



Butterfield

General Terms and Conditions

October 2010

THE BANK OF N.T. BUTTERFIELD & SON LIMITED

GENERAL TERMS & CONDITIONS

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INTRODUCTION AND PURPOSE OF THESE TERMS & CONDITIONS

For the purpose of this document, you, the customer is referred to as "you" while, we, The Bank of N. T. Butterfield & Son Limited is referred to as "we" or "us".

The purpose of these General Terms & Conditions is to outline the terms and conditions of our relationship with you for the general operation of our accounts, products and services. Whether you open an account, use our services, or continue to operate any account with us, you agree that all such accounts, products and services used by you now or in the future, shall be operated in accordance with the following Terms and Conditions (the "Conditions").

Different Products & Services may have additional rules or Terms & Conditions

We offer a wide array of products and services in an effort to assist you and better meet your individual needs and preferences. As such, each individual product may have additional Terms and Conditions and/or different product rules for different rates of interest, minimum balances, allowable transactions, etc. We will explain these to you when you sign up for that account or service.

Enforceability

If we cannot enforce any one Condition, whether in accordance with this document or any additional Terms and Conditions that may be specific to any of our products and services, this will not affect our right to enforce any other Condition whether they may be in accordance with those in this document or any specific Terms and Conditions for any of our products and services.

Amendments to our Terms & Conditions

We may change, amend, or add to these Terms and Conditions, or to any other terms, conditions and/or product rules that may be specific to any of our products and services at any time by updating this document or the specific terms, conditions and/or product rules that may be specific to any of our products and services by making them available to you on our web site and available upon request at our Banking Centre welcome areas, one month in advance of such changes coming into effect.

Notwithstanding the aforementioned, we may, where extenuating circumstances warrant, or where we are legally required to do so, or where it is in your best interest to do so, change such Terms and Conditions with less notice.

Continued use of our products and services will be considered as your acceptance to all such Terms and Conditions.

GENERAL TERMS AND CONDITIONS

Keeping your information up to date, accurate and complete

You agree to ensure that the information you have provided to us regarding yourself and your banking activities is accurate and complete.

You further commit to inform us immediately of any changes to the information that you have provided to us. This may include, but is not limited to, changes in:

- your contact information: physical address, mailing address, day and evening telephone numbers and e-mail addresses
- emergency (back up) contact name and numbers for us to contact in case we are not able to reach you
- personal information relating to you and the general operation of your account
- your status that could affect the operation of your accounts with us
- your residential status for Bermuda Exchange Control purposes
- your work permit or employment status
- your status as it relates to the payment of Foreign Currency Purchase Tax
- the primary purpose, usage and general operation of your account

In the absence of such notice of change, mail addressed to you at the mailing address specified on the application form shall be deemed to be properly addressed and effective. Refer also to the section covering "Returned Mail" on page four.

You further agree to provide us with up-to-date documents or such other additional information we may require of you from time to time during the course of your relationship with us.

Your Instructions

Unless you specifically provide us notice to the contrary in writing that is acknowledged and confirmed by us, you authorise us to:

- pay and honour any orders or instructions authorising payments given in accordance with your account mandate, whether such account is in credit or overdrawn but without prejudice to our right to refuse to allow any overdraft or increase of overdraft; and
- deliver up anything held by us by way of security or for safe custody, collection or any other purpose whatsoever on the account against the written receipt or instructions given in accordance with the account mandate

Account Beneficial Ownership

In the case of individual/joint accounts, you represent and warrant that you are the beneficial and legal owner(s) of the account and that you have full legal capacity to open the account and enter into this Agreement.

In the case of other accounts, you represent and warrant that you correctly stated the beneficial and legal owner(s) when opening the account.

Joint Accounts

Except in the case of joint accounts where the account is specifically opened as an "and" account that requires all parties to sign together for all instructions:

Any one of you may give any or all instructions to us with respect to the account. These would include, but are not limited to:

- withdrawing any portion or all of the funds in the account
- signing cheques on the account
- accepting statements, notices, confirmations, on the account
- providing notices, any instructions, or giving notice to us of errors or objections on the account
- making deposits into the account
- instructing us to make payments
- instructing us to add or remove additional joint holders
- instructing us to amend the mailing address for the account
- instructing us to hold the account as collateral for a debt in any name as instructed by any one of you
- instructing us to amend, add or remove signing authorities on the account; or
- closing the account

You agree that any liability you incur with us shall be joint as well as several which means that you will be jointly responsible such that either one of you may be fully responsible for all or a portion of the liability.

Notwithstanding the above, we may, in our sole discretion decline such instructions where it may have an impact on an outstanding debt or liability.

We agree that on the death of any one of you, any money standing to the credit of the said account and anything held by us by way of security for the safe custody, collection or any other purpose whatsoever on the account may be held to the order of the survivor, so that if one of you should die, the account will automatically become the property of the survivor(s). The survivor's rights and duties under this Agreement will continue.

Telephone, Facsimile or Electronic Instructions

Notwithstanding the Conditions, account mandates, or other agreement in the course of dealing between ourselves, we are requested and authorised, but not obliged, to rely upon and act in accordance with any notice, demand or other communication which may from time to time be given by any verbal, telephone, facsimile (fax), or electronic message without incurring liability should it be false or there be any error or ambiguity therein if believed by us to be genuine and to be presented or delivered by or on behalf of you.

Without prejudicing our rights under the preceding sentence, we reserve the right to request that you complete a specific Telephone or Facsimile Authority. Under such Authority, you authorise us to act on telephone, fax or similar scanned image of your written instructions as given by you or appear or purport to be given by you, or that bear or purport to bear your authorised signatures, whether or not it may be subsequently shown that the same was not originally signed or did not contain a genuine signature or was not provided by the authorised signatories of the account.

You further acknowledge that we shall be under no duty to verify or authenticate any of these instructions.

Overdrafts

You agree that overdrafts or negative balances may not be allowed unless prior arrangements have been made. Unless such prior arrangements have been made, cheques may, at our discretion, be paid or returned unpaid in order to maintain the account in credit. Notwithstanding, you understand that in the event that a transaction, inclusive of ATM withdrawal, causes the account to be placed in a negative or overdrawn position not previously authorised by us, we may charge unsanctioned item fees for each unauthorised transaction and an interest charge at the Bank's unauthorised lending rate from time to time in effect, or at such other rate as may be established by us will be applied to the overdrawn balance of the account.

We may, without prejudice to our general right to close the account relationship in accordance with the Section "Closing your Account" on page five, suspend your banking privileges or related services for non-payment of charges or overdrawn balances due to us by you.

For the avoidance of doubt, all approved overdrafts are considered repayable on demand.

Banker's General Right of Set-Off

We can charge to any of your accounts, or set-off against any of your indebtedness or liabilities with us, even if this creates an overdraft, or increases an overdraft. You will be liable for any amount charged, plus interest and fees as may be applicable, including any legal or collection agency fees incurred by us in attempting to collect on your debt for any such outstanding amounts. We can break any fixed account with ourselves and apply the proceeds to the overdraft plus any fees, charges, or other expenses incurred and owing to us. You further agree that the full amount of any joint accounts or any portion of a joint account can be applied against any such indebtedness to us irrespective of contribution.

All collateral held as security now or subsequently held by us will also be used as security for any and all unauthorised indebtedness, without any obligation to provide notice to you, and apply such security to such indebtedness.

Charge over your Account

You may not transfer, charge or give as security any part of your account or any of your rights under any of these Conditions in accordance with this document, or any additional Terms and Conditions that may be specific to any of our products and services, to anyone else, unless we specifically agree in writing.

Interest & Foreign Exchange Rates

Interest, at a rate we will determine, will be computed on the daily principal balance on qualifying deposits. In the case of savings and treasury call accounts, interest will be credited quarterly on the last business day of each quarter and unless otherwise stated in specific Agreements or in individual product Terms & Conditions, interest will normally be credited monthly for all other interest bearing products.

Interest rates and foreign exchange rates are subject to market conditions and may change at any time. Applicable interest rates, lending rates and foreign exchange rates are available on our website or by contacting any of our Banking Centre staff.

Statements

Unless specifically noted under any individual product Terms and Conditions, or unless specifically arranged otherwise, we will issue periodic statements/notices, for chequing, savings, call accounts and any other account that we may determine from time to time should be offered, showing debits, credits, interest and balances in the account as follows:

- Chequing Accounts Monthly
 - Savings Accounts Quarterly
 - Time Deposits Maturity Notice, at the end of the term
 - Call Accounts Quarterly
 - Credit Card Accounts Monthly
 - Loan & Mortgage Accounts As may be agreed at time of advance
- You will review within 30 days of the statement date, or within 30 days of the mailing of such statement to you, notifying us in writing of any errors or omissions.
 - You will notify us promptly and in writing if you have not received your statement within 30 days of the statement date.
 - Refer also to Section covering "Returned Mail" below.

Acceptance of Statements as final and binding

Unless we receive written notice from you stating otherwise, and within 30 days of receipt of statements (or within 30 days within which we have deemed to have received statements), up to a maximum of 90 days from the statement date, you agree that our records, as recorded in the statements are conclusive evidence of your dealings with us, are correct, complete, fully authorised and binding. You further release us from all responsibility for all account activity preceding said statements including all transactions in the account pertaining to any errors, omissions, irregularities, fraud, or unauthorised activities including negligence, but excluding any gross negligence or willful misconduct by any one of our employees.

Returned Mail

If statements or other mail is returned to us as undeliverable, we will make every attempt to contact you using information you have provided to us and if appropriate from information that is publicly available. However, if we are unable to make contact with you, we may stop sending you statements and mail and place a block on your account.

You understand that any additional fees, expenses or charges that may be incurred as a result of placing such a block on your account or for stopping the mailing of correspondence and statements to you will automatically be charged to your account. We are waived from any such liability caused as a result of your non-receipt of such mail or statements.

Cheque Images

Cheques will not be returned but instead will be stored by us via electronic imaging. Copies of the front of paid cheques will be sent to you in your statement. Copies of the front and reverse of requested cheques are available on special request, on payment of our fee from time to time in effect in accordance to our published Schedule of Charges for such service. Copies of cheques will be maintained by us for at least seven years.

Stale-dated and Future-dated Cheques

In accordance with the *Bermuda Domestic Clearing and Settlement Agreement* and the *Bills of Exchange Act 1934*, we will not honour cheques that are older than 366 days or cheques that are future-dated. While we will make every effort not to accept future or post-dated cheques, you agree that in instances where such cheques may be received and processed that you will be responsible for any out of pocket or additional fees or charges that may be incurred as a result of processing such cheques including any costs and charges relating to your account being overdrawn.

Refer also to the Section covering "Overdrafts" on page three.

Electronic Records

Where we are party to a dispute, the electronic records, or scanned images of any bank documents including your instructions to us and retained by us shall serve as the sole and accurate record of the events and shall be admissible in a court of law as such with equal evidentiary value as a duly authorised paper document.

We may provide scanned images or electronic records of any bank documents including any instructions as evidence in any proceeding and may be considered as a valid and enforceable document in the absence of the original.

Further, if the account is involved in any legal proceedings, actual or threatened, in which we are not a party, or any garnishee proceedings, then you agree to pay us for our reasonable legal costs and time taken in dealing with the matter. Any amounts so due may be set-off against the balance of the account.

Holds

You agree that all non-cash instruments deposited to your account will be credited subject to us placing a "hold" on the funds in any of your accounts, restricting your right to withdraw said amount until such time as the instrument has fully cleared as clear funds through the banking systems and we have received actual and irrevocable payment.

In accordance with standard banking practices, we may, at our discretion, apply different "hold periods" based amongst others, on the country of origin, issuing institution, and clearing systems used to clear the items. In the case of local Bermuda cheques a two-day hold will apply in accordance with the *Bermuda Domestic Clearing & Settlement Agreement*.

Notwithstanding, the expiry of the "hold period", this does not mean that the item will not be subsequently returned for some other reason. Should a cheque that has been deposited (irrespective of whether the cheque was processed via a "Special Clearing" process) be returned to us after the funds have cleared, we retain the right to charge the amount of that cheque to your account together with any out of pocket expenses incurred by us.

You remain financially responsible for items deposited or cashed both before and after the hold period.

All dishonoured or returned cheques together with any additional expenses and charges will be debited to the account and you will be liable, including where relevant, for any overdrafts arising from payments made by us against such cheque deposits prior to final settlement by the drawee's bank. If we become aware of any suspicious or fraudulent or other activity deemed to be unauthorised by us, that may give rise to a claim against us or cause any loss to us, or if any dishonoured cheque or returned cheque will be debited. You understand that cheques in most major currencies will be accepted for credit to an account. These will be converted to the currency of the account at our prevailing exchange rate on the day of the conversion.

You further indemnify us for any expenses or additional costs incurred by us arising from the transactions on your accounts. We further reserve the right to wait for final clearing prior to releasing our hold.

Stop Payments

If you wish to stop a payment drawn on your account you may do so by sending us the details in writing. Such details should, *inter alia*, include the following:

- a) personal cheque – cheque number, date, account number, amount and name of payee
- b) standing order – name of recipient, amount and frequency
- c) manager's cheques or bank drafts – in some instances it may not be possible to place a stop payment on these instruments; and in such cases we will further require that you complete an indemnity form which will, in addition to our standard fees and charges for stop payments, incur government stamp duty

You acknowledge that if we are not able to stop any such payment, for any reason (which may include, but is not limited to payments that have already been processed and paid, instruments that are considered in the industry as 'certified' such as drafts and managers cheques), you agree that we will not be liable for complying with, or failing to comply with a stop payment request even if such failure is a result of our negligence.

Cancelling Standing Instructions or Payments

You must advise us in writing if you wish to cancel regular payments or standing instructions. In cases where you are cancelling a regular payment or debit against a card, these instructions should be done so in writing with the merchant directly. For your protection, keep a record of both the written instruction and the merchant's acknowledgement.

Closing your Account

You may close your account at any time for any reason and we will forward any existing credit balance on your account in accordance with your written instructions.

We will, amongst other requests, ask that:

- you return all unused cheques and cards issued on your account
- you repay any money you owe to us including the amount of any cheques, outstanding card transactions; or other payment instructions you may have made
- you inform all third parties with whom you have arranged direct debits and/or standing orders of the closure of your account
- provide us with updated contact information in order to arrange any final settlements

We may require you to maintain balances in your account until we verify any of the above, and until all outstanding payments are completed.

We may refuse a deposit or close your Account

We may refuse a deposit, limit the amount which may be deposited, return all or any part of deposit, or close any account by giving 30 days notice and without specifying any reason.

Notwithstanding the forgoing, we may block or close your account immediately where the laws, regulations or our policies say we must, or where we consider the account activity is not in accordance with the expected activity based on information you have previously provided to us. Refer to the section covering "Keeping your information up to date, accurate and complete" on page two.

We furthermore reserve the right to terminate our relationship immediately in circumstances where you have threatened members of our staff or have exhibited abusive behaviour or otherwise acted in a manner inconsistent with these Terms and Conditions.

Safeguard your Accounts from Theft and Fraud

You should make every effort to keep your information and bank details secure at all times. We will not normally contact you asking you to provide us with your bank details or specific information regarding you or your account. If you do receive requests for information, even if they are using our name and logo and the request appears to be genuine, you should contact us immediately via our general contact number, 441 295 1111.

You understand that it is your responsibility to endeavour to prevent fraud on your account through the safeguarding of your bank information. This includes, but is not limited to:

- ensuring that any cheques we issue on the account are correct
 - that you inform us immediately by telephone, followed up in writing, should such cheques become lost, stolen, or suspected of being in the wrongful possession of another
 - not allowing any person other than yourself to have access to your ATM card, Debit card, Credit card, PINs, passwords or any other security information or access to your Internet Banking Account, etc.
 - keeping your cards, cheques, and other security information separate and secure at all times
-

- not writing down your passwords, PINs, or other security information
- using appropriate passwords, PINs, or other security information that is known only to you and that others cannot guess or otherwise decode
- ensuring that all your card receipts, account statements and any other information relating to your statements is held in safekeeping and only accessible by you
- being careful and vigilant when destroying your account statements and other documents that may provide information about your accounts
- keeping your PC secure at all times and use up to date anti virus software
- reviewing and reconciling your accounts quickly and within 30 days of receipt of your bank statements
- keeping us fully and immediately informed about changes in your status and mailing address
- assisting us by providing us with secure detailed information about you and/or your account that only you would know and have access to, which can then be used to assist the Bank if and when we are required to do so, or when we believe it is in either yours or our best interests to further verify instructions received on your account

Inactive and Dormant Accounts

You should make every effort to keep your accounts active at all times by:

- in the case of current, savings and call accounts, making regular (at least annual) deposits or withdrawals into and out of your account; and
- in the case of fixed deposits by contacting us to update or confirm your instructions on a regular basis (at least every three years)

For your protection against fraud, whenever from time to time during the existence of the account there are periods of time within which you have not initiated deposits or withdrawals in accordance with what is deemed by us to be normal for the account or in accordance to what you have advised to us to be considered normal activity for the operation of your account (typically between one to three years), the account's status will be modified to "inactive" and then "dormant" and will be subject to special inactive account, dormant account and reactivating dormant account service fees in accordance with our Schedule of Charges.

Once the account is considered "dormant", the account will be frozen and we will apply more rigorous controls on the account and any transactions being applied to this account, which may include holding statements on your account.

Transactions that are initiated on a dormant account will only be authorised after our further due diligence and once the originator of the transaction has been verified against our records. The Bank will not be liable for any additional costs or charges as a result of any delays caused by validating transactions and or 'reactivating' dormant accounts.

Telephone calls may be recorded

In accordance with standard practice in the financial services industry, telephone calls may be taped for security and audit purposes.

Confidentiality and disclosing information to others about you

We agree to keep your information and our dealings with you confidential at all times. However, notwithstanding, we may give details of you and your account with us:

- where permitted by law
- where the law says we must
- where we have a public duty to do so
- where it is, in our opinion, necessary to protect our or your interests
- where you request us to do so on your behalf

Credit & Bankers References – Such information may include, but is not limited to: credit reports, income sources and such other credit, bank or personal references to credit bureaus and other financial institutions; or to assist in the recovery of debt or such information as we may be required to so provide in order to meet our legal obligations.

Market Research & Customer Service – We may further use and share relevant information in order to assist us in providing better customer service to market research, credit research, insurance, debt collection, audit and or such other third parties engaged by us to provide services on your behalf which may include the processing of information about you. All such information will be subject to strict Confidentiality Agreements at all times.

Data Protection – We may use outside service providers, in other countries on the basis that anyone to whom we pass your information provides an adequate level of protection, for the purposes of effectively managing our electronic data, and other information both directly or as additional back up and support to ensure adequate protection for back up and business interruption planning in the event emergencies. All such information will be subject to strict Confidentiality Agreements at all times.

Laws, Regulations and Policies – We are required to act in accordance with Bermuda and international laws and regulations; and within our policies and those of other financial institutions in other jurisdictions from which we operate and carry out banking transactions with (referred to generally herein as "laws, regulations and policies") relating to anti-money laundering, anti-terrorism, prevention of fraud, prevention of tax evasion, prevention of other criminal activities and such other laws, regulations and policies from time to time in effect.

In carrying out our duties under these laws, regulations & policies, we may, without notice to you, intercept and carry out investigations on transactions, payment instructions or other instructions sent to us whether by you or for your benefit and make further enquiries relating to any such transaction. This may, *inter alia*, require us to disclose information to Bermuda or other governments or regulatory authorities, or other financial institutions without disclosure to you.

In carrying out our duties under the laws, regulations and policies, we will monitor your account activity and information relating to your accounts. We may from time to time require additional information about you, the operation of your accounts or updated account documentation and supporting government photo identification. We may require such documentation to be duly certified as true copies, and which we may, at our sole discretion require them to be duly notarised by a notary public. You agree to provide us with such information as may be requested from time to time.

Notwithstanding any part of this Agreement, or such other Agreement that you may have with us or any other member of the Butterfield group of companies, we will not be liable for any loss (whether direct loss or consequential) (e.g. due to interest rate change, price change, etc.) or damages suffered by you or any other party, caused by any such delays or failure by us in performing any of the duties or obligations under this Agreement considered appropriate in carrying out our duties in compliance with such laws, regulations or policies.

Fees and Charges – Where and how communicated

You agree to pay any applicable service fees and or charges in accordance with our "Schedule of Charges" from time to time in effect and as posted on our web site www.bm.butterfieldgroup.com. A copy of our Schedule of Charges is also available at any of our welcome areas in our Banking Centres or from any member of staff at our Banking Centre welcome areas.

We may change our fees and charges from time to time, provided that they are posted in our Schedule of Charges at least one month prior to their effective date.

Waiver of any fees or charges, or amendments to these fees and charges from time to time by any of our staff, will not be deemed a waiver by us of our right to apply such fees at any time in the future.

In addition to regular service fees and charges, we may charge your account with any out of pocket expenses that we may incur in carrying out research and the production of documents or such other expenses in order to respond to or comply with court orders, address any governmental, regulatory or legal directives regarding your account.

Interest Rate and Foreign Exchange Rate changes – As changes in interest rates are a reflection of world market conditions, interest rates are subject to change without prior notice.

ADDITIONAL TERMS & CONDITIONS – SPECIFIC TO PRODUCT OR SERVICE

In addition to the General Terms and Conditions above, the following additional Terms and Conditions will apply only to specific accounts and transactions as indicated below.

Foreign Currency Transactions

In the case of foreign currency requests, instructions are acted upon on days on which the currency is traded. If instructions are received on a holiday for the country of the currency, they will be acted upon on the next business day for that country.

Savings Accounts

Any person over 10 years of age may make deposits or withdrawals in the same manner as if he or she were of age and all deposits made by minors in their own name will be fully under their control and payable to them without regard to parents or guardians in accordance with the practice established by us from time to time.

You waive the right to draw cheques or drafts against the account.

We reserve the right to require 30 days notice in writing of the intention to withdraw from a savings account, but we may at our option make payments without such notice, in which event such payments will not be deemed a waiver of our rights to require such notice as to other payments.

Call & Fixed Term Deposits

Unless otherwise specifically negotiated:

- Interest on fixed term deposits will be credited to the account only at maturity of the deposit.
- Interest on call accounts will be credited to the account on the last business day of each quarter. If you elect not to compound the interest earnings, they will be deposited to a Butterfield account that you designate.
- A fixed term deposit must be maintained to the agreed maturity date and in the absence of instructions to the contrary will be rolled over automatically for a similar term at the then applicable rate of interest. We must receive your instructions to repay a deposit or vary its succeeding term no later than two business days prior to the deposit's maturity date.
- We reserve the right to refuse an application to repay the deposit prior to the agreed maturity date. If we, in our absolute discretion and without prejudice to our right to refuse, agree to repay a deposit prior to the maturity date, it will be subject to breakage fees and/or interest penalties in accordance with market rates and conditions that are deemed appropriate on the day of breakage. Such fees and penalty rates will be at the sole discretion of the Bank.

Butterfield Direct Internet Banking

Authorised Agents—individual(s) from whom the Bank is authorised to accept instructions via Butterfield Direct Internet Banking as designated by the customer.

Either party can terminate this Service with 30 days prior notice in writing.

Operating parameters for the provision of the Service are described in the User Guide. We may amend the User Guide at any time on 30 days written notice. Continued use of the Service by you or your Authorised Agents subsequent to the issue of any amendments shall constitute acceptance of the amendments.

We reserve the right to terminate this Agreement with immediate effect in the event that legal, regulatory, or other governmental decisions or developments would or might, in our sole opinion, preclude or impede us from providing the Service.

We may, at our absolute discretion and with immediate effect, suspend services should we, in our sole opinion, consider that activity has occurred which constitutes fraudulent use of the Service, attempts to perpetrate fraud through the Service, violates regular or any laws, regulations and policies or our account operation rules and regulations and we shall not be obliged, in any such case, to specify the precise nature of our concerns, but may simply make reference to this clause. Refer also to the Section covering “Closing your Account” on page five.

You agree that the Service will not be utilised by you or your Authorised Agents other than for the purpose contemplated by this Agreement including without limitation re-selling, re-copying or re-communicating in any electronic form. The information or any part thereof, obtained from the medium from which the Service is stored, shall not be disclosed to any third party (except where such third party is your parent company, subsidiary or affiliate of you or your Authorised Agents located in Bermuda) unless prior written consent is obtained from us and subject to such Terms and Conditions as we may solely determine.

Equipment & Software

You and your Authorised Agents alone are solely responsible for the expense, installation, upgrade, maintenance and security of all hardware, software, and provision of telecommunications used to access the Service.

You acknowledge that you and your Authorised Agents do not own any right of copyright or other intellectual property rights in the Service and are subject to the conditions of confidentiality as specified below.

You and your Authorised Agents will be responsible for complying with the laws and regulations of the country from which the Service is accessed if outside of Bermuda.

Documentation & Training

We will provide training specific to the Service at our specified training facility as well as through our on-line help resources. You and your Authorised Agents may copy the relevant portions of the User Guide for your internal use only, subject to the conditions as specified in the confidentiality section of this Agreement.

Authorisation & Security

You authorise us to act upon instructions received through the Service for the transfer of funds or our other services in accordance with our operating procedures, rules and guidelines, which may be amended from time to time. Any action we take on such instructions will have the same legal effect and will bind you as if they had been given in writing and signed by a duly authorised signatory of the account, regardless of whether the person purporting to give such instructions was or was not an authorised signatory of the account.

We will provide you and your Authorised Agents with an initial User Password, and may issue a security token. Each authorised operator will have a separate identifier and password or security token. You understand and agree that you and your Authorised Agents alone are solely responsible for the selection, use, confidentiality and protection of subsequent passwords and identifiers and the security of the physical security token. We may, at our sole discretion, deny access to the system for security reasons.

You and your Authorised Agents will report to us in a timely manner by phone and in writing, any suspected breach in your security through access to the Service. You will report to us in a timely manner by phone and in writing the loss or damage to your security token. Such notice will be effective when we receive it. We are not liable for any losses that occur should there be a breach in your security prior to our receiving notice of the breach.

You are solely responsible for advising us to add and/or remove (a) authorised users from access to the Service, and (b) accounts from access via the Service. Such advice shall be provided to us in writing.

Confidentiality

We will take all commercially reasonable precautions to ensure the confidentiality of your files, records and data. You and your Authorised Agents will hold all information, documentation, and specifications relating to the Service as being confidential and proprietary to us. You agree that you and your Authorised Agents will at no time during the term of this Agreement or after its termination disclose or otherwise transmit, directly or indirectly, any such information to any third party without our prior written consent. These obligations of confidentiality do not apply to necessary disclosure to auditors in the course of audit, to any governmental agency under any statutory obligations, where required by law, and/or where such information is already in the public domain.

Revisions and Improvements

We reserve the right to make changes, at any time, in the rules of operation, accessibility, security procedures and provisions, type and location of Service resources, administration, features and functions.

Limitations of Liability

We are not liable for acts of God, machine or system breakdown or malfunction, interruption or malfunction of telecommunications (including but not limited to Internet Service Provider or Internet Browser software), electrical power or other third party services,

labour difficulties, or any other cause beyond our reasonable control. We will take reasonable care in the performance of our obligations under this Agreement. Under no circumstances will we be liable for indirect, special or consequential damages, even if we are advised of the possibility of such damages.

Under no circumstances will we authorise any of our employees to install, maintain, or otherwise modify any of your equipment, hardware or software. Under no circumstances will we be liable for the performance or security of your hardware, software, or telecommunications services. We will not be liable for any monetary claims for fraud in instances where a PC utilised by you or your Authorised Agent has been compromised.

We will not be liable for the insolvency, neglect, misconduct, mistake, default, actions or inaction of any third party, including but not limited to charges imposed or other action taken by a payee or merchant resulting from a late or missed payment.

Debit Card

In addition to the Terms and Conditions for operating accounts, the following specific terms and conditions apply only to the use of Butterfield Debit Card and associated services (the "Card") unless otherwise indicated below. Nominated Primary Account – the chequing or savings account, in the case of a minor this must be a savings account, which you have designated as a main account. This account will be debited for merchant point of sale transactions and for any withdrawals at a non-Butterfield ATM where you do not have the option to select a specific account for such purpose.

Personal Identification Number (PIN) – A series of numbers used by our systems to verify your identity when the Card number is used to access our ATM machines or any ATM machine or network specifically authorised for use as displayed on the Card. Upon input of this number you will be given authorisation to initiate transactions on any accounts linked to the Card.

Debit Card Business

For Business Debit Card please refer to individual Terms and Conditions in the Butterfield Business Debit MasterCard® Agreement.

Using the Card

The Card is intended for use only by the party to whom it has been issued.

Immediately on receipt of any new, replacement or reissued Card, you will sign the Card.

Use of the Card or signing of the Card application constitutes acceptance of this Agreement.

You acknowledge joint and several liability for the use of any Cards issued so far as such use involves the joint account.

You shall have access to a mix of the services described on the Card carrier, depending on whether your Card displays the relevant logo(s). We reserve the right to modify or withdraw any of these services without prior notice. It should be noted that, depending on your age, account mandate and creditworthiness, not all Cards display all logos.

We will establish a daily expenditure/withdrawal limit for the Card when it is issued. There is one single limit per Card and it will encompass the sum of all cash withdrawals and merchant point of sale expenditures on all accounts accessed via the Card. This limit is subject to the availability of funds. We reserve the right to modify this limit without prior notice.

We are irrevocably authorised to:

- a) debit your Nominated Primary Account with all amounts withdrawn through any machine or any amounts paid to any merchant by means of any Card issued to you, in priority to all other drawings or debits
- b) act on instructions related to the transfer of funds given by means of any Card issued to you
- c) debit your account with the amount of all Card transactions and any applicable fees or charges or taxes arising by means of the use of any Card issued to you under the terms of this Agreement, in priority to all other drawings or debits

The issuing of this Card does not entitle you to:

- a) overdraw any account if no overdraft arrangements have previously been made
- b) overdraw any account in excess of any overdraft limit we have previously agreed to

Debits as the result of transactions initiated with the Card will be processed as follows:

- a) Withdrawals made via any of our ATM machines or our other network devices will be debited to the selected nominated account as designated by you at the time of withdrawal.
- b) Merchant Point of Sale transactions will be debited to the Card's nominated primary account.
- c) Withdrawals made via any non-Butterfield ATM or network specifically authorised for use as displayed on the Card will be debited from the nominated primary account or in the event that you are allowed to select a specific account from either the primary nominated chequing or the primary nominated savings account.

For signature-based transactions, you must sign a sale or cash voucher when produced every time the Card is used for direct payment to merchants but failure to sign does not relieve you from any responsibility for payment.

You acknowledge that once you have confirmed the details of a payment on a transaction, you may not revoke or stop the payment or transaction.

We shall not be responsible for the failure of any merchant or bank to honour the Card.

The Card may only be used for legal and genuine transactions. You will undertake at all times to comply with Bermuda Exchange Control Regulations and you agree to notify us immediately of any change of residential status as it relates to such Regulations.

ATM and Telephone Banking

The Card may be used to make payments to our authorised utility companies and other suppliers listing available through our ATMs. Transactions must be performed prior to Bermuda's cut off time to be processed for the same day. You are responsible for notifying us of any changes of address and account relationships with such suppliers. We must receive changes of address or account relationship with suppliers five business days prior to the changes being effected in our records. We do not accept liability for errors that are caused by incorrect information received from you or the suppliers.

Deposits can only be made at our ATMs configured for this purpose. All such deposits are subject to our independent verification.

We shall incur no liability for failure of any ATM or point of sale machine to function due to electrical or mechanical failure, improper use by you or any other cause.

Dealing with Transactions in a Foreign Currency

You agree that any transaction initiated with the Card may be subject to fees, foreign exchange fees and applicable taxes and that the total cost of the transaction will be converted to the base currency of the account at the time of settlement of the transaction, and debiting from your account will complete the transaction.

Keeping your Personal Identification Number (PIN) Confidential

You will select a PIN code for the services provided via the Card. You may apply to us to amend this PIN at your own discretion.

Refer also to Section on "Safeguard your accounts from fraud and theft" on page five.

Reporting Loss, Theft or Unauthorised Use

You must report immediately, in writing and by telephone, the loss, theft, or any unauthorised use of the Card or loss of the PIN. Your liability for use of the Card will cease only when we receive such notice. In the instance of unauthorised use as outlined immediately below, you will be liable for all debts incurred using the Card until the Card is surrendered to us.

You are liable for all debts, withdrawals and account activity resulting from:

- a) use of the Card by persons to whom you have made the Card and/or PIN available
- b) use of the Card and/or PIN, where you have made available for use the Card and PIN (e.g. written down, or a poorly disguised record, or by keeping them together or in such a manner as to make them available for use)
- c) selection of a PIN that is similar to an obvious number combination such as your date of birth, bank account numbers, telephone numbers, etc.
- d) you otherwise reveal your PIN, resulting in the subsequent unauthorised use of your Card and PIN together

You will not be liable for losses in circumstances beyond your control. Such circumstances include:

- a) technical problems and system malfunctions
- b) transactions authorised once the Card has been reported lost or stolen, the Card has been cancelled or has expired, or you have reported that the PIN is known to another person

Cancelling this Agreement

You can cancel this Agreement by advising us in writing at any time and by returning the Card to us. We can also cancel the Agreement by advising you in writing. We can also cancel the Card immediately without prior notice, but will seek to notify you as soon as possible. The Card is always our property and you are required to return it to us, or someone acting on our behalf, when requested. If either of us cancels this Agreement, you still have to pay for any charges incurred with the Card in full.

Settling Disputes

You must retain the receipts issued by the ATM or point of sale merchant in respect to all transactions until such time as the account has been reconciled. All transactions and receipts are subject to review and verification.

If a dispute arises about a transaction for which you used the Card, you must settle it directly with the merchant or business concerned. You agree to indemnify us in respect of all claims arising from any such dispute with or by the merchant or any third party.

Accepting our Records

You agree to accept our records of a transaction as accurate unless you can provide contrary evidence that is satisfactory to us.

Third Party Services

We accept no responsibility whatsoever for, or in connection with, the provision of any insurance coverage or other benefits, services or products which may be provided by third parties to you or your family.

Standing Orders

You are required to have the necessary funds in your account at least one business day prior to the standing order due date.

In order to receive value for that day, any funds deposited to your account using different payment methods, (eg. ATM, our No-Wait Deposit Boxes, wire transfers, internet banking, or via cheque) - must be received prior to the designated cut-off times and/or hold periods from time to time in effect. These cut-off times are posted on our website www.bm.butterfieldgroup.com

Standing orders will only be processed on the scheduled date unless the scheduled date falls on a non-business day. In such instance, the Standing Order will be processed on the next business day. Should the account contain insufficient funds on the date of processing, no further attempt will be made to process the Standing Order. Should the account contain insufficient funds for two consecutive months we will automatically cancel the Standing Order.

Requests to cancel, amend or create new Standing Orders must be received by us in writing at least one business day prior to the scheduled processing date. Incomplete instructions will not be accepted.

Wire Transfers / Wire Payments

In addition to the Terms and Conditions for operating accounts, the following additional Terms and Conditions apply only to wire payments, unless otherwise indicated below.

We shall not be liable for any loss or damage consequential or otherwise caused by delays, interruptions, misinterpretations or errors in transmission or payment which are not directly due to the willful negligence or default of our own employees.

Our liability shall only be for a delay in funds being credited to a beneficiary's institution or being received by the beneficiary to the extent that we have been willfully negligent, in which case, we shall only be liable to compensate you for the loss of interest for the period during which the payment was delayed.

Your instructions to us will be in such format as may be subscribed by us from time to time and as available on our website www.bm.butterfieldgroup.com. Such forms will also be available upon request in any of our Banking Centres.

We are not responsible for checking details (including details of the beneficiary or the beneficiary's institution) that you provide.

We reserve the right to reject or otherwise delay any payment instruction that is not in the prescribed format, is ambiguous, is not legible, or is otherwise deemed by us to be incomplete. Incomplete and/or ambiguous instructions may cause delays or prevent the processing of the payment instruction.

We will not be responsible for any claim or loss caused by such circumstances.

Rejected payments will be automatically credited back to your originating account.

Rejected payments may also incur additional charges by both ourselves and our correspondent banks and in cases where there is a foreign currency exchange involved, such rejected payments may incur additional losses due to delays and changes in foreign currency rates.

The Bank is not responsible for any foreign bank charges associated with a payment initiated through Butterfield.

We accept instructions on the basis of sufficient funds being held in the account being debited, to meet the payment instructed amount. If funds are not available we are not responsible for loss, delay or cancellation or additional fees incurred as a result of any such affected instructions.

From time to time, there may be instances where the Bank may need to seek further verification, authentication, and/or additional information before executing wire instruction requests. In such instances, we reserve the right to withhold processing of the wire request until telephone or such additional satisfactory confirmation with the customer has been made.

We will use any bank of our own or any intermediary bank's choice, in the country whose national currency is being remitted and/or the country where the beneficiary resides, without responsibility for such paying bank.

You shall be bound by and agree to hold us harmless against all obligations and responsibilities imposed by foreign laws.

You indemnify the Bank against any claim for accepting and acting on faxed payment instructions. Customers who choose to send confirmations should clearly mark the payment CONFIRMATION ONLY, otherwise the Bank will not be held responsible should duplications occur.

How to Contact Us

Products & Services

If you have any questions about any of our products or services, please contact our Call Centre on 441 295 1111.

Complaints

If you wish to lodge a complaint, please write to us Ref: Customer Service. You can do this by sending us an e-mail via info@butterfieldgroup.com or writing to us via Butterfield Direct; or by sending us a letter by mail or delivering by hand to any of our welcome areas at our any of our Banking Centres on the island.

Your feedback is very important to us and we will treat your complaint seriously. While we will make every effort to respond to you as quickly as possible, we will acknowledge your complaint within two business days and provide you with a response within 30 days. If you are not satisfied, please write to us again and the matter will be escalated to the next more senior manager within the Bank.

This Document

For more information about this document, please contact our Call Centre at: 441 295 1111
Ref: The Bank's GENERAL TERMS & CONDITIONS