

Agreements for Everyday Banking

Effective date November 1, 2009

Agreements for Everyday Banking

The following pages contain all of the relevant banking agreements that apply to Personal Accounts at BMO Bank of Montreal®. These Agreements are effective November 1, 2009 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.

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.bmo.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 FirstBank 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, except from Primary Chequing accounts.

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.
- Service charges and fees on U.S. Dollar accounts are charged in U.S. dollars.
- 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 Canadian or US Dollar Primary Chequing or Savings account, you also agree to the terms in this section regarding the AIR MILES Reward Program:

- You have one of the following Options:
 - (a) to earn AIR MILES reward miles on your account and have them credited to an AIR MILES Collector Number;
 - (b) not to earn reward miles on your account.
- If you do not indicate your choice when you apply, you agree that you have chosen Option (b).
- 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 chosen Option (a) 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 have chosen Option (b), 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. AIR MILES reward miles will be adjusted for any point-of-sale reversal or return.
- 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.
- You understand that where you have chosen Option (a), and you provide an AIR MILES collector number that belongs to someone else, that that Collector may be able to calculate the value of financial value associated with your account(s) due to the manner in which the reward miles are credited.
- Bank of Montreal has the right to terminate the Program at any time.
- You agree that Bank of Montreal may collect and use information about the type and number of other products and services which you have obtained from other members of BMO Financial Group in order to determine your eligibility for additional reward miles in accordance with the AIR MILES Reward Program.
- 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.

II. Everyday Banking Plan Agreements

By applying for any Everyday Banking Plan you agree to the following terms:

1) General Terms and Conditions

- You understand and agree to the Plan features and fees, as outlined in the Better Banking Guide.
- The Monthly Transaction Limit overrides any Debit Transactions otherwise included with certain accounts and any waivers of transaction fees earned by keeping the requisite balance in the account.
- If you have included a spouse in your Plan, your spouse will benefit from the services under your Plan, at no additional cost. The Plan services will be available to your spouse only on the joint accounts or personal deposit accounts in either name covered by the Plan.
- If you wish to take advantage of any credit services offered under the Plan, you may need to apply for them separately.
- You acknowledge that the services provided within your Plan are for personal use only and that excessive use of these services, as determined in our sole discretion, may result in additional charges or termination of your Plan.
- We may change or end this Agreement, and/or the Plan terms, services and fees, at any time. You agree to changes made when notice is given in our Canadian branches.

2) Fees

- The Plan fees are not reduced even if some of the services you have chosen are not available at your branch or at some of our other branches.
- You authorize us to debit your account which has been designated as the “Lead Account” with the monthly Plan fee as well as for each additional Debit Transaction(s) or Account History Inquiry made on any of your accounts in excess of the various monthly limits within the Plan.

3) Special Discount Program

By applying for a Special Discount Program, the Senior Plan, or the Senior Plan with AIR MILES, you acknowledge that the Program is to be used for the transactions of the eligible account holder and spouse. Where an eligible account holder has a joint account with a person who is not their spouse and who is otherwise not eligible for the Program, we reserve the right to withdraw or limit the benefits of the Program in respect of the account.

All Special Discount Program members must register in a branch by providing proof of age and are entitled to one discounted Plan per individual.

Youth:

- You confirm that you are 15 years of age or under; or
- If you opened the Plan to hold account(s) in trust, you confirm that the beneficiary is 15 years of age or under.
- You understand that as of your 16th birthday (or the 16th birthday of the beneficiary of a Plan with accounts in trust), the benefits under the Special Discount Program for Youth will end automatically; however, you (or the beneficiary) will qualify for the Young Adult Special Discount Program.

Young Adult:

- You confirm that you are 20 years of age or under; or
- If you opened the Plan to hold account(s) in trust, you confirm that the beneficiary is 20 years of age or under.
- You understand that as of your 21st birthday (or the 21st birthday of the beneficiary of a Plan with accounts in trust), eligibility for the Special Discount Program ends automatically and the full monthly Plan fee will be applied.

Student/Recent Graduate:

- If you are a student at a post-secondary university, college or registered private vocational school, you understand that you must provide us with annual proof of full-time registration by November 1st of each year, or
- If you are a recent graduate of a post-secondary university, college or registered private vocational school, you understand that you must provide us with proof of graduation by November 1st of the year you graduate. You understand that 12 months from the time you provide us with proof of graduation, eligibility for the Special Discount Program will automatically end and the full monthly Plan fee will be applied.
- If you do not provide us with annual proof of full-time registration by the specified date, or proof of graduation by the specified date, the full monthly Plan fee will be applied automatically.

Senior:

- You confirm that you are 60 years of age or over.

III. Personal Credit Reserve/Occasional Overdraft Protection Service Agreement

In return for the Bank permitting you to overdraw your account(s) under the “Personal Credit Reserve” (PCR) and/or “Occasional Overdraft Protection Service” (OOPS!®), you agree to the following:

1) General Terms and Conditions

- We may debit to your account the amount of any cheque, withdrawal or other item drawn on your account and interest as provided in this Agreement. We may refuse to pay any cheque, withdrawal or any other item if the outstanding debit balance of your account exceeds, or would after payment exceed, your Overdraft Limit on the date the item is presented to us for payment.
- If more than one person has applied for the account, you are responsible individually and together (and in Quebec, solidarily) for your obligations under this Agreement. We are authorized to pay any cheques, withdrawals or other items drawn on your account which overdraw your account or which increase an overdraft in your account in accordance with the Signing Authority for your account.

2) Overdraft Limit

- You may overdraw your account to the maximum amount approved (“Overdraft Limit”).
- We reserve the right to change your Overdraft Limit by giving 10 days written notice to you at your latest address on file with us.
- Even if your Everyday Banking Plan waives the fixed monthly fee and/or any per item overdraft fee for this overdraft facility, a fee will be charged when your overdraft is in excess of your Overdraft Limit.

3) Payment

- You will pay us and we will debit to your account our overdraft fees, as listed in the Better Banking Guide, for paying cheques, withdrawals or other items that overdraw your account or increase an overdraft in your account.
- You understand that the credit available under this Agreement is to be used solely to cover overdrafts on your account, and shall not be used as a long term credit facility. Until demand is made, you will make monthly deposits to your account which shall not remain overdrawn for more than six consecutive months.
- You will pay on demand at the branch of your account all amounts which overdraw your account and you will pay both before and after demand interest charges on all amounts which overdraw your account calculated from the date each such amount is debited to your account until the date of payment at a rate and on terms that we may from time to time establish. The rate and terms may be obtained at any of our Canadian branches.

Examples of Interest (per \$100 of outstanding balance):

Annual Interest Rate	Monthly Interest Charge
15%	\$1.25
18%	\$1.50
21%	\$1.75

- We may charge against any other of your accounts and credit to your account any payment that you are obliged to make to us under this Agreement.
- If you fail to make any payment in accordance with this Agreement, or if you fail to do anything you are required to do under this Agreement, or if you die, have given false

information, become subject to or take advantage of any law relating to bankruptcy or insolvency or for the relief of debtors, or upon attachment, execution or levy against you or your property, then we shall have no further obligation to pay any cheques, withdrawals or other items which overdraw your account or increase an overdraft in your account and at our option any outstanding debit balance in your account shall, without limiting any of our other rights, become immediately due and payable without notice or demand.

- If any guarantor of any of your obligations under this Agreement dies or gives notice to us of termination of its guarantee, then we shall have no further obligation to pay any cheques, withdrawals or other items which overdraw your account or increase an overdraft in your account and at our option, any outstanding debit balance in your account shall, without limiting any other of our rights, become immediately due and payable without notice or demand.

4) Termination of Agreement

- Either we or you may terminate this Agreement by giving written notice to the other, but no termination will relieve you of any obligation you have to us under this Agreement until you have paid to us the outstanding debit balance of your account in full.
- We may change or end this Agreement at any time. You agree to changes made when notice is given in our Canadian branches or in any other manner which we may determine from time to time.

IV. 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.

V. Bank of Montreal FirstBanking Automated Services Agreement

This agreement covers the use of your FirstBank Card or other banking card issued by BMO Bank of Montreal and your personal identification number (PIN) or other identification code or password for FirstBanking® Automated Services described below. It applies to all Personal Account Customers.

How to Read this Agreement

“You” and “your” mean the account holder(s) named in the Account Opening Application, and “we,” “us” and “our” mean Bank of Montreal.

1) Definitions

“Account” means:

- The BMO Bank of Montreal personal deposit account(s) and BMO Bank of Montreal MasterCard® account or Personal Line of Credit that we have linked at your request for access with your Card.

“Card” means:

- Your FirstBank Card or any other BMO Bank of Montreal card with our name or logo which we permit you to use in connection with FirstBanking Automated Services;
- Your BMO Bank of Montreal MasterCard card, if it has been activated to access your Account, and we permit you to use it in connection with FirstBanking Automated Services;
- Stored value cards (also called smart or chip cards) when used in connection with your Secret ID Code to access your Account.

In this Agreement, references to “Card” include “Card number”, unless otherwise specified.

“FirstBanking Automated Services” means any access channels which we may enable you to use by means of your Card and Secret ID Codes, including:

- BMO Bank of Montreal Direct Banking telephone banking service 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);
- 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;
- Instabank® machines, or other automated banking machines which we approve for use, including devices for loading stored value cards;
- Point-of-sale/debit card terminals at locations which permit you to use your Card to make direct payment transactions on your Account;
- Financial Snapshot™ or other account and information aggregation or consolidation services we make available;
- Any other channels which we may enable you to use by means of your Card and Secret ID Codes.

“FirstBanking Transaction(s)” includes:

- Transactions with respect to your Account, including deposits, withdrawals, transfers or payments (including, but not limited to, bill payments and direct payment/point of sale transactions); as well as Account information, cheque stop payment instructions, and other transactions with respect to your Account that we may permit through FirstBanking Automated Services;
- Applications for investments, mortgages, loans and other types of credit;
- Such other transactions, services or information that we may make available.

“Secret ID Codes” means:

- Your personal identification number (PIN), password or other identification code (whether provided to you by the Bank or selected by you), which is used, together with your Card or alternate mutually agreed upon form of identification.

2) Use of FirstBanking Automated Services

- Your use of FirstBanking Automated Services will show that you have received, understood and agreed to this Agreement. You will use FirstBanking Automated 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 FirstBanking Transactions via FirstBanking Automated Services, when accompanied by your Card and Secret ID Codes.
- The use of your Card or Secret ID Codes by you, or by any person with or without your knowledge or consent, in connection with a FirstBanking Transaction, binds you legally and makes you responsible to the same extent and effect as if you had given signed, written instructions to us. This section is subject to any applicable limitation of your liability under the provisions in this Agreement under the heading “Your Liability”.
- 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 FirstBanking Automated 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. You agree that 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. You agree to settle any dispute with a biller concerning the failure of the biller to give you credit for bill payments, directly with that biller.

3) Timing of FirstBanking Transactions

- We will process FirstBanking Transactions made on a weekend or holiday on your Account on your branch’s next banking day. However, we may require up to five banking days:
 - to process any deposit, including any transfer between Accounts;
 - to act on bill payment instructions.
- We may decline or delay acting on any FirstBanking 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) Faxed Instructions

- In some cases we will advise you that we are willing to accept faxes (facsimile, telecopier) 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 FirstBanking 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 advise you as to 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.

- In addition to communications by voice and mail, you authorize us to communicate with you by fax, or by online notices or electronic mail to your personal computer, at such numbers or addresses as you provide to us.
- Faxed instructions are "Assisted-service" Debit Transactions, and fees will be assessed accordingly if not covered by your Everyday Banking Plan.

5) Other Agreements and Laws May Apply

- This Agreement does not replace any other agreement relating to your Account. In particular, your MasterCard Cardholder Agreement, Personal Line of Credit Agreement, or other credit agreement apply when FirstBanking Automated 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 FirstBanking Automated 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 FirstBanking Automated Services that require such software.

6) 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 runs the Cirrus and Maestro networks available using your Card) on the date the transaction is posted to your account. The conversion rate may not be the same as the rate that was in effect on the transaction date.

7) Keeping Your Secret ID Codes and Card Number Confidential

- You must keep your Secret ID Codes 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 BMO Bank of Montreal Direct Banking's online and telephone services, and our account and information aggregation or consolidation services.
- We do not encourage you to keep written records of your Secret ID Codes, 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 - for example, your birth date, address, telephone number or other such information easily obtainable by third parties.
- When inputting your Secret ID Codes into bank machines, point-of-sale/debit card terminals, telephones and computers, you must take reasonable precautions, such as ensuring that no one is watching you and using your body and/or hand as a shield, to conceal your Secret ID Codes from the view of others.
- We encourage you to be cautious of web sites, online services, callers or other parties that pretend to be BMO Bank of Montreal (or a subsidiary) that ask for this information and/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 bank accounts, credit cards, 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 - giving your Secret ID Codes or Card number to these web sites may expose you to losses from your 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.

8) Your Responsibility for Lost or Stolen Card/Confidentiality

- You must notify us by telephone within 24 hours of learning of the loss, theft or misuse of your Card, that your Secret ID Code was disclosed to, or obtained by, anyone else or may be known by anyone else, or that unauthorized use of FirstBanking Automated Services may be occurring.

9) Your Liability

Authorized FirstBanking Transactions

You are responsible for the full amount of all authorized activity resulting from the use of your Card and/or Secret ID Code by any person. Careless handling of your Card and/or Secret ID Codes can result in serious financial losses.

Unauthorized FirstBanking Transactions

You will not be liable for any losses from unauthorized use of your Card or FirstBanking 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. Such circumstances include Bank errors, technical problems or system malfunctions.

You may be liable for all losses from unauthorized use of your Card if you:

- knowingly contributed to its unauthorized use;
- willingly disclosed your Secret ID Codes;
- did not keep your Secret ID Codes separate from your Card; or
- did not notify us by telephone within 24 hours of learning that your Card was lost or stolen, or that the confidentiality of your Secret ID Codes was compromised, and that there are no exceptional circumstances for your failure to notify us in that way.

In those cases, your liability may exceed your account balance, 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.

In All Instances

You will not be liable for losses that occur after you have notified us:

- of the loss, theft or misuse of your Card;
- that your Secret ID Code was disclosed to or obtained by anyone else or may be known by anyone else; or
- that unauthorized use of FirstBanking Automated Services may be occurring.

You agree to cooperate and assist in any investigation that we initiate into unauthorized use you report as a precondition to being reimbursed for any losses. This cooperation may include filing a report with law enforcement authorities.

10) 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 if you are unable to access FirstBanking Automated Services in the event of any malfunction for any reason whatsoever, or if we do not receive your instructions for any reason whatsoever, or if there is any delay in the processing of any FirstBanking Transaction, or if we decline to act on your instructions, for any reason.

- We will not be responsible or liable for the release of any information about you before you notify us of the theft or loss of your Card, or if the confidentiality of your Card number or Secret ID Codes 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.

11) We May Charge for Services

- We may charge fees for FirstBanking Automated Services and FirstBanking Transactions. You authorize us to debit your Account for these fees. Up-to-date information on fees is available at all branches.

12) Return of Card; Non-Transferability

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

13) We May Set Limits or Change this Agreement

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

14) Records and Dispute Resolution

- Our records will be conclusive evidence of your communications and of FirstBanking 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 FirstBanking Automated Services. You will settle any issues directly with the vendor involved.
- If you have any dispute with a biller concerning bill payments made using FirstBanking Automated Services, including the imposition of any additional charges such as late fees or interest penalties, you will settle any issues directly with the biller.

15) Governing Laws

- This Agreement and FirstBanking Transactions are governed by the applicable laws of the Canadian province or territory in which you reside, and by the applicable laws of Canada.

16) We May Obtain Personal and Credit Information

- If you apply for a loan or credit (including a credit card) using FirstBanking Automated Services, you have obtained notice in writing of and you consent to us obtaining, providing or exchanging such information about you as we may require from time to time, (a) from and with any credit reporting agency, personal information agent, and any other credit grantor, and (b) from your employer or any other reference you provide to us, in order to process your application and to provide the loan or credit.

BMO Bank of Montreal endorses the Canadian Code of Practice for Consumer Debit Card Services and commits to maintain or exceed the level of consumer protection it establishes.

VI. BMO Global Money Transfer Terms

By applying for the BMO Global Money Transfer service you agree to the following terms:

1) General Terms and Conditions

- You understand and agree to the features and fees of the BMO Global Money Transfer service, as outlined in the Better Banking Guide.
- The BMO Global Money Transfer service is to be used for remittance transfers for personal purposes only. If it is used for business purposes, we reserve the right to terminate the service.
- 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 terminate your BMO Global Money Transfer service. Your legal representative must first provide us with the proper legal documents.
- You agree to notify the Bank in writing of any unauthorized transactions 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 terminate your BMO Global Money Transfer service if required by law or if at any time you commit fraud, violate the terms of any applicable agreements, use it for any improper or unlawful purposes, or operate it 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.
- We may change or end this Agreement at any time. You agree to changes made when notice is given in our Canadian branches.
 - a. **BMO Global Money Transfer transactions**
- BMO Global Money Transfers at a branch can only be made with Canadian Dollar cleared funds only (e.g. cash, money order, certified cheque, etc) or transfer of cleared funds from another Canadian Dollar deposit account held with us at any of our Canadian branches that provide Assisted-service.
- BMO Global Money Transfers at an ABM or through Direct Banking can only be made using transfer of cleared funds from another Canadian Dollar deposit account held with us at any of our Canadian branches.
- Your Global Money Transfer account number may be provided to the beneficiary's financial institution as part of the processing of a BMO Global Money Transfer.
- There is a minimum BMO Global Money Transfer amount that is subject to change from time to time.
- There is a maximum BMO Global Money Transfer amount for each transfer in currencies other than Canadian Dollars made at an ABM or through Direct Banking. This maximum is subject to change from time to time. For BMO Global Money Transfers over this amount, please contact your branch.
- Each payment or transfer of funds using the BMO Global Money Transfer service will automatically initiate a separate BMO Global Money Transfer and the amount of each payment or transfer, net of applicable fees, will be immediately debited and processed as a BMO Global Money Transfer in accordance with your instructions on file.

- Each BMO Global Money Transfer will be subject to a standard time delay before it reaches the beneficiary. The time delay is disclosed on the application form provided to you when you sign up for BMO Global Money Transfer service.

b. Fees

- Our fee will be deducted from each payment or transfer amount before any applicable foreign exchange rate is applied.
- Additional fees may be charged or deducted by the receiving financial institution for processing money transfers
- We may change fees from time to time. Up-to-date information on fees is available at all branches and on the Internet at www.bmo.com.

c. Foreign Exchange Rate

- A BMO Bank of Montreal foreign exchange rate is applied to BMO Global Money Transfers in currencies other than Canadian Dollars.
- The foreign exchange rate is determined at the time the transaction is processed and is subject to change daily and throughout the day.
- The foreign exchange rate applicable to BMO Global Money Transfers is disclosed in the branches.

d. Statements

- Details of each BMO Global Money Transfer, including applicable foreign exchange rate and fee, will appear in your BMO Global Money Transfer statement.
- Statements detailing BMO Global Money Transfers will be produced on an annual basis, unless the BMO Global Money Transfer has been added to a consolidated statement.
- Up-to-date statement information detailing your BMO Global Money Transfers can be obtained at any time in your branch or through ABM or Direct Banking.
- Any statement 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, through your branch, ABM or Direct Banking, your BMO Global Money Transfer transactions and for notifying the Bank in writing of any errors, irregularities or omissions in your statement or 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 transaction listing 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 or transaction listing as correct and to have accepted all transactions as authentic and properly charged.

e. Interest

- There is no interest paid or charged on BMO Global Money Transfers.

f. Inactive Accounts

- BMO Global Money Transfers which have had no Customer Activity for a period of at least two years will be closed.

2) Indemnities

- We are not responsible for any charges, expenses, losses, errors, damages, penalties, costs or inconvenience resulting or arising from any delay or failure of performance due to causes beyond our control, including, but not limited to, acts or omissions, or the insolvency or bankruptcy of other financial institutions or systems failures respecting the processing and receipt of BMO Global Money Transfer.

- You are responsible for checking the accuracy of the beneficiary information including the beneficiary bank information and we are not liable for incorrect or failed payment arising from incorrect beneficiary information. We or other financial institutions involved in processing BMO Global Money Transfers may rely solely on any account or identification number(s) provided and will not seek to confirm whether the number(s) specified correspond with the name of the beneficiary or beneficiary's financial institution provided in the setup of the BMO Global Money Transfer. We are not obliged in any other way to verify the information contained in the BMO Global Money Transfer.
- We are not liable for incorrect or improper payment arising out of the processing of any BMO Global Money Transfer, unless caused solely by our negligence or wilful misconduct.
- We may delay the sending of a BMO Global Money Transfer in the event that any restrictions in any clearing system used to effect the BMO Global Money Transfer, including, but not limited to insufficient credit or other limits, delay us from sending the BMO Global Money Transfer.
- The beneficiary may be required to provide identification to the satisfaction of the beneficiary financial institution.
- BMO Global Money Transfers are irrevocable. While we will use reasonable efforts to request a return of funds upon your instructions, we cannot guarantee a return of funds. If we are able to obtain a return of funds, we will credit the funds to your deposit account held with us at any of our Canadian branches, less any applicable charges or fees which we may charge or which may have been charged by third parties, for obtaining a return of funds. For funds returned in foreign currency, the foreign exchange rate applicable to BMO Global Money Transfers and disclosed in the branches will be applied to the funds on the date the credit is made.
- We are not liable to you for any charges that may be applied by other financial institutions as a result of inaccurate information that prevents them from effecting the payment, resulting in a return of funds. We will credit the returned funds to your deposit account held with us at any of our Canadian branches, less any applicable charges or fees which we may charge or which may have been charged by third parties. For funds returned in foreign currency, the foreign exchange rate applicable to BMO Global Money Transfers and disclosed in the branches will be applied to the funds on the date the credit is made.
- BMO Global Money Transfers are subject to cut-off times, time zone differences and local laws and regulations of Canada and the destination country.

3) BMO Global Money Transfer Ownership

- BMO Global Money Transfers are made in single name only and remitted to a single beneficiary only.

4) AIR MILES Reward Program

- BMO Global Money Transfers do not earn reward miles.

VII. 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 Direct Banking, 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 Banking means: BMO Bank of Montreal's Direct Banking Service which allows customers to manage their finances by telephone and/or online.

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

Everyday Banking Plan(s) or Plan(s) means: a group of services packaged together for one fixed monthly fee.

Lead Account means: the Personal Account you have designated, from which your monthly Plan fees and excess fees are to be debited.

Monthly Transaction Limit(s) means: the maximum number of debit transactions and account history inquiries (excluding online account history inquiries) included within an Everyday Banking Plan.

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

Plan Fee Waiver(s) means: the elimination of a Plan's monthly fee by maintaining a specific balance at all times during the month in a Primary Chequing account (which has been designated as the "Lead Account"). Debit transactions exceeding the monthly transaction limit are NOT covered by the Plan fee waiver.

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, Direct Banking (other than those assisted by a Direct Banking Manager), pre-authorized bill payments/debits, and similar electronic channels which we enable you to use.

VIII. 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

Direct Banking

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, Ontario M5X 1A1

Call: 1 800 372-5111

Fax: 416 927 6658

- 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 non-binding 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, Ontario M4W 3N5

Call: 1 800 371-2541

Fax: 1 800 766-8029

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
P.O. Box 896, Stn. Adelaide
Toronto, Ontario M5C 2K3

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, Ontario 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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