



**MASTER CLIENT AGREEMENT FOR BUSINESS CLIENTS  
HIGH INTEREST NOTICE ACCOUNT  
SERVICE MATERIALS**

These are Service Materials for Royal Bank’s High Interest Notice Account (the “HINA”), and form part of the Master Client Agreement for Business Clients between Royal Bank and the Customer.

**1. Description of Service**

1.1 Definitions and Interpretation. All capitalized terms not defined have the meanings given in the Legal Terms and Conditions of the Master Client Agreement for Business Clients, and the rules of interpretation prescribed by the Legal Terms and Conditions also apply. In addition, for the purposes of this Service, the following defined term will be used:

“**Business Day**” means each day other than Saturday, Sunday, or federal or provincial statutory holidays in Canada.

1.2 Description of Service. The HINA may be used by the Customer to deposit surplus funds, in Canadian or US dollars, which are not required for its daily operations. Funds deposited in the HINA are subject to a 31 day notice period for withdrawal by way of account transfer or otherwise, and will not be accessible to the Customer during the notice period.

1.3 Interest. Information on current interest rates, how interest is calculated, and what may affect this calculation for the HINA, is available at Royal Bank branches in RATEsetter for Business Deposit Accounts. Interest rates are subject to change at Royal Bank’s discretion.

1.4 Fees. There is no fee for opening a HINA. In accordance with the Agreement, the Customer is responsible for all fees, charges, taxes, or other amounts owing to Royal Bank or other Persons for Instruments or other Services used in connection with the HINA.

1.5 Deposits and Withdrawals. Funds can only be deposited and withdrawn in the same currency as the HINA. Deposits can only be made by incoming wire payment or account transfer from another Royal Bank account. Funds can only be withdrawn by account transfer to another Royal Bank account. No cash or other Instruments can be used for deposits or withdrawals. All deposits and withdrawals will only be processed on Business Days.

1.6 Notice Period for Withdrawals. To withdraw funds from the HINA, the Customer must provide 31 days prior notice to Royal Bank. Notice must be acknowledged by Royal Bank in order to take effect, and the withdrawal will be processed automatically by Royal Bank at least 31 days after the date of acknowledgement. Funds pending withdrawal will continue to earn interest during the notice period, but the amount will be deducted from the available balance in the HINA for subsequent withdrawals.

1.7 Penalty for Early Redemption. The Customer is not permitted to withdraw funds from the HINA unless the Customer provides 31 days prior notice, and Royal Bank is under no obligation to permit earlier withdrawals. Royal Bank may, in its sole discretion, permit earlier withdrawals on an exception basis, provided the Customer pays Royal Bank a penalty equal to 32 days interest on the amount withdrawn calculated using the greater of the interest rate applicable to the daily closing credit balance on the withdrawal date or the interest rate applicable to the first tier paying interest for the HINA on the withdrawal date. The penalty calculation is as follows:

$$\text{amount withdrawn} \times \frac{\text{interest rate applicable to the daily closing credit balance on the withdrawal date or the interest rate applicable to the first tier paying interest for the HINA, whichever is greater}}{365} \times 32 = \text{penalty amount}$$

To collect the penalty owed by the Customer to Royal Bank, Royal Bank may debit the penalty amount from the account credited with the withdrawn funds or deduct the penalty amount from the withdrawn funds in order that the Customer will receive a net amount equal to the amount withdrawn minus the penalty amount.

1.8 CDIC. Deposits held in HINA account are eligible for deposits insurance coverage under the Canada Deposit Insurance Corporation Act. Canada Deposit Insurance Corporation (CDIC) is a federal crown corporation that protects your deposits at financial institutions that are CDIC members. We encourage you to learn about CDIC protection by reviewing the CDIC brochure available at <https://www.rbcroyalbank.com/partners/cdic/index.html> or in a branch or CDIC’s website [www.cdic.ca](http://www.cdic.ca)

1.9 No Trust Funds. The HINA is not eligible for the deposit of trust funds, and the Customer will ensure no trust funds are deposited.

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