

## Amendment to Master Terms and Conditions

In accordance with Section 5.10 of the Custom House Master Terms and Conditions, this serves as Notice that Custom House has amended its Master Terms and Conditions as indicated below in red text.

For questions, please contact your Custom House representative.

### Amendments

**1.1 Definitions.** Whenever used in this Agreement, unless inconsistent with the subject matter or context, the following words shall have the following meanings:

- (a) **“Agreement”** means this Master Terms and Conditions Agreement, together with all Orders, schedules, attachments or other addenda attached or applicable hereto;
- (b) **“Application Form”** means the application form which the Customer completed and submitted to Custom House for the purpose of using the Custom House Services;
- (c) **“Authorization Limit”** means a limit on the value of an Order or all Orders that the Customer or an Authorized User may place with Custom House;
- (d) **“Authorized User”** has the meaning given in Article 6.1;
- (e) **“Credit Limit”** means a limit on the total amount of credit that Custom House will provide to the Customer;
- (f) **“Customer”** means the customer named in this Agreement, together with its subsidiaries, affiliates, successors and/or assigns, as well as its officers, directors, employees and agents;
- (g) **“Custom House”** means Custom House Ltd., its subsidiaries, affiliates, successors and/or assigns, as well as its officers, directors, employees and agents;
- (h) **“Custom House Services”** includes all of the services provided by Custom House to the Customer from time to time;
- (i) **“Custom House Website”** means the Custom House website located at [www.customhouse.com](http://www.customhouse.com);
- (j) **“Day”** means a day on which commercial banks are open for business (including dealings in foreign exchange) in the place specified for that purpose;
- (k) **“Draft”** means an instrument issued by Custom House made payable to the client’s nominated beneficiary in a specified single currency;
- (l) **“Insolvency Event”** means
  - (i) any step is taken for:
    - (A) the winding up, dissolution or administration of the Customer;
    - (B) the Customer to enter into any arrangement, compromise or composition with or assignment for the benefit of its creditors or any class of them, except for the purposes of a solvent reconstruction or amalgamation; or
  - (ii) a receiver, receiver and manager, or other controller, administrator or similar officer is appointed with respect to, or takes control of, the Customer or any of the Customer’s assets and undertakings.
- (m) **“In the Money”** means the value of the original contracted Forward Contract and/or Option Contract rate is more favourable than the current Mark to Market value;
- (n) **“Instruction”** means any instruction or request given by telephone, letter, facsimile, email or the Internet.
- (o) **“Internet”** means the interconnected system of networks that connects computers around the world;
- (p) **“Law”** means any statute, regulation, rule, subordinate legislation or other document enforceable under any statute, regulation, rule or subordinate legislation;
- (q) **“Mark to Market”** means the daily revaluation of a Forward Contract to reflect its current market value rather than its original contract value;
- (r) ~~“Internet” means an electronic communications network;~~ **“Order”** means a transaction in which the Customer agrees to purchase or sell Currency from or to Custom House or purchase from Custom House drafts, wires, banknotes and/or traveler’s cheques or enter into any other transaction with Custom House for Custom House Services;
- (s) **“Out of the Money”** means the value of the original contracted Forward Contract and/or Option Contract rate is less favourable than the current Mark to Market value;
- (t) **“Third Party Instruments”** means cheques, bank drafts, money orders and any other monetary instruments made payable in the first instance to a person other than Custom House;
- (u) **“Value Date”** means either the Day selected by the Customer for the settlement of an Order or if the Customer does not select a Day for the settlement of an Order, then two (2) Days following an executed Order;
- (v) **“Wire”** means an instruction from the client transmitted electronically to credit a nominated beneficiary’s bank account in a specified currency located in Canada or an overseas country.

**2.1 Representations and Warranties.** The Customer represents and warrants to Custom House that:

- (a) If the Customer is a natural person, the Customer is of sound mind, at least 18 years of age, and possesses full legal competence;
- (b) If the Customer is not a natural person,
  - (i) The Customer is duly organized and validly existing under the applicable laws of the jurisdiction of its organization;

- (ii) execution and delivery of this Agreement and all other transactions contemplated hereunder and performance of all obligations contemplated under this Agreement and all other transactions contemplated hereunder have been duly authorized by the Customer; and
- (iii) each person executing and delivering this Agreement and all other transactions contemplated hereunder on behalf of the Customer, performing the obligations contemplated under this Agreement and any other transaction contemplated hereunder on behalf of the Customer, have been duly authorized by the Customer to do so;
- (c) Execution and delivery by the Customer of this Agreement, and performance of all of the Customer's obligations contemplated under this Agreement, will not violate any statute, rule, regulation, ordinance, charter, bylaw or policy applicable to the Customer; and
- (d) All information provided by the Customer to Custom House, including, but not limited to, the information provided on the Application Form, is true, correct and complete, and the Customer will notify Custom House promptly of any changes in such information.
- (e) None of the events set out in Article 5.4(c) have occurred with respect to the Customer or would occur with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition (or any combination of the foregoing); and
- (f) All information provided by the Customer to Custom House is true in all material respects as at the date of this Agreement or, if later, when provided. Neither that information nor the Customer's conduct or the conduct of anyone acting on its behalf in relation to the transactions contemplated by this Agreement, was or is misleading, by omission or otherwise.
- (g) The Customer that is entering into the Option is a person that buys, sells, trades, produces, markets, brokers or otherwise uses currency in its business.

**2.2 Acknowledgement by the Customer.** The Customer acknowledges that Custom House has entered into this Agreement and will enter into the transactions contemplated by this Agreement in reliance on the representations and warranties in Article 2.1.

**2.3 Joint and Several Liability.** If the Customer is comprised of two or more legal persons then a reference to a right or obligation of the Customer under this Agreement or under a transaction contemplated by this Agreement confers that right or imposes that obligation, as the case may be, jointly and severally on those persons.

#### 5.4 Termination.

- (a) This Agreement shall continue and be in effect until terminated by the Customer or Custom House. Either party may terminate this Agreement at any time, effective as of the close of business on the Day Notice is sent to the Customer or received by Custom House, as the case may be. From and after termination Custom House shall not be required to accept or process any Order thereafter placed by the Customer.
- (b) Subject to (c) hereof, termination by either party shall not affect any Order or other transactions previously entered into and shall not relieve either party of any obligations set out in this Agreement, nor shall it relieve the Customer of any obligations arising out of any Order or deficit balance with Custom House.
- (c) In the event that Custom House is made aware of or has reason to believe any of the following:
  - (i) that the Customer has provided false or misleading information to Custom House; or
  - (ii) that the Customer has or is participating or has or is assisting in money laundering or terrorist financing; or
  - (iii) that the Customer is being pursued by law enforcement and/or regulatory agencies; or
  - (iv) that an insolvency Event has occurred; or
  - (v) that the Customer is entering into the Option Contracts for speculative or investment purposes;then Custom House, at its sole discretion, may terminate this Agreement, and Custom House shall be relieved of any obligations set out in this Agreement, including any obligations arising out of any Order already placed with and accepted by Custom House.

**5.11 Entire Agreement.** This Agreement (which shall include any agreement that Custom House requires the Customer to enter into), ~~This Agreement~~, and all schedules, attachments or other addenda attached hereto, constitute the entire agreement between the parties with respect to the use and provision of the Custom House Services, and supersedes and replaces any and all prior or contemporaneous understandings, communications or agreements, written or oral, regarding such subject matter.

#### 5.20 Set-off.

- (a) In addition to other remedies available to Custom House, if the Customer fails to pay any amount when due under this Agreement, Custom House may set-off against such amount any amount payable by Custom House to the Customer.
- (b) Custom House is entitled to set-off against any amounts due to it by the Customer, any amounts received by Custom House from or on behalf of the Customer including but not limited to moneys received as Deposits or Margin Deposits. Custom House may determine the application of any amounts which are to be set-off at its own discretion.
- (c) The Customer must not set-off against any amounts due to it by Custom House, any amounts Custom House owes the Customer.

#### 5.21 Credit Limits

- (a) The Customer understands that:
  - (i) Custom House may advise the Customer of a Credit Limit applicable to some or all Orders including Forward Contracts and/or Option Contracts (either individually or in aggregate or both);
  - (ii) Custom House is not obliged to agree to or accept any Order or Forward Contract;
  - (iii) Custom House is not obliged to provide credit to the Customer;

- (iv) any Credit Limit set by Custom House may be reduced or withdrawn at any time by giving Notice to the Customer.
- (b) The Customer acknowledges that if Custom House acts on an Instruction which would result in a Credit Limit being exceeded:
  - (i) Custom House is not obliged to advise the Customer that the Credit Limit will be exceeded;
  - (ii) the Customer will continue to be liable to Custom House for all amounts including those above the Credit Limit; and
  - (iii) Custom House is not obliged to, though may, act upon any subsequent Instruction where a Credit Limit might be exceeded.

#### 5.22 Authorization Limits

- (a) The Customer may inform Custom House of an Authorization Limit applicable to some or all Orders including Forward Contracts and/or Option Contracts (either individually or in aggregate or both) either in general or for particular Authorized Users.
- (b) Any Authorization Limit provided by the Customer to Custom House may be withdrawn by the Customer at any time by giving Notice to Custom House.

**9.1 Cheque Shipments.** All Third Party Instruments ~~cheques~~ must be restrictively endorsed by the Customer, payable to the order of Custom House, and, if the Third Party Instruments ~~cheques~~ are bulk shipped, they must be accompanied by a list of the items.

**9.2 Return Items and Repayment.** Custom House will promptly forward to the Customer any Third Party Instrument ~~item~~ returned to Custom House unpaid, and Custom House will inform the Customer when Custom House learned of the loss or seizure of an item, or of a claim against any paid item (e.g. forged endorsement). If Custom House has paid the Customer for the item, the Customer will repay Custom House the face value of the item, plus any bank charges, converted into Canadian dollars at Custom House's then-applicable rate, within two (2) Days of Custom House's request for payment. Custom House will provide reasonable assistance to the Customer in pursuing claims concerning such items.

**9.3 Indemnification.** The Customer does hereby indemnify and save harmless Custom House from and against all claims, demands, actions, suits, losses, costs, charges, expenses, damages, and liabilities whatsoever, including, but not limited to, all legal costs and expenses incurred in connection with any such claims or liabilities which Custom House may sustain, suffer or incur, directly or indirectly by reason of or in connection with the acceptance from the Customer of any and all such Third Party Instruments for deposit to Custom House 's bank accounts.

**9.4 Demand for Payment.** The Customer's liability to make payment upon a default shall arise forthwith after demand for payment has been made on the Customer and the Customer's liability shall bear interest from the date of such demand at the lower of (a) 5% above the prime rate as published daily in the Wall Street Journal in effect at that time and from time to time thereafter or (b) the highest rate of interest permissible under applicable law.

**9.5 Recourse.** Custom House shall not be bound to exhaust its recourse against the Customer, others, or any securities or other guarantees it may at any time hold before being entitled to payment from the Customer pursuant to this Agreement.

**9.6 Limited Power of Attorney.** The Customer does hereby make, nominate, constitute and appoint Custom House as its true and lawful attorney for it and in its name, place and stead and for its sole use and benefit to:

- (i) exchange the Third Party Instruments for checks, drafts and/or wires made payable to the Customer in domestic currency or foreign currency; and
- (ii) deposit the Third Party Instruments to a bank account for the credit of Custom House.

**9.7 Additional Powers.** For all and every of the purposes aforesaid the Customer does hereby grant and give unto Custom House, full and absolute power and authority to do and execute all acts, deeds, matters and things necessary to be done for any of the above purposes, and also to commence, institute and prosecute all actions, suits and other proceedings which may be necessary or expedient in and for the above purposes as fully and effectually to all intents and purposes as it could do if personally present and acting therein and also with full power and authority for the said attorney to appoint a substitute or substitutes and said substitution at the pleasure of Custom House to be revoked by Custom House, the Customer hereby ratifying and confirming and agreeing to ratify and confirm and allow Custom House as its attorney or such substitute or substitutes, all that it or they shall lawfully do or cause to be done in the premises and by virtue hereof.

**9.8 Irrevocable.** The limited power of attorney referred to above is irrevocable and is coupled with an interest in the rights of the Customer to the Third Party Instruments referenced herein which from time to time are provided by the Customer to Custom House.

**10.1 Forward Contract.** The Customer may buy or sell currency for the purpose of hedging the risk of movement in the value of a currency (for commercial and not for speculation or investment purposes) by placing an Order with Custom House specifying the currency, amount of currency, and the Value Date (the "Forward Contract"). At the option of the Customer the delivery of the currency pursuant to the Forward Contract may be either: (a) processed on the Value Date (the "Fixed Term Forward Contract"), or (b) processed in multiple draw downs at any time between the acceptance of the Forward Contract and the Value Date (the "Optional Delivery Date Forward Contract").

**10.5 Deposit.** Custom House may, at its sole discretion, require the Customer to submit a deposit in order to validate the Forward Contract and/or Option Contract (the “**Deposit**”). The Deposit may either be by way of: (a) a cash deposit (in Canadian or US funds, only) of a certain mutually agreed percentage of the currency value of the Forward Contract and/or Option (the “**Forward Contract (the “Contract Value”)**”); (b) an irrevocable letter of guarantee (the “**Letter of Guarantee**”) for a certain mutually agreed percentage of the Forward Contract Value; or (c) unless otherwise agreed to in writing between the parties, the amount of 2.0%~~2.5%~~ of the Canadian dollar value of the Forward Contract Value at the time the Forward Contract and/or Option Contract is entered into (the “**Floating Margin Deposit**”).

**10.6 Letter of Guarantee.** The Letter of Guarantee shall: (a) be payable to Custom House, (b) be drawn on a Custom House approved financial institution, and (c) have a maturity date a minimum of fourteen (14) Days after the Value Date of the Forward Contract and/or Option Contract.-

**10.7 Floating Margin Deposit.** Where a Floating Margin Deposit has been requested, Custom House shall, at its sole discretion, have the right to request that the Customer submit additional monies in Canadian dollars to Custom House at any time when the mark-to-market deposit is less than one (1%) percent, or a percentage otherwise agreed to in writing between the parties, of the Canadian dollar value of the Forward Contract and/or Option Contract (the “**Additional Funds**”). If Additional Funds are requested, the Customer shall receive Notice from Custom House. Custom House shall have right, at its sole discretion, to determine the mark-to-market value of the Additional Funds required on a daily basis. To determine such mark-to-market value, Custom House shall apply the closing international money market Canadian dollar/US dollar futures price as at 12:00 noon EST each day. Custom House’s determination of such mark-to-market value shall be final and binding on the Customer.

**10.8 Payment of Additional Funds.** The Customer shall have until 4:00 p.m. EST, the following Day that Notice is sent by Custom House requiring the Additional Funds, to provide the Additional Funds to Custom House. The Additional Funds shall be payable by the Customer to Custom House by bank draft, certified funds or, in specific circumstances as determined by Custom House, a corporate or personal cheque, in the amount determined by Custom House to ensure that the entire deposit held by Custom House is not less than a predetermined percentage, determined by the parties, of the Canadian dollar value or U.S. dollar value of the Forward Contract and/or Option Contract, as determined by Custom House on the prior day (the “**Predetermined Percentage**”).

**10.9 Failure of Request of Additional Funds.** Any failure by Custom House to require Additional Funds from the Customer on any particular occasion when the value of the Deposit is less than one (1%) percent, or a percentage otherwise agreed to in writing between the parties, of the Canadian dollar value of the Forward Contract and/or Option Contract shall not prevent Custom House from requiring the Customer to provide Additional Funds on any other occasion when the Deposit is less than one (1%) percent, or a percentage otherwise agreed to in writing between the parties, of the Canadian dollar value of the Forward Contract and/or Option Contract.

**10.11 Refund.** The Refund shall only be paid out by Custom House to the Customer in increments of 0.5% of the Canadian dollar value of the Forward Contract and/or Option Contract. -

**10.12 Default.** Failure of the Customer to: (a) complete the Forward Contract and/or Option Contract by the Value Date, or (b) pay any Deposit, including any Additional Funds, to Custom House then the Customer agrees that Custom House shall no longer be obligated to fulfill the Forward Contract and/or Option Contract, or any other existing contract with the Customer, nor to enter into any further contract with the Customer, and Custom House may, in its sole discretion: (a) sell the necessary covering currency to terminate the Forward Contract and/or Option Contract, (b) charge the Customer with the damages, losses, including loss of profit, incurred by Custom House, and shall include additional processing fees, costs and expenses incurred by Custom House (collectively referred to as the “**Costs**”), and (c) apply the Deposit held by Custom House to pay the Costs. The Customer agrees to reimburse and indemnify Custom House forthwith on demand therefore, for all Costs suffered or incurred by Custom House which are not covered by the Deposit. Any remaining portion of the Deposit not required to pay the Costs shall be refunded by Custom House to the Customer.

**10.13 Return of Deposit.** Subject to section 10.12, the Deposit, without interest, will either be returned to the Customer when the amount of the deposit exceeds the Predetermined Percentage, upon the completion of the Forward Contract and/or Option Contract, or will be applied by Custom House in settlement of any amount owing to Custom House by the Customer at any time hereunder.