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Part II Definition of Terms in this Agreement

- Member** and/or **members** mean each member of the Credit Union, both individually (severally) and jointly with other members as well as the member's attorney(s) for property, heir(s), executor(s)/Estate Trustee(s), trustee(s), assign(s) and/or all other types of legal representative(s).
- Credit Union** means Tandia Financial Credit Union Limited operating as Tandia™ as well as its directors, officers, employees, subsidiaries and/or agents.
- "O/A"** means operating as.
- Folio means an entire set of chequing, savings, investment, retirement and loan accounts all belonging to and operated by one or more members individually and/or jointly with each other under one general folio identification number. **Account** will mean any individual account within the folio.
- Item** means cash, withdrawal slips, cheques, promissory notes, money orders, traveller's cheques, bond interest coupons, or other bills of exchange or orders for payment including such orders as may be transmitted by telephone, facsimile, personal computer or other electronic means, including those originating at automated banking machines and at electronic terminals operated by retail merchants.
- Advise** and **tell** mean a written communication, delivered either by hand, courier or post office or by telephone facsimile or electronic mail to any office of the Credit Union (but does not include verbal or voice mail messages if the content and time of receipt of such messages cannot be clearly identified and confirmed by the Credit Union).
- Card** means a plastic electronic transaction card (containing a magnetically encoded strip and/or embedded computer chip) issued by the Credit Union to the member.
- PIN** means Personal Identification Number, a numeric code issued to and/or selected by the member used in combination with one or more cards to authorize transactions through ABM's and other terminals.
- PAC** means Personal Access Code, a numeric code issued to and/or selected by the member, used by the member to enable remote access to and authorize transactions through the Credit Union ®MemberDirect computer systems via telephone or Internet access.
- Password** means an alphanumeric code assigned to and/or chosen by the member, used during telephone or other remote contact sessions with the Credit Union staff or computer systems as identification and/or authorization for transactions.
- Electronic Signature** means a PIN, PAC, password or other form of individual specific information used by the member to confirm the member's identity to the Credit Union to enable access to information and/or authorize a transaction or service request.
- ABM** will mean any automated banking (or teller) machine connected to a network that accepts the card and PIN.
- Terminal** means any electronic device (including any combination of ABM's, merchant registers and check-out equipment, public or private telephones, computers, electronic wallets) which is capable of reading information from and/or writing information to a card for the purposes of completing a financial transaction including the transfer of monetary value from or to the card.
- Personal information** is any information that is about or can be linked to an identifiable member.
- Point-of-sale transaction** means use of the card (and PIN, when necessary) either to transfer funds from the member's account at the Credit Union or stored value on a card to buy or lease goods or services (or a token or voucher exchangeable for goods or services) from a merchant, seller, lessor or service provider or to transfer funds into the member's account at the Credit Union or onto the card from a merchant's account or card (in the case of a return or refund, for example).
- Person-to-person transaction** means the use of the card (and any electronic signature as needed) and terminals to transfer funds from the account or card of one person to the account or card of another person.
- Credit Facility** means any pre-arranged and authorized loan from the Credit Union that the member promises to repay through regular payments or on demand.
- Merchant** means any retailer or company (can include professional persons such as doctors, lawyers, dentists...) which accepts ®Member Card as payment for goods and/or services when properly presented.
- Youth Account** means an account that a member over the age of 18 has authorized be opened to provide service(s) for the use of a minor.
- Simple Interest** means that interest is paid at the stated rate of interest on the original deposit amount for the number of days in the period of time.
- Compound Interest** means that after a stated period of time, interest is added to the original deposit amount and for each period thereafter, interest is calculated on both the original deposit amount plus the interest that was added on.
- NSF** means that "non sufficient funds" are on deposit or available in a credit facility to process a transaction on behalf of a member.
- Politically Exposed Foreign Person** means a person who holds or has held one of the following offices or positions in or on behalf of a foreign state:
 - Judge
 - Head of a government agency
 - Deputy minister or equivalent rank
 - Head of state or head of government
 - Military officer with a rank of general or above
 - Ambassador or attaché or counselor of an ambassador
 - President of a state-owned company or a state-owned bank
 - Leader or president of a political party represented in a legislature
 It includes any prescribed family member of such a person where "family" includes:
 - The applicant's mother or father's child
 - The applicant's spouse or common law partner
 - The applicant's spouse's or common law partner's mother or father
 - The applicant's mother or father
 - The applicant's child

Part III Scope of Member Service Agreement

- This agreement is binding on both the Credit Union and on the member effective immediately upon the member's application for membership being accepted by the Credit Union.
- This agreement applies to all of the member's accounts with the Credit Union and all Cards (excluding credit cards) and all transactions on those accounts and using those cards, both now and in the future.
- This agreement replaces any prior agreement the member may have with the Credit Union governing the operation of deposit accounts and the use of cards and/or PIN's or PAC's but does not replace or supersede any agreement or provision of any agreement for a Credit Facility.
- The member agrees to comply with the by-laws, policies and procedures of the Credit Union and any changes made to them from time to time.
- Nothing in this agreement will limit the rights of the Credit Union as set out in the Credit Union Caisses Populaires Act (Ontario) or the Credit Union's Articles of Incorporation, General By-Laws or its policies and procedures.

Part IV Privacy of Personal Information

The Credit Union Commitment to Privacy

Tandia has requested and the member has agreed to provide personal information to help us meet and maintain the highest standards of financial service. This information can include your name, address, age, income, use of accounts and credit history, as well as the relationship of others linked to you in account services. We obtain this information from you directly, and from the product and service arrangements you have made with or through us. Information is also obtained with your permission from credit bureaus, other financial institutions and from the references you provide us.

- The Credit Union will keep all personal information concerning each member and each member's account and transactions private and confidential other than as set in Disclosure of Personal Information below.
- Protecting the member's privacy means that:
 - the Credit Union will keep the member's personal information and the business the member does with the Credit Union in strict confidence;
 - the member has control over how the Credit Union obtains, uses and discloses the member's personal information;
 - the Credit Union will respect the member's privacy when marketing products and services.
- The Credit Union may store member personal information in both paper and electronic form at its option. Upon written request to the Privacy Officer, the member generally has the right to view all paper and electronic files containing the member's personal information. All access requests should be made to the Privacy Officer in writing.

Use of Personal Information

Part A

The member acknowledges and agrees that the Credit Union may use this personal information for the following purposes:

- to establish and confirm the member's identification;
- to evaluate the member's credit standing and worthiness, where applicable, by sharing or exchanging information with credit reporting agencies and other financial institutions;
- to meet legal and regulatory requirements;
- to detect and prevent fraud, and to help safeguard the financial interests of the credit union and its members;
- to determine the suitability and eligibility for member products and services;
- to provide ongoing service.

Part B

- to aid in understanding the member's needs and to develop, manage and communicate to the member on products and services to meet those needs.

Disclosure of Personal Information

Your credit union may provide services in conjunction with financial service partners. These companies include: Credit Union Members Insurance Society (CUMIS), Aviso Wealth Inc. and its affiliates, Collabria Financial Services Inc. or other similar organizations that espouse credit union goals and values and provide useful and valuable member services.

Withdrawing Consent

Members have the right to limit or withdraw their consent at any time subject to legal or contractual obligations. A member may request that unsolicited direct marketing materials not be forwarded to them by the credit union or credit union affiliates. Members have the right to withdraw consent at any time and can make this request at any branch location, in writing, by telephone, fax or e-mail.

Questions?

A Privacy Officer has also been appointed and questions or comments can be directed to the Privacy Officer at 75 James Street South, Hamilton, Ontario, L8P 2Y9, or by e-mail at privacyofficer@tandia.com, or by telephone by calling MemberLine at 1.800.598.2891 and asking for the Privacy Officer.

Part V Joint Accounts

- Members may own and operate joint accounts.
- The following provisions will apply to all joint accounts at the Credit Union:
 - all funds in the joint accounts now and in the future, together with all accruing dividends and/or interest shall be owned jointly by the members named on the account with right of survivorship and shall be subject to withdrawal or closure by any of them and the member further agrees that payment by the Credit Union to any of them or to the survivor(s) shall discharge the Credit Union from any further liability for such payment.
 - if any item is signed or debited electronically by one of the members, the Credit Union may cash or pay out that item without the signature, consent or knowledge of the rest of members owning and operating the joint account. These charges or debits may include items returned or dishonoured on other accounts, seizures or lawful third party demands and the Credit Union's use of its right of set-off.
 - members understand and agree that they may individually or jointly pledge all or any part of the funds in the joint account as security for a loan from the Credit Union.
 - the death or lack of legal capacity of any one of the members who is a joint owner of the account will not affect the rights of the survivor(s) or the other members/joint owners to draw on the funds in the joint account.
- The member understands and agrees that it is their responsibility to advise the Credit Union in writing of their intent to change or close the joint account. Such change or closure shall not affect any transactions completed prior to receipt of the written notice.
- Everything in this Agreement shall refer to each and all of the members who are joint account holders, individually and jointly, and all liabilities under this Agreement and with regard to the joint accounts will be several as well as joint (that is, each of the members individually and collectively will be responsible for the full amount); and
- Even though any application or form, which acknowledges this Agreement, may be intended to be signed by more persons than those who have actually signed it or the signature of one or more of the persons who have signed it may be void due to lack of legal capacity, this Agreement will still be binding on those who have signed it and who have legal capacity.

Part VI Youth Accounts

- Members may open a youth account for a minor child (the youth) of whom they are the parent or guardian.
- The member agrees that, in the event they open a youth account with the Credit Union, they acknowledge and agree to be bound by the following provisions:
 - all funds deposited to the youth account now and in the future, together with all accruing dividends and/or interest shall be owned by the youth;
 - the youth is entitled to withdraw any or all monies from the account at any time without the member's consent.
- All other provisions in respect to the use of accounts and cards set out in this Member Service Agreement are applicable to the Youth Account.
- It is the responsibility of the member to educate the youth on the appropriate use of their youth account in accordance with this Member Service Agreement.
- The credit union is not responsible in any way for supervising the use of the youth account by the youth.
- The member agrees to indemnify the Credit Union against all losses, costs, charges, claims, demands, expenses, actions, proceedings, damages and liabilities whatsoever, which the Credit Union may sustain or incur or become a party to as a result of the use or misuse of the youth account by the youth or any other person.
- Upon reaching the age of majority, the youth will be required to enter into a new Member Service Account Agreement with the Credit Union at which time this agreement will terminate.

Part VII Transactions on Members' Account

Deposits and Other Credits

- The Credit Union will accept, for deposit to members' accounts, cash, cheques, money orders and traveller's cheques, all if properly endorsed as applicable at any branch or ABM of the Credit Union.
- Coin, if packaged in rolls, and other negotiable instruments may be accepted on an individual basis through in-branch service only.
- Members may not deposit coins into any ABM. Members will pay the Credit Union for any damages, costs or losses suffered as a result of such deposits.
- The Credit Union will process credits to the members' accounts that it receives electronically from other authorized participants in the national clearing system.
- The Credit Union may, at its option, place a hold on the member's account for the amount of any items deposited until such items have been verified and/or cleared and/or honoured. Such amounts held may earn interest at the applicable rate but are not available for withdrawal. The amounts of any items deposited by a member which are returned to the Credit Union unpaid or dishonoured for any reason will be charged back by the Credit Union to the member's account.
- The member will be responsible for the collection of any items returned to the Credit Union from the original maker, drawer or payor.

Withdrawals, Cheques, Point-of-Sale and Pre-Authorized Debit Transactions

- Withdrawals which the member makes or transfers of funds which the member authorizes using a Card will be debited to the member's account at the time the member makes or authorizes such transactions.
- The amount of cheques drawn on the member's account will be debited to the account at the time they are presented to the Credit Union.
- The member understands and agrees that in the event there are insufficient funds in the member's account that the Credit Union may debit any of the member's other accounts with the Credit Union, whether held by the member solely or jointly with others.
- In the event that any withdrawal causes the members chequing account to be overdrawn, the member understands that the Credit Union may make at its discretion, with or without security, a line of credit to the member sufficient in amount to permit the withdrawal to be honoured and authorizes the Credit Union to do so. The member promises to repay to the Credit Union upon demand such loan together with interest and such other charges as it shall reasonably make.
- The Credit Union will charge interest on any excess over the authorized limit at its normal rate for unauthorized overdrafts.
- The Owner assumes the risk of post-dated cheques presented through the clearing system ahead of the date of the cheque.
- The member will draw encoded cheques only on the account for which the cheques are encoded. The Credit Union will not be liable, in any circumstances, for any loss or damage arising from the wrongful acceptance of a cheque, or wrongful refusal by the Credit Union to honour a cheque drawn by the member on an account other than the account for which the cheque is encoded.
- The member acknowledges and agrees that the Credit Union may terminate the use of the member's chequing account, without notice to the member, if there is excessive NSF activity on the member's account.
- The member acknowledges that the Credit Union will not participate in ordering and/or clearing cheques drawn on the Credit Union which include customized and/or personalized messages that do not appropriately present the image or philosophy of the Credit Union in accordance with the guidelines issued by Credit Union Central of Canada.

Transactions Conducted via Telephone or Other Electronic Communication

- Members understand that the Credit Union offers certain products or services through telephone, or other electronic telecommunications networks.
- Members acknowledge and agree that transactions conducted over the telephone with the Credit Union shall be binding upon the member effective upon the completion of the transaction.
- Members agree that if they dial direct to the computer without using the specified toll-free numbers, they will be responsible for all long distance charges.
- Members agree that by providing their electronic signature in any form including without limitation signatures that are provided by fax or electronic image or any method that provides an image of the original they are irrevocably authorizing the completion of the requested transactions and that the use of their electronic signature is the legal equivalent of their written signed instructions to the Credit Union.
- Some transactions may, at the Credit Union's option and for the member's and the Credit Union's mutual protection, still require their written signature on original documents prior to completion.

Maintaining Positive Account Balances

- The member will not make withdrawals, or transfer funds or write cheques or generate or authorize electronic or other transactions which cause the balance of their accounts at the Credit Union to go below zero dollars unless the member has pre-arranged a line-of-credit with the Credit Union for that account and then only up to the authorized limit on such line-of-credit.

Foreign Currency Transactions

- If the member uses the card in a foreign currency transaction, the electronic network handling the transaction will fix the Canadian currency conversion rate.
- This rate will be used to calculate the Canadian dollar equivalent of the amount of the transaction and such equivalent amount will be charged to the member's account.
- The member understands and agrees that foreign currency deposits of cash, cheques, money orders and traveller's cheques will be converted to Canadian dollars at the current rate of exchange into the member's account. The exception will be to allow a U.S. currency deposit into a U.S. savings account if held by the member.
- The member understands that U.S. Coin deposits shall be considered at par with Canadian currency.
- The member understands that they cannot write a foreign currency cheque on their Canadian chequing account held with the Credit Union. If the member requires a foreign currency item, they must access in-branch service.
- The member understands that MemberCard cannot be used to access U.S. Currency accounts.

Term Deposit Transactions

- Members may direct the Credit Union to invest in a term deposit subject to the following terms and conditions:
 - Interest rate disclosures will be included on the Interest Rate Bulletin (IRB) accessible online at www.tandia.com (click on Rates), in branch, or by mail upon request.
 - At the time of initial deposit, staff will advise the member the interest rate, method of calculation and frequency of payment of interest. An Interest Rate Bulletin (IRB) and/or a Term Deposit Certificate will be provided to the member upon request.
 - The amount, interest rate and maturity date of the term deposit will show on the member's statement.
- Term deposits will renew according to the renewal option disclosed on the Interest Rate Bulletin at the time of deposit. Unless the member contacts the Credit Union to advise otherwise, the term deposit will renew according to that renewal option at the rates in effect on the maturity date.
- The Credit Union shall have the right, on at least thirty (30) days notice prior to any annual anniversary date, to terminate a term deposit on its annual anniversary date;
- The member acknowledges and agrees that any term deposit acquired from the Credit Union cannot be assigned or pledged as security for a credit facility other than with the Credit Union.

Part VIII Interest Rates

- The Credit Union will disclose to the member the interest rate that it will pay on the member's account(s) held with the Credit Union at the time the member opens an account with the Credit Union.
- The credit union will provide the member with access to an interest rate bulletin (IRB) that will disclose to the member:
 - the interest rate;
 - method of interest calculation;
 - frequency of interest payment;
 - length of rate commitment.
- The member can access the Interest Rate Bulletin (IRB) through:
 - Tandia website at www.tandia.com (click on Rates);
 - In-branch;
 - Telephone request for mailed copy.
- The member understands that the interest rate on their account may be subject to change by the Credit Union at its discretion.

Part IX Debit Cards

Ownership and Purpose

- Debit Cards are, and will remain the property of the Credit Union.
- The Credit Union may restrict the use of the Debit Card or cancel this agreement without notice.
- Members will return any and all Debit Cards to the Credit Union at its request.
- The Credit Union may add to or delete from the permitted uses of the card.

Member's Duty to the Credit Union

- The member is responsible to maintain the confidentiality of any and all electronic signatures (PIN's) issued to or chosen by them. This includes but is not limited to:
 - not giving their card and PIN to another person;
 - not showing or telling their PIN to any other person;
 - not keeping a written record of their PIN;
 - taking all reasonable precautions to prevent any person from learning their PIN including when using an ABM or Point-of-Sale equipment or speaking at a telephone;
 - not allowing their card to be swiped out of their sight as skimming of the information stored in the magnetic strip could lead to potential fraud on the account;
 - advising the Credit Union immediately upon the loss, theft or suspected fraudulent use of their Debit Card.
- The member agrees not to select or generate easily guessed electronic signatures (PIN's) or codes such as those based on consecutive numbers, the member's or family member's address, phone number, birthdate etc.
- The member agrees that they will be liable for all losses suffered by them and/or the Credit Union resulting from their failure to maintain the confidentiality of their electronic signature or failure to immediately report the loss, theft or suspected fraudulent use of their Debit Card.

Withdrawal and Deposits

Amounts credited to my Account as a result of deposits using the Debit Card will not be available for withdrawal until the deposits are verified and negotiable items such as cheques are honored. Any deposit made when my credit union is not open for business may be credited to my Account on the next business day.

Withdrawals credited to my Account as a result of deposits effected by the use of the Debit Card will be debited to my Account as of the time they are made.

I will not deposit any coins, non-negotiable items or anything not acceptable for deposit to my Account into any automated teller machine, and will pay to my credit union any damages, costs or losses suffered by my credit union as a result of any such deposit.

Reporting Lost or Stolen Cards

- The member is responsible for immediately notifying the Credit Union when they have lost their Debit Card or control over the card.
- The member is responsible for all transactions on their account until notification has been received.
- Notice can be provided to the Credit Union by contacting any branch during regular business hours either in person, by telephone at 1.800.598.2891 or by secure electronic mail through www.Tandia.com. After hours call Everlink Support at 1.888.277.1043.
- Once advised, the Debit Card will be cancelled and the member's liability for further use of the card will cease.

(Note: For lost or stolen Tandia Collabria® Visa Credit Cards – notify Collabria at 1.855.341.4643)

Liability

- A member will be liable for all authorized and unauthorized uses of the Debit Card by any person, up to the approved withdrawal limit (this includes funds on deposit as well as through a credit facility, if any) prior to the expiry or cancellation of the Debit Card.
- If the member's balance is altered due to technical problems or card issuer errors, the member will only be liable for the benefit received.
- My Credit Union will not be liable to me for any action or failure to act of a Merchant or refusal by a Merchant to honor the Debit Card, whether or not such a failure or refusal is the result of any error or malfunction of a device used to effect or authorized the use of the Debit Card for a Point-of-Sale Transaction.

Member Protection from Losses due to Fraudulent Transactions

- The Credit Union may, at its option, relieve the member from liability for unauthorized use of their Debit Card where it may have accidentally contributed to such unauthorized use.
- The member must present proof of such losses which is acceptable to the Credit Union.
- The member must co-operate with the Credit Union, police and legal authorities in any investigation and proceedings to seek restitution against a third party.

Card Renewals

1. Cards are imprinted with an expiry date after which they are no longer valid.
2. Members will be deemed to have automatically applied for a renewal Card(s) before the expiry date unless the member advises the Credit Union in advance.
3. This agreement will automatically be extended for the term of each new card.

Extension of Credit on Debit Cards

1. Members may not overdraw their accounts through the use of the card except as provided by way of a separate, approved line of credit agreement with the Credit Union.
2. If a member has exceeded the limit of their account or their approved line of credit, the Credit Union may cancel use of the card.
3. The member will be liable to repay any amount withdrawn in excess of their limits.

Code of Practice

This agreement is drafted with due regard to the Canadian Code of Practice for Consumer Debit Card Payment Services, a copy of which is available from my credit union on request.

Joint Cardholders

Where more than one person signs this agreement, each of us agrees that we are jointly and severally liable to our credit union for all obligations, debts and liabilities incurred under this agreement.

Part X ®MemberDirect Telephone or Home Banking Access

Use of MemberDirect Telephone or Home Banking Access

1. The member understands that:
 - a) the ®MemberDirect PAC combined with their member number is their electronic signature, and that the Credit Union will honour all transactions authorized by a person using their electronic signature;
 - b) the member is responsible for all transactions authorized by a person using their electronic signature;
 - c) the member's electronic signature permits access to all accounts associated, now or in the future, with their member number, regardless of whether those accounts are owned by the member solely or jointly with another person or persons;
 - d) the terms, conditions and restrictions (if any) of all of the member's Credit Union accounts are not altered by this agreement; and
 - e) the member is responsible to maintain the confidentiality of any and all electronic signatures (PAC's) to or chosen by them. This includes but is not limited to:
 - (i) not giving their PAC to another person;
 - (ii) not showing or telling their PAC to any other person;
 - (iii) not keeping a written record of their PAC; and
 - (iv) taking all reasonable precautions to prevent any person from learning their PAC.
2. The member agrees not to select or generate easily guessed electronic signatures (PAC's) or codes such as those based on consecutive numbers, the member's or family member's address, phone number, birthdate, etc.
3. The Credit Union reserves the right to change the terms and conditions of this agreement and also reserves the right to terminate this agreement and the use of ®MemberDirect without notice.

Bill Payments Authorized via Telephone or other Electronic Communication

1. The Credit Union will use its best efforts to forward any bill payment transactions to the merchants specified by the member for credit the next or second business day following the day they are authorized.
2. The Credit Union will not be responsible for delayed credit or late payments for reasons beyond its control.
3. To process a bill payment the member must follow the instructions and provide accurate information in respect to their bill payment. After the member has confirmed and authorized the transaction, it cannot be reversed by the Credit Union; accordingly, should a problem arise in respect of the payment, the member will need to contact the merchant directly.
4. If there are insufficient funds available in the member's account or line-of-credit, on the date the payment is scheduled to be paid, the member will remain responsible for the bill payment through other channels.
5. The member is responsible for entering and authorizing the correct payment amounts, merchant account identification, the account to be charged and to ensure each payment is entered and authorized only once.
6. The member understands that when using the bill payment service,
 - a) The applicable service charge will be charged to the member's account with the Credit Union;
 - b) A 2-day business period exists between the processing of the bill and receipt by the a merchant;
 - c) Payments entered after 5:30 p.m., Monday through Thursday will not be processed until the following business day;
 - d) Payments entered after 5:30 p.m., Friday, Saturday & Sunday will be processed under Monday's date; and
 - e) The member is responsible for ensuring that these instructions are followed and payments are made on time.
7. The Credit Union will assist the member with tracing payments when asked to do so.

Cancellation of ®MemberDirect Service

1. The member may cancel their ®MemberDirect agreement at any time by advising the Credit Union in writing. Cancellation of the agreement shall not affect any transactions completed prior to receipt of the written notice.

Part XI Line of Credit

The Credit Union offers Members Credit Facilities by way of various line of credit products. The Credit Union may require the Member to make a specific application to obtain these. The terms of line of credit Credit Facilities are governed by this section, as modified or added to by a Line of Credit Agreement which must be signed by the Member before activating the line of credit. The Credit Union's receipt of a copy of the original signed Line of Credit Agreement by fax, or an image received by other electronic means is the legal equivalent of receiving an original. The Member will however provide an original signed copy of the Line of Credit Agreement if requested by the Credit Union.

- a) **Line of Credit Limit** - The Member may borrow up to the authorized maximum limit specified in the Line of Credit Agreement. The Credit Union may change this limit at any time without giving notice. The Credit Union is not obliged to lend all or any part of the maximum amount. If at any time the Member desires to increase his/her limit, the Member may apply to the Credit Union, which will decide in its sole discretion.
- b) **Interest Rate** - The Member agrees to pay interest on the money the Credit Union lends at the rate specified in the Line of Credit Agreement. Interest rates will be at the Credit Union's Prime Rate from time to time plus the percentage indicated on the Line of Credit Agreement.
- c) **Interest Calculation** - Interest will be calculated daily on the closing daily balance, charged at each month end to the Member's account and added to the line of credit principal balance outstanding at that time, if any. If interest is not paid but added to the Member's account, this will result in interest on interest (which is known as compounding). Interest is calculated on the basis of a 365 day year. Interest will continue to be payable by the member before and after demand, default and judgment.

- d) **Advances of Money** - The process of borrowing involves advances of money by the Credit Union, payments by the Member, further advances by the Credit Union, and so on. Advances may be either done manually on the Member's request, or be withdrawn from an account created for the Line of Credit, depending on the Line of Credit product.
- e) **Repayment** - Repayments must at a minimum cover all interest and service charges each month. All payments are applied first to interest and services charges and second towards the Line of Credit balance. The Credit Union may, from time to time, require minimum monthly payments at its discretion over and above interest and service charges. The Member may pay all or part of the balance at any time without notice or bonus. The Credit Union has the right to demand, at any time, repayment of all or any part of the balance and interest outstanding five (5) days after written demand. If the outstanding balance is repaid in full, the terms and conditions of this Agreement shall apply to any advances subsequently made.
- f) **Security** - The Credit Union has a lien against my shares and deposits, and if the Member is in default under a Line of Credit Agreement the Credit Union may apply those shares and deposits to the repayment of amounts owing by the Member. The Credit Union may require other forms of security as part of its Line of Credit approval and may register appropriate documents to perfect or record same. Any security is a continuing security for repayment of the amount owed and shall not be affected by the repayment of any or all of the amount owed. The terms of the Credit Union's mortgage, charge or other security agreement will impose additional obligations upon the Member, but entering into such a mortgage, charge or security agreement will not operate as a merger of the Line of Credit Agreement. Where there is a conflict between the provisions of the Line of Credit agreement and the provisions of any charge of real property or other security agreement. The terms of the charge or security agreement shall prevail.
- g) **Review** - The Member agrees to a periodic review of his/her eligibility for the Line of Credit, and for the purpose of such reviews will supply the Credit Union, at its request, with up to date information on his/her financial position. The Member will promptly notify the Credit Union of any change in circumstances which makes inaccurate any of the information it gave the Credit Union at the time of the application.
- h) **Joint and Several Liability** - If the Line of Credit Agreement is signed by more than one person, advances may be made to or at the request of any one or more of the signatories. Each and every signatory is liable to the Credit Union of all sums owing under the Line of Credit Agreement. Periodic statements or notices may be sent to any one on behalf of all. Written notice to any signatory shall be considered notice to all of the contents of the notice.
- i) **Cancellation or Amendment of Agreement** - The Credit Union may cancel a Line of Credit Agreement and require immediate payment of all indebtedness and interest, and may amend the Line of Credit Agreement (including the interest rate, the terms, conditions or maturity date) from time to time, providing notice to the Member at the address appearing in the records of the Credit Union. An amendment may apply both to existing indebtedness or that arising after the amendment is made. Any such amendment shall be effective and binding following the mailing or sending thereof. The Credit Union may terminate a Line of Credit Agreement (if the balance owing will become immediately payable, which the Credit Union may collect by debiting any other accounts of the Member at the Credit Union) without written notice if any of the following events occurs:
 - (i) The Member has given untrue or incomplete information to the Credit Union at the time of application;
 - (ii) The Member fails to perform any other obligation under the terms of the Line of Credit Agreement;
 - (iii) The Member dies or becomes insolvent or bankrupt or take advantage of any law relating to bankruptcy or insolvency or for the relief of debtors;
 - (iv) The Credit Union believes in good faith, that the Member's ability to pay the indebtedness or to perform any other obligation under the Line of Credit Agreement is impaired;
 - (v) The amount payable on the Line of Credit exceeds the authorized maximum limit;
 - (vi) The Member ceases to be a Member.
- j) **Default** - In the event of default, the Member agrees to pay all legal fees and expenses (on a substantial liability basis) incurred by the Credit Union in collecting any outstanding balance. Obtaining a judgment against the Member does not operate as a merger of the Member's covenant to pay, or affect the right of the Credit Union to collect interest at rates payable under the Line of Credit Agreement. Interest on judgments is payable at the same rates as payable under the Line of Credit Agreement.

Part XII Creditor Insurance

If available in connection with the specific loan or credit product requested, the member may choose to buy creditor insurance coverage according to the following terms and conditions:

- If choosing to buy insurance, the member will agree to pay premiums according to the type and amount of insurance selected at the prevailing rate.
- Requests for creditor insurance coverage may be authorized by the borrower's (member's) signature, original or via fax, by verbal agreement in person or by electronic signature. Some types of insurance coverage may require a separate signed original application and may be subject to additional requirements depending on the type and amount of coverage requested.
- The borrower / member must meet all the eligibility requirements of the insurance provider that are in effect at the time of the request for the type and amount of coverage desired. The onus of establishing eligibility is on the borrower/member and not on the Credit Union.

Part XIII Evidence of Transactions

Transactions

1. For all cash transactions completed in-branch, the member's signature on the transaction receipt indicates their agreement with the accuracy of the transaction.
2. For transactions completed in-branch, staff will ask the member if he/she would like a receipt for the transaction and will provide one upon request.
3. A paper transaction record dispensed mechanically as a result of the use of the ®Member Card constitutes a record of the member's transaction. Whether such a transaction record is issued or not, it is the member's responsibility to verify that the transaction has been properly executed by checking the periodic statement of account.
4. In the event of a dispute over a completed cash or electronic transaction, the Credit Union may require the validated receipt or electronic transaction record as proof of the transaction.
5. All transactions completed by the member in person or by telephone or by electronic means will be shown on their regular statement of account.

Statements of Account

1. The Credit Union will send the member a statement according to a regular schedule (monthly or quarterly, for example) that may be adjusted from time to time. The Credit Union may mail, deliver or hand out such statements to the member or the member's appointed agent using the member's latest address as shown on the Credit Union records.
2. Members will advise the Credit Union promptly of any change in address or telephone number(s).

Part XIII Evidence of Transactions cont'd

3. Statements are deemed to have been received by the member three days after they have been mailed. If the member has not received the statement by the 15th day of the month following the reporting period, the member must advise the Credit Union.
4. If the member is a user of MemberDirect, the member will receive his/her statements electronically. Statements will be considered to have been delivered to the member effective as of the seventh day of the month following the reporting period.
5. It is the member's responsibility to advise the Credit Union in writing of their intent to change the direction on how their statements are delivered to the member. Such change shall not affect any statements delivered to the member prior to the receipt of such written direction.
6. When the member receives each statement, the member will check it promptly and advise the Credit Union of any errors or omissions within 30 days of receipt of the statement or within 30 days of the 15th day of the month following the reporting period, whichever is the earlier. Failing which the statement and the transactions recorded on it will be deemed to be accurate.
7. The Credit Union is not liable for errors or omissions that are brought to its attention outside of the times stipulated in this agreement. The Credit Union is not liable for forged items or other unauthorized transactions that are reported to the member in statements or otherwise unless the member has specifically complained about such alleged forged items or unauthorized transactions within thirty (30) days of receipt of statement or deemed receipt.

Part XIV Authority to Charge/Agreement to Pay

Normal Schedule of Fees and Charges

1. The Credit Union has supplied the member with a summary of service fees and will charge the member's account for the applicable fee for opening, operating or closing accounts as well as charges that may apply for individual transactions.
2. New or amended fees will become effective 60 days following the date that the Credit Union provides notice of them to the member.
3. Such notice may be provided in the Credit Union newsletter, by way of pamphlet included with statements of account, by electronic means, or by posting a notice in all of the Credit Union branches.

Returned Items

1. If an item that the member has cashed or deposited with the Credit Union is returned unpaid or dishonoured for any reason, the Credit Union will charge the member's account for that item plus any costs incurred in handling that item in addition to its normal fees or charges for such transactions.
2. The member agrees that the Credit Union is not responsible for the collection of any such item.
3. Subject to any specific instructions given to the Credit Union in writing by the member;
 - a) The member hereby waives in favour of the Credit Union every presentment, notice of dishonour and protest of all instruments drawn, made, accepted, or endorsed by the member, now or hereafter delivered to the Credit Union for any purpose whatsoever and the member shall be liable to the Credit Union in respect thereof as if presentment, notice of dishonour and protest had been duly made or given; and
 - b) If the Credit Union should consider it in the best interests of the member or the Credit Union that any instrument should be noted or protested because of any endorsement other than that of the member, or for any other reason, then, at the discretion of any officer of the Credit Union, the instrument may be noted or protested accordingly, but the Credit Union shall not be liable to the member for any failure or omission to note or protest any such instrument.

Collection & Payment

1. The member agrees that the Credit Union may collect the amount of all debits and charges to the member's account(s) as authorized by this agreement by reducing the balance of the accounts.
2. If any such transaction reduces the account balance below zero, the member agrees to repay the Credit Union for such overdrawn amounts either by making a direct payment to the Credit Union or by allowing a debit or charge to another account owned by the member, either solely or jointly with others.

Part XV If Something Goes Wrong

Actions of Merchants and Resolving Disputes with Merchants

1. The member will first try to resolve the issue with the credit union employee who processed the transaction or with the branch management of the member's home branch.

Member Liability

1. The member agrees to indemnify the Credit Union against any costs (including its legal costs determined and calculated on a solicitor and client basis), losses or claims made against it resulting from a breach in the terms and conditions of this agreement or any other agreement with the Credit Union by the member, including but not limited to:
 - a) any costs incurred as a result of negotiating any clearing items presented on behalf of the member;
 - b) any claims made or costs incurred under any laws in any place where the items may be payable or as a result of the Credit Union endorsement on those items; and
 - c) any claims made because of items forged or containing forgery or unauthorized signatures.

Disputes Between the Member and the Credit Union

1. The Credit Union is committed to resolve any conflicts and disputes fairly and quickly.
2. In cases of dispute as to the date and time of a particular transaction or of a communication between the member and the Credit Union, the member and the Credit Union agree to rely on:
 - a) firstly, computer generated listings or member statements, logs or transaction records or receipts;
 - b) secondly, records or receipts generated by the ®MemberDirect system;
 - c) thirdly, notes, logs and transaction records or receipts recorded manually by the Credit Union staff at the time of the transaction or communication; and
 - d) fourthly, notes recorded manually by the member at the time of the transaction or communication.
3. If a member has a problem, dispute or complaint with any transaction, the member will follow this process:
 - a) Step One: The member will first try to resolve the issue with the credit union employee who processed the transaction or with the branch management of the member's home branch.
 - b) Step Two: If satisfactory resolution is not achieved through the process outlined in Step One, the member may contact the Member Ombudsman by:

Phone: 1.800.598.2891 and ask for the Member Ombudsman
Email: ombudsman@tandia.com
Mail: Member Ombudsman, Tandia, 75 James St. S.,
Hamilton ON L8P 2Y9
4. Both the Credit Union and the member agree not to start any legal or court action until the procedures established in 3(a) and 3(b) have been exhausted.

Part XVI Miscellaneous

Amendment

This Agreement may be changed from time to time by the Credit Union. The Credit Union will notify members in advance of the effective date of any changes by mail, facsimile, electronic notice, publishing a notice in a newsletter sent to all members or by posting a notice in all of the Credit Union's branches. By requesting, authorizing or processing transactions covered by such changes after the effective date, members will have indicated their agreement with such changes as of the effective date of such changes.

No Third Party Claims

This agreement does not provide any third party with a remedy, claim or right of reimbursement.

Method of Communication

The Credit Union may communicate with the member by ordinary uninsured mail or other means, including hand delivery or facsimile transmission. Mailed information is deemed to be received by the member three (3) days after mailing (unless otherwise specifically stated). Delivered information is deemed to be received when delivered or left at the owner's address. Messages sent by facsimile are deemed to be received when the Credit Union receives a fax confirmation.

Agents

The Credit Union may use the services of any bank, credit union or agent as it may deem advisable in connection with its function as a depository business agent of the member. Such bank, credit union or agent is deemed to be the agent of the member and the Credit Union will not in any circumstance, be responsible or liable to the member by reason of any act or omission of such bank, credit union or agent, however caused, in the performance of such services, or by reason of the loss, theft, destruction or delayed delivery of any instrument while in transit to or from, or in the possession of such bank, credit union or agent.

Invalidity

In the event any provisions of this service agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of it shall remain in full force and effect. Time shall be of the essence in this service agreement in the performance of the duties of the member and the Credit Union.

Gender

When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereto shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

Heirs and Assigns

This agreement shall enure to the benefit of and be binding on the heirs, executors, administrators, successors and assigns of the member(s) and the Credit Union, respectively, and such persons shall, upon request of the Credit Union immediately execute a new agreement in the same form and content as this agreement and deliver same to the Credit Union forthwith.

Representations and Warranties

It is agreed that there is no representation, warranty, collateral agreement or condition affecting this service agreement or supported by it other than as expressed in this service agreement in writing.

Agreement Headings

The headings used in this service agreement are for convenience only and are not to be considered a part of this service agreement and do not in any way limit or amplify the terms and provisions of this service agreement.

Waiver

No delay or omission by the Credit Union in exercising any of its rights or remedies as set out in this service agreement, or at law, shall operate as a waiver of such rights or remedies and no single or partial exercise or such right or remedy shall preclude any other or further exercise of such right or remedy. Furthermore, the Credit Union may remedy any default by the member in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the member. All rights and remedies of the Credit Union granted under this service agreement are cumulative and may be exercised at any time and from time to time independently or in combination.

Laws of Ontario

This service agreement and the transactions and agreements it relates to shall be governed by and construed in accordance with the laws of the province of Ontario as the same may from time to time be in effect.

Joint Responsibility

If two or more members, corporations, partnerships or other business associations (or any combination of two or more) have entered into this service agreement, the liability of each individual, corporation, partnership or other business association to perform all obligations in it will be deemed to be joint and several.

Trademarks

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