We're here to help.

Cheque Image Service Schedule

This is a Schedule to the Treasury Services Master Agreement (the "**Master Agreement**"). All capitalized terms not defined in this Schedule shall have the meaning given to them in the Master Agreement or in any other applicable Schedule. In addition to the terms and conditions in the Master Agreement, the Client agrees to the following:

1. Definitions

"**Cheque Image Service**" means the services described in this Schedule, the Software and User Documentation.

"Software" means any software program provided or made available to the Client, including any software on other media that is required to access the data thereon.

2. Cheque Image Services

(a) Digital images of cheques drawn on the client's designated accounts with BMO and that are presented to BMO for payment will be recorded. This includes cheques that are presented but not paid by BMO because of stop payment or positive pay orders and any other reasons BMO deems appropriate.

(b) Digital images of the cheques will be provided via internet access, file transmission, cheque image statements or other media.

3. Completeness and Accuracy of Cheque Images

BMO will follow generally accepted standards in the banking industry for the Cheque Image Service in connection with quality, completeness and accuracy.

The Cheque Image Service is performed on the basis of automated cheque processing without a manual inspection of each cheque to verify the accuracy of MICR encoding. Accordingly, the accuracy of cheque image indices for account/ cheque number and dollar amount is contingent upon the correctness of the MICR encoding performed by the bank of first deposit, cheque vendor and the Client's laser printer. BMO is not responsible for:

- Inaccurate MICR information;
- For any unauthorized instructions BMO receives; or
- Confirming the accuracy of any information BMO receives or for any acts or omissions taken in reliance upon any instructions provided, including, without limitation, for any discrepancies between cheque numbers, serial numbers, amounts, payee names and any other information provided

BMO makes no representations or warranties as to the evidentiary admissibility of cheque images for any legal or nonlegal purposes whatsoever, including admissibility in a court of law.

4. Technical Requirements

The Client is responsible for obtaining and maintaining, at the Client's own expense, all of the necessary client-furnished hardware, software, and communication devices or services described in the User Documentation. Nothing herein or in the User Documentation is to be deemed to be BMO's endorsement of any computer manufacturers or software vendors, or BMO's guarantee that the hardware or software configurations on the list BMO supplies will continue to meet BMO's specifications; as such specifications may be updated from time to time. BMO will provide reasonable assistance upon request.

5. Security Devices and Procedures

(a) If (when available) the Client selects internet access or other media requiring additional security, certain security procedures and/or devices may be required.

(b) BMO will deliver all documents and correspondence regarding security procedures and devices only to the individual(s) the Client designates as being authorized for that purpose ("Security Administrator(s)"). The Client will give BMO written notice of any addition or deletion of any Security Administrator. BMO will be entitled to act upon the instructions of any person previously designated as a Security Administrator until BMO has received written notice of a change and has had a reasonable opportunity to act upon it.

6. License of Software

BMO grants the Client a non-transferable and non-exclusive license to use the Software and User Documentation in connection with the Cheque Image Service on the following terms and conditions:

(a) This license only conveys to the Client the right to use the Software and User Documentation in connection with the Cheque Image Service from BMO.

(b) No title to, or ownership of, the Software and User Documentation is transferred to the Client. No license granted hereunder may be assigned, sublicensed or otherwise transferred, whether voluntarily or by operation of law or otherwise, without prior written consent from BMO.

(c) The Client is not entitled to modify the Software nor is the Client entitled to decompile, disassemble, reverse engineer or otherwise translate it.

7. Warranty and Limitation

(a) BMO warrants that the Cheque Image Service and the Software will function substantially in accordance with the specifications in the User Documentation and that the media on which the Software and images are provided will be free from defects in material and workmanship.

However:

- if the Cheque Image Service does not function as warranted, BMO's sole liability will be to provide

  (i) a credit for any fees paid with respect to the period the Cheque Image Service is unavailable.

(b) The foregoing warranties are in lieu of all other warranties or conditions, express or implied, including but not limited to any implied warranties of merchantable quality and fitness for a particular purpose, and those arising by statute or otherwise in law or from a course of dealing or usage of trade.

(c) Under no circumstances, including gross negligence, will BMO be liable for any incidental, special or consequential damages that result from the use or inability to use the Cheque Image Service or the Software, even if BMO have been advised of the possibility of such damages.

(d) No oral or written information or advice given by BMO or its Representatives shall create a warranty or in any way increase the scope of this warranty.