

Terms and Conditions for Non-Registered Investments

Home Bank and Home Trust Company are each formed under the laws of Canada and are in the business of offering to the public their services as issuer and depository of, among other things, guaranteed investment certificates (the "Investment"). Home Bank is a wholly owned subsidiary of Home Trust Company. Home Trust is a registered trademark of Home Trust Company which is licensed to and used by Home Bank (collectively "Home Trust"). Deposits are taken in the form of guaranteed investment certificates. The term and interest rate of each Investment may vary or fluctuate and can be changed by the Issuer without notice. In these Terms and Conditions:

You have deposited funds in a non-registered investment product (the "Investment"). These Terms and Conditions, together with the investment application and any other documents or agreements delivered in connection with the Investments, constitutes the entire agreement between the "Issuer" (as defined below) and the "Owner" (as defined below). Each Owner agrees to act in accordance with and be bound by these Terms and Conditions.

TERMS AND CONDITIONS

1. DEFINITIONS

In these Terms and Conditions, unless otherwise defined or required by the context, the following terms have the following meanings:

Authorized Persons means, if you are a corporate entity, an association, or a general partner, limited partner or trustee that is a corporate entity, or similar entity, up to three individuals appointed by you, who will be the only individuals permitted to provide instructions for Transactions (each an "Authorized Person"). **Business Day** means any day that Home Trust Company's head office is open for business;

Close Associate can be an individual who is closely connected to a PEP or HIO for personal or business reasons. In particular, financial advisors or persons acting in a financial fiduciary capacity; those involved in romantic relationships with the PEP or HIO; someone serving as a member of the same board; or closely carrying out charitable works with a PEP or HIO;

External Account means an account held with another financial institution in Canada;

Family member refers to their spouse or common-law partner; their child; their mother or father; the mother or father of their spouse's or common law partner; and a child of their mother or father (sibling);

Head of an International Organization (HIO) is a person who is either: the head of an international organization established by multiple nations or states, regardless of their citizenship, residency status birth place; or the head of an institution established by an international organization;

"Home Trust", "we", "us", "our" or "Issuer" means the issuer (either Home Trust Company or Home Bank) as set out on the Application Form;

"Owner", "you", "your", "account holder" and "customer" means you, the person, corporation, partnership, Authorized Person or other customer who has entered into an agreement with the Issuer, to deposit funds in an Investment; and the "primary account holder" means the first person listed on such agreement;

Politically Exposed Person (PEP) is a person who holds or has held one of the following offices or positions in or on behalf of a foreign state or Canada: head of state or head of government, including Governor General, lieutenant governor; member of the executive council of government or member of a legislature, including Senate or House of Commons; deputy minister or equivalent rank; ambassador, or attaché or counsellor of an ambassador; military officer with a rank of general or above; president of a foreign state-owned company/bank or a company wholly owned directly by Her Majesty in right of Canada or a province; head of a government agency; judge of a supreme court, constitutional court or other court of last resort; including the appellate court in a province, the Federal Court of Appeal or the Supreme Court of Canada; leader or president of a political party represented in a legislature; or mayor;

"Representative" means an individual who is duly authorized to act on your behalf, including a deposit broker;

Transactions means deposits to, and withdrawals from an Investment.

2. AVAILABILITY

The Investments are denominated in Canadian dollars and are available only to residents of Canada with funds from a federally and provincially regulated Financial Institution located in Canada.

We are required by law to verify your identity and you agree and consent to such verification and agree to provide any documentation necessary for us to complete our verification process. You agree and consent to our use of any credit bureaus, credit reporting agencies or similar third parties to verify your identity. Your Investment cannot be opened or established until satisfaction of these requirements. You agree to provide any records that may be required for the opening of your Investment and its continued operation under federal and/

or provincial law, including but not limited to, those necessary under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* or such other similar legislation as the case may be.

3. SERVICE CHARGES AND INTEREST RATES

Service charges in respect of the Investments are outlined in the Fee Schedule available at hometrusted.ca.

We may modify the Fee Schedule in respect of the Investments provided we have given written notice of such new or increased fees to you, at least thirty (30) days before the effective date.

The current interest rates applicable to the Investments are available at hometrusted.ca or by contacting your Representative. The interest rates are subject to change at any time without prior notice to you, at our sole discretion.

4. INSTRUCTIONS

Instructions concerning the Investments (other than for redemptions which require written notice) may be given to your Representative or any other means provided by us. A copy of any electronic communication will be admissible in any legal, administrative or other proceedings in the same manner as an original document in writing. The Owner agrees to waive any right to object to the introduction of any copy of electronic communications in evidence. You agree and confirm that we will rely on Instructions from the Owner or any Representative without independent verification.

5. ACCOUNT INFORMATION

Details of the Investments and Transactions are also available by contacting your Representative.

6. JOINT ACCOUNTS

This section applies if there is more than one Owner and the Investment is held as joint tenants or, in Quebec, as undivided co-owners. If an Investment has more than one Owner, each account holder will confirm his/her identity with us and is responsible for maintaining the security of his/her identity. We agree jointly and severally, which we acknowledge means together and separately, with the Issuer and with each other that:

- We may pay all principal and interest under the Investment to any one account holder, or your attorney or agent;
- Any payment may be made by us upon receipt of instructions signed by any one account holder and this payment shall discharge the Issuer from all liability whatsoever in connection with the Investment and the moneys paid;
- Each account holder may conduct Transactions and we may accept instructions from any one account holder with respect to any Transaction, including transfer;
- Each account holder is responsible, both individually and jointly and in Québec solidarily, for all obligations arising from these Terms and Conditions and in Québec, each account holder renounces to the benefits of division and discussion;
- If any account holder dies who is a resident of any province or territory within Canada (excluding Quebec), any positive balance may be withdrawn or made payable to the surviving account holder(s) and you hereby assign the balance of any jointly held Investment to the surviving holder(s) in the event of your death. For Quebec residents only, when we receive notice of the death of an account holder, the Investment will be immediately frozen and any positive balance shall be settled in accordance with the estate of the deceased account holder.

Each account holder hereby constitutes and appoints as mandatory for him/her each other account holder to deal with the Investment and to give instructions to us in regard to the Investments on his/her behalf including, without limitation, the execution of any documentation in that regard. This shall be a good, sufficient and irrevocable authority to each account holder to do so.

No account holder may request the opening of a subsequent joint account with the same account holder(s) without the explicit consent of the other account holder(s). Such consent may be provided to your Representative either in writing or via electronic means specified by us at our discretion.

Once an Investment is designated as a joint account, we may disclose Investment information to all other account holders, including information about the Investment prior to it becoming a joint account. Each account holder acknowledges and agrees to the set-off provision below.

7. ACCOUNT HOLDERS THAT ARE NOT INDIVIDUALS

The Investment may be available if you are operating as a business or operating otherwise not as an individual. In these cases, you will be asked to provide us evidence as to which officers and directors have authority to bind the business or operating entity in this regard, in form and substance satisfactory to us. Each Authorized Person will confirm his/her identity with us and is responsible for maintaining the security of his/her identity. For certainty, all provisions of these Terms and Conditions apply to Investments that are owned by account holders

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that are not individuals. If you are a limited partnership with partners who are individuals, only the partners are permitted to be Authorized Persons and each such Authorized Person must complete the requirements under these Terms and Conditions as if they were the account holder. Each Authorized Person has full authority to transact and provide Instructions in relation to an Investment. You acknowledge and agree that we are not under any obligation to verify the authority of any Authorized Person to give Instructions or otherwise transact regarding an Investment.

8. "IN-TRUST" ACCOUNTS

This section applies if you have indicated on the Investment application that the funds held in the Investment are "in-trust" for the beneficiary or beneficiaries named on the Investment application. We have no obligation to observe the terms of any trust, whether written, verbal, implied, informal, constructive or otherwise, and you are solely responsible for complying with any terms of the trust or any laws applicable to trusts. You acknowledge and agree that you, as account holder, are also the trustee of the Investment and that the beneficiary is the beneficial owner of any funds deposited in the Investment. You are required, as the Owner, to manage the Investment (for the benefit of the beneficiary) and we will only accept instructions from you to effect transactions in respect of the Investment after purchase. You agree that you are liable to us for all liabilities and obligations respecting the Investment in your personal capacity as the account holder and not as a trustee, agent or otherwise.

9. LIMITATION OF LIABILITY

We are not responsible for any losses, costs, damages or any failure to obtain any profit in connection with your use of an Investment or with any of our other Investments or services, without limitation and however caused, unless we were grossly negligent. If we were grossly negligent, you will not hold us liable for any indirect, special or consequential damages (including lost profits). You will be responsible for any loss, cost or liability (including reasonable legal charges) incurred by us as a result of your failure to comply with these Terms and Conditions.

10. INDEMNITY AND LOSS

You agree to indemnify us against any claims, costs or liabilities incurred by us in connection with any services provided by us to you or any other dealings between you and us, including any claim or liability resulting from our endorsement on any negotiable instrument, arising out of a forged or unauthorized signature on such negotiable instrument or otherwise.

You will be responsible for any and all losses that result from your own use of an Investment. You will also be responsible for any losses that result from any use of an Investment by a third party authorized by you to use your identity or personal verification questions. You will not be responsible for losses which occur after you advise us that, due to circumstances beyond your control, someone else knows or may know your identity or the answers to your personal verification questions.

11. YOUR PRIVACY IS PROTECTED

To establish the Products you shall provide us directly or indirectly with information about you including, without limitation, your name, address, and date of birth or other tax identification number as may be applicable (collectively, "Personal Information").

You consent to the collection of the Personal Information by us and/or your Representative and to the use, retention and disclosure of the Personal Information as is reasonably required in connection with (i) the establishment and maintenance of an Investment, to meet legal and regulatory requirements and for statistical, audit and security purposes; and (ii) for determining your eligibility for any other Investments or services to be offered, all in accordance with the Home Trust Company Privacy Code. To receive a copy of the Home Trust Company Privacy Code, visit the Home Trust Company website at www.hometrusted.ca or call us at 1-800-990-7881 or 416-360-4663. You have the right to access your Personal Information and change any Personal Information which may be obsolete or incorrect. To access and/or change your Personal Information, or exercise your right to withdraw your consent to the use and disclosure of the Personal Information for the purposes described in (ii) above, please call us at 1-855-270-3629 or write to Home Trust Company at 145 King Street West, Suite 2300, Toronto, Ontario, M5H 1J8.

12. CUSTOMER RESOLUTION PROCESS

We are committed to providing the best possible service to each of our customers. Should you have a concern or complaint about an Investment, please call us Toll Free at 1-855-270-3629 or visit us at <http://hometrusted.ca/complaint.aspx> where the complaint procedures are set out in full.

Every attempt will be made to resolve your complaint at this stage but if your concern or complaint remains unresolved, as a next step, you may bring it to the attention of Home Trust Company's Ombudsman by writing to Home Trust Company, Attn: Ombudsman, 145 King Street West, Suite 2300, Toronto, Ontario, M5H 1J8, by e-mail to ombudsman@hometrusted.ca or by telephone at 1-877-903-2133 ext. 5008 (in Toronto 416-775-5008).

If you feel that your concern or complaint has not been properly dealt with by us through the foregoing procedures, you may write the Ombudsman for Banking Services and Investments at 401 Bay Street, Suite 1505, P.O. Box 5, Toronto, Ontario, M5H 2Y4, e-mail ombudsman@obsi.ca or call or fax them at 1-888-451-4519 (tel) or 1-888-422-2865 (fax) and when the concern or complaint involves our obligations to consumers under the Trust and Loan Companies Act (Canada), such as disclosing required account information, disclosing account charges or providing this customer resolution process, you may write to the Financial Consumer Agency of Canada at 427 Laurier Avenue West, 6th Floor, Ottawa, Ontario, K1R 1B9 or through the website at www.fcac-acfc.gc.ca. If your concern involves a privacy issue, you may contact the Office of the Privacy Commissioner of Canada by telephone at 613-995-8210 or 1-800-282-1376, by fax at 613-947-6850 or by email at www.privcom.gc.ca.

13. DEPOSIT INSURANCE

Home Bank and Home Trust Company are each a member of the Canada Deposit Insurance Corporation (CDIC) and licensed to issue term deposits across Canada. The Investments are eligible for CDIC coverage, subject to CDIC rules and regulations (for example, if the term of an Investment is longer than sixty (60) months, the Investment will not be eligible for insurance coverage). visit www.cdic.ca or call 1-800-461-2342 for details concerning the eligibility of an Investment for CDIC coverage.

14. TRANSFER

You may not transfer an Investment to someone else, except by operation of law or with our consent.

15. AMENDMENT

We may, from time to time at our discretion and without prior notice (other than notice required by law including notice required if we introduce or increase fees pertaining to an Investment), amend these Terms and Conditions. Notice of such changes will be made available to you by mail and/or through your Representative.

16. DEDUCTIONS

We may deduct from the Investment interest or penalties payable, as applicable.

17. SET-OFF

We retain the right to set-off against any amounts in the Investments to pay any debt obligation any account holder may owe us.

18. RIGHT TO FREEZE OR WITHDRAW THE INVESTMENT

We may freeze or withdraw the Investment without notice if required by law or if, at any time, we have reasonable grounds to believe the Investment is being used for any unlawful or improper purpose, is the subject of fraud, or is being operated in a manner unsatisfactory to us, contrary to our policies, or contrary to these Terms and Conditions.

19. LANGUAGE – LANGUE

You hereby acknowledge having required that this agreement and all notices and documents relating thereto be drafted in English. Vous reconnaissez avoir exigé que la présente convention ainsi que tous les avis et documents s'y rapportant soient rédigés en anglais.

20. EXTERNAL ACCOUNTS

You may provide us with an encoded personal or business cheque from your other financial institution to allow us to link your Investment(s) with your External Account. We will only process Transactions to External Accounts with identical ownership details. For example, Transactions cannot be effected between an account owned by an individual account holder and an account owned by an account holder that is not an individual. In the case of a joint Investment, an External Account may be owned by only one of the account holders.

21. TAX REPORTING

Interest will be reported for tax purposes in the manner required by the Canada Revenue Agency.

22. OTHER GENERAL AND LEGAL PROVISIONS

We will comply with any lawful third-party demand or court order that is received in respect of the Investment without notice to you. If we comply with a third-party demand, we may charge a reasonable cost against an Investment. You agree that we will not be liable to you in any way for complying with, or otherwise acting upon, any third party demand or court order issued on your Investment.

We are not responsible for any investment, accounting, legal or tax advice concerning the Investments. These Terms and Conditions are governed by the laws of the jurisdiction designated as your address on your investment application form and the federal laws of Canada applicable in that jurisdiction.

In the event any provision or part of any provision of these Terms and Conditions is deemed to be illegal, invalid or unenforceable by reason of the operation of any law or by reason of the interpretation placed thereon by a court, such provision or part of such provisions shall not affect the validity of any other provision or the remainder of such provision and the remaining provisions shall remain in full force and effect.

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For Owners in Alberta, after a dispute arises, unless the Owner decides to start court proceedings instead of an arbitration proceeding, the parties agree to arbitrate any dispute about a loss resulting because of non compliance with the *Financial Consumers Act* and the *Arbitration Act* will apply.

Home Trust is located at 145 King Street West, Suite 2300, Toronto, Ontario, M5H 1J8 and is the operating subsidiary of Home Capital Group. Home Capital Group is traded on the TSX under HCG.

23. PAYMENT AT MATURITY

We promise to pay to the Owner on the maturity date of the Investment (the "Maturity Date"), the principal amount of the Investment. We also promise to pay interest on the principal amount on the confirmed annual interest rate, from the date we receive and invest the funds in the Investment on behalf of you (the "Issue Date") to the Maturity Date, at the frequency indicated on the form. Interest shall be paid by crediting it to your account according to the disposition of funds instructions on file or as otherwise agreed in writing with us. If no maturity instructions have been received by us in accordance with these Terms and Conditions, then at the Maturity Date, the Proceeds of the matured Investment may be, at our discretion, renewed for the same Terms and Conditions as the existing investment at our prevailing rate of interest for that term; provided that such renewals may be cancelled if we receive a request to cancel within ten (10) business days from the date of renewal. "Proceeds" in the case of a compound interest Investment shall mean the principal amount of the Investment together with all accrued interest in respect of the Investment, and in the case of all other Investments, shall mean only the principal amount of the Investment.

24. OBLIGATION

Upon issue, the Investment is a valid obligation of Home Trust.

25. CONFIRMATION

Confirmation of Investment is issued at the time of purchase. Such confirmation is non negotiable and is assignable to Home Trust only. If confirmation is not received within twenty one (21) days of us receiving a complete and compliant application, please contact your Representative or Home Trust at 1-855-270-3629.

26. NEGOTIABLE CERTIFICATE

A negotiable certificate in respect of the investment is not available.

27. REDEMPTION PRIOR TO MATURITY DATE

A Non-Redeemable Guaranteed Investment Certificate (GIC) is not redeemable prior to the maturity date.

A Cashable GIC is fully or partially redeemable (minimum \$1,000 redemption request accepted and \$1,000 must be maintained in the Investment) prior to the Maturity Date only after the redemption eligibility period indicated on the Investment application form has been met.

A Non-Redeemable Short Term GIC is not redeemable prior to the maturity date. You agree to provide us with two (2) business days' advance written notice of a permitted redemption. The date of redemption will be deemed to be the Maturity Date of the Investment. Interest will be paid up to but not including the date of redemption. We promise to pay the principal amount of the Investment to you on the Maturity Date, or upon the request of the Owner prior to the Maturity Date. We also promise to pay interest on the principal amount at the interest rate agreed to on the date of issue. Notwithstanding the above, redemption prior to maturity may be permitted by us without penalty in the event of the death of a sole Owner who was a Canadian Resident within the meaning of the *Income Tax Act* (Canada) at the time of death, or was a non-resident of Canada at the time of death, if the original term of the Investment was for less than five (5) years. The Investment and Proceeds of the Investment are only redeemable to the extent permitted in this paragraph 27.

28. RENEWAL RESCISSION

An Owner of an Investment that gives no instructions prior to maturity and allows the Investment to automatically renew will have ten (10) business days from the date of renewal to either cancel or make changes to the Investment.