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## Drawcheque 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. Basic Service

*Applicable if Basic Service is used.*

- 1.1. BMO will permit the Client's payors to make deposits at any branch of any deposit-taking financial institution in Canada and then arrange to have the funds concentrated to the Client's central account with BMO (the "**Drawcheque Service**").
- 1.2. The Client will periodically instruct BMO on the amount to be transferred from the other financial institutions through the channels by which BMO accepts such instructions from time to time.
- 1.3. Instructions to BMO must be provided in accordance with the form and manner BMO specifies from time to time in any User Documentation.
- 1.4. BMO issues a cheque ("**Drawcheque(s)**") made payable to the Client on the account(s) in which the funds were deposited and the funds are then transferred to a centralized account with BMO in accordance with the cut-off times and other requirements specified in the User Documentation.

### 2. Third Party Service

*Applicable if Third Party Service is used.*

- 2.1. BMO will comply with instructions provided by third parties ("**Payors**") with accounts at Canadian financial institutions or from the Client or the Client's agent, as specified by each Payor, in order to effect payments from such accounts to the Client's designated account with BMO using BMO's Drawcheque Service.
- 2.2. The Client will obtain an authorization from each Payor in the form BMO provides signed by officers authorized by the Payor to deal with the Payor's relevant bank account ("**Drawcheque Payor Authorization**") and, upon BMO's request, provide an original copy of each signed Drawcheque Payor Authorization to BMO for each Payor that wants to use the payment service.
- 2.3. When the Client or the Client's agent instructs BMO to issue Drawcheques, the Client will ensure that instructions are provided only in accordance with the Drawcheque Payor Authorization and be in the form and manner BMO specifies from time to time in any User Documentation.
- 2.4. Instructions from the Payor on the amount to be transferred must be given through the channels by which BMO accepts such instructions from time to time.
- 2.5. BMO issues a Drawcheque made payable to the Client on the account(s) of the Payor(s) and the funds are then transferred to a centralized account with BMO in accordance with the cut-off times and other requirements specified in the User Documentation, and subject to sufficient funds being available from each Payor's account.



## Drawcheque Service Schedule (cont'd)

- 2.6. Drawcheques are irrevocable by the Client.
- 2.7. BMO may refuse to effect payments where BMO has been notified of the revocation of the Payor's Drawcheque Authorization or where BMO has been otherwise instructed by the Payor or its financial institution to cease effecting payment from the Payor's account.

### 3. Signatures

- 3.1. Drawcheques do not require the signature of the Client's signing officer. Drawcheques BMO issues will be binding on the Client as if they were cheques signed by the Client's signing officer.

### 4. The Client's responsibility

- 4.1. The Client will honour and be liable and responsible for all Drawcheques drawn by BMO against the Client's account.
- 4.2. The Client will comply with the CPA Rules and any other Applicable Law which may now or in the future affect the services described in this Schedule, including without limitation, signing a payee letter of undertaking in the form BMO provides ("**Payee Letter of Undertaking**").
- 4.3. The Client will sign or obtain any further documentation which BMO may request or may be prescribed from time to time by the CPA Rules with respect to the services described in this Schedule.
- 4.4. The CPA Rules may require amendment or termination of the services described herein.
- 4.5. The Client will advise any deposit-taking financial institution against which Drawcheques may be drawn of the Client's authorization to BMO to issue such Drawcheques.

### 5. Indemnification

- 5.1. In addition to the indemnification provided in the Master Agreement or in any other agreement between BMO and the Client, the Client will indemnify and save BMO and its Representatives harmless against all Claims directly or indirectly incurred by or taken against BMO or its Representatives that directly or indirectly, without limitation, are the result of acting on oral, telephone, fax or electronically transmitted instructions respecting Drawcheques that purport to have been provided on the Client's behalf, or that were provided to BMO or its Representatives through the Platform or any of BMO's other channels, whether or not the instructions were in fact authorized by the Client or individuals authorized to act on the Client's behalf.

### 6. Representation and Warranties

- 6.1. In addition to the representations and warranties set forth in the Agreement, the Client represents and warrants that:
  - The person(s) signing the Selection Agreement is/are authorized to sign on the Client's behalf and to sign agreements in respect of the Client's accounts against which Drawcheques will be drawn; and
  - The Client is authorized to enter into this Schedule and to delegate to BMO authority to draw amounts from the Client's accounts by way of the Drawcheque Service.



## Drawcheque Service Schedule (cont'd)

### 7. Liability

- 7.1. The Client will accept responsibility and be liable for any Drawcheques which are returned by a deposit-taking financial institution (including by BMO) for any reason.
- 7.2. BMO is authorized to debit any of the Client's accounts or to issue further Drawcheques for any such returned Drawcheque for which BMO has provided value.

