



# ONE The Public Sector Group of Funds

## Municipality's Authorization for Pre-Authorized Debits

To: CHUMS Financing Authority                      And to: Municipality's Financial Institution(s)  
And Local Authority Services                      referred to in the Investor Account  
Limited (collectively the "Agent")                      Information Sheet (attached)  
Tel: (416) 362-9001 ext. 223  
Fax: (416) 362-9226

FOR VALUE RECEIVED, the undersigned municipality hereby:

1. certifies that the information contained in the investor account information sheets attached hereto (the "**Investor Account Information Sheets**") is complete and accurate and undertakes to provide written notice to the Agent of any changes to the information from time to time;
2. agrees to made investments through "ONE – The Public Sector Group of Funds" (the "**Fund**") only when the information set out in the Investor Account Information Sheet is complete and accurate and the undersigned municipality has provided to the Agent the notice of changes as required in section 1 of this authorization;
3. acknowledges that this authorization is provided for the benefit of the Agent and the Municipality's Financial Institution and is provided in consideration among other things of the Municipality's Financial Institution agreeing to process debits against the undersigned municipality's account (the "**Accounts**") with the Municipality's Financial Institution, as set forth in the Investor Account Information Sheet and in accordance with the rules of the Canadian Payments Association;
4. warrants and guarantees that the person or persons whose signatures are required to authorize withdrawals from the Accounts have signed this authorization and that such person or persons signing this authorization are our authorized signing officer(s) and are authorized to enter into this authorization;
5. authorizes the Agent, and any person authorized by the Agent, to issue pre-authorized debits ("**PADs**") drawn on the Accounts, for investments in the Fund to be made on the instructions of and on behalf of the undersigned municipality in accordance with the instructions given by the undersigned municipality to the Agent or another person acting on behalf of the Agent for investments to be made by the undersigned municipality through the Fund;
6. acknowledges and agrees that provision and delivery, regardless of the method of delivery, of this authorization to the Agent constitutes delivery by the undersigned municipality to the Municipality's Financial Institution(s);
7. waives any notice required to be given by the Agent as payee or any other person to the undersigned municipality by virtue of Rule H1 ("**Pre-Authorized Debits (PADs) Rule**") of the rules of the Canadian Payments Association in respect of instructions issued by the undersigned municipality for investments in the Fund;
8. acknowledges and agrees that the Municipality's Financial Institution is not required to verify that a PAD has been issued in accordance with the particulars of this authorization including, but not limited to, the amount, or that any purpose of payment for which the PAD was issued has been fulfilled by the Agent as a condition to honouring a PAD issued or caused to be issued by the Agent on an Account;



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9. acknowledges and agrees that it may cancel this authorization at any time by providing written notice to the Agent. This authorization will be cancelled only when notice is actually received by the Agent and will not apply to any debits or withdrawals authorized before such receipt;
10. acknowledges and agrees that the revocation of this authorization does not terminate any contract that exists between the undersigned municipality and the Agent. This authorization applies only to the method of payment for investments through the Fund and does not otherwise have any bearing on the Agency Agreement between CHUMS Financing Corporation and Local Authority Services Limited, as Agent, and Eligible Investors dated as of May 30, 1999, as the same may be amended, supplemented or replaced from time to time;
11. acknowledges and agrees that the undersigned municipality may dispute a PAD only under the following conditions: (i) the PAD was not drawn in accordance with this authorization; or (ii) this authorization was revoked;
12. acknowledges that in order to be reimbursed in respect of a disputed PAD, a declaration to the effect that either 11(i) or 11(ii) took place, must be completed and presented to the branch of the Municipality's Financial Institution holding the applicable Account up to and including 10 business days after the date on which the PAD in dispute was posted to the applicable Account;
13. acknowledges that when disputing any PAD beyond the time allowed in this section it is a matter to be resolved solely between the undersigned municipality and the Agent, outside the payments system;
14. agrees that this authorization and Investor Account Information Sheet(s) may be disclosed to CIBC as payment servicer and any other person as required to complete any PAD transaction;
15. understands and accepts the terms of participating in this PAD arrangement;
16. acknowledges and agrees that this authorization is for business purposes; and
17. acknowledges and agrees that the Agent may assign the benefit of any rights, warranties and representations under this authorization without the consent of or notice to the undersigned municipality.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
NAME OF MUNICIPALITY

\_\_\_\_\_  
SIGNATURE OF TREASURER

**Please attach one copy of each Investor Account Information Sheet**