

## Operation of Account Agreement

**THE UNDERSIGNED (“Customer”) for good and valuable consideration agrees with KEB Hana Bank Canada (“Bank”) that the operation of each account which the Customer now or hereafter has with the Bank at any of its branches or agencies (each an “Account” and collectively the “Accounts”) and the carrying on of other banking business by the Customer with the Bank at any of its branches or agencies shall be subject to the following terms and condition:**

**1. Customary Terms and Charges:** The Bank may handle the Account in accordance with its customary procedures and arrangements for account services of the type requested by the Customer. The Bank may charge and, if the Bank does so, the Customer shall pay the Bank’s normal service charges for the operation of the Account and for any services of the type requested, as published by the Bank from time to time, including charges for cheques or others, payable to the Customer that are returned for insufficient funds.

**2. Waiver of Protest** Subject to instructions given to the Bank in writing by the Customer, the Customer waives in favour of the Bank every presentment, notice of dishonour and protest of all bills of exchange, promissory notes, cheques, orders for payment of money, securities, coupons, notes or other instruments (all or any of which are hereinafter collectively or separately referred to as “Instruments” or “Instrument” as the case may be) drawn, made accepted or endorsed by the Customer and now or hereafter delivered to the Bank at any of its branches or agencies for any purpose. The Customer shall remain liable to the Bank in respect thereof as if presentment, notice of dishonor and protest had been duly made or given. Despite the foregoing, the Bank may note or protest any Instrument because of any endorsement other than that of the Customer or for any other reason if the Bank, in its discretion, considers it in the best interest of the Customer or the Bank. The Bank will not, in any circumstances, be responsible or liable for any failure or omission to note or protest any Instrument.

**3. Use of Agents** The Bank may use the services of any bank, league of credit unions, trust company, courier service or other agent or any sub-agent employed by the forgoing (each, whether an agent or sub-agent is individually, an “Agent”) as it may deem advisable in connection with or in the course of carrying out any banking business with the Customer or in relation to the Account. Any Agent is deemed to be the agent of the Customer and the Bank will not, in any circumstances, be responsible or liable to the Customer by reason of any act or omission of such Agent, however caused, in the performance of such services or by reason of the loss, theft, destruction or delayed delivery of any Instrument while in transit to or from, or while in the possession of such agent.

**4. Assignment of Claims** The Customer assigns to the Bank all claims that the Customer may have against drawees of all and any Instruments drawn or deposited with the Bank, when that Instrument is dishonored or refused for acceptance, and authorizes the Bank to take at any time, in the name of the Customer, any proceedings for the collection of the amount of a dishonored or unaccepted Instrument as the Bank may consider necessary or advisable.

**5. Authority to Charge Accounts**

(a) *For Instruments Drawn on Accounts*

The Bank may charge the Account with the amount of any Instrument drawn, made or accepted, or endorsed by the Customer which is payable at any branch or agency of the Bank.

(b) *Unpaid Bills*

The Bank may charge against the Account, whether or not this creates or increases an overdraft, the amount of any Instrument cashed or negotiated by the Bank for the Customer or credited to the Account for which payment is not received by the Bank: the amount of any other indebtedness or liability of the Customer to the Bank, and any expenses incurred by the Bank in connection with paying a dishonored or unpaid Instrument. The Customer is liable to the Bank for all amounts charged and will pay on demand any overdraft charges, together with interest thereon at the interest rate charged by the Bank from time to time for overdrafts. Notwithstanding such charges, all rights and remedies of the Bank against all parties are preserved. No charges of unpaid Instruments shall be deemed to be payment of such Instruments.

(c) *Lost, Stolen, Instruments*

Should any Instrument received by the Bank for the Account by way of deposit, discount, collection or otherwise be lost or stolen or otherwise disappear from any cause whatsoever other than negligence on the part of the Bank, the Bank may charge the Account with the amount of such Instrument and the Customer agrees to pay the same.

(d) *For Operation of Account*

The Bank may make a reasonable service charge against the Account for the operation of the account and may debit the Account from time to time with the amount of such charge.

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**6. Use of Chequing Services** The Customer will draw encoded cheques only on the account for which the cheques are encoded. The Bank will not be liable in any circumstances, for any loss or damage arising from the wrongful acceptance of a cheque, or wrongful refusal by the Bank to honour a cheque, drawn by the Customer on an account other than the account for which the cheque is encoded. Unless the Customer otherwise instructs the Bank, where there are sufficient funds in the Account, the Bank shall honour all withdrawal slips, orders and cheques drawn on the Account where the Instrument bears a signature conforming to the specimen signature card completed by the Customer. All stop payment orders on any cheque issued by the Customer must be in writing and signed by the Customer. The Bank may transmit cheques, bills of exchange and other documents and instruments for computer processing, clearance and settlement or other purpose by such means as the Bank may consider appropriate. Deposit items (including money transfers) of any description other than Canadian and foreign currency will be provisionally credited to the Account and the Bank may restrict the right of the Customer to withdraw again deposit items other than such currency until the items have cleared, and where any deposit item is not duly paid, the amount of that item may be debited to the Account. The Bank shall perform its obligations in collecting upon any cheque or other payment item with ordinary care, but the Bank's liability for failing to exercise ordinary care will not exceed the amount of the item, less any amount that could not have been recovered on the item through the exercise of ordinary care. Where the Account is a chequing account, the Customer shall take reasonable care of all cheques and keep them in a safe place, and shall report any loss or theft of cheques to the Bank. The Customer shall keep all cheques relating to the Account and all cheque writing machines in a safe place and shall take all reasonable steps to prevent such cheques or machines being used by any person not authorized to draw cheques on the Account.

**7. Mailing of Vouchers** The Customer must instruct the Bank to mail each month to the Customer at the Customer's address recorded on the books of the Bank a statement of the Account together with cheques and other vouchers for the amounts charged to the said Account. These instructions will continue in force until contrary instructions in writing are received by the Bank from the Customer. The Customer will advise the Bank promptly if the monthly statement has not been received within ten days of the date upon which it is normally received.

**8. Verification of Account** Upon the receipt from the Bank each month of a statement of the Account together with cheques and other vouchers for amounts charged to the Account appearing therein, the Customer will examine the said cheques and vouchers and check the credit and debit entries in the said statement, and, within thirty days of the delivery thereof to the Customer or, if the Customer has instructed the Bank to mail the said statement and cheques and vouchers, within thirty days of the mailing thereof to the Customer, will notify the Bank in writing of any errors, irregularities or omissions therein or therefrom; and at the expiration of the said thirty days (except as to any errors, irregularities or omissions of which the Bank has been so notified) it shall be conclusively settled as between the Bank and the Customer that such statement and the amount of the balance shown thereon is correct and said cheques and vouchers are genuine and properly chargeable to and charged against the Customer's account and that the Customer was not entitled to be credited with any sum not credited in the said statement. A failure to notify the Bank of errors or omission in accordance with the foregoing shall release the Bank from any liability arising from any payments on forged or unauthorized endorsements.

**9. Stamped or Printed Endorsements** The Customer, having adopted a rubber stamped and / or a printed endorsement, authorizes the Bank to accept an impression of the said stamp or other similar stamp or the printed endorsement as a sufficient endorsement by the Customer on all Instruments deposited to the credit of the Account at the Bank or which may from time to time be pledged as collateral security by the Customer or discounted by the Bank for the Account. The Customer shall be bound by all such stamped or printed endorsements as amply and effectually as if such endorsements were written by or with the authority of the Customer, and the Customer shall hold the Bank at all times fully indemnified from all claims and demands in respect of all Instruments bearing such stamped or printed endorsements, whether by reason of such stamped or printed endorsements having been made without authority or otherwise.

**10. Execution of Agreement** If the Customer is an incorporated company, this Agreement must be signed in accordance with the provisions of Clause 6 of the Resolution as to Banker and Signing Officers For Incorporated Companies ("DPBFM-5") filed with the Bank and, unless the said DPBFM-5 certified that the Customer does not have a seal, its seal affixed hereto.

**11. Meaning of "The Account"** Where context permits, the expression "the Account" or "the Customer's Account" used in this Agreement shall mean the account of the Customer upon or against which the Instrument is drawn, cashed or negotiated, but, if there should be insufficient funds in the said account to pay such Instrument or to pay any charges which the Bank is authorized to charge under the provisions of this Agreement, then the said expression shall mean any other account which the Customer may have at any branch or agency of the Bank and the Bank is authorized to charge such account with the amount of such Instrument or of such charges.

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**12. Closing of Account**

Subject of the right of the Bank to require reasonable notice and to any restrictions or prohibitions on withdrawal of term deposits prior to maturity, the Customer may close the Account at any time, but the closing of the Account shall not affect any liability or obligation of the Customer under this Agreement or otherwise with respect to the Account that arose prior to the time when the Account was closed.

**13. Limitation of Liability**

The Bank is not responsible for confirming the accuracy of any information provided by the Customer, including any discrepancies between cheque numbers, serial numbers, amounts, payee names and other information provided to the Bank by the Customer or any third parties. The Bank will not be responsible for or liable to the Customer or any third party for any delay, damage, loss, liability, inconvenience or claim (other than any loss, liability or claim caused by the Bank's negligence or wilful misconduct) or for the inability of the Customer to access the Account directly or indirectly attributable to acts of the government of Canada or any foreign government, whether through the exercise of military powers, terrorist act or otherwise or to strike, act of God or other cause beyond the Bank's control.

**14. Foreign currency transactions** Any foreign currency transaction will result in the foreign currency being converted to Canadian dollars at the exchange rate in effect on a date determined by the Bank, which may be different from the date Customer performs the transaction. If a foreign currency transaction must be reversed, for any reason, the Customer will be responsible for any loss or cost associated with the currency exchange and the Bank may charge this loss or cost to the Account. The reversal will be based on an exchange rate in effect on a date determined by the Bank, which may be different from the date of the reversal. The Bank is not responsible for any losses the Customer may incur due to changes in foreign currency exchange rates or the unavailability of funds due to foreign currency restrictions.

**15. Other Claims on the Account**

If the Bank has notice of a possible claims or interest under any court order, statutory demand, or other governmental legislation, the Customer acknowledges that the Bank may refuse to permit the Customer to have any dealings with the Account or honor cheques or other items drawn on the Account. The Bank will not be liable for any loss or damages resulting from such refusal and the Bank is under no duty or obligation to inform the Customer of any requests made for information regarding the Account by authorized governmental bodies and/or pursuant to a court order, generally and in particular, if the applicable legislation by which the requesting authority derives power provides that the Bank is not to disclose the same.

**16. Bank's right to freeze or close Account**

The Bank may freeze or close the Account without notice if required by law or if, at any time, the Bank has reasonable grounds to believe that the Customer did or may: commit fraud, use the Account for any unlawful or improper purpose, cause a loss to the Bank, operate the Account in a manner unsatisfactory to the Bank or violate the terms of any agreement applicable to the Account or any Account related service. The Bank may also freeze or close the Account if the Customer is a victim of fraud or identity theft in order to prevent future losses.

**17. Costs and legal fees**

The Customer agrees to pay the Bank for any costs to recover amounts that the Customer owes to the Bank. These costs include any legal fees incurred by the Bank in association with the recovery. Any costs and legal fees not paid by the Customer will be charged against the Account.

**18. Indemnity**

Except with respect to claims, costs and liabilities arising principally by reason of the Bank's gross negligence, the Customer will indemnify the Bank, it's officers, directors, employees and agents, against any claims, cost or liability incurred by the Bank in connection with any services provided by the Bank to the Customer or any other dealings between the Bank and the Customer, including without limitation, any claims or liability resulting from an endorsement of the Bank or any of its branches or agencies on any Instrument, whether arising out of a forged or unauthorized signature on that Instrument or otherwise.

**19. Multiple Parties**

If the Agreement is executed by more than one Customer, then each Customer will be jointly and severally liable to the Bank for all debts, liabilities and other obligations incurred under this Agreement or in connection with any Account, any Instrument or any service furnished by the Bank to the Customer.

**20. Service Agreements, etc.**

Any service which the Bank provides to the Customer other than described in this Agreement will be provided in accordance with a separate service agreement and any rules and manuals of operation of the Bank (as revised from time to time) related to that service, as well as in accordance with this Agreement.

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**21. Change of Services**

Notwithstanding anything else in this Agreement, the Bank may at any time change or withdraw any service provided to the Customer and the Bank does not warrant or covenant that any particular service shall be available in connection with the Account.

**22. Rights and Obligations of Successors**

All rights of the Bank hereunder shall inure to the benefit or assigns and all obligations of the Customer shall bind the Customer's heirs, executors and administrators and his successors and assigns.

**23. Amendment**

The provisions of this Agreement and of any subsidiary agreement relating to the operation of the Account may be amended from time to time by the Bank, upon 30 days written notice to the Customer.

**24. Collection, Use and Disclosure of Information**

**(a) Collecting Customer Information**

The bank may collect financial and other information about the Customer, such as

- i. Information to establish and maintain the banking relationship with the Customer;
- ii. Information related to transactions arising from the Customer's relationship with and through the Bank;
- iii. Information for the provision of products and services;
- iv. Information provided by the Customer on any application for the Banks products and services; and
- v. Information about financial behavior such as Customer's payment history and credit worthiness

The Bank may obtain this information from a variety of sources, including from the Customer, from service arrangements the Customer makes with or through the Bank from credit reporting agencies and other financial institutions, from registries and from other sources, as is necessary for the provision of the Bank's products and services. The Customer acknowledges and accepts that the Bank has complied with the local laws regarding its collection use and disclosure of the customer's information, where applicable.

**(b) Using Customer Information**

The information the Bank collects about the Customer may be used and disclosed for the following purposes:

- i. to open and operate Customer account(s)
- ii. to provide the Customer with products and services the Customer may request;
- iii. to determine the Customer's financial situation;
- iv. to determine the Customer's eligibility for products and services the Bank offers;
- v. to help the Bank better manage its business and relationship with the Customer;
- vi. to maintain the accuracy and integrity of information held by credit reporting agency; and
- vii. as required or permitted by law
- viii. if it is in the best interest of the Bank to do so

For the above purposes, the Bank may make this information available to its employees, its agents and service providers who are required to maintain the confidentiality of this information. The Bank may also provide this information to financial institutions or persons or entities with whom the Customer has or may have financial and other business dealings. Upon Customer's request, the Bank may give this information to other persons or entities.

**(c) Information Storage**

All information relating to the Account shall be maintained and stored by the Bank in such form and by means of such devices as are generally accepted in the banking industry and authorized by law. Subject to the provisions of this Agreement relating to the verification of the Account, the records of the Bank are *prima facie* evidence of the state of accounts between the parties for all purposes including litigation. The Bank may use the services of any electronic data processing service bureau or organization in connection with providing service to any Account. The Bank shall not be liable to the Customer for any act or omission of such service bureau or organization in the performance of its services.

**SIGNED AND SEALED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_**

Witness

Name: \_\_\_\_\_

**(To be signed by individual(s) or authorized signing officers in the case of Corporations, Societies, Lodges, etc., as per Item 8. Please type name of Signatories below signatures(s))**

Name: \_\_\_\_\_