TERMS & CONDITIONS

NON-REGISTERED GUARENTEED INVESTMENT CERTIFICATE

1. What This Agreement Covers

This Member Agreement – Guaranteed Investment Certificate (the “Agreement”) sets out the terms under which you can open a GIC account and place a GIC deposit (“GIC”) with us. When this Agreement refers to “you” and “your”, it means any person in whose name a GIC is held. If you hold a GIC with others, “you” and “your” mean each of you and all of you are individually and together agreeing to all the terms of this Agreement. When this Agreement refers to “we”, “our” and “us”, it means DUCA Financial Services Credit Union Ltd.

Placing your GIC with us means that you have received, read and agree to the terms of this Agreement and any Special Conditions applicable to certain types of GICs.

We reserve the right to change the terms and conditions of GICs with proper notification to Members.

2. Promotional Interest Rate

Posted rates are annual rates and may be changed or withdrawn at any time. Promotional rates apply only to new GIC purchases and will not apply to any subsequent renewals.

The promotional rates may not be combined with any other interest rate offer, including staff top up.

3. Interest Rate & Payments

The interest rate applicable to the non-registered term deposit account will be determined at the time of deposit and will remain fixed for the duration of the term.

By default, interest is calculated daily and paid at maturity for terms up to one year. For terms longer than one year, interest is compounded annually and also paid at maturity. Additionally, for certain products, members have the option to receive interest payouts during the term. In such cases, interest is calculated using simple interest.

For non-redeemable GIC monthly/ quarterly/ semi-annual interest payments: If interest payments are requested monthly then the interest rate is reduced by 0.15%; Quarterly interest payments are reduced by 0.10% and Semi-annual are reduced by 0.05% bps (basis points).

You will tell us whether to pay the interest on the GIC to you periodically or to keep it with the principal. We will pay you the principal and any interest at the end of the term or renew the GIC if you tell us to do so. You may provide us with instructions on what to do prior to maturity by communicating with us.

For a full list of other available terms, refer to **https://www.duca.com/rates**

4. **Minimum investment**

   The interest rates are fixed for each GIC's term. The minimum investment is $500

5. **Redemption restrictions & Early redemption**

   - ***Redeemable GIC:*** The GIC may be redeemed in full before the maturity date, subject to the following conditions:
     - 2% penalty (if interest rate is less than 2%, then 0 interest is paid).

   - ***Non-Redeemable GIC***- Early redemption is not an option. If a Member is in crisis, early redemption is possible upon approval at our discretion. Also, early redemption forfeits all interest earned to date.

   - ***Cashable GIC***- The GIC may be redeemed in full before the maturity date, subject to the following conditions:

     - 1% rate reduction is applied when cashed after 12 months however Flex 50 is only cashable after 24 months.

6. **Automatic Renewals**

   If you have instructed us to do so, we will automatically renew your GIC at the end of its term in accordance with your instructions. The interest rate applied at renewal will be the prevailing rate for the type and term of the renewed GIC. If the GIC into which your investment is set to renew is not available at maturity, we will renew the GIC into one that we believe to be of the closest match.

7. **Account Closures**

   Closure of the non-registered term deposit account prior to maturity may be subject to penalties and fees. Please refer to the section- Redemption restrictions & Early redemption.

8. **Insurance coverage**

   Eligible non-registered deposits are insured up to $250,000 through the Financial Services Regulatory Authority. Visit FSRA Deposit Insurance Reserve Fund (DIRF) (fsrao.ca) for more details.

9. **Tax Implications**

You represent to us that, for so long as you have a GIC with us, you have filed and will continue to file truthfully all necessary tax returns, forms and disclosures with respect to all your transactions and GICs with each taxation authority having jurisdiction over your tax affairs by reason of your citizenship, residence or domicile. You acknowledge and agree that you are responsible for timely paying any taxes owing to any taxation authority in relation to such GICs.

10. Paying Off your Debt

We may apply the funds in a GIC against any amounts you owe us or any of our affiliated companies, without notice to you. If there is more than one owner of the GIC, we may apply the funds against any amounts any one of you owes without notice to any of you. This right will survive the death of any one of you and may be exercised by us against the GIC held by the survivors.

11. Death

Upon death, we will suspend payment of your GIC. We will wait for further instructions from the estate representatives or new owner, failing which the funds at maturity will be dealt with in accordance with the Automatic Renewal section above. We are entitled to ask for proof of death and any other documents that we may require in connection with the transmission of the GIC on death, such as Letters Probate or other documents issued by a court.

12. Disputes

If there is a dispute about any GIC or the ownership of a GIC account, we may freeze the funds in any GIC until such time as the dispute is resolved, apply to the court for directions or pay the funds into court. In the event of any executions of third party demands or claims against or disputes related to a GIC, you will reimburse us any expenses we incur.