

AGREEMENT GOVERNING THE USE OF THE MASTERCARD™ CREDIT CARD ISSUED BY NATIONAL BANK OF CANADA

The MasterCard Card and Account are governed by the terms and conditions of the *Agreement Governing the Use of the MasterCard Credit Card issued by National Bank of Canada*.

We agree to make available to you an Account and a Card which you may use up to the Credit Limit initially communicated in the Cost of borrowing disclosure statement at the time your Card was issued and thereafter on your Statement of Account. Your first use of the Account, Card or a Cheque is confirmation of your acceptance of the terms and conditions of the Agreement or, if applicable, its renewal or amendment.

If you would like to obtain information about your Account or your Card, you can call us free of charge during our regular business hours at 1-888-9MY-CARD (1-888-969-2273) or 514-394-1427 or visit us on our website at nbc.ca/creditcard.

TERMS AND CONDITIONS APPLICABLE TO YOUR MASTERCARD

1. DEFINITIONS

Account: means the MasterCard account that you have with the Bank, alone or jointly with others, through which you may obtain Cash Advances and pay for Purchases.

Agreement: means this agreement and any amendments hereto.

Automated Services: means our automated banking services accessible with your Card, including access to your Account or another bank account you have at the Bank by way of an automated banking machine or other authorized equipment.

Bank: means National Bank of Canada. The terms “we,” “us” and “our” refer to the Bank and, if applicable, all its affiliates such as *National Bank Trust Inc.*, *Natcan Trust Company* and *National Bank Securities Inc.*

Card: means a MasterCard issued by the Bank.

Cardholder: means each of the persons who has signed and produced a Card application, who has an Account, whose name appears on the monthly Statement of Account or to whom a Card has been issued. The terms “you” and “your” refer to such persons.

Cash Advance: means an advance of funds obtained (i) through our Teller Services or our Automated Services, (ii) through the teller services or automated services at another financial institution where cash advances are permitted, (iii) using Cheques, (iv) by transferring the balance of another credit card to your Account, (v) by performing quasi-cash transactions with a merchant, or (vi) by transferring funds from your Account in any authorized manner.

Quasi-cash transactions are handled as Cash Advances. Quasi-cash transactions are purchases made through a merchant of articles that can be converted directly into cash. They include, but are not limited to, money orders, wire transfers, travellers cheques and transactions related to gaming (including, but not limited to, betting, off-track betting, race-track betting, casino chips and lottery tickets).

Cheques: means the cheques that may be drawn on the Account, which the Bank may give you from time to time.

Cost of borrowing disclosure statement: statement required under the Bank Act, which was provided to you at the time your Card was issued and states the fees, interest rates and other information relevant to your Account. The Disclosure and this Agreement together constitute the agreement between the Bank and you.

Credit Limit: means the credit limit applicable to your Account and communicated initially in the Cost of borrowing disclosure statement at the time your card is issued and thereafter on your statement of account.

Electronic Banking Solutions: means our Internet Banking Solutions and our TelNat Telephone Banking Solutions.

Password: means (i) your personal identification number (PIN), i.e., the confidentiality code that belongs to you and enables you to carry out transactions using your Card, (ii) the secret code that we initially issue you and enables you to select your PIN at an automated banking machine, (iii) the secret code that enables you to carry out transactions using one of our Electronic Banking Solutions, and (iv) the secret code that you have selected through a participating merchant for your online transactions.

Point-of-Sale Terminal: means an electronic terminal equipped with a card reader with or without a keypad used to enter the Password and which is used to pay for Purchases or to obtain Cash Advances, notably automated banking machines, point-of-sale terminals at a merchant and in-home card terminals.

Prime Rate: means the variable annual interest rate that the Bank announces publicly from time to time as the reference rate used to establish the interest rate on demand loans in Canadian dollars that the Bank grants in Canada.

Purchase: means the acquisition of goods and services, in person, over the telephone, via the Internet or through the mail, from any person or merchant affiliated with the *MasterCard International Inc.* system at the time of the transaction.

Statement of Account: means the detailed statement of all amounts debited or credited to your Account that we send to you on a monthly basis.

Teller Services: means the services offered in our branches during regular business hours where you may carry out different banking transactions.

2. OTHER AGREEMENTS

Other agreements entered into with the Bank may also apply to the Account or Card, namely the “Agreement Governing the Use of Automated and Electronic Banking Solutions.” In the event of conflict, the provisions of this Agreement shall prevail over other agreements.

3. LIABILITY OF CARDHOLDERS

Each Cardholder is solidarily (in Quebec) and jointly and severally (in the rest of Canada) liable together with any other Cardholder for all the obligations set out in the Agreement, including any obligations resulting from the use of the Account or Card by any Cardholder or any other person who may be authorized to use the Account or Card. In particular, each Cardholder is liable for all Purchases, Cash Advances, interest and fees related to the Card and granted to the Account.

4. CREDIT LIMIT

You must not use your Card beyond the Credit Limit granted to you, although we may authorize an over-limit at our discretion. Such authorization, if applicable, does not constitute an increase in your Credit Limit and you are still responsible for paying any amount in excess of your Credit Limit.

At our discretion, we can agree to increase your Credit Limit if you request it or if you expressly consent to the increase of your Credit Limit following one of our offers.

Following the evaluation of your file and if we determine it is appropriate, we can lower your Credit Limit without prior notice.

We may restrict Cash Advances to a lower amount than the authorized Credit Limit. We may impose withdrawal limits on Cash Advances whenever we deem necessary in order to protect our respective interests.

5. CHEQUES

From time to time, the Bank may issue you Cheques which will be drawn on your Account. These Cheques cannot be used to repay the balance of your Account and cannot be payable to the Bank, to yourself or be used as a specimen. They cannot be exchanged for cash or a Bank product. They must be issued in Canadian currency only and cannot be subject to stop payments. If applicable, we will inform you of the other conditions governing the use of these Cheques and if you use these Cheques, you will be bound by this Agreement as well as by the additional conditions indicated in the offer.

6. INTEREST CALCULATION

All Purchases and Cash Advances bear interest at the annual interest rate initially communicated in the Cost of borrowing disclosure statement at the time your Card was issued, and thereafter on your Statement of Account. Such interest is calculated on the daily balance of your Account.

No interest on the amount of Purchases charged to your Card will be payable if you pay your entire Account balance by the due date indicated on your Statement of Account. If you make a partial payment, interest will be calculated on the daily balance of your Account from the date your Purchases are posted to your Statement of Account.

Interest is payable on the amount of Cash Advances and must be paid by the due date indicated on your Statement of Account. Interest accrues from the date of the Cash Advance until we receive payment in full.

The interest rate on certain variable-rate cards is adjusted automatically, without further notice, with each change in the Prime Rate.

Changes in the Prime Rate are posted in our branches and on our website (nbc.ca).

Any modification to the fixed interest rate will be communicated to you through a notice sent in accordance with the law.

If applicable, any over-limit in the amount of Credit Limit available will also bear interest at the annual interest rate in effect on your account.

No interest will be paid to you on any credit balance on your Account.

7. NON-INTEREST CHARGES

Annual fees are indicated in the Cost of borrowing disclosure statement at the time the Card is issued. They appear on the second Statement of Account issued following the issue of your Card, and once a year thereafter. These fees are non refundable.

Any other applicable fees are indicated in the Cost of borrowing disclosure statement. If applicable, they will be charged to your Account on the day the transaction or event occurs.

You will be advised of any addition or modification of fees through a notice sent in accordance with the law.

8. PAYMENT

You may make a full or partial payment at any time. However, you must pay the minimum payment amount indicated on the statement sent to you by the due date, i.e., within 21 days of the Statement of Account date. The minimum payment due represents 3% of the balance of your Account or a minimum of \$10, whichever amount is higher (unless your balance is under \$10, in which case you must pay the full balance). In the case of a partial payment, interest will be calculated as described in section 6 of the Agreement.

EXAMPLE OF A MINIMUM PAYMENT

If your balance is	\$100	\$250	\$300	\$500
Your minimum payment will be	\$10	\$10	\$10	\$15

Any overdue payment is added to the minimum payment due for a given month. If you have exceeded your Credit Limit, the minimum payment due will then be 3% of the Account balance or the amount exceeding the Credit Limit, whichever is higher.

Payment can be made at no charge via our Teller Services, our Automated Services and our Electronic Banking Solutions. For payment by mail, please make your cheque or money order payable to *National Bank of Canada* and send it to 275 Viger East, Suite 4040-1, Montreal, Quebec H2X 3T1.

When you send a payment by mail or make a payment via the Internet or an automated banking machine, be sure to leave enough time for us to credit your Account no later than the due date indicated on your monthly Statement of Account.

Any credit note issued by a merchant will be credited to your Account on receipt. However, you are still responsible for paying the balance of your Account until we receive such a credit note.

If you do not make the minimum payment due by the due date or if you do not conform to any other condition of this Agreement, we can withdraw the amounts due from any other account you hold with us, and apply these amounts to your Account, without prior notice.

9. APPLICATION OF PAYMENTS

The payment you make is applied to the amounts that appear on your monthly Statement of Account in the following order: (i) interest, (ii) miscellaneous fees, including non-interest related fees and charges, (iii) Cash Advances outstanding from the previous balance, (iv) Purchases outstanding from the previous balance, and (v) Cash Advances and Purchases appearing on your Statement of Account for the current period. Transactions made after the billing date will be carried forward to your Statement of Account the following month.

The order of application of payments may differ from that described above when you benefit from a promotional interest rate. In such a case, we may apply your payment first to Purchases or Cash Advances bearing interest at the lowest rate.

Please note that as of September 1, 2010, we will apply your payment in the following way:

a) Payment portion corresponding to the minimum payment indicated on your Statement of Account

The payment portion corresponding to the minimum payment will be applied to the minimum payment in the following order: (i) interest, (ii) miscellaneous fees, including non-interest related fees and charges, (iii) Cash Advances outstanding from the previous balance, (iv) Purchases outstanding from the previous balance, and (v) Cash Advances and Purchases appearing on your Statement of Account for the current period.

The order in which the payment will be applied may differ from that described above when you benefit from a promotional interest rate. In such a case, your payment will first be applied to interest and miscellaneous fees, and then to Purchases or Cash Advances bearing interest at the lowest rate, no matter the order of their appearance on the Statement of Account.

b) Payment portion that exceeds the minimum payment indicated on your Statement of Account

Once we have applied your payment to the minimum payment due, we will divide the remaining balance according to interest rate segments, reuniting in a single segment all transactions subject to the same interest rate. We will then apply the portion of your payment that exceeds the minimum payment to the various segments, respecting the proportion of each segment within the remaining balance.

Transactions made after the billing date will be carried forward to your Statement of Account the following month.

10. USE OF ACCOUNT AND CARD

You may use your Account or Card, up to your authorized Credit Limit, for the following purposes:

- a) Paying for Purchases by charging the amount of Purchases to your Account; and
- b) Obtaining Cash Advances.

The Bank may at any time and without prior notice refuse to authorize Purchases or Cash Advances, particularly if the total amount of Purchases or Cash Advances exceeds the Credit Limit or leads to an over-limit of the Credit Limit.

You acknowledge that the Account and Card are issued to you for your personal benefit and are not to be used for the benefit of any other persons or on their behalf or in the operation of a business. Your Card may not be used for illegal or illicit purposes. We reserve the right to refuse any transaction for any reason whatsoever in order to protect our respective interests.

You can use the Card everywhere it is accepted. We cannot be held liable if a merchant or business refuses your Card.

11. CARD OWNERSHIP

Your Card remains our property at all times and cannot be transferred to a third party. It must be returned to us on demand, particularly if you contravene any of the provisions set out in this Agreement. We may issue, renew, replace or revoke your Card at our discretion.

12. CARD USE PERIOD

You may use your Card or Account for the period we determine. The validation date and expiration date are indicated on your Card. However, you are still responsible for paying for any Purchase or Cash Advance made after the expiry date of your Card and charged to your Account.

13. LOSS OR THEFT OF YOUR CARD

You must notify us immediately if your Card is lost or stolen. You must also notify us if you have reason to believe a third party has used your Card or Account number without your authorization.

You will not be held liable for the unauthorized use of your Card from the time we receive a written or verbal notice from you. Similarly, you will not be held liable for amounts of Purchases or Cash Advances charged to your Account prior to our receiving your verbal or written notice of the unauthorized use of your Card provided that: (i) your Account is in good standing, (ii) you have exercised reasonable care to protect your Card and (iii) you have not notified us of two or more unauthorized activities in the previous 12 months. If you do not meet these three conditions, your liability is limited to \$50.

In all cases, you must cooperate in any investigations into the circumstances surrounding the unauthorized use of your Card or Account and, if applicable, file a complaint with police. You authorize us to take any measures deemed necessary to recover your Card and to report the loss or theft of your Card to the appropriate authorities to facilitate its recovery.

Notwithstanding the foregoing, you are responsible at all times for transactions carried out using your Card and Password if you contributed to the unauthorized use of your Card and your Password by, for example, disclosing your Password, keeping a poorly disguised copy of your Password, or using a Password corresponding to intelligible data specific to you, such as your name, your telephone number, your home address, your date of birth or your social insurance number. We invite you to refer to the security advice that applies to your Card and your Password at the end of this Agreement. The \$50 liability limit in the event of unauthorized use of your Card does not apply in such cases.

14. CARD PRIVILEGES

We may, at our discretion, suspend, revoke or modify the features, privileges or advantages associated with your Card. Without limiting the generality of the foregoing, we reserve the right to withdraw a rewards point program or terminate any other promotion associated with your Card. We can terminate a promotional interest rate or a reduced interest rate if you have not made the minimum payment in accordance with Section 8 ("Payment") of this Agreement and if you have still not made this minimum payment at the date of the next Statement of Account. Likewise, we can terminate a promotional interest rate or a reduced interest rate if you do not conform to any other condition stated in this Agreement. The reduced interest rate is a privilege that the Cardholder can benefit from through payment of an annual fee.

15. CONSENT

Each transaction carried out using your Card and your handwritten signature, on paper, through a merchant confirms that you have consented to this transaction. Furthermore, any transaction carried out with i) your Card and your Password or ii) your Card and the appropriate technology such as a Point-of-Sale Terminal, is just as legally binding as a transaction carried out in accordance with written instructions signed by you on paper, and you are deemed to have authorized such a transaction.

As a result, you acknowledge and agree that the posting of a transaction to your Statement of Account indicating a Purchase or Cash Advance constitutes irrefutable proof that services or goods were supplied to you.

16. TRANSACTION VIA TELEPHONE, INTERNET OR MAIL

When you use your Account number to make a transaction without presenting your Card, for example by telephone, Internet or mail, you are assumed to have consented to this transaction as if it had been carried out in accordance with written instructions signed by you on paper.

As a result, you acknowledge and agree that the posting of such a transaction to your Statement of Account constitutes irrefutable proof that services or goods were supplied to you.

17. CHECKING STATEMENTS OF ACCOUNT

Every month, we will produce and send you a Statement of Account indicating the debits and credits to your Account during the period covered by the statement unless you have not used the Account or Card and therefore have no balance payable. You must check each Statement of Account sent to you within 30 days of the statement date and notify us of any errors or irregularities appearing thereon. After this 30-day period, you will no longer be able to contest items posted to your Statement of Account. The balance will then be considered to be final and accurate, except for errors or irregularities that you will have already brought to our attention within the required period.

Any Statement of Account or notice sent to you by the Bank at the term of the Agreement is deemed to have been delivered or given to you at your last known civic address in our records if it is sent to you by regular mail or, if applicable, the electronic address you have designated if it is sent to you through our Electronic Banking Solutions or other designated information processing system. Statements sent electronically are deemed to be received the moment they are sent through our information processing systems. You must notify us immediately if you have not received a Statement of Account within 10 days of the date you normally receive your monthly statement.

Please note that the following two paragraphs will apply as of September 1, 2010:

If, over a 3-month period, you have made no Purchase or Cash Advance, that no interest or fees have been applied to your Account, that you have made no payment, and that your Account balance is lower than \$10, we will send you, at the end of such period, a Statement of Account that will reflect this 3-month period.

Your Statement of Account will show an estimate of the number of years and months required to reimburse the entire unpaid balance appearing on this Statement of Account should you decide to only make the minimum payment each month.

You may obtain a copy of supporting documents for each of the transactions appearing on your Statement of Account at no charge within 30 days of the statement date.

18. PROOF OF TRANSACTIONS CHARGED TO YOUR ACCOUNT

If you so request in writing, we can ask a merchant to produce a receipt, bill or other document confirming, to our satisfaction, that the service or goods were in fact supplied to you. We must receive your written request within 30 days of your statement date.

19. TRANSACTIONS IN FOREIGN CURRENCY

Foreign currency transactions will be entered on your statement of account in Canadian currency. A US currency transaction will be converted into Canadian currency at the applicable exchange rate established by *MasterCard Worldwide*, marked up by 2.5%. A foreign currency transaction other than in US currency will first be converted into US currency using the applicable exchange rate established by *MasterCard Worldwide*. The amount thus converted into US currency will then be converted into Canadian currency at the applicable exchange rate established by *MasterCard Worldwide*, marked up by 2.5%. The applicable exchange rate is the exchange rate in effect on the date the transaction is entered on your statement of account, which can be different from the date of the transaction.

20. OPTIONAL SERVICES

Optional services may be offered to you for additional fees. You understand that these services may be governed by additional terms and conditions, and may also be subject to distinct agreements or authorizations.

21. À LA CARTE REWARDS PLAN

Several of our cards allow you to benefit from the À la carte Rewards Plan, which enables you to accumulate points you can then exchange for merchandise, trips and other rewards. If you hold one of these cards, you are bound by the conditions described in the Regulations of the À la carte Rewards Plan. You may read the regulations on nbc rewards.ca or contact us to obtain a printed copy.

22. PASSWORD AND CONFIDENTIALITY

You must protect your Password and keep it confidential at all times. You must notify us immediately if the protection or confidentiality of your Password is compromised or if you suspect another person of knowing it.

The "Agreement Governing the Use of Automated and Electronic Banking Solutions" which you signed when you chose your Password applies to the transactions you perform using your Card and Password.

23. AMENDMENT TO THIS AGREEMENT

We may, at any time and at our discretion, modify the conditions of this Agreement by sending you a notice at least 30 days in advance. An amendment to the Agreement does not create a new agreement, and the unamended provisions of the Agreement remain in full effect. If you use your Card or Account, draw a Cheque, or if a balance is outstanding when any amendments are made, you will be deemed to have taken cognizance of the amendments and agreed to be legally bound by them.

24. CANCELLATION AND PAYMENT ON DEMAND

The Card and Account are made available to you entirely at our discretion. We therefore reserve the right to terminate all or part of your right to use the Card and Account, particularly if you are in default with respect to the terms and conditions of the Agreement, and to demand immediate payment in full or in part of the amount of principal, interest and fees outstanding under the Agreement. If we choose to terminate your right to use your Card and Account, we will be able to exercise all our recourses, including those arising from any collateral.

Any omission on our part to exercise any of these rights does not constitute a waiver to exercise such rights in the future.

Similarly, if you assign your property to the benefit of your creditors, if you submit a proposal to your creditors, or if you resort to bankruptcy protection under insolvency legislation, the total amount outstanding under the Agreement will become payable immediately.

You may cancel this Agreement by contacting us. You will remain responsible for all amounts due under this Agreement, at the moment of cancellation, until payment in full. All provisions of the Agreement will continue to apply until such time as you have paid all amounts outstanding.

25. SETTLEMENT OF DISPUTES WITH THIRD PARTIES

We are in no way responsible for the quality of the goods or services you purchase with your Card. Any claim or dispute between you and the merchant, including your right to compensation if applicable, will have to be settled between you and the merchant. In addition, certain advantages or services related to your Card may be offered by a third party, in which case we are not responsible for any such offers or for the conduct or actions of such third parties. Any claim or dispute between you and a third party, including your right to compensation if applicable, will have to be settled directly between you and the third party.

26. ASSIGNMENT OF RIGHTS

We may from time to time and without your consent assign to any person any amounts owing to us under the Agreement and arising from your use of your Card and Account, with or without the benefit of the rights set out in the Agreement or arising from any collateral, if applicable. Moreover, you cannot assign your rights hereunder without obtaining prior authorization, in writing, from us. This Agreement is legally binding on our successors and assigns and must also be respected by your heirs and legal representatives.

27. CHANGE OF ADDRESS

You must notify us promptly of any change in civic address or, if applicable, the address to which you would like to have electronic documents sent to you. If you neglect to notify us of such changes, you may not hold us liable for any damages that you may suffer as a result.

28. APPLICABLE LEGISLATION AND JURISDICTION

This Agreement is governed exclusively by the legislation of the province or territory in which you live. If you live outside Canada, the legislation in effect in the province of Quebec governs this Agreement. You irrevocably acknowledge the exclusive competence of the courts in the above province or territory with respect to the application and interpretation of this Agreement.

YOUR RIGHT TO CONFIDENTIALITY

At National Bank of Canada,¹ we have always made it a priority to protect your personal information.

As part of our ongoing efforts to ensure that your rights are fully respected, we have developed policies and procedures aimed at protecting personal information. Our commitment to privacy is an integral part of our Code of Professional Conduct, to which all Bank employees must strictly adhere.

Moreover, National Bank of Canada has appointed a privacy officer to ensure that the principles in our policies and procedures are strictly observed. You can contact the privacy officer by e-mail at confidentiality@nbc.ca or by regular mail at 600 de La Gauchetière West, 13th Floor, transit 6500-1, Montreal, Quebec H3B 4L2.

A Question of Service

To be able to offer you the products and services that are best suited to your needs, we require basic information about you that only you can give. Similarly, as some laws require us to ensure that we have identified you correctly, we need certain information concerning your identity documents. Lastly, if you would like advice on investment, credit or trust products, we need to know specific financial information about your file in order to serve you properly.

With your consent, we may also obtain information directly from a third party to help us determine your eligibility for our financial products and services. For credit products, for example, it is essential that we know your financial worth and your credit record. We will therefore contact other lenders, financial institutions, credit bureaus and employers.

In most cases, your consent is given on the forms used for specific products or, from time to time, on a separate form. You will notice that the declaration of consent is clear and unambiguous. We suggest that you read it over and, if you have any questions, please ask the staff at your branch or write to us at confidentiality@nbc.ca.

1. Means *National Bank of Canada*, its successors and assigns, and all its subsidiaries offering to the public in Canada deposit and lending services, credit, debit and payment cards, trust, custodial, brokerage, insurance and other personal financial services, including *National Bank Trust Inc.*, *National Bank Securities Inc.*, *Natcan Trust Company*, and *Altamira Financial Services Ltd.* Some subsidiaries may be subject to specific statutes. A list of our main Canadian subsidiaries can be obtained at any National Bank branch.

Your refusal to give consent could prevent us from acting on your behalf, and you may be refused a particular product or service as a result. However, once you have been granted credit, we cannot cancel your consent authorizing us to disclose information about your credit record to other lenders and to credit bureaus. This measure is to protect the integrity of the credit lending process.

A Question of Identification

Your social insurance number helps us identify you with financial institutions, registry offices, securities regulators, employers and professionals. It can also enable us to distinguish your information from that of other clients whose name may be similar to yours. This differentiation is particularly important when we have to check your creditworthiness. Although you are not required to disclose your social insurance number for identification purposes, we think it is in your interest to do so.

A Question of Choice

We will obtain your consent in order to offer you financial products and services that are likely to interest you or meet your needs. Your personal information may also be conveyed to our subsidiaries and, in certain cases, carefully selected business partners so that they, too, may offer you their products and services.

If you do not wish to be informed about our financial products and services, simply contact us by calling 1-888-9MY-CARD (1-888-969-2273) (toll free) or 514-394-1427 in the Montreal area, by email at nbc.ca or at any of the Bank's branches to have your name removed from their clients' lists. This choice will not impact the service you receive in any way.

However, messages will still appear from time to time on your statement of account or ABM receipts and our employees will continue offering you information about our products and services.

A Question of Respect

Under certain circumstances, we must disclose your information to third parties. When doing so, however, we take care to ensure your information is protected.

– If required to serve you

In order to offer you products and services, we must disclose information about you to credit bureaus, our subsidiaries or affiliates, or some of our service providers.

If, for instance, you authorize us to convey information concerning your creditworthiness or credit record to other lenders or to credit bureaus, the only information disclosed is your identity and your ability to meet your financial obligations.

We sometimes disclose your personal information to other subsidiaries or affiliates of National Bank of Canada where permitted by law. We inform them of changes to be made to your file, which simplifies and accelerates the processing of your applications and transactions.

In providing certain services to you, such as printing cheques or issuing bank cards, we occasionally use suppliers. We only disclose the information to them that they need to provide the service, and we require a formal commitment from them to respect the confidentiality of any such information.

– If required by law

We are legally bound to disclose information about you when we or one of our service providers receives a valid request, search warrant, subpoena or other government or court order. These requests may come from Canadian or foreign authorities, most likely American.

– If we must protect the bank's interests

In cases where we are involved in court proceedings, we may have to disclose personal information about you. Moreover, if we must return an NSF cheque, a third party would then know that your account is overdrawn. Similarly, if we must use a collection agency, a third party could then deduce that you are not meeting your financial obligations to us.

– If public interest is endangered

It is our duty to denounce criminal activity such as fraud or money laundering. In all such cases, authorities are contacted and personal information about you may be disclosed.

A Question of Access

You can consult personal information that we have on file about you, free of charge. Simply submit a request in writing to your branch, subsidiary representative or by e-mail at confidentiality@nbc.ca. We will reply to you within 30 days of receiving your request.

A Question of Accuracy

We will do our utmost to keep your personal information up to date, but we ask that you help us by notifying us of any change in your information. In addition, if you notice any errors or inaccuracies, please let us know and we will make the necessary corrections. If we have conveyed incorrect information to third parties, we will do everything possible to bring these corrections to their attention.

A Question of Security

We take all necessary precautions to prevent your information regardless of its form or location from being lost, destroyed, stolen, consulted, disclosed, copied, used or altered without authorization. We have implemented various security measures, such as:

Physical measures: Including the protection of infrastructures, such as restricting access to secure areas in our buildings and ensuring work tools are in secure locations.

Administrative measures: Aimed at limiting access to your personal information. Only employees who need to consult your information for work purposes may do so.

Technical measures: Such as closely managing passwords and using a firewall.

Moreover, the passwords, user codes and personal identification numbers (PIN) you use to access certain financial services are confidential and you are the only one who knows them. Our employees have no way of accessing this information and will never ask you for it. You should never disclose your passwords, user codes or PINs.

A Question of Document Retention and Destruction

Your personal information is kept only as long as you are receiving a financial service. The retention period may vary, depending on the product or service offered. Even if you stop doing business with us, we might keep some information in order to comply with laws, settle future transactions or look up past transactions. When this information is no longer necessary, it is destroyed. When destroying documents, we follow strict procedures and ensure that only authorized personnel has access to them.

SECURITY TIPS

Your Password is your electronic signature – do not reveal it to anyone under any circumstances:

- Do not use the same Password for more than one Card;
- Never lend your Card to anyone. It belongs to you and is for your use only;
- Memorize your Password – do not write it down anywhere;
- Change your Password regularly – at least once a month – in order to reduce the chances of it being discovered. If you have reason to suspect that it is known by others, select a new one immediately;
- Never use numbers that could be easy to identify, such as those based on your address, telephone number, social insurance number or date of birth;
- When you are using your Card and must enter your Password, be sure to use your hand or body to block others' view of the keypad;
- Always remember to retrieve your Card and take the transaction slip before leaving the premises;
- Keep your eye on your Card at all times and be sure to retrieve it once you have completed your transaction.

FOR A BETTER BANKING RELATIONSHIP

COMPLAINT SETTLEMENT

You have our full attention

At National Bank, we care about the service that you, our customer, enjoy at our institution and we're dedicated to ensuring your complete satisfaction. To this end, we've created a simple process for settling complaints and have appointed an Ombudsman to oversee the process.

Your satisfaction is our priority

To provide you with professional service that meets your needs, we've made it simple to report and correct any problems you may have with your National Bank MasterCard. There are three steps:

1. Customer service

Get in touch with our Customer service department at **1-888-9MY-CARD (1-888-969-2273)** or **514-394-1427** (in Montreal) for a detailed explanation of an issue or a look into your file. Or, if you prefer, you can always call or stop by your branch to speak with the Customer service Manager. Explaining the nature of your problem is the first and best way to find a solution.

2. Mediation Department

If, for whatever reason, you are not satisfied with the outcome of this option, you can communicate directly with National Bank's Mediation Department at **1-888-955-6655**. You can also send a letter of complaint to:

National Bank Mediation Department

P.O. Box 93, Place d'Armes Station

Montreal, Quebec H2Y 3E9

Phone: 1-888-955-6655

Fax: 1-877-866-1407 or 514-866-1407

A representative will get in touch with you as soon as possible following receipt of your complaint to discuss your situation.

3. Ombudsman's Office

If the problem is still not resolved to your satisfaction, you can then call or write to the National Bank's Ombudsman's Office. The Ombudsman is there to listen and respond to your complaints about products, services or any litigious situation that may arise in your dealings with National Bank. The Ombudsman is in close contact with various specialists and is sensitive to your needs, working to guarantee that all complaints are treated professionally and diligently under commercial and banking law. In order to ensure impartiality in all decisions, the Ombudsman is accountable to the president of National Bank of Canada. As a neutral and independent third party, the Ombudsman guarantees fair and equitable treatment for all clients.

You can contact the Ombudsman's Office at:

Office of the National Bank Ombudsman

P.O. Box 275, Place d'Armes Station, Montreal, Quebec H2Y 3G7

Phone: 1-888-300-9004

Fax: 1-888-866-3399 or 514-866-3399

Website: At nbc.ca, click on the "About Us" tab then, under "Our Organization," click on "Complaint settlement."

If you are still not satisfied after taking your case to the National Bank Ombudsman, you can then contact:

Ombudsman for Banking and Service Investments

P.O. Box 896, Adelaide Station, Toronto, Ontario M5C 2K3

Phone: 1-888-451-4519

Fax: 1-888-422-2865

Email: ombudsman@obsi.ca

OTHER OPTIONS AVAILABLE TO YOU

Financial Consumer Agency of Canada

If, at any time, you have a complaint regarding a possible failure to respect the provisions relating to consumers as prescribed by federal legislation that governs banks, trust and loan companies, or provisions of a public commitment or a voluntary code, you can contact in writing:

Financial Consumer Agency of Canada

Enterprise Building

427 Laurier Avenue West, 6th Floor, Ottawa, Ontario K1R 1B9

Phone: 1-866-461-2232

Email: info@fcac-acfc.gc.ca

Website: fcac-acfc.gc.ca

Privacy Commissioner of Canada

For complaints related to the protection of your personal information, you can either use the complaint settlement process described herein or contact:

Privacy Commissioner of Canada

112 Kent Street

Ottawa, Ontario K1A 1H3

Phone: 1-800-282-1376 or 613-995-8210

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