

Agreements for Everyday Banking – Sobeys and IGA¹

Effective date:
September 22, 2011

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The following pages contain all of the relevant banking agreements that apply to Personal Accounts at BMO Bank of Montreal[®]. These Agreements are effective as of **September 22, 2011** and replace all previous agreements you have with us.

You need to read and understand the agreements covering the services you have chosen. In these agreements, **“you”** and **“your”** mean each person who signed the Application, and **“we”, “us”, “our”** and **“the Bank”** mean Bank of Montreal.

Les conventions relatives aux services bancaires courants de la Banque de Montréal sont disponibles en français et en anglais. Si vous ne les avez pas reçues dans la langue de votre choix, nous serons heureux de vous faire parvenir la bonne version sur demande.

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I. Personal Account Agreement

By applying for an account you agree to the following terms:

1) General Terms and Conditions

- Your account is to be used as a personal account only. If your account is used for business purposes, we reserve the right to charge you business banking service charges and/or close the account.
- We may rely on a properly appointed legal representative who is acting for you.
- This Agreement binds your heirs, executors, legal representatives, liquidators, administrators, assigns and, in Quebec, liquidators.
- After your death, we will transfer the balance of the funds in your account to your legal representative. Your representative must first provide us with the proper legal documents.
- You agree to notify the Bank in writing of any unauthorized or forged instruments immediately upon becoming aware of them.
- If you have authorized us to obtain a credit bureau report, we may at our discretion update this information at any future date during the time you are a Bank customer. You also agree that we may share your personal information within BMO Financial Group or with credit reporting agencies or with persons with whom you have or may have financial dealings.
- You will supply further information as we may require from time to time to keep your personal information current.
- We may report any improper or unauthorized activity that is in any way connected with your account to any credit reporting agency.
- We may apply a credit balance in any of your accounts with us against any debit balance you may have in any other of your accounts with us. We may do so without first giving you notice and regardless of whether the accounts involved are joint or individual accounts. This right is in addition to any rights which we may have at common law with respect to set-off or consolidation of accounts.
- We may close your account if required by law or if at any time you commit fraud, violate the terms of any applicable agreements, use the account for any improper or unlawful purposes, or operate the account in any unsatisfactory manner.
- Any rights and remedies set out in this Agreement do not affect any other rights or remedies that the Bank may have at common law or otherwise.
- You acknowledge that digital or electronic representations of cheques and other payment items may be made and used by financial institutions, including the Bank, and we may elect to provide such digital or electronic representations of cheques or other payment items to you, in which case the original paper item may be destroyed and not returned to you. We are entitled to act upon such a representation for all purposes as if it were the paper item.
- We may change or end this Account Agreement at any time. You agree to changes made when notice is given in our Canadian branches.

a. Deposits

- You are able to make deposits to your account at any of our Canadian branches that provide Assisted-service.
- We may require deposits to comply in all respects with all applicable by-laws, rules, regulations and standards of the Bank and/or the Canadian Payments Association.
- When you deposit a cheque, you agree to allow us enough time to make sure the cheque has cleared, before you can withdraw the amount of the cheque.
- We can apply direct deposits to your account. However, we cannot be responsible for the type or amount of the deposit, or any delay in applying or failing to apply the deposit.
- We may debit your account for the amount of any deposits for which we are not fully reimbursed.
- We may accept cheques from you on a collection basis only. The funds will be deposited to your account only if and when payment for the cheque has been received by us from the other financial institution. We may charge a fee for cheques sent on collection, and the other financial institution may also charge associated fees.
- You are responsible for delivering any change in direct deposit instructions to anyone who makes direct deposits to your account.
- You agree we do not have to give you or anyone else immediate notice of dishonour if an item deposited to your account has been returned to us unpaid. Notice of dishonour is adequately given by including the deposit reversal entry on the monthly statements which we send to you. You will be liable to us for the amount we charge back to your account from the date we do so.

b. Interest

- We may change interest rates or terms or both from time to time. Up-to-date information on rates and terms is available at all branches and on the Internet at www.bmosobeys.com.
- When switching from an interest bearing account to another account type (where permissible and where the account number does not change), any accrued interest will be calculated up to, but not including, the date of the switch and will be credited directly to the new account type at the time of the switch.
- When closing an interest bearing account, any accrued interest will be calculated up to, but not including, the date of account closure and will be credited directly to the account, at the time of account closure.

c. Withdrawals

- We may reject cheques or other payment items which do not comply in all respects with all applicable by-laws, rules, regulations, and standards of the Bank and/or the Canadian Payments Association.
- You are able to make withdrawals at Canadian branches that provide Assisted-service by giving your request along with your Bank of Montreal Debit Card or any other BMO Bank of Montreal card, issued for this purpose, or any additional identification which we may ask you to present.
- There is a limit to the amount of money that you are able to withdraw at a branch other than your branch of account.
- We may require you to give us at least seven days notice before you make a withdrawal.

d. Holding of Funds

- There may be a period of 30 days (your branch may decide on a different length of time) after the first transaction on your new account where each non-cash deposit (excluding direct deposits) to

your account will be subject to a hold. During this period, we will place a hold on cheques as set out below and place a hold on all other non-cash deposits for a maximum of 7 business days.

The following applies to all accounts (including new accounts as described above):

- When you deposit a fully encoded Canadian dollar or US dollar cheque drawn on a financial institution's branch located in Canada, we may apply a "hold" for a maximum of 7 business days, before you are able to access the funds.
- When you deposit an unencoded or partially encoded Canadian dollar or US dollar cheque drawn on a financial institution's branch located in Canada, we may apply a "hold" for a maximum of 15 calendar days, before you are able to access the funds.
- When you deposit a cheque drawn on a financial institution's branch located outside of Canada, or a fully encoded cheque in a currency other than Canadian dollars or US dollars drawn on a financial institution's branch located in Canada we may apply a "hold" for a maximum of 30 calendar days, before you are able to access the funds.
- A hold provides no guarantee that a cheque or other non-cash deposit will not be returned unpaid after the hold period has expired. If a cheque or other non-cash deposit is returned to us unpaid for any reason at any time, either during or after the expiry of the applicable hold period, we have the right to charge the amount of the cheque or non-cash deposit to your account.

e. Statements

- Any statement of your Account(s) will be deemed to have been delivered or given to you if sent by the Bank by ordinary mail to your last known address contained in the records of the Bank. You will advise the Bank promptly if you have not received the statement within 10 days of the date on which you normally receive it.
- You are responsible for checking, at least monthly, debit and credit entries to your Account, examining cheques or cheque images and vouchers, if provided, and notifying the Bank in writing of any errors, irregularities or omissions in your statement, passbook or account transaction listing. Such notice must be provided to the Bank within 30 days after: (i) the statement date, if you receive monthly statements; and (ii) the last day of the month in which the transaction was posted to your account, if you do not receive monthly statements. After such 30 day period, you will be conclusively deemed, except as to errors, irregularities or omissions of which you have notified the Bank in writing within the 30 day period, to have accepted your statement, passbook or account transaction listing as correct and to have accepted all cheques or cheque images and vouchers, if any, as properly charged to your Account. During and after the 30 day period, the Bank may charge back amounts remitted to you for which payment has not been received.

f. Fees

- We may charge for our services, and debit your account for these charges. We may change service charges from time to time.
- Unless you have a separate overdraft agreement with us, you understand that you do not have the right to overdraw your account. If we allow you to have an overdrawn account, we will charge a fee of \$5.00 for each debit transaction, plus interest at the prevailing overdraft interest rate, as disclosed in our bank branches. You must

repay any overdraft and interest on demand. We may change Interest Rates and terms from time to time.

- We may charge you for and debit your account for any costs we incur to recover amounts that you owe us. These costs include legal fees on a solicitor and client basis.
- We may charge you for and debit your account for any costs we incur in order to comply with any request issued under a statutory or court authority for information or documents respecting your account.
- We may debit your account for any taxes collectible by us on all of our products and services.

g. Inactive Accounts

- Accounts with a balance of \$0 which have had no Customer Activity for a period of at least one year, will be closed.

2) Joint Accounts

The terms in this section apply only if there is more than one person applying for the account. In that case, you also agree to the terms in this section. When the terms above are not consistent with those in this section, the terms above are to be read with appropriate changes.

- We will credit your account with deposits made or endorsed by any one or more of you, or deposits that we receive from any one or more of you, whether such deposits are payable to one or more of you.
- You authorize us to debit your account for withdrawals, cheques, and other debit instructions, when signed by one or more of you, according to the Signing Authority in your Application.
- Your authorization above applies even if an overdraft is created or increased in the account.
- You authorize us to deal with any one of you for any other transactions or matters relating to the account. A stop payment order by any one of you is sufficient to end our authority to pay an item. However, we may still require all of you to sign instructions or documents in some cases.
- Each statement, notice, and other document sent to the address in our records for the account, is to be considered as if we sent it to each of you.
- We may credit your account with the proceeds of any instruments, including securities, that are signed or drawn by any of you, payable or belong to any of you, or are received by us for credit to any of you. We may endorse any of those instruments for any of you. You allow us to do this, and will not hold us responsible.
- You are responsible individually and together (and in Quebec, solidarily) for all your obligations under this Account Agreement.

These provisions apply only if Form of Co-ownership shown is Joint with Right of Survivorship (not applicable in Quebec):

- If any one or more of you dies, any credit balance in your account may be withdrawn or made payable for the survivor(s), according to the Signing Authority for your account.
- If it is impossible, because of the death of any of you, to obtain signatures according to the Signing Authority for your account, you allow us to act on the signatures of all of the survivors.
- After the death of the last survivor, we will transfer the funds in the account to the legal representative of the last survivor.

3) AIR MILES®† Reward Program

If you are applying for a BMO IGA AIR MILES Chequing or Savings Account, or a BMO Sobeys AIR MILES Chequing or Savings Account, you

also agree to the terms in this section regarding the AIR MILES Reward Program:

- If offered by us on the type of account that you have, AIR MILES reward miles are available through us provided that you:
 - (a) have a BMO IGA AIR MILES Chequing or Savings Account, or a BMO Sobeys AIR MILES Chequing or Savings Account; and
 - (b) there is an AIR MILES Collector Number linked to that account.
- You may change your Option by giving us notice of the change in writing at the branch where your account is held.
- If you have an AIR MILES Collector Number linked to your account, reward miles will not be earned on your account until you fulfill any other eligibility criteria for earning reward miles that we may require from time to time.
- You confirm that the AIR MILES Collector Number provided to us is correct.
- We will direct any reward miles earned on your account only to the Collector Number you provide.
- If you do not have an AIR MILES Collector Number linked to your account, you agree that you will not make any claims against us for not having your account earn reward miles.
- We decide and tell you how the reward miles that we issue can be earned on your account. We may change how they are earned. We may cancel or reverse any reward miles that were not properly issued or earned. Reward miles have no cash value.
- Your account(s) must be in good standing.
- Regarding all aspects of our involvement in the AIR MILES Reward Program, you agree that the rights that the Collector for your account may have against us are no greater than the Collector's rights against LoyaltyOne Inc. ("Loyalty") in the Collector's agreement with them.
- The AIR MILES Reward Program is covered by a separate agreement between Loyalty and the AIR MILES Collector for your account.
- Loyalty is responsible for the AIR MILES Reward Program. You will not hold us responsible for the Program or any obligation in connection with it or its operation. If the Reward Program is changed or ended, you will also not hold us responsible. You will not make any claims against us for any matter connected in any way with the AIR MILES Reward Program.
- We decide when to report to Loyalty or its agents the AIR MILES reward miles earned on your account from us and we may give Loyalty or its agents any other information reasonably required by Loyalty for the AIR MILES Reward Program. There is a processing period between the time we report the reward miles earned from your account and when those reward miles become available to the Collector.
- Bank of Montreal has the right to terminate the Program at any time.
- If at any time you commit fraud, violate any of these terms, or abuse your Program privileges, we may without affecting our other rights, refuse to allow you to earn reward miles on your Personal Accounts.

4) Club Sobeys Program

If you are applying for a BMO Club Sobeys Chequing or Savings Account, you also agree to the terms in this section regarding the Club Sobeys Program:

- If offered by us on the type of account that you have, Club Sobeys Points ("Points") are available through us provided that you:
 - (a) have a BMO Club Sobeys Chequing or Savings Account; and
 - (b) there is a Club Sobeys Member Number linked to that account.

- You may change your Option by giving us notice of the change in writing at the branch where your account is held.
- If you have a Club Sobeys Member Number linked to your account, Points will not be earned on your account until you fulfill any other eligibility criteria for earning Points that we may require from time to time.
- If no Club Sobeys Member Number is provided in your account application or when you switch your account type to the BMO Club Sobeys Chequing or Savings Account (where allowed), you consent to us providing Sobeys Capital Incorporated with your name and address for enrolment in the Club Sobeys Program. By enrolling in the Club Sobeys Program, you agree to be bound by the Terms and Conditions of the Club Sobeys Program and you consent to the collection, use and disclosure of your personal information by Sobeys Capital Incorporated in accordance with the Club Sobeys Privacy Commitment. For complete information about the Program Terms and Conditions or information about the Club Sobeys Privacy Commitment, visit www.clubsobeys.com or call 1-877-7SOBEYS (1-877-776-2397).
- You confirm that the Club Sobeys Member Number provided to us is correct.
- We will direct any Points earned on your account only to the Club Sobeys Member Number you provide.
- If you do not have a Club Sobeys Member Number linked to your account, you agree that you will not make any claims against us for not having your account earn Points.
- We decide and tell you how the Points that we issue can be earned on your account. We may change how they are earned. We may cancel or reverse any Points that were not properly issued or earned. Points have no cash value.
- Your account(s) must be in good standing.
- Regarding all aspects of our involvement in the Club Sobeys Program, you agree that the rights that the Member for your account may have against us are no greater than the Member's rights against Sobeys Capital Incorporated in the Member's agreement with them.
- The Club Sobeys Program is covered by a separate agreement between Sobeys Capital Incorporated and the Club Sobeys Member for your account.
- Sobeys Capital Incorporated is responsible for the Club Sobeys Program. You will not hold us responsible for the Program or any obligation in connection with it or its operation. If the Program is changed or ended, you will also not hold us responsible. You will not make any claims against us for any matter connected in any way with the Club Sobeys Program.
- We decide when to report to Sobeys Capital Incorporated or its agents the Points earned on your account from us and we may give Sobeys Capital Incorporated or its agents any other information reasonably required by Sobeys Capital Incorporated for the Club Sobeys Program. There is a processing period between the time we report the Points earned from your account and when those Points become available to the Member.
- Bank of Montreal has the right to terminate the Program at any time.
- If at any time you commit fraud, violate any of these terms, or abuse your Program privileges, we may without affecting our other rights, refuse to allow you to earn Points on your Personal Accounts.

II. Overdraft Transfer Service Agreement

By applying for the Overdraft Transfer Service, you have chosen:

- the “Account with Protection” to be covered;
- the “First Transfer Account”, and if you wish, a “Second Transfer Account”, from which we will transfer funds to cover the overdraft;
- the “Transfer Multiple” amount; and whether the transfer is to cover the entire overdraft, or is only to bring the overdraft within a pre-authorized overdraft limit.

And you agree to the following terms:

- We will transfer funds to your Account with Protection either to cover the entire overdraft, or to bring the overdraft within a pre-authorized limit. This depends on the option you have chosen in your Application.
- If there are enough funds in the First Transfer Account, we will transfer funds from that account, in the Transfer Multiple.
- If there are enough funds in the First Transfer Account to cover the overdraft, but not enough funds to make the transfer in the Transfer Multiple, we will transfer the exact amount needed, rounded to the nearest \$1.00.
- If there are not enough funds in the First Transfer Account, we will transfer funds in the same way from the Second Transfer Account.
- If there are not enough funds in either Transfer Account, but there are enough funds in both, we will transfer funds from both. We will transfer all the funds from the First Transfer Account, and the rest of the funds needed from the Second Transfer Account.
- If there are not enough funds in either Transfer Account, items drawn on your account may be returned insufficient funds.
- You will hold us harmless from all damages, losses and expenses associated with or resulting from this Service.
- You authorize us to include all fees as part of the transfer amount from the First Transfer Account and the Second Transfer Account to your overdrawn account, and then debit the overdrawn account for the fee.
- We may end this Agreement without notice if at any time there are not enough funds to transfer from the Transfer Account(s).
- We may change or end this Agreement and/or the fees in respect of the Service at any time. You agree to changes made when notice is given in our Canadian branches.

III. Privacy Disclosure and Consent

Your Personal Information

What is Personal Information?

Personal information is information that identifies you as an individual. It includes not only your name and address, age and gender, but also your personal financial records, identification numbers including your social insurance number (SIN), personal references and employment records.

Why Does the Bank Ask You For Your Personal Information?

There are some purposes for using your personal information which are self-evident, such as asking for information concerning your credit history to help determine your credit worthiness if you are applying for a loan or mortgage. Self-evident purposes should be clear, but if you have any questions, just ask us. We also ask you for your personal information for the following purposes:

- To verify your identity and protect against fraud,
- To understand your financial services requirements,
- To determine the suitability of products and services for you,
- To determine your eligibility for certain of our products and services, or those of others, and offer them to you,
- To set up and manage products and services you have requested, and
- To comply with laws and securities regulations.

Sharing Your Personal Information

Your personal information is shared, to the extent permitted by law, within BMO Financial Group (that is, the Bank and its subsidiaries and affiliates) which provide deposit, loan, investment, securities, brokerage, insurance, trust and other products and services. With this more comprehensive understanding, we are better able to meet your needs as they grow and change.

Your Choices

If you would prefer not to receive our direct marketing service and/or not have your personal information shared with a member of BMO Financial Group, you can have your name deleted from our direct marketing and/or shared information lists. All you have to do is ask us.

Please note that you cannot opt out of sharing your personal information where you have requested a product or service which is jointly offered by us and a member of BMO Financial Group.

Also, if you would prefer not to have us use your SIN for administrative purposes, just ask us. This option does not apply where we are required to use your SIN for income tax reporting purposes.

For complete details on our commitment to respect and protect the privacy and confidentiality of personal information of our personal clients, please refer to our Privacy Code, which is available at any branch of the BMO Bank of Montreal, by visiting our website at www.bmo.com/privacy or by calling 1 800 363-9992.

IV. Electronic Banking and Services Agreement

This Electronic Banking and Services Agreement (the "Agreement") covers the use of all Bank of Montreal electronic services, including BMO Mobile, the use of your Card, and the use of your Secret ID Code(s) for Electronic Banking Services as described below. It applies to all personal Account customers.

How to Read this Agreement

"You" and **"your"** means the Account holder(s) named in the application for the Account, and **"we," "us"** and **"our"** means Bank of Montreal.

The meanings given to terms defined in this Agreement shall be equally applicable to both the singular and plural forms of such terms, unless the context clearly indicates otherwise.

The term **"including"** means "including but not limited to", and the term **"or"** has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or".

1. Definitions

"Account" means any one or more of the following that we have, at your request, linked for access with your Card: (i) a Bank of Montreal personal chequing account; (ii) a Bank of Montreal personal savings account; (iii) a Bank of Montreal MasterCard®* account; and (iv) a Bank of Montreal personal line of credit.

"Aggregation" means an account aggregation service that retrieves, consolidates, organizes and presents information to you about your accounts with us and with other financial institutions that you choose to have included.

"Assisted-Service" means Debit Transactions or Account history inquiries completed with the assistance of a staff member in a branch or through Electronic Banking Services, or automated bank machine paper bill payments.

"BMO Alert" means a message (including general marketing information as well as messages about one or more of your Accounts which in turn may include your confidential information) that is sent electronically by us to you or by you to us, through one or more of the following channels:

- (i) a message that is posted in the Message Centre;
- (ii) an e-mail message that is sent to an e-mail account;
- (iii) a text message that is sent to a cell phone number; or
- (iv) a notification that is sent to a mobile device.

"BMO Mobile" means the mobile banking service available at Bank of Montreal.

"Card" means:

- (i) Your Bank of Montreal Debit Card or any other Bank of Montreal card with our name or logo which we permit you to use in connection with Electronic Banking Services;
- (ii) your Bank of Montreal MasterCard credit card, if it has been activated to access your Account, and we permit you to use it in connection with Electronic Banking Services;
- (iii) stored value cards when used in connection with your Secret ID Code in order to access your Account; and
- (iv) in each case the numbers associated with any such card, unless otherwise specified.

“Debit Transaction” means a debit transaction on an Account conducted by any means of Account access, including cheques, and all withdrawals of funds, bill payments, debit card purchases, transfers of funds, and pre-authorized bill payments or debits.

“Electronic Banking Services” means any channels used to access an Account which we may enable you to use by means of your Card or Secret ID Code, including:

- (i) Bank of Montreal’s telephone banking services and any other telephone banking service we may make available, which includes instructions given orally or through the use of an interactive voice response system (such as pressing the number buttons on a touch tone telephone);
- (ii) banking services using a personal computer connected via private communications networks or public networks such as the Internet, or via wireless communications networks or similar networks or devices when available;
- (iii) BMO Mobile;
- (iv) BMO Alerts;
- (v) Instabank® machines, or other automated banking machines that we approve for use, including devices for loading stored value cards;
- (vi) point-of-sale or debit card terminals at locations which permit you to use your Card to make direct payment transactions from, to, or in connection with an Account;
- (vii) any account and information aggregation or consolidation services we make available;
- (viii) any other electronic channels which we may enable you to use by means of your Card or Secret ID Code or otherwise.

“Electronic Transaction” means the following:

- (i) transactions with respect to an Account, including deposits, withdrawals, transfers or payments (including bill payments and direct payment and point of sale transactions), cheque stop payment instructions, and other transactions with respect to an Account that we may permit through Electronic Banking Services;
- (ii) applications for investments, mortgages, loans and other types of credit; and
- (iii) other transactions, services or information that we may make available.

“Message Centre” means the web pages referred to as the message centre (or such other similar title) that are accessible through BMO Mobile and Bank of Montreal’s online banking services.

“Non-Secure Alert” means a BMO Alert that is not a Secure Alert and which may be lost, intercepted, reviewed or altered by someone other than you or us, including e-mail or text messages.

“PIN” means personal identification number.

“Secret ID Code” means your PIN, password, challenge questions and responses, or other identification code (whether provided to you by us or selected by you), which is used, together with your Card or alternate mutually agreed upon form of identification.

“Secure Alert” means a BMO Alert that is only accessible on the BMO Mobile web site.

2. Use of Electronic Banking Services

- Your use of Electronic Banking Services will show that you have received, understood and agreed to this Agreement. You will use Electronic Banking Services in accordance with our directions in this Agreement, or as otherwise communicated to you from time to time.
- You authorize us to accept without any further verification, and you agree to be responsible for, all instructions for Electronic Transactions via Electronic Banking Services, when accompanied by your Card or Secret ID Code.
- Except as shown in section 11, "Your Liability", the use of your Card or Secret ID Code by you, or by any person with or without your knowledge or consent, in connection with an Electronic Transaction, binds you legally and makes you responsible as if you had given signed instructions to us.
- We may verify communications, or the source of the communications, before we accept them, but we are not obligated to do so.
- If you use Electronic Banking Services to make bill payments, it is your responsibility to ensure that the billing information (such as biller name and billing account number) you provide to us is accurate and up-to-date at all times. You consent to us exchanging billing information with your billers in order to ensure that your billing information is accurate and up-to-date. We have no obligation to seek updates to your billing information from any billers and we are not liable to you for any loss or claim that may arise as a result of us not having obtained or received your accurate and up-to-date billing information.

3. Timing of Electronic Transactions

- We will process Electronic Transactions made on a weekend or holiday on an Account on the day you make the transaction. We may however require up to five banking days: (i) to process any deposit, including any transfer between Accounts; and (ii) to act on bill payment instructions.
- We may decline or delay acting on an Electronic Transaction for any reason; for example, if the instructions are incomplete, ambiguous or cannot be carried out due to insufficient funds or otherwise, or if we doubt their authenticity or their lawfulness.

4. Fax or Text Instructions

- We may tell you that we are willing to accept faxes (communications transmitted by facsimile) at designated telephone numbers. You authorize us to accept without any further verification, and you agree to be responsible for, signed instructions or signed documents for Electronic Transactions transmitted to us by fax. You agree that what in our sole determination appears as your signature on faxed instructions or a faxed document binds you legally and makes you responsible to the same extent and effect as if you had given original, signed, written instructions or documents to us, whether or not actually signed by you, or whether or not accurately communicated or received. We will tell you what kinds of instructions and documents we will accept by fax. Your use of the fax service will show that you have received, understood and agreed to these provisions.
- We may tell you that we are willing to accept text (SMS) instructions for Electronic Transactions using a mobile device or phone number registered with us specific to this service. You authorize us to accept without further verification, and you agree to be responsible for,

instructions for Electronic Transactions transmitted to us by text. We will tell you what kinds of instructions we will accept by text. Your use of the text service will show that you have received, understood and agreed to these provisions.

- In addition to communications by voice and mail, you authorize us to communicate with you through online notices as well as through the following channels at such numbers or addresses as you provide to us: fax, e-mail or text message.
- Faxed instructions are Assisted-Service Debit Transactions, and fees will be assessed accordingly if not covered by your Everyday Banking Plan.

5. Foreign Currency Transactions

- We convert withdrawals and purchases made in a foreign currency to Canadian dollars. We make the conversion at our exchange rate, which is 2.5% over the rate set by MasterCard International Inc. (which operates the Cirrus and Maestro networks available using your Card) on the date the transaction is posted to an Account. The conversion rate may not be the same as the rate that was in effect on the transaction date.

6. BMO Alerts

- You are responsible for ensuring that the e-mail address or cell phone number you provide to us for the purpose of receiving BMO Alerts are accurate and up to date at all times. Any e-mail address or cell phone number provided for the purpose of receiving BMO Alerts is used only for that purpose and does not change the e-mail address, or cell phone number or telephone number that we will use for any other purpose. You agree that we are not liable to you for any loss or claim that may arise as a result of BMO Alerts sent to you, whether Secure Alerts or Non-Secure Alerts. We cannot guarantee the timing of delivery of BMO Alerts due to multiple third party involvement.
- If you register for mobile device notifications, and you dispose of your mobile device, you are responsible for notifying us of the change, and deleting the device as a delivery method for BMO Alerts.
- You are responsible for all fees charged by your mobile device service provider including standard messaging and data charges. If you cancel your cell phone number or change your email address, you are responsible for deleting all BMO Alerts delivered to that cell phone number or email address.
- BMO Alerts may not be available for use outside of Canada.

7. BMO Mobile

- You must be registered for Bank of Montreal's online banking services, and have set up your enhanced sign in security in order to use BMO Mobile.
- You are responsible for all fees charged by your mobile device service provider including standard messaging and data charges.
- BMO Mobile may not be available for use outside of Canada.

8. Aggregation

- (i) In order for us to access your accounts at other financial institutions, you must provide us with your log-in information at those financial institutions, such as your client identification number, user name, access code, password, or authentication challenge questions. It is your responsibility to review your agreements with other financial institutions to determine

whether disclosure of your log-in information to other parties that offer account aggregation services is allowed, what the consequences of such disclosure may be and your liability in connection with such disclosure.

- (ii) We and our service providers will store your log-in information in encrypted form.
- (iii) We will retrieve transactional and balance information, but not any other information, from your other financial institutions. You must access the website or online service of the other financial institutions to view other information such as notices, disclosures or disclaimers.
- (iv) You authorize and direct us to do, on your behalf, everything necessary to provide the aggregation service to you and to retrieve, consolidate, organize and present aggregated information to you, which may include visiting the website of your other financial institutions and providing your log-in information as required to access, retrieve and download your information. You confirm that you have the right to give us this authorization and direction.
- (v) You understand and agree that the information that we retrieve for you from other financial institutions is prepared by them and that we are not responsible for the completeness or accuracy of that information. We and our service providers will not be liable to you for any damages resulting from the use of or the inability to use Aggregation or the inaccuracy or incompleteness of data.
- (vi) You indemnify us and our service providers against any third party claims arising from your use of Aggregation.
- (vii) If you choose to include any foreign currency Accounts in your use of Aggregation, the value of these Accounts will be displayed in Canadian dollars and will be an estimate, for illustration purposes only.

9. Keeping Your Secret ID Codes and Card Number Confidential

- You must keep your Secret ID Code and Card number confidential. They must only be used in connection with services you are certain come from us (or our subsidiaries or authorized service providers), including Bank of Montreal's online and telephone banking services, and our account and information aggregation or consolidation services.
- We do not encourage you to keep written records of your Secret ID Code, but if you need to keep such records, you must keep them separate from your Card at all times. When selecting your own Secret ID Code, avoid use of number combinations that can easily be guessed by someone else, such as your birth date, address, telephone number or other such information that is easily obtainable by third parties.
- When inputting your Secret ID Code into a bank machine, point-of-sale or debit card terminal, telephone or computer, you must take reasonable precautions, such as ensuring that no one is watching you by using your body or hand as a shield in order to conceal your Secret ID Code from the view of others.
- We encourage you to be cautious of web sites, online services, callers or other parties that pretend to be Bank of Montreal (or a subsidiary) that ask for this information or purport to bring together, summarize, aggregate or consolidate your financial data and other information that is currently available to you online, such as the balances and transactions history on your Accounts, credit cards, or trading and investment accounts. We caution you that there are many web sites

offering account consolidation or aggregation services that are not related to us and that giving your Secret ID Code or Card number to these web sites may expose you to losses from an Account or theft of your personal information for which we will not be responsible. Only trust our genuine web site or telephone system and operators.

10. Your Reporting Obligations

- You must notify us by telephone within 24 hours of learning of any of the following: (i) the loss, theft or misuse of your Card; (ii) that your Secret ID Code was disclosed to, or obtained by, anyone else or may be known by anyone else; (iii) that unauthorized use of Electronic Banking Services may be occurring; or (iv) the loss, theft, or misuse of a mobile device that you registered with us for Electronic Banking Services.

11. Your Liability

(i) Authorized Electronic Transactions

You are responsible for the full amount of all authorized activity resulting from the use of your Account or Secret ID Code by any person. Careless handling of your Card, mobile device that you registered with us for Electronic Banking Services, or Secret ID Code can result in serious financial losses.

(ii) Unauthorized Electronic Transactions

Under our 100% Online Banking Guarantee, you will not be liable for any losses from the unauthorized use of your Account or Electronic Banking Services due to circumstances beyond your control. These are situations where you could not have prevented, and did not knowingly contribute to, the unauthorized use of your Account. Such circumstances include any errors we made, technical problems or system malfunctions. You may be liable for all losses from unauthorized use of your Account if you:

- knowingly contributed to its unauthorized use;
- willingly disclosed your Secret ID Code;
- did not keep your Secret ID Code separate from your Card;
- did not comply with your reporting obligations in Section 10 of this Agreement unless there were exceptional circumstances for your failure to do so; or
- shared a mobile device that you registered with us for Electronic Banking Services.
- In those cases, your liability may exceed the funds in an Account, your credit limit or any daily transaction limits. In other words, your liability will not be limited by your Account balance, your credit limit or any daily transaction limits.
- You must cooperate and assist in any investigation that we initiate into the unauthorized use you reported, which is a precondition to being reimbursed for any losses. This cooperation may include filing a report with law enforcement authorities.

(iii) BMO Alerts

- You accept the risk that BMO Alerts may be delayed, lost, intercepted, reviewed or altered by third parties.

(iv) In All Instances

- You will not be liable for losses that occur after you have complied with your reporting obligations in Section 10 of this Agreement.

12. Limitation of Our Liability

- We will not be responsible or liable for any delay, damage, loss or inconvenience you or any other person may incur or experience if, for any reason, any of the following occur:
 - (i) you are unable to access Electronic Banking Services in the event of any malfunction;
 - (ii) if we do not receive your instructions;
 - (iii) if there is any delay in the processing of any Electronic Transaction;
 - (iv) if we decline to act on your instructions; or
 - (v) if any BMO Alert you requested is delayed, inaccurate or is not delivered, or is intercepted, reviewed, altered or deleted by a third party.
- We will not be responsible or liable for the release of any information about you before you notify us in accordance with Section 10 of this Agreement of the theft or loss of your Card or a mobile device that you registered with us for Electronic Banking Services, or if the confidentiality of your Card number or Secret ID Code is compromised.
- We will not be responsible or liable for any loss or damages you may incur in using any software or assistance from third parties which we may make available to you.

13. We May Charge for Services

- We may charge fees for Electronic Banking Services and Electronic Transactions. You authorize us to debit your Accounts for these fees. Up-to-date information on fees is available at all of our branches and online at www.bmo.com.

14. Return of your Card; Non-Transferability

- Your Card is our property; it is non-transferable, and you agree to return it to us immediately upon our request.

15. We May Set Limits or Change this Agreement

- We may set or change any limits (including dollar amounts) on the use of your Account at any time.
- We may change or end this Agreement or the service terms, or services at any time. You agree to any changes made when notice is given in our branches or in any other manner which we may determine from time to time.

16. Records and Dispute Resolution

- Our records will be conclusive evidence of your communications to us and of your Electronic Transactions. We may tape record your communications with us.
- Any transaction record you receive, or any transaction confirmation number supplied, is meant only to help you with your record keeping. We will be pleased to review our records if you disagree with their accuracy.
- We will not be responsible for the quality of goods or services that you obtained using Electronic Banking Services. You will settle any issues directly with the vendor involved.
- If you have a dispute with a biller concerning bill payments made using Electronic Banking Services, including the imposition of any additional charges such as late fees or interest penalties, you will settle the dispute directly with the biller.

17. Other Agreements and Laws May Apply

- This Agreement does not replace any other agreement relating to your Accounts. In particular, your MasterCard Cardholder Agreement, Line of Credit Agreement, or other credit agreements apply when Electronic Banking Services are used to obtain an advance of money from the related credit account with us.
- When you install, use or travel with any software from other companies we may make available to you in connection with any Electronic Banking Services, it is solely your responsibility to comply with the provisions of any agreements, licenses and other legal or technical documentation provided by such other companies in connection with the software, and with the legal requirements of any relevant jurisdiction. Unless you are a lawful, licensed user of such software, we may be unable to provide you with the Electronic Banking Services that require such software.

18. We May Obtain Personal and Credit Information

- If you apply for a loan, other lending product, or credit (including a credit card) using Electronic Banking Services, you consent to us obtaining, providing or exchanging with:
 - (i) any credit reporting agency;
 - (ii) personal information agent;
 - (iii) other credit grantor;
 - (iv) your employer; or
 - (v) any other reference you provide to us,such information about you as we may require from time to time, in order to process your application and provide the loan, other lending product, or credit you requested.

19. Code of Practice

- We endorse the Canadian Code of Practice for Consumer Debit Card Services and commit to maintaining or exceeding the level of consumer protection it establishes.

V. Glossary of Terms

ABM Electronic Bill Payment means: making bill payments at an Instabank machine without inserting a bill stub.

ABM Paper Bill Payment means: making bill payments at an Instabank machine by inserting a bill stub.

Account History Inquiry means: a customer request for a list of recent transactions.

Assisted-service means: debit transactions or account history inquiries completed with the assistance of a staff member in a branch or through Customer Contact Centre, or ABM paper bill payments.

Customer Activity means: a customer initiated transaction on their account, such as a transfer, deposit or withdrawal. An account is designated as inactive if there is no Customer Activity on the account for a period of one year.

Debit Transaction(s) means: debit transaction(s) on Personal Account(s) conducted by any means of account access, including cheques, and all withdrawals of funds, bill payments, debit card purchases, transfers of funds, and pre-authorized bill payments/debits.

Direct Payment (Debit Card) Purchase means: any purchase made with funds debited directly from your account(s) using your Debit Card and INTERAC® * Direct Payment service or Maestro®# service.

Personal Account(s) or **Account(s)** refers to: any personal chequing account or savings account you may have with BMO Bank of Montreal.

Pre-Authorized Debit(s) means: automatic transfers for bill payments/debits from a Personal Account, authorized by you and arranged to take place at a specified time(s).

Self-serve includes: a) debit transactions by cheque, b) debit transaction (excluding ABM paper bill payments) or account history inquiry using electronic means of account access only, including Instabank machines, and other permitted automated banking machines, debit card purchases, online or telephone banking (other than those assisted by a Customer Contact Agent) preauthorized bill payments/debits, and similar electronic channels which we enable you to use.

VI. Dispute Resolution

If you have a complaint, we encourage you to let us know and give us the opportunity to resolve your concerns. We promise to address your complaint quickly, efficiently and professionally, as retaining your confidence and trust is of utmost importance.

- 1) Talk to a representative at the branch or office where your complaint originated, or where you normally conduct your business. If your concerns are not resolved, please involve the Manager/Supervisor.

Alternatively, contact:

BMO Bank of Montreal

Customer Contact Centre

Call: 1 877 CALL BMO (225-5266)

TTY: 1 866 889-0889

www.bmo.com

- 2) If your complaint is unresolved after following Step 1, you may escalate to the appropriate business group Senior Officer, listed below:

BMO Bank of Montreal

District Vice-President

(your local branch will have specific contact details)

or

President and Chief Executive Officer,

Personal and Commercial Banking

BMO Financial Group

P.O. Box 1

First Canadian Place

Toronto, ON M5X 1A1

Call: 1 800 372-5111

Fax: 416 927 6658

BMO Financial Group Privacy Office

If your complaint is regarding the privacy of your personal information and remains unresolved following Steps 1 and 2, you may contact the Privacy Office at:

BMO Financial Group

Chief Privacy Officer

1 First Canadian Place, P.O. Box 150

Toronto, ON M5X 1H3

If you are still not satisfied, you can contact:

The Office of the Privacy Commissioner of Canada

112 Kent Street

Ottawa, ON K1A 1H3

Call: 1-800-282-1376

privcom.gc.ca

- 3) If your complaint is unresolved after following Steps 1 and 2, you may escalate to BMO Financial Group's Ombudsman. The Ombudsman's mandate is to maintain independence while reviewing your complaint. The Ombudsman will conduct a review of your complaint based on fairness, integrity and respect and make a nonbinding recommendation in a timely manner.

The Ombudsman does not investigate:

- Credit granting policies or risk management decisions of the Bank

- Levels of interest rates, service charges or fees that apply to all customers
- Matters that are already before a court

BMO Financial Group Ombudsman

BMO Financial Group
55 Bloor Street West, 8th Floor
Toronto, ON M4W 3N5

Call: 1 800 371-2541

Fax: 1 800 766-8029

E-mail: bmo.ombudsman@bmo.com

www.bmo.com

- 4) Contact the Ombudsman for Banking Services and Investments (OBSI). Following Step 3, you may contact the Ombudsman for Banking Services & Investments within 6 months for a further review of your complaint. OBSI is an independent service for resolving banking services and investment disputes. If you are not satisfied with BMO's decision on your complaint, it's your right to bring your case to OBSI for an impartial and informal review.

OBSI is not a regulator, and doesn't advocate for consumers or the industry. Services are free to consumers.

Ombudsman for Banking Services and Investments

401 Bay Street, Suite 1505
P.O. Box 5
Toronto, ON M5H 2Y4

Call: 1 888 451-4519

Fax: 1 888 422-2865

E-mail: ombudsman@obsi.ca

www.obsi.ca

Financial Consumer Agency of Canada (FCAC)

FCAC supervises federally regulated financial institutions to ensure they comply with federal consumer protection laws and voluntary commitments and codes of conduct.

For example, financial institutions are required to provide consumers with information about complaint handling procedures, fees, interest rates and branch closures.

If you have a complaint about a potential violation of a consumer protection law or a voluntary commitment or code of conduct relating to bank account products, you may contact the FCAC at:

Financial Consumer Agency of Canada

6th Floor
427 Laurier Avenue West
Ottawa, ON K1R 1B9

Call: (English): 1-866-461-FCAC (3222)

(Français): 1-866-461-ACFC (2232)

Fax: 1 866 814 2224

For a complete listing of federal consumer protection laws, voluntary commitments and codes of conduct, you may visit the FCAC website at www.fcac-acfc.gc.ca.

Note: The FCAC does not provide redress or compensation and cannot get involved in individual disputes.

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