



RBC Royal Bank® Virtual Visa[‡] Debit Agreement

DEFINITIONS

When this Agreement refers to “you” or “your”, it means the customer on whose Account Virtual Visa Debit has been enabled and whose name appears on the Reference Card. When this Agreement refers to “we”, “our” and “us”, it means Royal Bank of Canada and companies that are part of RBC[®] that may also issue a Virtual Visa Debit Number to you.

“**Account**” means your personal deposit account with us that is linked to the primary chequing position on your RBC Client Card and which is accessed when you make a debit transaction using Virtual Visa Debit.

“**Account Disclosures**” means the terms and conditions applicable to your Account as described in the RBC Royal Bank Disclosures and Agreements related to Personal Deposit Accounts booklet, as amended from time to time.

“**Client Card**” means your RBC Royal Bank Client Card that you use to access your Account.

“**Reference Card**” means the reference card we send you that contains your Virtual Visa Debit Number, and includes any replacements for that card.

“**Virtual Visa Debit Number**” means the 16-digit RBC Royal Bank Virtual Visa Debit number when it’s used alone or in combination with the expiry date and/or the CVV2 code indicated on the Reference Card.

WHAT THIS AGREEMENT COVERS

This Agreement sets out the terms under which you may use your Virtual Visa Debit Number to access your Account. You should read it carefully. Activating or using a Virtual Visa Debit Number means that you have received and read this Agreement and agree to its terms. You will use your Virtual Visa Debit Number according to the terms of this Agreement and any other terms or conditions that we may advise you of from time to time.

YOUR RIGHTS AND DUTIES AS A CUSTOMER USING VIRTUAL VISA DEBIT

You can use your Virtual Visa Debit Number for any purpose we agree to including:

- paying for goods and services from your Account over the phone, on the Internet or by mail order;
- setting up recurring pre-authorized payments on your Account using Virtual Visa Debit.

You will be required to activate your Virtual Visa Debit Number before it can be used. We may automatically issue you a new Reference Card before your current Reference Card expires.

The Reference Card cannot be used at banking machines (ATMs), branches or any Point of Sale (POS) or other designated debit card terminals. It cannot be used to identify you when you are requesting a service from us at our branches or to authorize the transactions you do with us at our branches.

You may not use your Virtual Visa Debit Number for any illegal, improper or unlawful purpose. We also reserve the right to prevent your Virtual Visa Debit Number from being used for certain types of transactions as determined by us, including transactions connected to Internet gambling.

We will treat use of your Virtual Visa Debit Number as your authorization, and any instructions received or transactions done using your Virtual Visa Debit Number will have the same legal effect as if you signed a written direction to us.

VIRTUAL VISA DEBIT TRANSACTIONS

Virtual Visa Debit transactions are processed using a two-step method known as authorization and settlement.

When you use your Virtual Visa Debit Number to make a payment:

- (a) the merchant performs an authorization on your Account at the time of the purchase and this authorization amount is immediately debited from that Account. This process is followed by a settlement, typically 2-3 days after authorization, which finalizes the amount of the purchase and, in some cases, reflects adjustments to the initial authorization amount. For example, merchants may need to adjust the authorization amount when not all goods that you ordered are available, if the price of the goods you ordered changes (due to fluctuations in foreign exchange rates, or in the case of items that are charged by weight, such as groceries) or if you cancel one or more items of the original order. When this happens, a credit adjustment in the amount of the original authorization will be credited to your Account, followed immediately by a debit adjustment that reflects the final settlement amount of your purchase; and
- (b) the funds are debited from your Account. This is the Account you access with your Client Card when you select the “Chequing” option on a POS terminal or at an ATM. If the Account linked to the primary chequing position on your Client Card is changed before a payment has been settled, it may impact the processing of that payment if the merchant needs to adjust the initial authorization amount. The final settlement amount will be processed on the Account that is linked to the primary chequing position on your Client Card at the time of settlement, even if a different account was debited for the authorization amount.

If the final settlement amount exceeds your Account balance, your Account will be overdrawn and overdraft interest charges will apply as described in the section entitled “Overdraft Protection” of the Account Disclosures. However, the overdraft handling fee will not apply.

RECURRING PAYMENTS

You are responsible for any recurring payments you have authorized merchants to debit from your Account, even after you or we cancel this Agreement. If we reissue your Virtual Visa Debit Number and you have set up recurring pre-authorized payments, you agree we may provide that merchant with your new Virtual Visa Debit Number and expiry date. If you wish to discontinue any such payments, you must contact the merchant in writing and then check your monthly statements to ensure that the payments have, in fact, been discontinued. If they have not stopped despite your instructions to the merchant, we may be able to assist you if you provide us with a copy of your written request to the merchant.

INTERNET SALES

You may be required to take additional steps (including using a separate password and enrolling in customer security programs such as Verified by Visa[†]) in order to purchase goods and services on the Internet from certain merchants. It is your responsibility to participate in programs established and supported by Visa or us as required if you want to take advantage of these Internet purchase opportunities.

SERVICE CHARGES

We do not charge a network access fee for debit transactions made with your Virtual Visa Debit Number. Other Account fees may apply, as provided in the Account Disclosures. Merchants may set their own service fees, and when you use your Virtual Visa Debit Number, you agree to pay any applicable fee. Debit transactions made using your Virtual Visa Debit Number do not count against any monthly transaction limits applicable to your Account.

SETTING LIMITS

We will set one or more limits that will apply to your use of your Virtual Visa Debit Number. We may change any of these limits, with or without notice to you. We will set a daily limit for purchases made using your Virtual Visa Debit Number and a per transaction limit for recurring pre-authorized payments. We will tell you what your current limits are when we send your Reference Card to you. Where possible, we will allow you to choose the limits that best meet your needs, within a range of applicable limits that we will set.

PROTECTING YOUR VIRTUAL VISA DEBIT NUMBER

You are responsible for taking reasonable precautions to keep your Virtual Visa Debit Number and your Reference Card safe. These include the following:

- Always make sure that you know the whereabouts of your Reference Card.
- Keep your Reference Card in a safe place and never let anyone else use your Virtual Visa Debit Number.
- Regularly check your Account activity in RBC Royal Bank Online Banking or your Account Statements and balances to verify all transactions have been properly recorded. If entries do not accurately reflect your transaction activities, such as missing or additional transactions, you should contact us immediately.
- If you must keep a written record of your Virtual Visa Debit Number in addition to the Reference Card, be sure to keep it in a safe place.

LOST OR STOLEN CLIENT CARD

You must tell us as soon as you are aware that your Reference Card is lost or stolen, or as soon as you suspect that someone else knows or is using your Virtual Visa Debit Number, or you suspect that your Reference Card is missing.

You may contact us by calling our 24-hour toll-free number at 1-800 ROYAL[®] 1-1 (1-800-769-2511). If you are outside North America, you can call us collect at 506-864-2275. You may need operator assistance.

Once you have told us that your Reference Card has been lost or stolen, or that your Virtual Visa Debit Number has been misused, we will be able to prevent use of your Virtual Visa Debit Number. We can also block and prevent use of your Virtual Visa Debit Number without telling you if we suspect it has been subject to unauthorized or fraudulent use.

PROTECTION AGAINST UNAUTHORIZED USE

No one but you is permitted to know or use your Virtual Visa Debit Number or any other security codes such as passwords, access codes and account numbers that may be used or required for Internet, mail order or telephone transactions. If someone uses your Virtual Visa Debit Number to make a purchase or otherwise obtain the benefits of your Virtual Visa Debit Number, you will be fully liable for all charges incurred in connection with such use except in cases of fraudulent or unauthorized use. You will not be responsible for transactions made with your Virtual Visa Debit Number as a result of the fraudulent and unauthorized use provided that you (i) are able to establish to our reasonable satisfaction that you have taken reasonable steps to protect your Virtual Visa Debit Number and Reference Card against loss or theft, (ii) cooperate fully with our investigation, and (iii) did not contribute to the unauthorized use of your Virtual Visa Debit Number. “Unauthorized use” means use by a person other than you who does not have actual, implied or apparent authority for such use, and from which you do not receive any benefit.

If you contact us to report an unauthorized transaction where your Virtual Visa Debit Number has been used, we will respond to you as soon as possible, and no later than two (2) business days after the disputed transaction has been settled on your Account, to inform you of our decision as to whether or not we hold you responsible. During this time, we will not unreasonably restrict your access to funds that are the subject of the dispute.

YOUR LIABILITY MAY EXCEED ACCOUNT BALANCE

Your liability for losses may exceed your Account balance or available funds if the Account has overdraft protection, the Account is linked with an account that does or if the final settlement amount of a Virtual Visa Debit transaction exceeds your Account balance as described above under “Virtual Visa Debit Transactions”.

FOREIGN CURRENCY TRANSACTIONS

When you use your Virtual Visa Debit Number for a transaction in a currency other than Canadian dollars, we will convert the transaction amount into Canadian dollars at an exchange rate that is 2.5% over a benchmark rate Royal Bank of Canada pays Visa International, a subsidiary of Visa Inc. on the date of the conversion. For most transactions, the authorization amount debited by the merchant at the time of purchase will be adjusted at settlement to reflect changes in the applicable exchange rate.

If the merchant provides you with a credit voucher or refund for a purchase made in a foreign currency, the debit for the original purchase and the subsequent credit for the refund or credit voucher may not exactly balance because of exchange rate and currency fluctuations.

PROBLEMS WITH MERCHANTS/LIMITATION ON OUR LIABILITIES

We are not responsible for problems you have with anything you buy using your Virtual Visa Debit Number. You must settle any such problem directly with the merchant, including any merchandise returns. In some circumstances, we may be able to provide you with assistance to resolve disputed transactions.

We try to ensure that transactions are completed whenever you use your Virtual Visa Debit Number for a purpose we have agreed to. However, we will not be liable to you for damages (including special, indirect or consequential damages) if a merchant does not accept your Virtual Visa Debit Number or you cannot use your Virtual Visa Debit Number for any reason, including where we cancel or temporarily de-activate your Virtual Visa Debit Number or decline to authorize a transaction because we have detected activity in your Account or in the use of your Virtual Visa Debit Number that we consider to be unusual. We are not responsible for a merchant's posting practices or if they charge you late fees or interest penalties.

CONTACTING US ABOUT A PROBLEM

If you have any questions or concerns about this Agreement or wish to discuss a disputed transaction, please call us at 1-800 ROYAL 1-1 (1-800-769-2511).

VERIFICATION AND RECORDS

All use of your Virtual Visa Debit Number is subject to our verification and acceptance. This may take place on a date later than the date you use your Virtual Visa Debit Number and will affect when transactions become effective.

Our records showing the use of your Virtual Visa Debit Number and our determination of the details of that transaction, including our count and verification of the particulars of any use of your Virtual Visa Debit Number, will be considered correct and binding on you, unless you tell us in writing of any mistakes. You must tell us of any mistakes within 30 days of the date of a disputed transaction or such longer time period as may be required by an agreement between you and us for the operation of the account to which the mistake relates.

INTERPRETING AND ENFORCING THIS AGREEMENT

This Agreement will be interpreted in accordance with the applicable laws of the province or territory in which you reside (or the applicable laws of Ontario if you reside outside of Canada) and the applicable laws of Canada. In the event of a dispute, you agree that the courts in the province or territory where you reside shall be competent to hear such dispute and you agree to be bound by any judgment of that court.

CHANGES TO TERMS OF THIS AGREEMENT

We may add to or change the terms of this Agreement at any time. If we do, we will let you know at least 30 days before the changes come into effect. We will notify you of any changes in any one or more of the following ways: by sending you a notice (written or electronic), by posting a notice in all of our branches or on the RBC website. If we send you a written notice, we will write to the address shown in our records. Using your Virtual Visa Debit Number after the effective date of a change will mean you accepted the changes. If we introduce or increase fees related to Virtual Visa Debit, we will provide you with notice as required by law.

ENDING THIS AGREEMENT

We may restrict your use of a Virtual Visa Debit Number or end this Agreement at any time without telling you if you contravene any part of this Agreement or we suspect that your Virtual Visa Debit Number is being used by someone else. In all other cases, you or we may end this Agreement at any time by giving notice in writing. If this Agreement has ended, your obligations continue until they have been completely satisfied.

PROTECTING YOUR PRIVACY

Collecting Your Personal Information

We may from time to time collect financial and other information about you such as:

- information establishing your identity (for example: name, address, phone number, date of birth, etc.) and your personal background;
- information related to transactions arising from your relationship with and through us, and from other financial institutions;
- information you provide on an application for any of our products and services;
- information for the provision of products and services; and
- information about financial behaviour such as your payment history and credit worthiness.

We may collect and confirm this information during the course of our relationship. We may obtain this information from a variety of sources, including from you, from service arrangements you make with or through us, from credit reporting agencies and financial institutions, from registries, from references you provide to us and from other sources, as is necessary for the provision of our products and services.

You acknowledge receipt of notice that from time to time reports about you may be obtained by us from credit reporting agencies.

Using Your Personal Information

This information may be used from time to time for the following purposes:

- to verify your identity and investigate your personal background;
- to open and operate your account(s) and provide you with products and services you may request;
- to better understand your financial situation;
- to determine your eligibility for products and services we offer;

- to help us better understand the current and future needs of our clients;
- to communicate to you any benefit, feature and other information about products and services you have with us;
- to help us better manage our business and your relationship with us;
- to operate the payment card network;
- to maintain the accuracy and integrity of information held by a credit reporting agency; and
- as required or permitted by law.

For these purposes, we may:

- make this information available to our employees, our agents and service providers, who are required to maintain the confidentiality of this information;
- share this information with other financial institutions; and
- give credit, financial and other related information to credit reporting agencies who may share it with others.

In the event our service provider is located outside of Canada, the service provider is bound by, and the information may be disclosed in accordance with, the laws of the jurisdiction in which the service provider is located.

Upon your request, we may give this information to other persons.

We may also use this information and share it with RBC companies (i) to manage our risks and operations and those of RBC companies; (ii) to comply with valid requests for information about you from regulators, government agencies, public bodies or other entities who have a right to issue such requests; and (iii) to let RBC companies know your choices under "Other uses of your personal information" for the sole purpose of honouring your choices.

If we have your social insurance number, we may use it for tax related purposes if you hold a product generating income and share it with the appropriate government agencies, and we may also share it with credit reporting agencies as an aid to identify you.

Other Uses of Your Personal Information

We may use this information to promote our products and services, and promote products and services of third parties we select, which may be of interest to you. We may communicate with you through various channels, including telephone, computer or mail, using the contact information you have provided.

We may also, where not prohibited by law, share this information with RBC companies for the purpose of referring you to them or promoting to you products and services which may be of interest to you. We and RBC companies may communicate with you through various channels, including telephone, computer or mail, using the contact information you have provided. You acknowledge that as a result of such sharing they may advise us of those products or services provided.

If you also deal with RBC companies, we may, where not prohibited by law, consolidate this information with information they have about you to allow us and any of them to manage your relationship with RBC companies and our business.

You understand that we and RBC companies are separate, affiliated corporations. RBC companies include our affiliates which are engaged in the business of providing any one or more of the following services to the public: deposits, loans and other personal financial services; credit, charge and payment card services; trust and custodial services; securities and brokerage services; and insurance services.

You may choose not to have this information shared or used for any of these "Other uses" by contacting us as set out below, and in this event, you will not be refused credit or other services just for that reason. We will respect your choices and, as mentioned above, we may share your choices with RBC companies for the sole purpose of honouring your choices regarding "Other uses of your personal information".

Your Right to Access Your Personal Information

You may obtain access to the information we hold about you at any time and review its content and accuracy, and have it amended as appropriate; however, access may be restricted as permitted or required by law. To request access to such information, to ask questions about our privacy policies or to request that the information not be used for any or all of the purposes outlined in "Other uses of your personal information" you may do so now or at any time in the future by:

- **contacting your branch; or**
- **calling us toll-free at 1-800 ROYAL 1-1 (1-800-769-2511).**

Our Privacy Policies

You may obtain more information about our privacy policies by asking for a copy of our "Financial fraud prevention and privacy protection" brochure, by calling us at the toll free number shown above or by visiting our web site at www.rbc.com/privacysecurity.

In Quebec

You and we have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. *Vous et nous avons expressément demandé que ce contrat et tout document y afférent, y compris tout avis, soient rédigés en langue anglaise.*