

Personal Banking Agreement



신한은행 캐나다
SHINHAN BANK CANADA

www.shinhan.ca

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Personal Banking Agreement

General Terms and Conditions

You acknowledge that any personal deposit Account offered at Shinhan Bank Canada ("SHBC") abide by this agreement, including any changes in the future. Once you complete a signature form or initiate any financial activities in which requires any means of our involvement, it is that you have read, understood, expressly agreed all the terms and conditions addressed in the agreement.

Definitions

- **"Account"** means each personal deposit account you already have and also each account you requested SHBC to open for you when you signed the Signature Card or, if you signed a Signature Card to be changed or maintained or added as a joint account holder of an existing account or accounts.
- **"Agreement"** means this Personal Banking Agreement.
- **"Security Card"** means the Card with the combinations of numeric numbers for accessing an internet banking and paying a bill payment.
- **"Signature Card"** means the account information Card you signed when opening each Account, or when requesting that you be added as a joint account holder of the Account.
- **"Instrument"** means, among other things, a cheque or other bill of exchange, promissory note, draft, money order, order for payment, bill payment, remittance, bankers' acceptance, coupon, electronic debit or credit or other payment instrument, whether negotiable or non-negotiable.
- **"Internet Banking"** means SHBC financial services available by Internet.
- **"SHBC"** and **"Bank"** means Shinhan Bank Canada.
- **"Shinhan Access Card"** means the Card issued to you by SHBC for you to perform transactions at automated bank machines and branches, Interac transactions for retail purchases from the Account, and cash withdrawals from the Account(s).
- **"You"** and **"Your"** means the account holder(s) named in the signed Signature Card.
- **"We", "Us"** and **"Our"** mean Shinhan Bank Canada.

Use of Account

You agree that your Account is to be used as a personal account only and not for business or non-personal purposes, unless otherwise allowed by SHBC.

Dormant Accounts

We will determine your Account as inactive if there have been no account activities for at least 24 consecutive months. The notice will be sent out accordingly to your recorded address during the month of January, next following the end of first two-year, five-year and nine-year period the Account constantly remains inactive.

If you do not make a transaction or respond to us within the prescribed period, we will charge an inactive fee to your Account each year regardless of your receipt of the notice and eventually close the Account after it has insufficient funds to cover the fee. Under federal laws, we are authorized to transfer any inactive balances (net of all the fees) remaining more than ten years and Account information to the Bank of Canada. Afterward we are no longer liable to your deposit and you must file a claim to the Bank of Canada.

Report of Loss/Stolen

You agree to maintain your, Shinhan Access Card and cheques safely at all times and to take reasonable precautions to protect them. You must notify SHBC as soon as possible (within 24 hours) after recognizing or suspecting that delete you, Shinhan Access Card, Security Card or any cheques have been lost or stolen. Subject to the circumstances SHBC will not be liable for any improper withdrawal from the Account or other loss if you have not given SHBC notice as required by this agreement.

Your Duty of Care

You will maintain procedures and controls to detect and prevent thefts of instruments or losses due to fraud or forgery involving instruments. We shall have no responsibility or liability whatsoever for any loss due to a forged or unauthorized signature unless the loss was caused solely by our negligence, fault or willful misconduct.

Interest Information

Interest is paid on interest-bearing accounts at rates that vary from time to time. You acknowledge that, from time to time, SHBC may change interest rates and the method by which interest is calculated. If you have an interest-bearing account, SHBC will advise you of the interest rate(s) and any changes to how interest is calculated by posting the new rate(s) and any interest calculation changes in all of SHBC's branches. You acknowledge that you may not receive interest on an interest-bearing account if your balance falls below a certain level designated by SHBC or if the interest rate payable on such Account is zero percent.

General Information about Your Accounts

By requesting for opening an Account you agree to the terms as below:

- An Account for a child under 13 years of age must be opened by a parent or guardian for the in trust for the child or jointly with the child.
- This agreement binds your heirs, executors, legal representatives, liquidators, administrators, assigns.
- You agree to notify the Bank in writing of any unauthorized or forged instruments immediately upon becoming aware of them.
- You will provide further information as we may require from time to time updating your personal information.
- We may close your Account if required by law or if at any time you commit fraud, violate the terms of any applicable agreements, use the Account for any improper or unlawful purposes, or operate the Account in any unsatisfactory manner.
- We may report any improper or unauthorized activity that is in any way connected with your Account to any credit reporting agency.
- After your death, we will transfer the balance of the funds in your Account to your legal representative. Your representative must immediately supply us with the proper legal documents.

Deposits Information

You are able to make deposits to your Account at any Branch of SHBC.

- We may require deposits to comply in all respects with all applicable by-laws, rules, regulations and standards of the Bank and/or the Canadian Payments Association.
- When you deposit a cheque, you agree to allow us enough time to make sure the cheque has cleared, before you can withdraw the amount of the cheque. For information about cheque hold period and first \$100 availability, see Holding of Funds section of this agreement.
- We can apply direct deposits to your Account. However, we cannot be responsible for the type or amount of the deposit, or any delay in applying or failing to apply the deposit.
- We may debit your Account for the amount of any deposits for which we are not fully reimbursed.
- We may accept cheques from you on a collection basis only. The funds will be deposited to your Account only if and when payment for the cheque has been received by us from the other financial institution.
- We may charge a fee for cheques sent on collection, and the other party may also charge associated fees.
- You are responsible for delivering any change in direct deposit institutions to

anyone who makes direct deposits to your Account.

Withdrawal Information

You are able to make withdrawals from your Account at any Branch of SHBC.

- We may reject cheques or other payment items which do not comply in all respects with all applicable by-laws, rules, regulations, and standards of the Bank and/or the Canadian Payments Association.
- There is a limit to the amount of money that you are able to withdraw at a branch other than certain arrangements.
- You are responsible to make withdrawals at branches that provide banking services by giving your request along with your Shinhan Access Card, or any additional identification which we may ask you to present.

Fees Information

We may charge for our services, and debit your Account for these charges. We may change service charges from time to time.

- Service charges and fees on U.S. Currency accounts are charged in U.S. Currency.
- Unless you have a separate overdraft agreement with us, you understand that you do not have the right to overdraw your Account. If we allow you to have an overdrawn account, we may charge a fee according to our fee schedule, plus interest at the prevailing overdraft interest rate, as notified in our bank. You must repay any overdraft and interest on demand. We may change interest rates and terms from time to time.
- We may charge you for and debit your Account for any costs we incur to recover amounts that you owe us. These costs include legal fees.
- We may charge you for and debit your Account for any costs we incur in order to comply with any request issued under a statutory or court authority for information or documents respecting your Account.
- We may debit your Account for any taxes collectible by us on all of our products and services.
- When a bank increases or introduces a charge applicable to personal deposit accounts, notice will be displayed 60 days before effective date of change at branches, ATMs, and website.

Mailing Statement Information

Any statement of your Account(s) will be deemed to have been delivered or given to you if sent by the Bank by ordinary mail to your last known address contained in the records of the Bank. You will advise the Bank promptly if you have not received the statement within 7 days of the date on which you normally receive it. You are

responsible for checking, at least monthly, debit and credit entries to your Account, examining cheques and vouchers, if supplied, and notifying the Bank in writing of any errors, irregularities or omissions in your statement, or account transaction listing. Such notice must be provided to the Bank within 30 days after: (i) the statement date, if you receive monthly statements; and (ii) the last day of the month in which the transaction was posted to your Account, if you do not receive monthly statements. After such 30 day period, you will be deemed, except as to errors, irregularities or omissions of which you have notified the Bank in writing within the 30 day period, to have accepted all cheques and vouchers, if any, as authentic and properly charged to your Account. During and after the 30 day period, the Bank may charge back amount remitted to you for which payment has not been received.

If you consent to SHBC in providing your documents electronically through e-mail, your banking account statement will be delivered with same conditions listed above. If you orally consented to SHBC at any of our branches, the bank will take this as a confirmation of request.

Overdrafts

We may allow your account be overdrawn by prescribed amount to cover withdrawals, payments, service fees, or any similar transactions at our complete discretion. If an Account is overdrawn, you agree that we have the right to immediately claim the overdrawn balance in a time frame prescribed by us and you must pay us, when we ask, regardless of any commitment or condition of you. On the other hand, we may decide not to approve the overdraft balance without any notice. We will not be liable for any loss or inconvenience suffered by you in consequence of doing so.

You acknowledge that SHBC will charge service fee(s) to your Account for any authorized overdraft (per each) and interest(s) on the overdrawn amounts at the rate and in the manner specified in the bank loan policy or this agreement as revised from time to time. Any changes to the overdraft or interest rate including how interest is calculated are effective from the date stated in the notice posted at SHBC branches or sent to customers.

You also agree commitments below required regarding the overdrawn balance.

- You will bring your Account to a positive balance.
- For any dishonoured items, you will pay us the handling charge for each debit drawn on the Account and all other applicable service charges. Handling charges are treated as overdraft amounts.

- You will pay us the overdraft interest charge set out in the Personal Account Packages & Other Fees provided by the Bank. Interest is accrued and calculated daily to each statement date on each debit from the date on which the debit is charged to the Account. Overdraft interest charges are treated as overdraft amounts.
- If your overdraft balance goes into default, we may close your Account and convert your overdraft balance to delinquent demand loan status. Interest payable will be calculated daily and applied to the demand loan at a rate specified in the bank loan policy.
- We may end this agreement without notice if at any time there are not enough funds to transfer from the transfer account(s).
- Regardless of such termination, you are responsible for paying us for all debit and other charges made following termination.
- We may change or end this Agreement and/or the fees in respect of the Service at any time. You agree to changes made when notice is given in our branch.

Joint Accounts

If more than one account holder signs the Signature Card, then this is a joint account, and the following terms also apply:

- Each account holder is individually liable, and all account holders are jointly liable to pay SHBC any amounts that any of you may owe in respect of the Account.
- All money which is now or may later be credited to the Account (including all interest) is the joint property of all of you with the "Right of Survivorship". That means that if one of the joint account holders dies, we will hold the investment in the Account in the name(s) of the surviving owner(s). Alternatively, the investment may be redeemed and disbursed to the surviving owner(s).
- If you select "Tenants in Common" to your joint ownership, and one of the owners dies, the surviving owners do not automatically inherit ownership of the deceased's share of the Account. The deceased's share of the investments is disbursed to the deceased's estate and the remaining share is disbursed to the surviving owners. (Exception: In Quebec, a joint account is frozen upon the death of one of the joint account holders.)
- If you choose "Any to Sign" on the Account, we will accept instructions from any one of you as if you are the sole owner of the Account, unless by the signing authority instructions you give us provide otherwise.
- If you choose "Both (or ALL) to sign" or "Multiple Signatures", we will only accept instructions from all owners, unless the signing authority instructions you give us provide otherwise.
- You authorize SHBC to communicate with any one joint account holder in respect

of matters relating to the joint account. If you indicated on the Signature Card, or otherwise in writing, that any joint account holder can deal with SHBC, then any joint account holder may provide any instructions to SHBC regarding the operation of the joint account including, but not limited to, transferring the joint account from the Branch of Account to another SHBC branch or changing the joint account address in the Branch of Account's records.

- SHBC may accept as a valid discharge any cheque, receipt, other voucher or payment Instrument which is signed by any of the joint account holders specified on the Signature Card. SHBC has no obligation to obtain signatures or consents from all of you.
- Each joint account holder authorizes SHBC to deposit to the Account all instruments which are payable to, or for the credit or account of, any one or more joint account holder(s), even if they are not endorsed by any joint account holder.
- The signing authorities that you designate for your Account will determine who we will accept instructions from to operate the Account and you will be bound by any instructions given to us by the designated signing authority or authorities. And until we receive written notice of change from the designated signing authority or authorities.
- Because ownership and survivorship rights and legal responsibilities vary for joint accounts, you may wish to discuss these matters with your legal and/or tax advisor.

In Trust Account

'In Trust' Accounts are typically informal trusts set up for the sole benefit of a trust beneficiary. Most often the beneficiary is a child related to the person opening the Account, such as a parent or grandparent, who is also the trustee of the Account. When withdrawn, the assets in the Account are normally used for the benefit of the trust beneficiary.

Holding of Funds

If you use cheques (except for government issued cheque), EFTs, or any similar instruments for deposit to your account, we are entitled to hold proceeds of the instrument at our sole discretion. You also acknowledge that such instrument has no guarantee for withdrawal or transaction after a hold period. Ultimately, you are responsible that any instrument is to be returned regardless of any reasons including an expiry of the hold period.

The following conditions apply for cheque hold period.

- a) A deposit transaction, at our sole discretion, has no illegal or fraudulent purpose.

- b) An eligible enterprise¹ that is depositing cheque has no materially increased credit risk (i.e. inadequate overdraft/credit management, high volume of dishonoured items, notice of bankruptcy, etc).
 - c) An account has been opened for more than 90 days.
 - d) A cheque has not been endorsed more than once or passed the date of the cheque more than six months.
- For cheques and negotiable instrument (denominated in CAD or USD) drawn on a financial institution's branch located in Canada, the proceeds will be available after the maximum of 7 business days, or 8 business days for cheques deposited in ATM or any other manner
 - For cheques of \$1,500 or less that are deposited in person at the branch, the maximum hold period is reduced to 4 business days, or 5 business days for cheques deposited in ATM or any other manner.
 - For cheques and negotiable instrument drawn on a financial institution's branch located in the United States, the maximum hold period is 25 business days.
 - If a financial institution's branch located outside of Canada or the United States, we will require, at least, 30 business days or use collection basis².

Hold period does NOT count the day of the deposit and the term "business days" does not include Saturdays, Sundays or statutory holidays. The hold period will begin on the first business day we enter the cheque or any similar means into the clearing exchange system operated by the Canadian Payments Association. We are authorized to extend the maximum hold period if we have reasonable grounds to believe improper, illegal or fraudulent activity in relation to an account.

If you have met all the conditions for cheque hold period, you may have immediate access to the first \$100 of all funds deposited in cheque by person at a branch on any one day (or with access to the next business day if the cheque is deposited in ATM or by any other manner)

¹ Eligible enterprise means a business with authorized credit of less than \$1 million, fewer than 500 employees and annual revenue of less than \$50 million.

² The funds will be deposited to your account only if the counterparty (other financial institution) clears the instrument and makes an actual payment to SHBC.

Limitation of Liability

You understand and agree that, except as otherwise provided in this Agreement, SHBC will be liable to you only for direct damages resulting from gross negligence, fraud or willful misconduct of SHBC arising directly from the performance of SHBC

of its obligations under this Agreement and SHBC will not be liable to you for any other direct damages. In addition, SHBC will not under any circumstances be liable to you for any other damages, including, without limitation, indirect, incidental, special, punitive or consequential losses or damages, loss of profits, loss of revenue, loss of business opportunities, or any other foreseeable or unforeseeable loss resulting directly or indirectly out of this Agreement or the services provided to you.

Foreign Currency Transactions

SHBC may, in its discretion, permit transactions in a currency different from that of your Account. The foreign currency will be converted to the currency of your Account at the exchange rate determined by SHBC on a date determined by SHBC, which date may be different from the date you performed the transaction. You agree that foreign currency instruments deposited to your Account and returned to SHBC unpaid for any reason will be converted to the currency of the Account based on a foreign currency exchange sell rate determined by SHBC on a date determined by SHBC and the converted amount will be charged back to your Account. SHBC is not responsible for any losses you may incur due to changes in foreign currency exchange rates or the unavailability of funds due to foreign currency changes. You agree that any claims SHBC may have against you, and any service or other charges related to your Account, can be deducted from your Account in the same currency as your Account.

Opening an Account

You may open an Account with SHBC. In order to open a personal deposit account with us, you need to visit one of our branches and provide us with two original pieces of personal identification from among those set out in Part A or B of the Schedule of Acceptable Identification, or one original piece of personal identification from those listed in Part A of the Schedule of Acceptable Identification and if your identity is also confirmed by a client in good standing with Shinhan Bank Canada or by an individual of good standing in the community where Shinhan Bank Canada branch is located. You will be also required to provide us with your name, date of birth, address (if any), and occupation (if any) if these are not included in the identification you have provided. In some instances, we may need to further investigate and verify the information that you have provided, prior to opening an Account for you. We can refuse your request to open an Account for following legal reasons. If we refuse, we will inform you about this in writing.

- If we reasonably believe that the account will be used for illegal or fraudulent purposes.

- If you have a history of illegal or fraudulent activity relating to financial institutions and the most recent instance occurred less than seven years before you ask to open an account.
- If you knowingly make a material misrepresentation in the information you provide to us for the purpose of opening an account.
- If we reasonably believe that it is necessary to refuse to open an account to protect our customers or employees from physical harm, harassment or other abuse.
- If you have not provided the ID or information listed below.

Once an Account is opened, you will be provided with a copy of this Agreement, information about fees applicable to an Account, and information about complaint procedure.

Schedule of Acceptable Identification

• Part A

- o A valid Canadian Passport
- o A valid Driver's License issued in Canada, as permitted to be used for identification purposes under provincial law
- o A Certificate of Canadian Citizenship or a Certification of Naturalization, in the form of a paper document or card, but not a commemorative issue
- o A Permanent Resident Card or Citizenship and Immigration Canada Form IMM 1000, IMM 1442, IMM 5292
- o A Provincial Health Insurance Card, as permitted to be used for identification purpose under provincial law (i.e. Card issued by Ontario, Manitoba or PEI cannot be used as an acceptable ID)
- o A Social Insurance Number Card issued by the Government of Canada
- o An Old Age Security Card issued by the Government of Canada
- o A Certificate of Indian Status issued by the Government of Canada
- o A Birth Certificate issued in Canada
- o A document or card, bearing the individual's photograph and signature, issued by any of the following authorities
 - a) Insurance Corporation of British Columbia
 - b) Alberta Registries
 - c) Saskatchewan Government Insurance
 - d) Department of Service Nova Scotia and Municipal Relations
 - e) Department of Transportation and Public Works of the Province of Prince Edward Island
 - f) Service New Brunswick

- g) Department of Government Services and Lands of the Province of Newfoundland and Labrador
- h) Department of Transportation of the Northwest Territories
- i) Department of Community Government and Transportation of the Territory of Nunavut

• **Part B**

- o A credit card, issued by a member of the Canadian Payments Association in the name of, or bearing the name of, the individual and bearing the individual's signature
- o A Canadian National Institute for the Blind (CNIB) client card bearing the individual's photograph and signature
- o An employee identity card, issued by an employer that is well known in the community, bearing the individual's photograph
- o A bank or automated banking machine or client card, issued by a member of the Canadian Payments Association in the name of, or bearing the name of, the individual and bearing the individual's signature
- o A Foreign Passport

General Information on Personal Accounts

Personal account belongs to the owner or owners of the Account and cannot be assigned to anyone else. Personal account may not be used for business. We may change the Account and service fees as provided by law. When you open an Account at SHBC, you can depend on us to maintain the confidentiality of your information, subject to the terms and conditions of the Bank Privacy Policy.

Changes to this Agreement

SHBC is entitled to change this Agreement from time to time. If SHBC does, it will give you notice that this Agreement has been or will be changed by (at its option) sending you notice, or posting a notice in the Branch of Account. The change, may, but need not, be effective on the date that the notice is mailed or posted.

Release of Funds on Death

Upon death of an account holder, the Bank requires proof of estate to release fund from account. Proof of estate is any document that may be required by us at our sole discretion, and may include a death certificate, probated will, or notarial will. In case of any dispute regarding the release of funds upon death of an account holder, the Bank may pay the amounts in an account into a court and recover any expenses incurred by the Bank including legal fees from the funds in an account.

For joint accounts, the Bank can release information about the account to the estate representative of the deceased account co-owner up to the date of the death.

Shinhan Cardholder Agreement

Shinhan Cardholder Agreement (the "Agreement"), as amended from time to time lists out terms and conditions that apply when you use your Card. This Agreement does not replace any of the previous agreements you have had with us.

You hereby agree to use the Card in accordance with the terms and conditions set out in this agreement and any other terms and conditions that may be advised to you every now and then. When you access your accounts by using a Card, it is your responsibility to safely use your Card and keep your Personal Identification Number (PIN).

Definitions

- **"Account"** means any personal deposit or loan account that you have with us that may be accessed by using a Shinhan Access Card.
- **"Agreement"** means a Cardholder agreement
- **"Card"** means your Shinhan Access Card issued to you when you open an account at SHBC. The Card can be used to access your account and to perform transactions at automated bank machines and branches, Interac transactions for retail purchases from the Account, cash withdrawals from the Account(s).
- **"PIN"** means a Personal Identification Number for your Shinhan Bank Canada Access Card. It consists of a 4-digit secret number personally selected by you, for your use, as a means of your authorization to use certain services. The PIN is used to confirm the identity of the Cardholder and to authorize transactions used by Shinhan Bank Canada.
- **"ATM"** means Automated Teller Machine.
- **"POS"** means "Point Of Sale"
- **"You"** and **"Your"** means the account holder(s) named in the signed Signature Card.
- **"We", "Us"** and **"Our"** means Shinhan Bank Canada.

Using your Shinhan Access Card

Upon opening an account, we will issue you an Access Card, in your name. When you receive the card from us, you agree to the terms and conditions described in this agreement. Upon your enrollment, you may access the Automated Banking

Service with your card, in conjunction with a PIN.

You can access your personal banking account by using your Card, through the following services:

- Designated ATMs (including Exchange Network)
- POS terminals for retail purchases

Other than the ones above, Shinhan Access Card also helps identify you when you request a service to be provided from us or to authorize the transactions you request from us at our branches.

You authorize the Bank to accept the instructions given in any manner as if you had given instructions in writing for purchases, sales, and transfers between your Accounts, or for other services made available from time to time.

Setting Transaction Limits

Your daily limits for ATM withdrawal, Accessible Account Transfers, and POS Transactions are set out in the document called "Shinhan Access Card Application/ Information" when the Card is first issued to you. We may establish and change limits (dollar or otherwise) from time to time, on the types of transactions which may be available, with or without prior notice to you. You are responsible to check your daily limits from time to time at any of our branch.

Transaction Charges & Fees

There is no application fee for the Card when you first apply for one. However, there are some requirements for you to pay fees for certain transactions. You agree to pay and we may deduct, without notice, from any of your Accounts.

- You acknowledge that the Automated Banking Service charges/fees for each transaction performed are in addition to any account level service charges which apply to your accounts.

Selecting and Protecting your Personal Identification Number (PIN)

You will be asked to choose a combination of 4 digits for a PIN to use the Card at any of our branches, ATMs or POS terminals set by us.

The code for the PIN should not be generated from personal information related sources that can be easily guessed by others such as your date of birth, bank account numbers, telephone numbers, and etc. Protecting and keeping your PIN is important as you will be considered liable for the use of your Card even if it is used by others. Under this agreement, you are bound to keep your PIN confidential and

secure from all persons without exception and apart from the Card at all times.

This can be done by:

- Keeping possession of your Card at all times
- Avoiding PIN combinations that are easily guessed by others
- Avoiding your PIN in proximity to your Card
- Avoiding disclosure to any of the Bank's employees, friends or family members
- Taking all reasonable precautions to ensure no one finds out your PIN while using the Card at our branches, ATMs or POS terminals.

Lost, Stolen, Authorized & Unauthorized Use of the Card

You will notify us immediately as soon as you are aware that your Card is lost or stolen, or you suspect that someone is using your Card and PIN or simply knows your PIN without authorization, or you suspect your card is missing. You may notify us by calling or by visiting the nearest branch for the loss, theft, or any unauthorized use of the Card or PIN. Your liability for the transactions resulting from the loss or theft of your Card will cease after we receive your notice of such loss, theft or unauthorized use.

Your Liability for Authorized & Unauthorized Use of the Card

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

- Authorized use of the Card by person to whom you have made the Card and/or PIN available
- Unauthorized use of the Card and/or PIN, where you have made available for use of the Card and PIN by keeping them together or in such a manner as to make them available for use, until we have received notice of loss, theft or unauthorized use.

You will be considered as contributing to the unauthorized use of the Card and/or PIN and will be fully liable for all debts, withdrawals and account activities

Where:

- The PIN you have selected is the same as or similar to an obvious number combination such as your date of birth, bank account numbers or telephone numbers.
- You write your PIN down or keep a poorly disguised written record of your PIN, such that it is available for use with your Card, or
- You otherwise reveal your PIN, resulting in the subsequent unauthorized use of your Card and PIN together.

You may be also liable if:

You fail to notify us as soon as you become aware that your Card is stolen or your PIN may have become known to anyone. In this situation, you are considered liable

for the total amount of transaction proceeded by others.

Limitation of Our Liability

We are liable for unauthorized transactions after you have notified us. We are not liable to you for any delay, loss, damage or inconvenience which results from providing, or failing to provide any service, except where such losses result from technical problems, bank errors and any other system malfunctions for which the Bank is solely responsible. Also, we are not responsible for your acts or omissions, or those of any third party. Furthermore, the bank shall in no way be liable for any accident, act of aggression, theft, loss or damage you may suffer while using ATM, whether you are on the Bank or other premises. You are responsible for any errors, which result from you having incorrectly provided or selected from us, any account number, dollar amount or other information required for the operation of the services.

Settling Disputes

All disputes between you and a designated bill payment company, including your rights to compensation or any offset rights (set-off), shall be settled directly by the company and yourself. We do not verify, nor are we required to, that any purpose for which the payment is made has been fulfilled by the company as a condition of honouring your payment request on your Account. Also you are responsible to resolve directly with merchants on the problems involving the use of the Card for POS transactions.

Shinhan Access Card Contact Service

If your Card is lost or stolen, or retained by the automated banking machine, immediately visit your nearest branch of SHBC and request a replacement or call any branch of SHBC. After you report an unauthorized transaction, we will take an internal investigation process. During the investigation, you may be required to provide us a written statement indicating the information related to the incident.

Indemnity

You agree to indemnify and save us harmless from and against all losses that we may incur (other than due to our own gross negligence or misconduct), including without limitation, legal expenses incurred by or brought against us, arising from a breach by you of any part of this Agreement, or from our acting or declining to act upon any instruction or information received from you in accordance with this Agreement. This indemnity is in addition to any other indemnity or assurance against loss that you may provide to us, and will survive any termination of this

Agreement.

Electronic Communication Service Agreement

You acknowledge that Shinhan Bank Canada is authorized to act on an instruction given by using an electronic communication for who meets any applicable eligibility. Additionally, you agree that we have a sole right and discretion in qualifying a customer to transact with an electronic communication. We accept a telephone, a facsimile, or an e-mail for a valid instruction. The list of services provided by us without separate agreement is followed, but not limited to.

- A transfer from your demand deposit accounts to purchase a term deposit
- A transfer among demand deposit accounts of which the account holder is consistent.
- A change of a principal and interest payment instruction of the existing term deposit.
- A change of personal information that does not require any proof of the change.

Any electronic communication that instructs how we initiate a transaction on behalf of customer must be presented in the manner that is required by us without the need of further verification. We are not liable for any loss, damage, penalty or any similar means for the transactions conducted according to the instruction. We may need a separate agreement prior to carry out specific types of transactions. Once you agree the agreement in person at your branch, we will extend the capability of the electronic communication service beyond the list above. If your communication manner we act upon is conclusively deemed to be adequate for our records, we initiate the transaction regardless of whether or not authorized by you or whether or not accurately instructed. You agree to pay us service fees (or any similar charges) involved in executing the transaction from us or counterparty. Furthermore, you acknowledge that we may decline or delay acting on your instruction and may verify additional details with you for any reason.

Internet Banking Service Agreement

Please read the following Agreement prior to using Shinhan Bank Canada Internet Banking Service (“Service”). The Agreement contains important information, guidelines, and the terms and conditions governing access to the Service. This

Agreement, as amended from time to time, applies when you access or use the Service.

You hereby agree to be bound by the terms and conditions of this Agreement. When you access your accounts through the Service, you do so under the terms and conditions of Personal or Business Banking Agreement. You also agree to comply with all instructions we may give you connected to accessing and using the Service.

Terms used in this Agreement

- **"Account"** means an eligible chequing or savings account;
- **"Agreement"** means the Internet Banking Services Agreement of Shinhan Bank Canada;
- **"Business Day"** means all days excluding Saturdays, Sundays, and statutory federal or provincial holidays in Canada;
- **"Electronic Access Device"** means a personal computer, telephone, cell phone, smart phone, personal digital assistant or any other allowed electronic device, including wireless devices, used to access the Service;
- **"Internet Banking"** means the banking services accessible by internet whereby Shinhan Bank Canada allows customers to view account information and/or make transactions online upon successful authentication;
- **"Mobile Banking Website"** means the Bank website specially designed for Internet Banking access through a mobile Electronic Access Device. This Mobile Banking Website has a selective view and functionality;
- **"Password"** means a confidential combination of numbers and/or letters selected by each individual customer to identify them in order to access the Service. A temporary password will be provided for customers when first logging in.
- **"Security Card"** means a card with a unique combination of numbers the Bank issues to each customer at the branch upon completing the Internet Banking Application. To initiate certain transactions, customers must provide the numbers that correspond to the instructions given by the Service.
- **"Security Questions"** means the questions and answers customers may be required to choose and provide answers for when prompted in order to confirm customers' identities when accessing the Service from unregistered electronic access device;
- **"Service"** means any product or service accessible through Internet Banking;
- **"Third Party Service Provider"** means a party retained by the Bank to act on the Bank's behalf to provide, or to assist in providing, the Service. In the event that such party is located in a foreign jurisdiction, it is bound by the laws of the jurisdiction in which it is located and may disclose personal information in

accordance with those laws;

- **"User ID"** means a combination of numbers and/or letters that we may allow you to select. You must provide your User ID with your Password to access the Internet Banking;
- **"We", "us", "our", "Bank", and "SHBC"** refer to Shinhan Bank Canada;
- **"Website"** means the website operated by SHBC or a SHBC affiliate through which customers sign in to the Internet Banking Service;
- **"You" and "your(s)"** refer to each person who applies to use the Service and each person who uses the Service with the applicant's authorization.

Other Agreements/Conflicts

This Agreement must be read together with any other existing and future written agreements that you have with us and any terms, conditions or disclaimers provided on our Website. For example, there are a variety of additional terms, conditions and disclaimers in other agreements that govern your use of the Account and the Service. If there is a conflict between this Agreement and any other agreements, the other agreement will have priority and will be applied to the extent necessary to resolve the conflict.

Changes

We may change the Service, the Website or this Agreement at any time. We will notify you of any changes. If you use the Service after the change takes effect, you agree to and consent to the change of this Agreement. Additionally, you understand that we may add, remove, or change any parts or features of the Service without giving you notice.

Notices

For Internet Banking, any notice may be given to you through the "News and Notice", bulletin board or the pop-up window in Internet Banking, or may be sent to your E-mail or mailing address shown in our records.

Suspension and Termination

We may terminate either all or part of this Agreement or suspend or terminate your access to the Service at any time without prior notice, in which case this Agreement will continue to apply in respect of your past access. We will not be responsible for any loss or inconvenience that may result from such suspension or termination. You may terminate this Agreement by visiting your branch and giving us notice of termination.

Use

You must use your User ID and Password to access the Internet Banking Service. Use of Internet Banking will show that you have received, understood and agreed to this Agreement. You will use Internet Banking in accordance with the terms in this Agreement or as we may otherwise communicate to you from time to time. You will not use Internet Banking for illegal, fraudulent or defamatory purposes or take any steps which could undermine the security or integrity of any Internet Banking services, or cause harm or threaten to harm any other users of Internet Banking.

Instructions

Once the Service has been accessed, you agree to be responsible for any instruction given by you or purported to be given by you, regardless of whether or not it was actually from you. The instruction will be considered to be duly authorized and binding on you and will be enforceable against you. Any instruction given via Internet Banking will have the same legal effect as if it was a written instruction and signed by you. You acknowledge that after an instruction is given to us via the Service, it is final and we have no obligation to cancel or reverse it or you will not dispute any transaction conducted according to a given instruction.

Setting Limits

We can set one or more access limits (for example, daily dollar limits on transfers or specific limits on withdrawals and transactions for each account) for the Service. You may request to change and manage these limits at the branch and we may change these access limits without notice.

Fees

You will pay all service fees and other charges that apply to the Service. We may debit your account for any applicable service charges. Service charges are subject to change from time to time and we will give you notice of any changes accordingly. Up-to-date information on fees is available at all of our branches and online. Please see Shinhan Bank Canada Service Fee Disclosure for our current fees.

Payment

You can only make a Payment from Accounts that are available via the Service for this purpose. You are responsible for the accuracy of your electronic payment instructions, including the payee, billing account/invoice number and payment amount. Depending on the type of payment, electronic payment instructions once sent may be final and irrevocable and it may not be possible to retrieve funds sent in error.

It is your responsibility to ensure that sufficient funds are available in your account (or through overdraft protection linked to your account) as at the effective time of your payment. Please be advised that your payment instruction, including a post-dated or scheduled payment instruction, will not be processed without sufficient funds on the transaction date. You must make sure that all information provided in a payment instruction is accurate. We may update such payee information without notice if the payee tells us of a change or if we believe it necessary. Additionally, we are authorized to decline or refuse to act on your instruction if the Bank has reasonable grounds to suspect fraudulent, unlawful or improper activities of you or a payee of any payment. Although your Internet Banking payment will be withdrawn from the Account you select on the date you instruct us to make the payment, you acknowledge that not all payees treat payments as being received as of that date. You should give payment instructions several Business days in advance of the date on which you wish payments to be effective and avoid any inconveniences. We will not be responsible for any disputes you have with payees with respect to circumstances such as processing delays, fees or penalties, etc.

Liability and Indemnity

1. Liabilities ñ General

We will not be responsible or liable for any damage, loss or inconvenience suffered or incurred by you with respect to the Service, this Agreement, or any instructions in connection with the Service. Additionally, we will not be liable under any circumstances for any loss, damage, or inconvenience incurred by you as a result of any failure, error, mistake, delay, omission, inaccuracy, inability, or malfunction, except for an unauthorized transaction.

2. Indemnities

Except with respect to claims, costs and liabilities arising because of our negligence, you will indemnify and hold us harmless against all losses and expenses that we, as the case may be, incur, sustain, suffer or are likely to suffer in connection with our execution of the user instructions. This includes all actions, claims, demands, proceedings, losses, damages, costs, charges and expenses as a consequence or by reason of providing a service through Internet Banking.

3. Your Responsibilities:

You are responsible for the full amount of all activities on your account conducted through Internet Banking resulting from

- a failure to comply with any of the obligations under this Agreement;
- a failure to notify us as soon as you become aware that your Password, Security Card, and Security Questions may have become known to someone else;

- accessing the Service from an Electronic Access Device that you are reasonably able to acknowledge may be at a risk of compromising and hacking;
- an entry error, mistake, omission, inaccuracy or inadequacy, or fraudulent or worthless deposit made through Internet Banking Services; or
- engagement in any fraudulent, criminal or dishonest acts related to Internet Banking.

4. Our Responsibilities:

Notwithstanding above, we are liable and reimburse you for monetary losses to your Account(s) resulting directly from the following unauthorized transactions:

- transactions processed after you have notified us that your Password, Security Card, and Security Questions may have become compromised;
- transactions where it can be shown that you have been a victim of fraud, theft, or have been coerced by trickery, force, or intimidation, so long as you report the incident to us immediately and cooperate and assist us fully in any investigation; or
- transactions resulting from negligent conduct by us, our employees or Third Party Service Providers.

Security

While using the Service, the security of your information depends on how you can follow the safe practices. You agree that when conducting transactions through the Service, you will take all safeguarding measures necessary to ensure that

- you do not reveal any confidential information to anyone
- other people cannot see your computer screen or key pad on your Electronic Access Device, and
- other people cannot hear your call, as applicable.

You agree to comply with any additional security requirements that we may require in connection with the Service. If you become aware of any unusual, suspicious or fraudulent activity in an Account, you will notify us immediately.

You can take further measures to enhance the security of your Internet Banking experience. There is a section called "Security Centre" under our Web Site's home page that explains how you can make Internet Banking more secure and lists out the measures the Bank takes to make Internet Banking more secure. You agree to implement and maintain safe computing practices which include having the security measures such as up-to-date virus scanning software and a firewall system available for your computer. Additionally, you must sign out and close your browser after each Internet Banking session to prevent anyone else from accessing your Internet Banking.

You must always keep your Password, Security Card and Security Questions strictly confidential. You must not disclose your Password, Security Card, and Security Questions to anyone. If you know or suspect that someone may know your Password, Security Card, or Security Questions, you must inform us immediately and change your Password, Security Card, and/ or Security Questions, as applicable, immediately. Your Password, Security Card, Security Questions must be unique and not easily guessable or obtained by others, including not using your birth date, your name, the name of a family member, your telephone number, social insurance number (SIN), or sequential numbers such as "1234." You must not select a Password that is the same as any personal identification number (PIN) you use with a Shinhan Access Card issued to you.

Mobile Banking Website

In order to access to Mobile Banking Website, you must be registered to SHBC's internet banking. You understand that you will not have access to all Internet Banking features such as functionality, content or information (including news and notices, legal and privacy terms, links, bills, statements, and complete transaction and account information) through the use of Mobile Banking.

Records

Our records of Internet Banking are final and conclusive. Those records include, but are not limited to, the retrieval, consolidation, organization, receipt and presentation of information regarding an Account or the Service. You agree that electronic data and records will be admissible as conclusive evidence of the contents to the same extent as that of original paper documents. You hereby waive any right to object to the introduction of any such electronic data or records as evidence.

Governing Law

This Agreement will be exclusively governed by the laws of the Province or Territory in which you live. If you live outside of Canada, this Agreement will be exclusively governed by the laws of the Province of Ontario. You and the Bank agree that the courts of the Province or Territory specified above shall have jurisdiction over each party for the determination of any matters arising out of this Agreement.

Language

You have expressly requested that these terms and all related documents, including notices, be written in English. Vous et moi avons expressément demandé que ce contrat et tout document y afférent, y compris tout avis, soient rédigés en

langue anglaise.

For your better understanding, our internet banking service may contain descriptions in different languages. If the languages differ in their meanings, the English interpretation will have priority over the other languages.

Sharing your Personal Information

Given that we have received your consent at the time of application, we may share your personal information with Shinhan Bank Financial Group world-wide subsidiaries and affiliates to manage your relationship with Shinhan Bank financial group, to prevent credit and other business risks, and to meet legal and regulatory requirements.

If you would prefer we do not share information within the Shinhan Bank Financial Group or you would not want to receive any other special offers and promotions, kindly let us know by contacting any of our branches.

Complaint Resolution

Your business is important and we are dedicated to provide our services with the professional and efficient manner. If you have a problem or complaint in the banking services provided, we can help to resolve your complaint with all of our efforts in an efficient and a professional manner.

Step 1

We always encourage you to immediately contact us so we can deliver an appropriate solution for your complaint. At first, you can contact our customer service representative (CSR) by a phone or visit your branch. If you are not satisfied with the response from our CSR(s), the meeting will be arranged with the Customer Care Officer or Branch General Manager for you.

Step 2

If your complaint is not resolved after following Step 1, you may escalate the matter to the Chief Compliance Officer at Shinhan Bank Canada, listed below.

Shinhan Bank Canada
Chief Compliance Officer

5140 Yonge Street, Suite 2300 North York, Ontario M2N 6L7
Telephone: 416-250-3500
Toll Free: 1-855-SHINHAN (1-855-744-6426)
Fax: 416-250-3529
E-mail: customercare@shinhan.ca

Step 3

If you feel that the Bank's response has not resolved your concerns, you may escalate the matter to the Ombudsman for Banking Services and investments. The Ombudsman for Banking Services and Investments (OSBI) is an independent organization that investigates unresolved disputes from customers about banking services provided by the Bank, and thereby advises and provides recommendations to each party.

Please be advised that the OBSI will only accept your request after you have either received a response letter from the Bank which is obtainable if the Bank needs to communicate its final decision or 90 days have passed since you have first submitted a complaint to the Bank.

Ombudsman for Banking Services and Investments
401 Bay Street, Suite 1505, P.O. Box 5, Toronto, Ontario M5H 2Y4
Toll free telephone: 1-888-451-4519
Toll free fax: 1-888-422-2865
Toronto area telephone: 416-287-2877
Toronto area fax: 416-225-4722
Email: ombudsman@obsi.ca
Website: www.obsi.ca

During the process

If your complaint concerns a violation of a regulatory matter, you can contact Financial Consumer Agency of Canada (FCAC). FCAC supervises all federally regulated financial institutions to ensure that they comply with federal consumer protection provisions. It also educates consumers and public commitments designed to protect consumer interests.

For more information on regulatory issues governed by the FCAC, contact the FCAC at:

Financial Consumer Agency of Canada
427 Laurier Avenue West, 6th Floor

Ottawa, Ontario K1R 1B9

Toll free telephone: 1-866-461-FCAC (3222) (English) / 1-866-461-ACFC (2232)
(French)

Toll free fax: 1-866- 814-2224

Email: info@fcac-acfc.gc.ca

Website: www.fcac-acfc.gc.ca





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