



CIBC Overdraft Protection Service Addendum

1. Basic terms and definitions.

This Addendum is part of the CIBC Personal Account Agreement that applies to you, and is not a separate agreement. This Addendum will remain in effect until it is terminated by either you or CIBC in accordance with paragraph 10 below.

If CIBC approves you for the Service, you will be bound by this Addendum for each Account for which the Service is approved by CIBC from time to time and you may use the Service for each approved Account as follows:

- a) if you apply for the Service in person at a CIBC branch, you can use the Service immediately if and when CIBC approves the Service for your Account; or
- b) if you apply for the Service online or through telephone banking, you can use the Service 48 hours after you apply if and when CIBC approves your Account for the Service.

If more than one person is approved for the Service, then each person is individually liable (severally), and all such persons are jointly liable (in Quebec, all such persons are solidarily liable), for the payment of Indebtedness and the performance of all other obligations required of you under this Addendum.

Unless the context requires otherwise, words appearing in this Addendum in the singular number will include the plural number, and vice versa. The following words and phrases have a special meaning:

"*Account Withdrawal*" means a debit to an Account by any means permitted by CIBC from time to time, including but not limited to, withdrawals in-branch or by bank machine; transfers between accounts (e.g. in-branch, through Telephone Banking or Online Banking or by bank machine); pre-authorized debits/payments and cheques; debit payments; bill payments from an Account (e.g. in-branch, through Telephone Banking or Online Banking or by bank machine); and fees.

"*Account*" means each account at CIBC or a CIBC affiliate for which you are approved for the Service by CIBC from time to time;

"*Addendum*" means this CIBC Overdraft Protection Service Addendum, which is part of the CIBC Personal Account Agreement that applies to you;

"*Business Day*" means a day from Monday to Friday, on which CIBC branches are open for business in your province of residence;

"*CIBC*" means Canadian Imperial Bank of Commerce;

"*CIBC Overdraft Protection Service*" or the "*Service*" means this overdraft protection service;

"*Indebtedness*" means the total amount overdrawn at any point in time in all Accounts, including, but not restricted to, the amount you have drawn on each Account, accruing interest on that amount, and interest and fees debited to the Account to the extent such draws, interest and fees create or increase an overdraft in the Account;

"*Online Banking*" means the CIBC banking services available by Internet;

"*Overdraft Limit*" means the overdraft limit approved by CIBC for each Account, but if you have the Service on more than one Account, it means the overdraft limit approved by CIBC for each separate Account as well as the single total overdraft limit approved by CIBC for all your Accounts collectively.

"*Telephone Banking*" means the CIBC banking services available by telephone; and

"*You*" and "*your*" refer to each person who applies for the Service by signing the attached application (the "*Application*");

2. **Creation of overdrafts.** You are entitled to overdraw your Account from time to time in accordance with the terms of this Addendum. A joint Account may be overdrawn by the accountholder(s) specified on the Application.
3. **Repayment of Indebtedness.** You will pay all Indebtedness on demand by CIBC. At least once every 90 days, you must make deposits sufficient to bring your Account into a positive balance for at least one full Business Day. The date on which you are required to bring your Account into a positive balance is identified on your statement as the "Overdraft balance due by". Deposits to your Account are treated as repayments of Indebtedness. You can use the Service to pay off other debts, but you cannot move your debts around (whether with CIBC or loans you may have from another lender). You will not use the Service to repay Indebtedness. In other words, you will not attempt to satisfy your obligation to repay Indebtedness by taking an Account Withdrawal on one Account and transferring the amount withdrawn into another Account.
4. **Interest and fees.**
 - a) *CIBC provides two overdraft fee options**:
 - i. **Monthly Fixed Fee.** A fixed fee of \$4.00 that is applied to the Account at month end regardless of utilization of the overdraft; or
 - ii. **Pay Per Use Fee.** A \$5.00 fee that is applied to the Account for any business day in which an overdraft is created or increased. There is no charge unless you use the Service.

*Overdraft fees are charged to your Account if your Account is overdrawn for any reason (including as a result of withdrawals, paying cheques, the charging of service fees, or otherwise). You should select the overdraft fee option that best suits your needs. In addition, you have the ability to change the overdraft fee option at anytime, through your CIBC Branch, Telephone Banking or CIBC Online Banking. The overdraft fee option you select will take effect as of the following business day. Overdraft fees for the month in which a change is requested by you will be applied based on the greater of, any Pay Per Use fees or the Monthly Fixed Fee for that month. All fees relating to the Service are for the availability of the Service for each year commencing with the date that the Service begins.

 - b) **Interest.** For each calendar month in which an Account is overdrawn, you will pay CIBC interest on the Indebtedness, currently 21% per year. Interest will be calculated and debited monthly to the Account to which it relates, based on the final daily indebtedness in the Account throughout the calendar month. The rate of interest you will pay is the nominal annual interest rate set by CIBC from time to time in accordance with paragraph 7. Interest at the rate set by CIBC will apply both before and after the indebtedness becomes payable, before and after this Addendum is terminated, and before and after judgment is obtained against you. Even in a leap year, interest will be calculated by multiplying the then-outstanding principal amount by the current interest rate in effect at the applicable time, dividing the total amount by 365 and multiplying the result by the number of days in the payment period during which the amount is outstanding.
 - c) **Over Limit Fee.** If CIBC chooses to process a debit which results in your exceeding your Overdraft Limit (based on end of day balances), you will pay CIBC an over limit fee of \$5.00 plus interest on the Indebtedness, currently 21% per year, calculated in accordance with paragraph 4 (b). This charge is in addition to the fees you pay under paragraph 4(a). We will only charge you amounts under this Addendum that are permissible by law.
 - d) **Other Charges.** You authorize CIBC to debit to any Account CIBC's standard charge for processing your Application and any other fees established by CIBC from time to time, after CIBC notifies you in accordance with paragraph 7.

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5. **Overdraft limit.** CIBC has set an Overdraft Limit for your Account (or each Account, if the Service applies to more than one Account). You will not make an Account Withdrawal which would cause your Overdraft Limit to be exceeded. CIBC has absolutely no obligation to pay an Account Withdrawal that would cause your Indebtedness to exceed your Overdraft Limit or to be further exceeded, if CIBC has allowed the Overdraft Limit to be exceeded already; CIBC may, if it so decides, simply return the Account Withdrawal unpaid. If CIBC should choose to allow one or more such Account Withdrawals, it has no obligation to do so again, at any time in the future. Should CIBC choose to allow the Indebtedness to exceed the Overdraft Limit, the overdraft terms in the CIBC Personal Account Agreement will apply to the portion of the Indebtedness that exceeds the Overdraft Limit. In other words, the fees that apply when there is no Service will apply to the Account Withdrawals that exceed the Overdraft Limit; interest at the interest rate that applies when there is no Service will apply on the portion of Indebtedness which exceeds the Overdraft Limit; and, you must repay that portion in accordance with the terms of the CIBC Personal Account Agreement.
6. **Breach and termination of Addendum.** CIBC may, in its discretion, suspend your access to the Service or terminate this Addendum without notice to you and refuse to pay any more Account Withdrawals, including Account Withdrawals you made/issued/authorized before the Addendum is terminated. CIBC may take this action if you fail to comply with the terms of this Agreement or for any other reason, in CIBC's sole discretion. If this Addendum is terminated, CIBC will give you notice of such termination and you must immediately repay all Indebtedness to CIBC, without demand. If you do not repay the Indebtedness as required under this Addendum or any other amount you owe CIBC when it is due (whether owed under this Addendum or some other agreement you have with CIBC), you agree that CIBC may, without notice and at its sole discretion, convert your Indebtedness to a demand loan, payable by you on the terms and conditions CIBC will provide. Upon conversion of your Indebtedness to a loan, CIBC will immediately cancel the Service. This conversion will take effect immediately and you hereby waive any right you may have to receive prior notice of the conversion. You acknowledge that CIBC will, upon conversion of your Indebtedness to a loan, report your default to credit bureaus as a fully delinquent loan. CIBC may, in its sole discretion, direct a third party to collect all Indebtedness you owe to CIBC or assign your Indebtedness to a third party for collection.
7. **Changes to this Addendum, the interest rate or fees.** CIBC is entitled to change the Addendum or the Service, including changing your Overdraft Limit, the interest rate and the fees which apply to the Service for any reason at any time, without your permission. Any change will apply to Indebtedness existing on the date the change is effective and to Indebtedness arising after that date. Changes to your Overdraft Limit are effective when notice is mailed or sent to you or on any date set out in the notice.
- Changes to fees and charges will be posted at CIBC branches, mailed or sent to you, or made available by any other method allowed by law, at least thirty days before the change is effective. All other changes to this Addendum or the Service (including changes to the interest rate) are effective at least thirty days after the notice of the change is posted at CIBC branches, mailed or sent to you, or made available by any other method allowed by law, or on any date set out in the notice.
- All notices which are mailed to you will be mailed to your address on the Application or any other address CIBC has in connection with any Account. If more than one accountholder signs the Application, then you authorize CIBC to mail or send the notice to only one accountholder.
8. **Non-residents.** You will advise CIBC if you cease to be a Canadian resident. CIBC may then, in its sole discretion, immediately terminate this Addendum and require you to pay CIBC all amounts which you may owe under this Addendum, free and clear of all applicable taxes and withholdings.
9. **Miscellaneous.** Your obligations in sections 3, 4, 5, 6 and 7 of this Addendum will survive (continue to be in effect after) the termination of this Addendum. If any term of the CIBC Personal Account Agreement conflicts with a term in this Addendum, the term in this Addendum applies to the extent necessary to resolve the conflict. This Addendum shall be governed by and construed in accordance with the laws where the applicable CIBC branch/centre is located and the laws of Canada.
10. **Cancellation of Service.** You may cancel the Service only after you fully repay all Indebtedness owing to CIBC plus any charges (including interest) that have arisen to that time but have not been delivered to your Account. Please call 1-800-465-2422 to request cancellation. Once CIBC processes your cancellation request, you will no longer be able to use the Service, but you remain bound by the Personal Account Agreement in respect of your Account(s). Cancellation of your Service will be effective as of the earlier of: (i) the last day of the billing cycle; or (ii) 30 days after the notice of cancellation is received by CIBC. Once cancellation of your Service is effective, CIBC will refund or credit your Account for the amount of any charges you have paid for any part of the Service that is unused, if any, as of the day the cancellation takes effect to be calculated as follows:
- $A \times (B-C)/B$
- Where
- A is the amount of the charges;
 - B is the period between imposition of the charges and the time when the services were, before the cancellation, scheduled to the end; and
 - C is the period between the imposition of the charges and the cancellation.

You agree to be bound by the above CIBC Overdraft Protection Service Addendum (signature only required for Quebec residents).

Date

Applicant's Signature

Joint Applicant's Signature