

SCHEDULE I – TERMS AND CONDITIONS PRE-AUTHORIZED DEBIT (PAD) SERVICE

This Pre-authorized Debit (PAD) service Terms and Conditions is in addition to the Telpay for Business Service and Licence Agreement signed by the Customer. The Customer, by selecting this Service, directs Telpay to collect pre-authorized debits ("PAD") on the Customer's behalf. In doing so, the Customer warrants and guarantees to and agrees with Telpay that:

1. Each payor on whose behalf any debit has been drawn by PAD has signed and delivered to the Customer a written request authorizing the Customer to issue debits and, where applicable, given a direction pursuant to such a written request to issue a debit as though it were signed by such payor and authorizing such direction to be acted upon as though it were a written direction signed by such payor.
2. The written request conforms in all respects to the provisions of the CPA Rules and Regulations in force from time to time as they apply to PADs.
3. If required by Telpay, the Customer will provide signed PADs to Telpay within 24 hours of request.
4. The Customer will obtain from each payor a written undertaking in the form and upon the terms as determined by Telpay from time to time, if any.
5. Funds received by Telpay as a result of collection of PADs will be transferred to the Authorized Account on the date specified for PADs or the date processed by Telpay, whichever is the later, except that Telpay shall have the right to withhold credit if, in its sole and absolute discretion, Telpay believes that PAD may not be effected.
6. Notwithstanding anything to contrary herein, the Customer acknowledges and agrees that Telpay shall have the right to charge back to the Customer, (a) any PAD returned unpaid to Telpay regardless of the reason for the return; or (b) any loss or payment taken from Telpay's account as a result of an unauthorized PAD. Telpay reserves the right to charge additional fees if the Customer submits a PAD that cannot be processed.
7. The Customer will immediately pay to Telpay the full amount of the PAD or loss/payment taken from any of Telpay's accounts.
8. Telpay may place limits on the frequency PADs are used by the Customer.
9. Telpay may place limits on the amounts to be processed by PAD.
10. The Customer undertakes to make available for inspection, upon the request of Telpay, the payor, the payor's financial institution, or an authorized representative of the payor, the authorization of any payor for whom the Customer has issued or caused to be issued any PADs. The Customer shall be solely responsible to ensure that the payor's authorization is by a valid signing authority for the account.

Customer Processing Requirements:

- a. What frequency do you PAD your Payors? Weekly Bi-Weekly Monthly Annual
- a. What is the maximum amount that you will PAD to any Payor? \$ _____
- b. On average how many Payors will you PAD in each file? _____

Intended Use of PAD Service (maximum limit per PAD):

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| a. Condo fees/property rentals (\$3,000) | f. Insurance premiums (\$1,000) |
| b. Government and municipal remittances (\$2,000) | g. Recurring service fees (\$1,000) |
| c. Professional organizations and/or club membership/fees (\$2,000) | h. Donations to registered charities (\$100) |
| d. Reoccurring loan and interest payments (\$3,000) | i. Educational fees and services (up to \$750) |
| e. Other: _____ | j. General memberships (\$100) |

I/we agree to the terms and conditions outlined above: I/We agree that PAD proceeds will be remitted to us a minimum of four (4) business days after the debit to our Payor has been processed by Telpay. I/We agree to provide Telpay with a copy of three (3) signed PAD agreements as samples of the form we will obtain for all our PAD Payors before this service can be activated. As a Customer utilizing Telpay's PAD service, I/we certify the above information to be correct. To enter into this agreement the required number of signatures to authorize transactions on the bank account associated with this service must be provided below.

Signed this _____ day of _____ 20__ at _____
(Company name and Telpay Access number)

_____ Signing Officer	_____ Print Name	_____ Position
_____ Signing Officer	_____ Print Name	_____ Position