Topic List

These are Service Materials for EDI Payment Originator Service, and form part of the Master Client Agreement for Business Clients between Royal Bank and the Customer.

Terms of Agreement

1. Standards and Format	Each Trading Partner (Client and Bank) may electronically transmit an EDI transaction to the other party in the ASC X12 message standards approved by ANSI (American National Standards Institute) in versions 3040 or 4010.
	Security (If You Have Opted for the Optional Edi Security Key Management)
2. Authentication	The Client and Bank agree to authenticate each EDI 820 Payment Order/Remittance Advice transaction by using a message authentication code (MAC) at the Functional Group level. For this purpose, a "security key" will be exchanged regularly, in accordance with the rules in the EDI Key Management Security section of this document. Each party will maintain security procedures to prevent unauthorized use or disclosure of those security keys.
3. Security Coordinator	The person who is appointed as the Client's Security Coordinator, as per Payment Service Agreement, is authorized to exercise the powers set out in the EDI Key Management Security section, including without limitation, the power to receive from the Bank notification of the Bank's EDI key custodians and the power to appoint, by completing one of the EDI Key Management Security schedules, (i) an alternate or replacement security coordinator, and (ii) the Client's sending key custodian and the Client's receiving key custodian.
4. Acknowledgements	When the Client transmits an Electronic Data Interchange (EDI) transaction to the Bank, an acknowledgement will be sent from the Bank to the Client within an hour of receipt of the EDI transaction.
5. Bank's Functional Acknowledgement Transaction (997)	The Bank will issue a Functional Acknowledgement to advise the client of the receipt of their data, or if there was any problem encountered with security or syntax.

6. Application Advice (824)	The Bank will be obligated to effect the payment order and transmit remittance advice data in accordance with the terms of the Payment Order/Remittance Advice Transaction, only if on value date:

- the Bank transmits an Application Advice Transaction confirming that the Payment Order/Remittance Advice Transaction has passed credit approval, and
- subject to the Daily Limit explained below, the Payment Order/Remittance Advice Transaction does not, on value date, exceed the daily limit established by the Bank for EDI Transactions, and specified in writing or by way of electronic communication to us from time to time.

For greater certainty, the Bank will not effect a payment order or transmit data in accordance with the terms of the Payment Order/Remittance Advice Transaction if the Bank transmits on or prior to value date, an Application Advice Transaction advising that the payment is pending credit approval or that the credit has been declined, or if the Bank transmits upon receipt of the Payment Order/Remittance Advice Transaction a Functional Acknowledgment Transaction advising that the Payment Order/Remittance Advice Transaction does not meet the security or syntax requirements specified in the Rules and Manual of Operations, and has been rejected.

When the client transmits an Electronic Data Interchange (EDI) file to RBC, an acknowledgement will be sent from RBC to the client within an hour of receipt of the EDI transaction.

7. Payee's Financial Institution Not a Payment Order/Remittance Advice Transaction Compatible

When a payee's account is with a financial institution which cannot receive FEDI payments, the Payment Order/Remittance Advice Transaction must be received by RBC at least three business days prior to value date; RBC will process the payment through another RBC payment service.

The remittance data will not be transmitted.

8. Daily Limit

If the Payment Order/Remittance Advice Transaction exceeds the clients daily limit, then, notwithstanding such daily limit, the Bank will, in its sole and absolute discretion, decide to:

- refuse to pay the Payment Order/Remittance Advice Transaction because it exceeds such daily limit, in which case the Bank will on or prior to Value Date send an Application Advice Transaction advising that credit has been declined, **or**
- debit the client's account specified in the Payment Order/Remittance Advice Transaction and pay the Payment Order/Remittance Advice Transaction even if it exceeds such daily limit, provided that such actions by the Bank are specifically authorized by the client.

9. Equipment

The Client agrees to provide and maintain, at its own expense, all computer equipment, supporting equipment, software and services, including communications services and testing necessary to effectively and reliably transmit and receive EDI transactions.

The Bank reserves the right to make changes to the 820 formats. It is up to the client to ensure that they are EDI compliant.

10. Retention   The Bank will retain records of EDI transactions processed in accordance with standard banking practice.