

## CORPORATE BANKING GENERAL TERMS & CONDITIONS

**Authorised Signatories** – individual(s) from whom the Bank is authorised to accept instructions in person and in writing as designated by the customer.

**Account Mandate** – instructions from customer(s) designating the authorised signatory(s) and signing instructions for the Account.

The client (hereinafter referred to as “you”) hereby requests that The Bank of N. T. Butterfield & Son Limited (hereinafter referred to as “we” or “us”), open or continue operating any account and you agree that all such accounts (each an “Account”), opened now or in the future in this account name shall be operated in accordance with the following terms and conditions (the “Conditions”):

1. The information you have provided is accurate and complete and you commit to inform us of any changes in your status that could affect the operation of the Account and 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.

2. You authorise us to conduct your Account as follows until you give us notice to the contrary in writing:

- a) to pay and honour any orders or instructions authorising payments given in accordance with the 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;
- b) to 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.

3. Notwithstanding the Conditions, Account Mandate, other agreement or 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, telex 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 Facsimile or Telephone Authority. Under this Authority, you authorise us to act on telephone instructions that were given by you or appear or purport to be given by you and/or facsimile instructions that bear or purport to bear the 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 acknowledge that we shall be under no duty to verify or authenticate any of these instructions.

4. You agree that overdrafts or negative balances may not be allowed unless prior arrangements have been made and that cheques may be returned unpaid in order to maintain the Account in credit. Notwithstanding the aforementioned, 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, an unsanctioned item fee for each unauthorised transaction and an interest charge calculated at 14% per annum over our Bermuda Dollar Base Rate or the appropriate Base or Prime Rate for any other currency if relevant, or at such other rate as may be established by us from time to time, will be applied to the overdrawn balance of the Account. We may, without prejudice to our general right to terminate the Account relationship on notice at any time under paragraph 11 below, suspend Banking privileges or related services for non-payment of charges or overdrawn balances due to us by you.

5. Interest, at a rate we will determine, will be computed on the daily principal balance on qualifying deposits. For treasury call and fixed accounts the interest will be credited quarterly on the last business day of each quarter. Changes from time to time to the prevailing interest rate will not be notified to depositors but will be displayed in the public service areas of our branches.

6. a) We will issue periodic statements, for chequing, call and fixed accounts, Butterfield Funds as per the Prospectus and MasterCard Business Cards and any other account that we may determine from time to time should be offered, showing debits, credits, interest and balances in the Account.



- b) You will within thirty days of the statement date thereof where we have agreed to hold the said statement or, within thirty days of the mailing thereof to you, notify us in writing of any errors or omissions therein or therefrom.
- c) You will notify us promptly and in writing if you have not received your statement within thirty days of the statement date.
- d) At the expiration of the said thirty days, except as to any errors, omissions or non-received statements of which we have been so notified, and except as to any amounts improperly credited to the Account, it shall be conclusively settled that:
- the amount of the balance shown in such statement is true and correct;
  - the said cheques and vouchers are genuine;
  - all amounts charged to the Account are properly chargeable;
  - the Account is not entitled to be credited with any amount not shown on the said statement; and
  - we are released from all claims by you in respect of any and every item in the said statement.
- e) Nothing herein contained shall preclude you from later objecting to any payments made on unauthorised or forged endorsements provided notice in writing is given to us immediately after you have acquired knowledge thereof.
7. Where we are party to a dispute, the electronic records retained by us shall (save in the case of fraud or manifest error) 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. 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.
8. You agree that all cheque deposits to the Account will be credited subject to final settlement by the Drawee Bank. Our responsibility for the collection of such items shall be limited to the exercise of reasonable care in our selection of collection agents and you further authorise us to correct any errors which may occur in respect of the Account without your further authority. All dishonoured or returned cheques will be debited to the Account and you will be liable for any overdrafts arising from payments made by us against such cheque deposits prior to final settlement by the drawee's Bank.
9. 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 thirty days notice and without specifying any reason therefore.
10. 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. They will be credited under usual reserve with value given in accordance with our arrangements for each currency.
11. You agree to pay any applicable service fees and charges in accordance with our Schedule of Charges displayed in the public service areas of our branches. We may change these fees and charges without giving you prior notice, provided the charges are so displayed. Waiver of such fees will not be deemed as a waiver by us of our right to apply such fees in the future.
12. In the case of a chequing account, you understand that it is your responsibility to endeavor to prevent fraud on the Account through the safeguarding of any cheques we issue on the Account and commit to inform us immediately in writing should such cheques become lost, stolen, or suspected of being in the wrongful possession of another.
13. Whenever from time to time during the existence of the Account there are periods of time in each case of one year or more within which you have not initiated deposits or withdrawals, the Account's status will be modified to "dormant". Under the dormant status, rigorous controls will be placed on transactions to the Account. Transactions that you initiate on dormant Accounts will only be authorised after the identity of the originator has been verified and it has been confirmed that they are authorised to transact on this Account.
14. In the instance that an Account remains "dormant" for a period of five years we will reclassify the funds as Unclaimed Balances. The reclassification of these Accounts does not prevent you from claiming your funds from us at any time.
15. 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

# Terms & Conditions



Butterfield

on special request, on payment of our current fee for such service. We may at our option waive this fee, in which event such exceptions will not be deemed a waiver of our right to impose such fees in the future.

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

17. We may also give credit reference agencies information about your Account.

18. You must not transfer, charge or give as security any part of your Account or any of your rights under these conditions, or the Additional Terms & Conditions specific to our products and services, to anyone else, unless we agree.

19. If we cannot enforce any one condition in the General Terms & Conditions or Terms & Conditions specific to our products and services, this will not affect our right to enforce any other condition in the General Terms & Conditions or Terms & Conditions specific to our products and services.

20. Unless otherwise stated, we reserve the right to change, amend, or add to these Conditions or the Conditions of any other product or service we provide without giving prior notice of such change or alteration but details of changes will be displayed in the public service areas of our banking centres. If in error we do not display a notice in all of our banking centres, the notice will still be valid. Continued use of the products and services will be considered your acceptance of these Terms & Conditions.

21. You agree that this agreement shall be governed and construed in accordance with the laws of Bermuda and you agree to submit to the nonexclusive jurisdiction of the Bermuda Courts.

## DISCLOSURE OF INFORMATION

22. We may give details of your Account or the information we hold about you if: the law says we must; we have a public duty to do so; this is necessary to protect our interests; or you ask us to provide details to someone else (for example, by signing an application form that includes an appropriate declaration).

We may also give your information to credit reference or fraud prevention agencies, or third party processors, including in other countries, on the basis that anyone to whom we pass your information provides an adequate level of protection.

Such information may be accessed by law enforcement agencies and other authorities to prevent and detect crime and comply with legal obligations.

## ADDITIONAL TERMS & CONDITIONS APPLICABLE TO CALL AND FIXED TERM DEPOSITS

In addition to the General Terms & Conditions for operating Accounts, the following additional Terms & Conditions apply only to call and fixed term deposits, unless otherwise indicated below.

23. Unless otherwise negotiated, for fixed term deposits, we will credit interest at an agreed rate, and pay on the quarterly anniversary of the Account's origin. Interest on Treasury 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.

24. 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 2 business days prior to the deposit's maturity date.

25. 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.

26. Call Accounts are subject to our requirements for minimum balance and minimum transactions.

27. In the case of foreign currency call Accounts, instructions can only be 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.

## ADDITIONAL TERMS & CONDITIONS APPLICABLE TO BUTTERFIELD DIRECT INTERNET BANKING

In addition to the General Terms & Conditions for operating Accounts, the following additional terms & conditions apply only to Butterfield Direct Internet Banking (called the "Service"), unless otherwise indicated below.



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

28. Either party can terminate this service with thirty (30) days prior notice in writing subject to clause #36.

29. Operating parameters for the provision of the Service are described in the User Guide. We may amend the User Guide at any time on fourteen (14) 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.

30. 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.

31. 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 Account operation rules and regulations, our policy, or Bermuda Law 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.

32. 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 & Conditions as we may solely determine.

### **EQUIPMENT & SOFTWARE**

33. 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.

34. 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.

35. 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**

36. 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**

37. 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.

38. 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.

39. 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.



40. 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

41. 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 & IMPROVEMENTS

42. 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

43. 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.

44. 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.

45. 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.

### ADDITIONAL TERMS & CONDITIONS APPLICABLE TO STANDING ORDERS

In addition to the General Terms & Conditions for operating Accounts, the following additional Terms & Conditions apply only to Standing Orders, unless otherwise indicated below.

46. You are required to have the necessary funds in your Account at least one business day prior to the standing order due date. Funds deposited through the ATM must be deposited prior to the cut-off time to receive value for that day.

47. 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.

48. 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.

### ADDITIONAL TERMS & CONDITIONS APPLICABLE TO WIRE PAYMENTS

In addition to the General Terms & Conditions for operating Accounts, the following additional Terms and Conditions apply only to Wire Payments, unless otherwise indicated below.

49. We shall not be liable for any loss or damage consequential or otherwise caused by delays, interruptions, misinterpretations or errors in transmission or payment

## Terms & Conditions



Butterfield

which are not directly due to the wilful negligence or default of our own employees.

50. 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 wilfully 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.

51. Incomplete and/or ambiguous instructions may cause delay and prevent or delay the processing of a payment instruction. We will not be responsible for any claim or loss caused by such circumstances.

52. 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 of any such affected instructions.

53. 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.

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

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