

Funds availability policy

Wells Fargo Bank, N.A., Canadian Branch
Effective November 10, 2023

The policy of Wells Fargo Bank, National Association, Canadian Branch, (“Bank” or “Wells Fargo”), is to delay the availability of funds from deposits to any account (each “Account”) of a customer (“Customer”) in accordance with the availability disclosure below or any amended availability disclosure published by the Bank from time to time hereafter, subject, among other things, to the location of the deposit transaction or the manner in which the deposit is made, whether the deposit amount is credited to the Customer’s Account upon payment or negotiation of a cheque, bill of exchange, promissory note or other note or security, orders for payment of money, or any other payment item. During the delay, the Customer may not withdraw the funds, whether in cash or otherwise, and the Bank will not use the funds to satisfy payment orders or instructions of any kind that the Customer has drawn or issued (“Payment Orders”), nor will the Customer have access to an amount equal to declined payment item related fees and expenses, which the Customer has incurred (if any).

In establishing the Bank’s funds hold policy (as in effect from time to time, the “FHP”), the Bank’s considerations include:

1. the period of time necessary for the Bank to collect funds from the financial institution whose customer is making payment or instructing payment to be made to the Customer (“Paying FI”) by means of a cheque or other payment item,
2. the Bank’s internal assessment of the relative risk, based on a set of standardized but periodically fluctuating criteria as they relate to the Customer, of making an earlier payment to the Customer on that cheque or other payment item, and
3. the Customer’s banking history with the Bank and its affiliates. In some instances, the Bank may apply a partial hold rather than a full hold to a particular payment item. The Bank may review and alter its prevailing FHP as it relates to the Customer specifically or any particular payment item payable to the Customer, whether on an intermittent or transactional basis.

Notwithstanding the Bank’s FHP, any particular deposit item may be reflected in the Customer’s Account balance in whole or in part prior to the expiry of the applicable FHP. If the Bank is unable to collect payment on any item from the Paying FI for any reason whatsoever, the Bank may debit the Customer’s Account at any time for any amount the Bank has already credited to it in respect of that payment item (and also for any service fee the Bank charges for the declined payment item), and, if any credit has been posted to the Customer’s Account balance already in respect of that declined payment item, the Bank will also adjust the Customer’s Account balance accordingly. The Customer is deemed to have read, understood, and accepted all of this (or any successor) disclosure by its acceptance of the commercial account agreement applicable to its Account.

Determining the day of funds receipt

The length of the FHP delay is counted in business days from the day of the Company’s deposit. Every day is a business day, except Saturdays, Sundays, and any other day that banks are normally closed for business in any of

- i. the jurisdiction in which the Account is maintained,
- ii. Toronto, Ontario, and

- iii. New York, N.Y. If the Customer makes a deposit before the Bank's established cutoff time on a business day, the Bank will consider that day to be the day of the Customer's deposit. For deposits granted same calendar day availability as described below, the calendar day the Customer makes the deposit will be considered the day of deposit. For all other deposits, if the Customer makes a deposit after the cutoff time or on a day the Bank is not open, the Bank will consider the deposit was made on the next business day. Cutoff times may vary by location.

The FHP is customarily applied as follows, but the hold periods are estimates only, and the Bank reserves the right to extend any hold period in accordance with applicable law and in instances where it is reasonable to do so:

1. Same business day availability[†]

The following deposits will be available on the business day the Bank receives the deposit:

- Incoming wire transfers
- Electronic direct deposits

2. Next business day availability[†]

Funds from the following deposits are available on the first business day after the day the Customer's deposit is received by the Bank:

- Certain electronic credit transfers, such as those through card networks or funds transfer systems

3. Maximum hold periods – except payment orders described in (1) and (2) above

- Payment Orders not exceeding CAD \$1,500, a maximum of five business days after the date of deposit
- Payment Orders greater than CAD \$1,500, a maximum of eight business days after the date of deposit

4. Longer delays may apply

Payment Orders and access to funds may be delayed for a longer FHP under the following circumstances (in which case the Bank will notify the Customer when the funds will be available):

- The Customer has overdrawn its Account repeatedly in the last six months
- There is an emergency, such as failure of computer or communications equipment
- If the Bank becomes aware of suspicious or fraudulent activity or unauthorized Account activity that may cause a loss to the Customer or the Bank
- If an issue arises as to who the proper authorized signatories are on any Account
- If the Bank reasonably believes that a legitimate claim is made by a third party on funds in any Account
- Payment Order that is not encoded or partially encoded and drawn on a Canadian financial institution
- Cheque or other Payment Order is drawn on a U.S. financial institution
- Cheque or other Payment Order is drawn on a financial institution outside of Canada and the U.S.

Funds will generally be available no later than the seventh or eighth business day after the date of deposit.

5. Dishonored payments

The Bank may refuse to accept or process any Payment Order on the basis of any of the following grounds:

- If the Bank has reason to believe that the applicable deposit is being made for illegal or fraudulent purposes
- If a cheque or other paper Payment Order is damaged or mutilated
- If a cheque or other Payment Order is endorsed more than once
- A Payment Order may be returned despite any applicable hold period or the expiry of any such period

If a Payment Order is returned for any reason whatsoever, whether after deposit, expiry of an applicable hold period, or otherwise, in its sole and absolute discretion, the Bank may charge such item to any of your Accounts.

The FHP may be updated from time to time and is available at [wellsfargo.com/cib/global-services/canada/legal/](https://www.wellsfargo.com/cib/global-services/canada/legal/).

[†] **Note:** It should be noted that the Bank will not accept or honor cheques until a cheque activation date to be determined by the Bank in its sole discretion. It should also be noted that same day availability will not be functional until a date to be determined by the Bank in its sole discretion. References in this policy to cheques or same day availability will not create any obligation whatsoever on behalf of the Bank relating to the acceptance or honoring of cheques and same day availability until their respective activation dates.