



TERMS OF USE

April 2020

The following agreement describes the terms and conditions under which PayDirect Billing Solutions Inc. ("PAYDIRECT") offers you access to payment systems and services.

You must read, agree with, and accept all of the terms and conditions contained in this Agreement and our Privacy Policy, which include those terms and conditions expressly set out below and those incorporated by reference, before you may use our Services. By clicking the "accept" button you agree with our Privacy Policy and the terms and conditions contained herein.

Definitions

In this Agreement:

"Bank" in this Agreement includes savings associations and credit unions as well as federal, state or provincially regulated financial institutions, unless otherwise specified.

"Checking Account" and **"Saving Account"** includes all personal accounts at a Bank (a "Bank Account").

"Financial Institution" means a Bank or other institution designated by you to fund a transaction to a Merchant.

"Financial Institution Account" means your account at the Financial Institution that holds the funds used to make a payment to a Merchant.

"PAYDIRECT", **"we"** **"us"** or **"our"** will refer collectively to PAYDIRECT Services and its subsidiaries, unless otherwise stated.

"Merchants" include any business, association or organization accepting payments for goods, services, dues, membership or other fees through the use of PAYDIRECT Services.

"Payment Transaction" means a payment to a Merchant that you authorize through the use of the PAYDIRECT Services.

"You" or **"your"** means any person using the PAYDIRECT Service ("User"), and shall, unless the context otherwise requires, include Merchants.

General Terms

1. PAYDIRECT provides a transaction platform that facilitates financial transactions between Merchants and their customers ("Service" or "Services"). The PAYDIRECT Service is provided on an "as is" basis and is without any warranty or condition, express, implied or statutory. We specifically disclaim any implied warranties of title, merchantability, fitness for a particular purpose and non-infringement. PAYDIRECT shall make reasonable efforts to ensure that requests for electronic debits, bill payments, Interac transfers, and credits involving Bank Accounts are processed in a timely manner but we make no representations or warranties regarding the amount of time needed to complete processing because our Service is largely dependent upon many factors outside of our control, such as delays in the banking system. The User agrees that PAYDIRECT will not be liable for any actual or consequential damages arising from any claim of delay.
2. You agree to indemnify and hold PAYDIRECT, its affiliates, officers, directors and employees harmless from any claim or demand whatsoever relating to or arising out of the PAYDIRECT Service (however arising, including negligence).
3. PAYDIRECT reserves the right to suspend or permanently close an account. Accounts will be closed or suspended if any of the following circumstances are established: change in credit risk, identity inconsistencies, fraud or attempted fraud at PAYDIRECT, its affiliates and/or at the Merchant, any attempt to violate the security or privacy procedures of PAYDIRECT or its affiliates, insufficiently funded transactions, returned transactions for any reason whatsoever, unsolicited email to any Users or Merchants, charge-back of transactions, or any other act that is construed by PAYDIRECT as being undesirable or threatening to the Service.
4. PAYDIRECT acts as a facilitator to help you make payments to and accept payments from Merchants as well as to transfer funds to and from a balance held on the Users behalf in our system (collectively "Transactions"). We act as your agent based upon your direction and your requests to use our Services that require us to perform tasks on your behalf. PAYDIRECT allows payments from Merchants to be recorded as a balance in the PAYDIRECT system for the benefit of the User (the "Balance Account"). In the process of clearing Transactions between Users and Merchants, funds will be held for periods of time during the clearing process in various PAYDIRECT bank accounts. You acknowledge that PAYDIRECT is not a bank and the Service is a payment processing service rather than a banking service, and PAYDIRECT is not acting as a trustee, fiduciary or escrow with respect to your funds. Our services are comprised of electronically recording the beneficial owners of funds in User's Balance Accounts, which includes recording the movement of funds as directed by the User: (i) from a Merchant to the Balance Account, (ii) from the Balance Account to a Merchant, (iii) from the Balance Account to the User's Bank Account, as well as recording transfers from a User's Bank Account directly to a Merchant. You hereby authorize us to use the Balance Account to record the beneficial Users of funds and you hereby accept our records as final in determining the beneficial Users of funds and the amount of funds in the Balance Account.

5. You authorize PAYDIRECT to hold some or all of the funds in the Balance Accounts, which are held for your benefit as directed by us, which in consideration for the Services, you hereby transfer and assign to us all income earned on funds in the Balance Accounts.
6. We may amend this Agreement at any time by posting the amended terms on our site.
7. When a User transfers funds to a Merchant the entire transaction amount, plus any applicable fees, will be debited from the User's Account Balance of the same currency if there are sufficient funds to cover the entire transaction. If the funds in the User's balance are insufficient to cover the entire transaction amount, the entire transaction amount will be debited from the Bank account of the User. For further clarity, only funds held in a User's Account Balance in the same currency of the transaction will be used to complete a payment to a merchant. Funds held in the User's Balance Account in a different currency will not be converted to the currency of the Transaction and used to fund the Transaction. A User may initiate a payment by (i) using the websites of PAYDIRECT or its affiliates to register and make a payment to a Merchant ("Web Payment"), (ii) by entering your secure login information on a PAYDIRECT or affiliates' payment window or on a Merchant site.
8. Funds deposited into your Bank Account from your Balance Account will not be available until they clear through the banking system which could take up to five business days. Funds may be held until other Transactions initiated by the User have cleared.
9. Depending on the policies of the Merchant, a User may not be credited the payment made to the Merchant until the Merchant has verified settlement of the funds. In most cases the Merchant will credit the user's account instantly, and the User will have access to the goods and/or services being purchased.
10. Any transactions involving a transfer of funds from the User's Account Balance to the User's Bank Account (Credit Transaction) will only be made to the Bank Account that is registered and has been verified with PAYDIRECT or its affiliates. If the Bank Account on file has been closed, or is unavailable for some other legitimate reason, we require you to provide PAYDIRECT with a number of forms of identification and verification including faxed or scanned copies of state, provincial or federal identification, bank documents and address verification. Credit Funds cannot be received by any other methods such as wire transfer or physical cheque.
11. If you are a recipient of funds from a Merchant (for refunds or cash-back incentives etc.) to your Account Balance you assume all risks in accepting payments from the Merchant. Payments received from a Merchant may be rejected if the Merchant's account cannot adequately meet the amount of the payment by using the Merchant's existing balance.
12. By using the PAYDIRECT Services, you will be subject to payment of any applicable fees relating to Transactions and holding of Account Balances.

13. PAYDIRECT reserves the right to change the fees it charges for its Services from time to time. Updates will be indicated on the applicable web page, and will be displayed on the approval page of the transaction.
14. If a User's PAYDIRECT account has been blocked, suspended or has had no transactions for a period of 90 days that account shall be classified as inactive ("Inactive").
15. If your PAYDIRECT account has been Inactive for a continuous period of twenty-four (24) months any funds remaining to your Account shall be forfeited to PAYDIRECT.
16. If you do not access your PAYDIRECT account for a period of five years, it will be terminated.
17. The User agrees to pay a fee for each insufficiently funded transaction.
18. You grant PAYDIRECT the right to submit records to your credit bureau file for insufficiently funded transactions, negative or fraudulent activity.
19. You acknowledge and accept that your Bank may charge fees for items such as: Transactions to and from your Bank Account, insufficiently funded transactions (NSF) and potentially other Bank service fees; which are all beyond the control of PAYDIRECT.
20. You are solely responsible for confirming the identity and legitimacy of the Merchant in any transaction. You are fully responsible for any goods bought or any services provided by Merchants and settled through the PAYDIRECT system. You agree that a payment received from or paid to a Merchant is final and not reversible. Any disputes that arise between Users and Merchants relating to payments made are not the responsibility of PAYDIRECT or its affiliates. You acknowledge and agree that PAYDIRECT does not make any guarantees, or accept any liability, regarding purchases made using the PAYDIRECT Service. You further acknowledge that PAYDIRECT makes no representations as to the quality, safety, or legality of the merchandise received, nor that the Merchant will ever ship the merchandise.
21. In the event that you have a dispute with one or more Merchants, you release PAYDIRECT (and our officers, directors, agents, affiliates and employees) from any and all claims, damages and demands of every kind and nature arising out of or in any way connected with such dispute.
22. The minimum transaction amount for payments to Merchants is set by the individual Merchants. You also acknowledge that transfer and redemption options through PAYDIRECT impose certain minimum and maximum limits and these are indicated when you view the various options on the applicable webpage on our Website. We reserve the right to impose limits on all transfer amounts and frequency. We may change such limits from time to time without notice.
23. A user may only register one PAYDIRECT account. PAYDIRECT reserves the right to terminate duplicate accounts or any account containing untruthful information.

24. You agree that you will not attempt to transfer from your Bank account any payment for amounts above your then-current Bank Account balance. If you breach the terms of this paragraph, PAYDIRECT reserves the right to reject your payment and you will be solely responsible for the consequences of this rejection. PAYDIRECT also reserves the right to suspend or close any User's PAYDIRECT account that has initiated a payment against a Bank Account with insufficient funds. PAYDIRECT may also suspend a User's PAYDIRECT account if the User registers and attempts payments from any Bank Account that has been suspended or closed by the bank for any reason.
25. You agree that you will not charge back any amounts previously debited from your Bank Account by PAYDIRECT.
26. If you initiate a transaction on an account that is returned by your Bank for any reason whatsoever including but not limited to insufficient funds, closed or suspended accounts and transactions that are charged back by the User, the User authorizes PAYDIRECT to collect funds directly from you for such returned transactions by whatever means necessary, including, but not limited to, debiting your balance account for the full amount of the original transaction plus fees, and/or assigning the debt to a professional collections agency.
27. If you use the services of PAYDIRECT that require you to open an account with PAYDIRECT or its affiliates, you must provide PAYDIRECT with valid and accurate information, including name, home address and telephone number, Social Insurance Number, date of birth, and Bank Account information. You must be at least 18 years of age. You agree specifically to allow PAYDIRECT or its affiliates to verify your identity and account information with your country's bank systems as well as third party anti-fraud and identity verification services. PAYDIRECT or its affiliates have the right to obtain your credit report and to adjust your account status according to our assessment of your credit risk. PAYDIRECT reserves the right to refuse accounts on the basis of identity inconsistencies, credit risk, or any other reason deemed sufficient by PAYDIRECT. Because User verification on the Internet is difficult, PAYDIRECT cannot and does not guarantee any User's identity.
28. For security reasons, when you contact our customer service department you may be required to verify your identity through various forms of identification including but not limited to: photo identification, bank documents and/or utility bills. If you request an electronic funds transfer from your PAYDIRECT Account Balance to your Bank Account, you will provide an initial authorization in accordance with our instructions. After an initial authorization is received, you agree that we may access your Bank Account at any time you instruct us to make a transfer to your Bank Account. If you request an electronic funds transfer from your Bank Account to a Merchant, you grant PAYDIRECT the right to access your Bank Account zero to two business days after you instruct us to make a payment. You also agree that the bank clearing time may be dependent upon factors outside of our control, such as delays in the banking system.
29. You agree not to engage in behavior that could reasonably be construed as "kiting checks" a method whereby a depositor utilizes the time required for checks to clear to obtain an

unauthorized loan without any interest charge. This includes, but is not limited to, authorizing a payment through PAYDIRECT with the knowledge that the funds are not available in the registered bank account, and then depositing checks to cover the transaction.

30. You consent to have your name (but not your password, Social Insurance Number, Date of Birth or any other private information) made available as identification to Merchants whom you have paid through PAYDIRECT.
31. Paydirectbillingsolutions.com, PayDirect Now, and all related logos, products and services described in the PAYDIRECT website, payment interface, or other communications are either trademarks or registered trademarks of PAYDIRECT, or its licensors, may not be copied, imitated or used, in whole or in part, without the prior written permission of PAYDIRECT. In addition, all page headers, custom graphics, button icons, and scripts are service marks or trademarks of PAYDIRECT and may not be copied, imitated, or used, in whole or in part, without the prior written permission of PAYDIRECT.
32. You may not divulge your password to anyone else, allow anyone to use your account, nor may you use anyone else's account or password. You may not use the PAYDIRECT account to make payment(s) to a Merchant account that is not in your own name. PAYDIRECT is not responsible for losses incurred by Users as the result of their misuse of passwords or accounts. You agree to accept full responsibility for any transactions or liabilities that arise from a violation of this clause.
33. You understand that PAYDIRECT may provide Services to residents of Canada and such other countries as permitted by applicable law.
34. You agree that PAYDIRECT may block access to any computer located outside Canada or any other country in compliance with applicable law. You agree that PAYDIRECT may block service to any computer that cannot be geographically located due to proxy servers, public proxies, anonymizers or any other connection that does not enable PAYDIRECT to geographically locate the originating computer.
35. If you use, or attempt to use the PAYDIRECT Service for other purposes including but not limited to tampering, hacking, modifying or otherwise corrupting the security or functionality of PAYDIRECT, the PAYDIRECT Services will be terminated and you will be subject to damages and other penalties, including criminal prosecution.
36. You agree that this Agreement constitutes "a writing signed by you" under any applicable law or regulation including the CPA Rule H1 for the PAD (electronic cheque) payment service, if you are using such service. To the fullest extent permitted by applicable law, this Agreement and any other agreements, notices or other communications regarding your account and/or your use of the Service ("Communications"), may be provided to you electronically and you agree to receive all Communications from PAYDIRECT in electronic form. Electronic Communications may be posted on the pages within the PAYDIRECT website and/or delivered to your e-mail address. We urge you to print a copy of any Communications and retain it for

your records. All Communications in either electronic or paper format will be considered to be in "writing," and to have been received no later than five (5) business days after posting or dissemination, whether or not you have received or retrieved the Communication. PAYDIRECT reserves the right but assumes no obligation to provide Communications in paper format.

37. In accordance with the PAYDIRECT Privacy Policy, we will not sell or rent your personal information to third parties for marketing purposes without your consent. We will only collect, use, and share your Personal Information as described in the Privacy Policy. We store and process your Personal Information on computers located in Canada that are protected by physical as well as technological security devices. We use third parties to verify and certify our privacy principles. Our current Privacy Policy is available on the PAYDIRECT Web site at www.paydirectbilling.com. If you object to your information being transferred or used in this way, please do not use our Services.
38. PAYDIRECT reserves the right to refuse to transfer or hold funds beyond the normal distribution periods for transactions it deems suspicious or fraudulent. If a payment is received from a Merchant and the payment is deemed suspicious, PAYDIRECT reserves the right to transfer the funds back to the Merchant with or without notice.
39. PAYDIRECT, in its sole discretion, may terminate this Agreement, access to its web site, or access to the Service without notice for any reason and at any time.

Liability and Error Resolution

1. In case of errors or questions about your transactions, you should notify PAYDIRECT through application messaging, e-mail or telephone. Never include your password in email or messaging. Our customer service staff may ask you to log in to your account through the web site, but will never ask you to provide your password to them directly. You should never give your password to anyone asking for it by phone.
2. In case of errors or questions about your transactions you must: 1) Tell us your account number, name and primary email address; 2) Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and, 3) Tell us the currency amount of the suspected error. If you tell us orally, we may require that you send your complaint in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you, and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) calendar days to investigate the complaint or question. If we decide to do this, we will provisionally credit your transaction account within ten (10) business days for the amount you think is in error, so that you may have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not provisionally credit your transaction account. You may ask for copies of documents, which we used in our investigation. We may revoke any provisional credit provided to you if we find that an error did not occur.

3. If your transaction history shows any transfers of funds that you did not make or authorize, notify us at once. If you do not notify us within 60 days after receiving notice, you may not recover any money you lose after the 60 days if we can prove that we could have stopped someone from taking the money if you had notified us in time. In the case were we are notified 90 days after the unauthorized transaction, you shall forfeit all charges/payments from such transaction(s) and you will not be refunded. In case of unauthorized transactions, payment problems, errors or questions about your account, you should notify PAYDIRECT through application messaging, e-mail or telephone.

This Agreement is subject to change at any time without notice.