

This Agreement between Habib Canadian Bank (“HCB” or the “Bank”) and the undersigned customer of the Bank (the “Customer”) means this Sirat Business Chequing Account, as amended from time to time, governing the Customer’s account and sets out the terms that govern the Customer’s use of and access to our Sirat Business Chequing Accounts and related products and services, including features, policies and fees, as well as our Debit Card Agreement. The Customer should read them carefully and retain them for future reference. The Customer should let us know if they would like an explanation of the meaning of anything contained within these Terms. Additional copies are available on request. These terms are also available on our website: [www.habibcanadian.com](http://www.habibcanadian.com)

## Part A: Accounts

### 1. Meaning of “Account”

As used in this Agreement, the term “Account” means the Shariah Compliant Account the Customer maintains with us for or in the name of the Customer, whether in Canadian currency.

### 2. Shariah Compliance

All our offered Shariah Compliant products, accounts and services are structured, managed and operated in compliance with the Shariah Standards of Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) (where applicable) and the guidance provided by our Shariah Advisor.

Here, “Shariah Advisor” means an independent scholar specialised in Islamic jurisprudence providing guidance, rulings and where applicable, Fatwas in respect of our accounts, products and services and “Shariah Compliant” means conformance to Shariah principles in line with guidance, rulings and where applicable, Fatwas by our Shariah Advisor;

The Customer and us, both hereby confirm and agree to:

- » Submit exclusively to the Shariah Advisor’s interpretation of the applicable Shariah rules in relation to our Shariah Compliant products and services;
- » Raise no objections, as to matters of Shariah compliance in respect of, or otherwise in relation to our Shariah Compliant products and services

All monies held in our Shariah Compliant accounts will be used in conformity with the rules of Shariah as determined by our Shariah Advisor.

We both recognize and agree that the payment/receipt of interest is prohibited in Shariah and accordingly, to the extent that any court in Canada would impose any obligation to pay/ receive interest, we both irrevocably and unconditionally expressly waive and reject any entitlement to recover interest from each other.

### 3. Credit Balances

Amounts standing to the credit of the Account will not bear interest.

### 4. Account Verification

If the Bank provides periodic statements for an Account to the Customer, the following terms apply:

- a. The Customer will verify the completeness and correctness of each statement.
- b. If the Customer does not receive a statement by the 10th day after the end of the cycle agreed on for its preparation, the Customer will notify the Bank of this in writing by the 15th day following the end of the cycle.
- c. The Customer will notify the Bank in writing of any errors in or omissions from the statement by the 45th day following the end of the cycle.
- d. At the end of the 45th day following the end of the cycle, the statement prepared by the Bank will be conclusive evidence that the Account contains all credits that should be contained in it and does not contain any debits that should not be contained in it, and that all the entries and balances in the Account are correct, provided that this will not apply with respect to any credits to the Account made in error, any errors or omissions of which the Bank has been notified under paragraph (c) or any payments made on forged or unauthorized endorsements.

### 5. Survivorship

If the Customer is more than one individual, the Account will be a joint account with right of survivorship

## Part B: Instruments

### 6. Meaning of “Instrument”

As used in this Agreement, the term “Instrument” means a bill of exchange (including a cheque), promissory note, security, chattel paper, other order (written or electronic) for the payment of money, clearing item or other value item that the Bank negotiates, pays or processes for or on behalf of the Customer or that the Bank takes from the Customer for deposit, or for discount, collection or acceptance, or as collateral security or otherwise. Any such item will be considered an Instrument whether or not the Customer is a party to it and whether it is in Canadian or another currency.

### 7. Waiver of Presentation

The Customer waives presentment for payment, notice of dishonour, protest, and notice of protest of any Instrument. The Customer will be liable to the Bank on any Instrument as if it had been duly presented for payment and protested and notice of dishonour and protest given to all parties to it as provided by law.

### 8. Clearing and Settlement

The Bank may present and deliver Instruments for payment, clearing, collection, acceptance or otherwise through any bank or other party and in any manner as it deems appropriate. The Bank may also accept and deliver any form of settlement or payment for any Instrument as it deems appropriate.

### 9. Chargeback

The Bank may debit an Account with the amount of each Instrument that the Bank has credited to the Account (or otherwise paid to the Customer) and on which the Bank may for any reason be unable to receive irrevocable settlement or payment, together with all associated costs, charges and expenses incurred by the Bank. This will include, without limitation, an Instrument to which any party is bankrupt or insolvent, as well as an Instrument that:

- a. Is not paid on presentation, or
- a. If paid, the Bank may be called upon to refund, or
- b. Is dishonoured by non acceptance or non payment, or
- c. has been lost, stolen or destroyed through no fault of the Bank, or
- d. the Bank is unable, for any reason, to collect, or
- e. Is drawn on the Bank’s branch where the Account is maintained and has not been found to be good.

### 10. Assignment of Claims

The Bank may take any steps or proceedings with respect to any Instrument deposited or discounted with the Bank as it deems appropriate, either in its own name or in the name of the Customer. For this purpose, the Customer assigns to the Bank all its claims against each party to any such Instrument.

### 11. Bank’s Authority to Pay Instruments

In the same manner as in the case of an ordinary cheque, the Bank may pay and debit an Account in the amount of every Instrument that is payable by the Customer at the Bank and that is presented for payment to the Bank.

## Part C: Regulatory Requirements

### 12. Electronic Communications

Any electronic communication between the Bank and the Customer (whether using facilities of the Bank or of the Customer or of any other party) will take place in accordance with this Agreement. The term "electronic communication" means any communications by telex, telephone, bank wire, email, or other method of telecommunication or electronic transmission and includes a facsimile transmission.

### 13. Binding Effect of Electronic Communications

Any electronic communication that the Bank receives from or in the name of the Customer will be considered to be duly authorized and binding upon the Customer and the Bank will be authorized to rely and act upon any such communication. In this connection: (i) the Bank will be entitled to rely upon any signature appearing on a facsimile transmission that purports to be a signature of the Customer or of a representative of the Customer; and (ii) the Customer recognizes that possession of a security device (including a security card, a security code or a password) by any person may result in that person having access to and being able to use the relevant means of electronic communication.

### 14. Security

The Customer will comply with any security procedures prescribed by the Bank for electronic communication with the Bank and will take any other steps reasonably necessary to prevent unauthorized access to and use of means of electronic communication with the Bank

### 15. Evidence re Electronic Communication

A copy of the permanent record of the Bank regarding any electronic communication will be admissible in any legal, administrative or other proceedings as conclusive evidence as to the contents of those electronic communications in the same manner as an original document in writing, and the Customer waives any right to object to the introduction of any such copy in evidence.

### 16. Third Party Use

No service or product may be used, directly or indirectly, by, for, or on behalf of any Person other than the Customer, unless otherwise agreed in writing by the Bank. Where the Bank has agreed in writing to the use of a service or product by, for, or on behalf of another Person, the Customer will provide the Bank any Document it requests, in form and substance satisfactory to the Bank. For these purposes, the Customer represents, warrants, covenants, and agrees that the Customer: (i) has the power and authority to exercise all rights, powers, and authorities to act on behalf of the Person in connection with each of the Services, including to incur liabilities and obligations and otherwise conduct and transact any business whatsoever on the other Person's behalf, and to delegate any of these rights, powers, and authorities to any other Person and (ii) will comply with this Agreement and any other Document relating to the services or products. The Customer is responsible, and will indemnify and hold harmless the Bank and its Representatives, for all losses arising out of, or incidental to, the use, including any unauthorized use, of the services, products or related material by, for, or on behalf of any other Person, including all actions or omissions of the Customer or other Person. The Customer further confirms that it is authorized to exercise and delegate all rights, powers, or authorities for the services or products through Electronic Communication, including acting alone if required for a service or a product, notwithstanding anything to the contrary which may be specified in an Authorization Form. The Bank may, in its discretion, with or without prior notice, accept, reject, or terminate the use of a service, product, or a related document for this purpose at any time, including if the Customer or other Person ceases to be the Bank client.

### 17. Accuracy of Information

The Customer is responsible for the accuracy and completeness of all information provided to the Bank and the Bank is authorized and directed to rely on such information. The Bank is under no duty to detect any inaccurate, inconsistent or incomplete information provided to it in connection with any service or product. If necessary to give effect to instructions for a service or a product, the Bank may change the information provided to it, including names and account numbers. If the Bank receives a request to reverse or change previously given instructions and this request is not received within the times prescribed by the Bank, the Bank is under no obligation to implement the reversal or change.

### 18. Financial crimes

For the Bank, financial crimes would mean anti-money laundering and anti-terrorism financing, sanctions, anti-bribery and corruption, and fraud.

Each time a service or a product is used, the Customer implicitly represents and warrants to, and covenants with, the Bank that: (i) it is not, and the service or a product will not be used, directly or indirectly, by, for, or on behalf of, another business; (ii) it does not and will not conduct business in, or with individuals or entities located in, countries in contravention of Applicable Laws; (iii) to the best of its knowledge, no Regulatory Authority or other Person has ever conducted any type of investigation related to any activity in contravention of Applicable Laws relating to financial crimes with regard to accounts or financial transactions of the Customer, or any accounts or financial transactions under the control of the Customer.

If the Customer is not a Public Body or a Publicly Traded Entity, each time a service or a product is used the Customer implicitly represents and warrants to, and covenants and agrees with, the Bank that: (i) to the best of its knowledge, no Regulatory Authority or other Person has ever conducted any type of investigation related to any activity in contravention of Applicable Laws relating to financial crimes with regard to accounts or financial transactions of, or controlled by, any Person related to or affiliated with the Customer, or any director or officer of the Customer or any Person related to or affiliated with the Customer; (ii) none of the Customer, any Person related to or affiliated with the Customer, or any director or officer of the Customer or a Person related to or affiliated with the Customer, has been accused or convicted of an offence related to financial crimes; (iii) none of the assets of the Customer, any Person related to or affiliated with the Customer, or, to the best of its knowledge, of any director or officer of the Customer or any Person related to or affiliated with the Customer, have been frozen or subject to seizure due to an allegation of financial crimes, or other illegal activity involving accounts or financial transactions; and (iv) the composition of its ownership and control structure is not in contravention of Applicable Laws, specifically with respect to shareholders connected to jurisdictions affected by Applicable Laws. The foregoing does not apply with respect to routine and regular examinations of a Person by a Regulatory Authority in the normal and ordinary course of business, provided the Regulatory Authority has determined that the Customer, each Person related to or affiliated with the Customer, and each director or officer of the Customer and each Person related to or affiliated with the Customer, is in full compliance with Applicable Laws relating to financial crimes, and other illegal activity.

## **19. Collection, Use, Disclosure and Protection of Information**

Please refer to the 'Privacy Notice' for purposes of this Section. A copy of the Notice is provided to all customers at the time of account opening. The Customer can collect a copy of the 'Privacy Notice' at the branch they have an account with or by writing to the following address:

Chief Privacy Officer

6450 Kitimat Road,

Mississauga, ON, L5N 2B8

Email address: [info@habibcanadian.com](mailto:info@habibcanadian.com)

Privacy Notice is also available on our website at:

[www.habibcanadian.com](http://www.habibcanadian.com)

### **19.1. Contact the Bank**

The Customer may obtain access to its personal information with the Bank at any time, including to review its content and accuracy and have it amended as appropriate, except to the extent this access may be restricted as permitted or required under Applicable Laws. To request access to personal information or request the Customer's information not to be used, the Customer may contact the Bank as outlined under section 18 above. More information about the Bank's privacy policies may be obtained by asking for a copy of the "Privacy Notice" from the branch or visiting the website [www.habibcanadian.com](http://www.habibcanadian.com)

### **19.2. Other Persons**

The Bank is not responsible for any loss that occurs as a result of any use, including any unauthorized use, of information by any Person, other than the Bank and its Representatives to the extent agreed by the Bank in this Agreement.

### **19.3. The Bank Information**

The Customer will use the services, products, related materials, and other confidential information of the Bank only for the purposes they are provided by the Bank and will ensure that the Bank's confidential information is not disclosed to any Person except if legally acceptable or agreed in writing by the Bank.

### **19.4. Remedies of Breach**

In the event of a breach or anticipated breach by a party or its representatives of the confidentiality obligations under this Agreement, irreparable damages may occur to the other party and the amount of potential damages may be impossible to ascertain. Therefore, a party may, in addition to pursuing any remedies provided by Applicable Laws, seek to obtain equitable relief, including an injunction or an order of specific performance of the other party's confidentiality obligations under this Agreement.

## Part D: Tax Related Obligations

### 20. Obligations with Respect to Common Reporting Standards (CRS) and Foreign Account Tax Compliance Act (FATCA)

The Customer understands and acknowledges that:

- i. HCB is required to report CRS and FATCA reportable accounts to the CRA;
- ii. For the duration of the contractual relationship with HCB, the Customer will advise the Bank of any changes in circumstances that affect their tax residency status within 30 days of such changes in circumstances;
- iii. All statements made by the Customer in relation to their tax residency status are, to the best of their knowledge and belief, true, correct and complete;
- iv. The Customer will review the CRA's Self-Certification Form covering the data fields necessary under the CRS and FATCA sections and they further undertake to complete, sign and return this form to HCB as soon as possible;
- v. The Self-Certification Form is issued by the Canada Revenue Agency and is used by HCB and that other financial institutions are also required to fill out this or a similar form; and
- vi. The requirement that if HCB does not receive a valid Self-Certification Form from the Customer, it may need to treat their account as "reportable" (a "reportable" account means an account subject to automatic exchange of information under the CRS) to their country of residence based on information already available on file.

### 21. Obligations Specifically with Respect to FATCA

- i. By completing the relevant section of the CRA's Self-Certification Form, the Customer confirms that they are the beneficial owner according to the U.S. tax principles of the assets and income related to their Account, or, if there is another beneficial owner, that such beneficial owner is not a U.S. person under U.S. tax principles; and
- ii. The Customer undertakes to notify us within 30 business days, if there is any change to their status (or that of another beneficial owner) as a non-U.S. person under U.S. tax principle.

## Part E: General

### 22. Charges

The Customer will pay the fees and charges agreed upon with the Bank or, if there is no such agreement, the Bank's standard fees and charges, for keeping any Account, for processing Instruments for the Customer and for any other services that the Bank furnishes to the Customer. The Bank may change any of those standard fees and charges. The Bank may debit any Account with any fees or charges or other amounts due to the Bank from the Customer. Unless otherwise agreed upon by the Bank, any payment must be made in money which is legal tender at the time of payment.

### 23. Conflicts

If there is any conflict between any of the terms of this Agreement and any of the terms of any service agreement, the terms of that service agreement govern for the purposes of the relevant service.

### 24. Disclosure of Information

The Bank may collect credit and other information about the Customer from any source and may use that information to establish and maintain a banking relationship with the Customer. The Bank may give credit and other financial related information about the Customer to affiliates and subsidiaries of the Bank, to other persons for the purpose of offering their products and services to the Customer, to commercial and consumer reporting agencies, to persons with whom the Customer has or may have financial or other business dealings, or for processing information through third part service providers.

### 25. Bank's Liability

The Bank will not be responsible for any loss or damage suffered or incurred by the Customer except in a case where there has been gross negligence on the part of the Bank, and in any such case the Bank will not be liable for any indirect, consequential or exemplary damages (including but not limited to loss of profits), regardless of the cause of action.

In no event will the Bank be liable for any loss or damage suffered by the Customer that is caused by:

- a. The actions of, or any failure to act by, any third party (and no third party will be considered to be acting as an agent for the Bank);
- b. Inaccuracies in or inadequacies of any information furnished by the Customer to the Bank;
- c. A forged or unauthorized signature or a material alteration on any Instrument, unless (A) It was made by a person who was at no time the Customer's employee, officer, director or agent and (B) Its occurrence was beyond the Customer's control; or
- d. Failure by the Bank to perform or fulfil any of its obligations to the Customer due to any cause beyond the Bank's control.

#### Payment Instructions and Transactions

We will determine how you may access your Account, including ways to identify you when you require our services. We may issue you a Card and require it to be used on certain channels to gain access to your Account. If we do, we will provide you with the rules governing its use in the Debit Card Agreement. Your Card is a separate product from your Account. We may require you to come to the Branch to do any transaction. We may permit you to access an Account and conduct transactions through other channels, such as through Online Banking or by telephone, subject to the following:

- i. If the Account is accessed via Card at an ATM, merchant location or other designated debit card terminals, your transactions will also be governed by the terms of the Debit Card Agreement.
- ii. If an Account is accessed via Electronic Access Device, your transactions will also be governed by the terms of the HCB Online Banking Terms of Use.
- iii. You may arrange with another party to have pre-authorized payments withdrawn from an Account on a regular basis. You must contact the other party directly to cancel any such arrangements.
- iv. Access to an Account, transactions, and withdrawal of funds for local and international remittances / DEFTs may be subject to daily limits or other limits set by us or the regulators or to the availability of liquid funds with us for remittance at the time of the request.
- v. You acknowledge that nothing in this Agreement, the Disclosures or any other agreement between you and us, will prevent us from restricting access to an Account, refusing to release funds in an Account if we are required to do so or if, in our opinion, there is unusual, improper or suspicious activity in an Account or closing an Account for any reason, in our complete discretion.
- vi. We can refuse a deposit to an Account or refuse to accept any Instrument.
- vii. We otherwise have a right on any grounds to restrict your ability to withdraw or transfer in or out of your account or to freeze your account.

### 26. Internal Procedures, Instruments and Accounts

The Customer will at all times have in place commercially reasonable procedures designed to prevent and detect losses due to forged or unauthorized signatures, fraud or theft in relation to Instruments, Instructions or Accounts.

