheques that are deposited six (6) months or more after the date of the cheque.

The processing of such deposits and the applicable hold periods for such deposits and Accounts shall be at our sole discretion.

27.0 Interest on Your Account

- 27.1 Except as otherwise set out herein, the annual rate of interest applicable to your Account and how the amount of interest to be paid is to be calculated is set out on our website. The balance in your Account will not affect the rate of interest applicable to your Account.
- 27.2 We may change the interest rate applicable to your Account and the manner of calculating the amount of interest applicable to your Account at any time and from time to time without notice to you. Notice of such changes will be displayed on our website.
- 27.3 Interest will begin to accrue on funds in your Account on the day your Account becomes active. Your Account will earn interest daily based on the total closing balance of your Account.
- 27.4 Accrued interest, if any, will be paid directly into your Account on the last day of each Month.
- 27.5 Interest will be paid on inactive accounts until the Account is closed.

28.0 Account Statements

- 28.1 Details of transaction activity for and the balance of your Account is available any time upon request. Account statements will be sent to the last address we have on file for you semi-annually by mail or as otherwise determined by us from time to time.
- 28.2 You agree to carefully review your Account statements and notify us in writing of any errors, omissions, irregularities, and discrepancies in your Account statement within thirty (30) days of the statement date.
- 28.3 Your Account statement and transaction records for the statement period will be deemed correct and accepted by you if we do not receive written notice from you to the contrary within thirty (30) days of the statement date.

29.0 Inactive Accounts

- 29.1 If there are no Account Holder-initiated transactions or activities on your Account for twenty-four (24) consecutive months:
- (a) if your Account has a positive balance, we will change your Account to “inactive” status;
 - (b) if your Account has a zero or negative balance, we will close your Account.
- 29.2 To reactivate and use an open Account with an “inactive” status, you must initiate a transaction or contact us and acknowledge that you would like to reactivate your Account.
- 29.3 After two (2), five (5), and nine (9) years of inactivity, we will mail an inactive Account notice to the last address we have on file for you.
- 29.4 After ten (10) years of inactivity, any balance in your Account will be transferred to the custody of the Bank of Canada, as required by federal law, and your Account will be closed.

30.0 Joint Accounts

- 30.1 When an Account is jointly held by two or more individuals, each individual:
- (a) must meet each of the requirements set out at Section 21.2;
 - (b) may provide instructions to us regarding the joint Account;
 - (c) may access information regarding the joint Account;
 - (d) is responsible both jointly and severally for all service fees, transactions, and obligations relating to the joint Account; and
 - (e) is bound by the Agreement.
- 30.2 We may act on instructions given to us by any joint Account Holder and disclose information to any joint Account Holder, without confirming the consent of or receiving authorization from any other joint Account Holder.
- 30.3 Unless we agree otherwise in writing, each document, notice, and communication relating to a joint Account will be sent to the primary Account Holder, as identified in your Account application.
- 30.4 Subject to Section 31.4, Account Holders cannot be added or removed from a jointly held Account.
- 30.5 Subject to Section 30.6, each joint Account is held by the joint Account Holders as joint tenants with rights of survivorship. This means that if a joint Account Holder dies during the Term, the surviving joint Account Holders will become the sole owners of the joint Account and no ownership in the Account will transfer to the estate of the deceased individual.
- 30.6 If one (1) or more of the joint Account Holders resides in or is domiciled in Quebec, the joint Account will be held by the joint Account Holders as undivided co-owners.

31.0 Incapacity or Death of an Account Holder

- 31.1 The Legal Representative of an Account Holder:
- (a) must demonstrate to our satisfaction that they have appropriate legal authority to act on behalf of the Account Holder; and
 - (b) upon demonstrating to our satisfaction that they have the appropriate legal authority to act on behalf of the Account Holder, will have the same rights, responsibilities, and obligations with respect to the Account and the Agreement as the Account Holder currently holds or held prior to their incapacity or death, as applicable.
- 31.2 Upon receiving notice of the death or incapacity of an Account Holder, we may, at our sole discretion, restrict transactions on, freeze, and/or terminate the Account Holder's Account as we deem prudent or advisable.
- 31.3 If a sole Account Holder dies during the Term, any balance in their Account will be paid out to the estate of the deceased Account Holder.
- 31.4 In accordance with Section 30.5 and subject to Section 31.5, upon receiving notice of the death of a joint Account Holder and the required supporting documentation to confirm the same, we will, at the request of the surviving joint Account Holders, either:

- (a) update our records to show only the surviving joint Account Holders as the joint Account Holders; or
- (b) close the Account and pay out any balance in the joint Account to the surviving Account Holders.

31.5 In accordance with Section 30.6, upon receiving notice of the death of a joint Account Holder whose domicile was Quebec at the time of their death, any balance in the Account will be paid out to the estate of the deceased Account Holder and the surviving Account Holders.

32.0 Closing Your Account

- 32.1 You may request that we close your Account at any time. Once we have authenticated your request to close your Account to our satisfaction, we will process such request within ten (10) Business Days. There is no service fee for closing your Account.
- 32.2 We may, at our sole discretion, close your Account at any time without providing reason or notice to you.
- 32.3 Your Account will not accrue any interest on or after the date it is closed.
- 32.4 EFTs, cheques, and other instruments drawn on your Account will not be honoured after your Account is closed. You are responsible for making alternate arrangements for the processing of transfers and payments after your Account is closed.
- 32.5 If there are funds in your Account when it is closed and:
- (a) we are closing your Account at your request, the funds may be withdrawn by cheque or EFT;
 - (b) we are closing your Account pursuant to Section 32.2, we may, at our option, send such funds to you by EFT to your External Account or by cheque mailed to the address we have on file for you, provided however for joint Accounts the balance in the Account will be paid to the primary Account Holder, as identified in your Account application.
- 32.6 The closing of your Account will not relieve you of any obligations that arose prior to your Account being closed.