

Material Differences between the HSBC and RBC 31 Day Notice Account Agreements



	Current wording in the HSBC Bank Canada account agreement	Revised Wording
1. Introduction and Application	<p>1.1. This Agreement sets out the specific terms and conditions that apply to the Services provided to the Customer by the Bank.</p> <p>1.2. This Agreement contains the whole agreement between the Parties relating to the transactions contemplated by this Agreement and replaces all previous agreements between the Parties relating to the Services and each Party confirms that, in agreeing with the terms of this Agreement, it has not relied on any express or implied warranties or representations made by or on behalf of the other Party unless set out in this Agreement. Each Party waives all rights and remedies which, but for this Clause 1.2, might otherwise be available to it in respect of any such express or implied representation, warranty or other assurance. Nothing in this Clause 1.2 limits or excludes any liability for fraud.</p> <p>1.3. For the avoidance of doubt, any account opening terms which the Customer has entered into or will enter into with the Bank pursuant to this Agreement will continue to apply and have full effect in relation to the Customer's accounts, including the Business Account, the Notice Account and the Term Account.</p> <p>1.4. This Agreement and any applicable account opening terms must be read together and shall constitute a single agreement between the Customer and the Bank.</p> <p>1.5. In the event of any conflict between the terms of this Agreement and any applicable account opening terms, the terms of this Agreement shall prevail in relation to the provision of the Services to the Customer.</p> <p>1.6. The Customer agrees that the terms and conditions contained in this Agreement shall apply at such time as the Bank provides the Services to the Customer.</p>	<p>1.1. This Agreement sets out the specific terms and conditions that apply to the Services provided to the Customer by the Bank.</p> <p>1.2. This Agreement contains the whole agreement between the Parties relating to the transactions contemplated by this Agreement and replaces all previous agreements between the Parties relating to the Services and each Party confirms that, in agreeing with the terms of this Agreement, it has not relied on any express or implied warranties or representations made by or on behalf of the other Party unless set out in this Agreement. Each Party waives all rights and remedies which, but for this Clause 1.2, might otherwise be available to it in respect of any such express or implied representation, warranty or other assurance. Nothing in this Clause 1.2 limits or excludes any liability for fraud.</p> <p>1.3. For the avoidance of doubt, any account opening terms which the Customer has entered into or will enter into with the Bank pursuant to this Agreement will continue to apply and have full effect in relation to the Customer's accounts, including the Business Account, the Notice Account and the Term Account.</p> <p>1.4. This Agreement and any applicable account opening terms must be read together and shall constitute a single agreement between the Customer and the Bank.</p> <p>1.5. In the event of any conflict between the terms of this Agreement and any applicable account opening terms, the terms of this Agreement shall prevail in relation to the provision of the Services to the Customer.</p> <p>1.6. The Customer agrees that the terms and conditions contained in this Agreement shall apply at such time as the Bank provides the Services to the Customer.</p>

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2. Services Provided	<p>2.1. On the Start Date, the Bank agrees to open a Notice Account in the Customer's name, provided that the Customer holds a Business Account in the same name and currency as the Notice Account and the available balance that the Bank has recorded in the Business Account at the time of making the request to open the Notice Account on the Start Date is equal to or greater than the Minimum Deposit Amount.</p> <p>2.2. Also on the Start Date, the Customer authorizes the Bank to transfer the Initial Deposit Amount, as set out in the 31 Day Notice Account Opening Schedule, which shall be an amount equal to or greater than the Minimum Deposit Amount, from the Business Account to the Notice Account.</p> <p>2.3. The Bank may delay the Start Date if the conditions in Clauses 2.1 and 2.2 above are not met. The Bank will notify the Customer as soon as reasonably practicable of any such delay. If these conditions are not met within 30 days of such notification, the Bank may decline to open the Notice Account.</p> <p>2.4. For the avoidance of doubt, the Customer may instruct the Bank to transfer additional funds from a Business Account to an existing Notice Account at any time.</p> <p>2.5. If required by the order of an Authority, the Bank may deduct funds from the Notice Account and transfer them to the Business Account in compliance with such order. If such a deduction results in a zero balance in the Notice Account or the balance falling below the Minimum Deposit Amount, the Bank may close the Notice Account and transfer any remaining balances to the Business Account without first transferring it to the Term Account.</p>	<p>2.1. On the Start Date, the Bank agrees to open a Notice Account in the Customer's name, provided that the Customer holds a Business Account in the same name and currency as the Notice Account and the available balance that the Bank has recorded in the Business Account at the time of making the request to open the Notice Account on the Start Date is equal to or greater than the Minimum Deposit Amount.</p> <p>2.2. Also on the Start Date, the Customer authorizes the Bank to transfer the Initial Deposit Amount, as set out in the 31 Day Notice Account Opening Schedule, which shall be an amount equal to or greater than the Minimum Deposit Amount, from the Business Account to the Notice Account.</p> <p>2.3. The Bank may delay the Start Date if the conditions in Clauses 2.1 and 2.2 above are not met. The Bank will notify the Customer as soon as reasonably practicable of any such delay. If these conditions are not met within 30 days of such notification, the Bank may decline to open the Notice Account.</p> <p>2.4. For the avoidance of doubt, the Customer may instruct the Bank to transfer additional funds from a Business Account to an existing Notice Account at any time.</p> <p>2.5. If required by the order of an Authority, the Bank may deduct funds from the Notice Account and transfer them to the Business Account in compliance with such order. If such a deduction results in a zero balance in the Notice Account or the balance falling below the Minimum Deposit Amount, the Bank may close the Notice Account and transfer any remaining balances to the Business Account without first transferring it to the Term Account.</p>

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3. Interest	<p>3.1. Amounts deposited in the Notice Account shall accrue interest at the Notice Account Rate until the date on which they are withdrawn or otherwise transferred in accordance with this Agreement.</p> <p>3.2. Interest that accrues in the Notice Account will be paid in arrears to the Business Account or compounded and paid to the Notice Account on a monthly basis, as set out in the 31 Day Notice Account Opening Schedule.</p> <p>3.3. The Notice Account Rate will be set out in the 31Day Notice Account Opening Schedule and will be a variable rate made up of a published reference rate set by the Bank together with a margin percentage agreed with the Customer, each as may be amended from time to time.</p> <p>3.4. If the published reference rate changes, the Bank will change the Customer's Notice Account Rate within one business day.</p> <p>3.5. If the Bank wishes to change the margin percentage applicable to the Notice Account Rate, the Bank will provide at least 30 days prior notice to the Customer of such change.</p> <p>3.6. At such time as funds are transferred by the Bank to a Term Account from a Notice Account pursuant to a 31 Day Notice Account Addition/ Withdrawal Schedule:</p> <p>(a) any interest having accrued in the Notice Account will be credited in accordance with Clause 3.2 above; and</p> <p>(b) the Term Account Rate will be applied to funds transferred to the Term Account.</p> <p>3.7. The Term Account Rate will be set out in the 31 Day Notice Account Opening Schedule and will be a variable rate made up of a published reference rate set by the Bank together with a margin percentage agreed with the Customer (each as may be amended from time to time).</p> <p>3.8. If the Bank wishes to change the margin percentage applicable to the Term Account Rate, the Bank will provide at least 30 days prior notice to the Customer of such change.</p> <p>3.9. Any interest accrued while funds are held in the Term Account shall be credited to the Customer's Business Account on the Maturity Date.</p> <p>3.10. If amounts are transferred directly from a Notice Account to a Business Account pursuant to Clause 2.5 without first being transferred into a Term Account, such amounts will accrue interest at the Notice Account Rate until the date on which they are transferred into a Business Account.</p>	<p>3.1. Amounts deposited in the Notice Account shall accrue interest at the Notice Account Rate until the date on which they are withdrawn or otherwise transferred in accordance with this Agreement.</p> <p>3.2. Interest that accrues in the Notice Account will be compounded and paid to the Notice Account on a monthly basis, as set out in the 31 Day Notice Account Opening Schedule</p> <p>3.3. The Notice Account Rate will be set out in the 31Day Notice Account Opening Schedule and will be a variable rate made up of a published reference rate set by the Bank together with a margin percentage agreed with the Customer, each as may be amended from time to time.</p> <p>3.4. If the published reference rate changes, the Bank will change the Customer's Notice Account Rate within one business day.</p> <p>3.5. If the Bank wishes to change the margin percentage applicable to the Notice Account Rate, the Bank will provide at least 30 days prior notice to the Customer of such change.</p> <p>3.6. At such time as funds are transferred by the Bank to a Term Account from a Notice Account pursuant to a 31 Day Notice Account Addition/ Withdrawal Schedule:</p> <p>(a) any interest having accrued in the Notice Account will be credited in accordance with Clause 3.2 above; and</p> <p>(b) the Term Account Rate will be applied to funds transferred to the Term Account.</p> <p>3.7. The Term Account Rate will be set out in the 31 Day Notice Account Opening Schedule and will be a variable rate made up of a published reference rate set by the Bank together with a margin percentage agreed with the Customer (each as may be amended from time to time).</p> <p>3.8. If the Bank wishes to change the margin percentage applicable to the Term Account Rate, the Bank will provide at least 30 days prior notice to the Customer of such change.</p> <p>3.9. Any interest accrued while funds are held in the Term Account shall be credited to the Customer's Business Account on the Maturity Date.</p> <p>3.10. If amounts are transferred directly from a Notice Account to a Business Account pursuant to Clause 2.5 without first being transferred into a Term Account, such amounts will accrue interest at the Notice Account Rate until the date on which they are transferred into a Business Account.</p>

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4. Withdrawal of Funds	<p>4.1. The Customer may submit a request to withdraw funds from a Notice Account at any time on or after the Start Date by submitting to the Bank a 31 Day Notice Account Addition/Withdrawal Schedule.</p> <p>4.2. At such time as a 31 Day Notice Account Addition/Withdrawal Schedule takes effect in accordance with Clause 4.1, the Customer hereby authorizes the Bank to:</p> <ul style="list-style-type: none"> a) open a Term Account, and b) transfer the Withdrawal Amount from the Notice Account to the Term Account. <p>4.3. The Withdrawal Amount shall be held in the Term Account until the Maturity Date when the Bank will transfer the balance to the Customer's Business Account.</p> <p>4.4. If the Withdrawal Amount represents a partial withdrawal of funds from the Notice Account, the Bank shall continue to hold the remaining balance in the Notice Account, provided that the remaining balance is equal to or greater than the Minimum Deposit Amount. Funds remaining in the Notice Account after a partial withdrawal has been effected will continue to accrue interest on the same terms as are described in Clause 3 above.</p> <p>4.5. Notwithstanding Clause 4.4 above, should the balance remaining in the Notice Account fall below the Minimum Deposit Amount, the Bank may in its sole discretion either:</p> <ul style="list-style-type: none"> (a) continue to hold the remaining balance in the Notice Account at an interest rate of 0%; or (b) close the Notice Account in accordance with Clause 7.1. 	<p>4.1. The Customer may submit a request to withdraw funds from a Notice Account at any time on or after the Start Date by submitting to the Bank a 31 Day Notice Account Addition/Withdrawal Schedule.</p> <p>4.2. At such time as a 31 Day Notice Account Addition/Withdrawal Schedule takes effect in accordance with Clause 4.1, the Customer hereby authorizes the Bank to:</p> <ul style="list-style-type: none"> a) open a Term Account, and b) transfer the Withdrawal Amount from the Notice Account to the Term Account. <p>4.3. The Withdrawal Amount shall be held in the Term Account until the Maturity Date when the Bank will transfer the balance to the Customer's Business Account.</p> <p>4.4. If the Withdrawal Amount represents a partial withdrawal of funds from the Notice Account, the Bank shall continue to hold the remaining balance in the Notice Account, provided that the remaining balance is equal to or greater than the Minimum Deposit Amount. Funds remaining in the Notice Account after a partial withdrawal has been effected will continue to accrue interest on the same terms as are described in Clause 3 above.</p> <p>4.5. Notwithstanding Clause 4.4 above, should the balance remaining in the Notice Account fall below the Minimum Deposit Amount, the Bank may in its sole discretion either:</p> <ul style="list-style-type: none"> (a) continue to hold the remaining balance in the Notice Account at an interest rate of 0%; or (b) close the Notice Account in accordance with Clause 7.1.
5. Customer Acknowledgements	The Customer hereby acknowledges and agrees that it may not be permitted to close the Business Account during the term of this Agreement.	The Customer hereby acknowledges and agrees that it may not be permitted to close the Business Account during the term of this Agreement.
6. Security Interest	The Customer shall not grant any security interest over or transfer or assign its rights in connection with any Notice Account or Term Account.	The Customer shall not grant any security interest over or transfer or assign its rights in connection with any Notice Account or Term Account.

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7. Termination and Amendment	<p>7.1. Either party shall be entitled to terminate the Services and close the Notice Account by providing 30 days' written notice to the other Party. Upon the expiry of 30 days' written notice, the Bank will: (i) open a Term Account corresponding to each affected Notice Account, (ii) transfer the balance of each affected Notice Account to the relevant Term Account, (iii) apply the Term Account Rate to the funds held in each Term Account; (iv) close each affected Notice Account, (v) on the Maturity Date, transfer all amounts outstanding in each Term Account to the relevant Business Account; and (vi) close all Term Accounts. If no Notice Accounts remain open, the Services shall terminate immediately upon closure of the last remaining Term Account.</p> <p>7.2. Notwithstanding Clause 7.1, the Bank may terminate the Services and/or close a Notice Account (i) immediately upon notice to the Customer in accordance with Clause 2.5; or (ii) at any time, for the purpose of complying with applicable laws, regulations, rules and internal policies (including compliance obligations relating to the detection, Investigation and prevention of financial crime or criminal activity).</p> <p>7.3. The Bank may amend this Agreement at any time by providing the Customer with 30 days' prior notice, which notice may be given either in writing or by posting on the Bank's website. Notwithstanding the foregoing, the Bank may make amendments to this Agreement at any time in order to comply with any law or regulation, which amendments will become effective immediately upon notice to the Customer. For greater certainty, the published reference rate set by the Bank shall not be affected by this Clause 7.3.</p>	<p>7.1. Either party shall be entitled to terminate the Services and close the Notice Account by providing 30 days' written notice to the other Party. Upon the expiry of 30 days' written notice, the Bank will: (i) open a Term Account corresponding to each affected Notice Account, (ii) transfer the balance of each affected Notice Account to the relevant Term Account, (iii) apply the Term Account Rate to the funds held in each Term Account; (iv) close each affected Notice Account, (v) on the Maturity Date, transfer all amounts outstanding in each Term Account to the relevant Business Account; and (vi) close all Term Accounts. If no Notice Accounts remain open, the Services shall terminate immediately upon closure of the last remaining Term Account.</p> <p>7.2. Notwithstanding Clause 7.1, the Bank may terminate the Services and/or close a Notice Account (i) immediately upon notice to the Customer in accordance with Clause 2.5; or (ii) at any time, for the purpose of complying with applicable laws, regulations, rules and internal policies (including compliance obligations relating to the detection, Investigation and prevention of financial crime or criminal activity).</p> <p>7.3. The Bank may amend this Agreement at any time by providing the Customer with 30 days' prior notice, which notice may be given either in writing or by posting on the Bank's website. Notwithstanding the foregoing, the Bank may make amendments to this Agreement at any time in order to comply with any law or regulation, which amendments will become effective immediately upon notice to the Customer. For greater certainty, the published reference rate set by the Bank shall not be affected by this Clause 7.3.</p>
8. Severability	Each provision of this Agreement is severable and if any provision is or becomes illegal, invalid or unenforceable, then only that provision is severed. All other provisions shall continue to have effect.	Each provision of this Agreement is severable and if any provision is or becomes illegal, invalid or unenforceable, then only that provision is severed. All other provisions shall continue to have effect.
9. Governing law and Jurisdiction	This Agreement shall be governed exclusively by the laws of the Province in which the Business Account's branch is located and the laws of Canada applicable therein. The parties agree to exclusively attorn to the jurisdiction of the Courts of Canada and the Provincial courts in which the Customer's Business Account is located which is presumed to be the most convenient forum in which to litigate any dispute in relation to this Agreement.	This Agreement shall be governed exclusively by the laws of the Province in which the Business Account's branch is located and the laws of Canada applicable therein. The parties agree to exclusively attorn to the jurisdiction of the Courts of Canada and the Provincial courts in which the Customer's Business Account is located which is presumed to be the most convenient forum in which to litigate any dispute in relation to this Agreement.
10. Counterparts	This Agreement may be entered into by the execution of any number of copies of this Agreement, all of which taken together shall form one document.	This Agreement may be entered into by the execution of any number of copies of this Agreement, all of which taken together shall form one document.
11. French Language	It is the express wish of the parties that this Agreement and any supplemental documents be drawn up and executed in English. Les parties conviennent que la presente convention et tous les documents s'y rattachant solent rediges et signes en anglais.	It is the express wish of the parties that this Agreement and any supplemental documents be drawn up and executed in English. Les parties conviennent que la presente convention et tous les documents s'y rattachant solent rediges et signes en anglais.

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12. Definitions	<p>In this Agreement, the following words shall have the meanings set out below.</p> <ul style="list-style-type: none"> • 31 Day Notice Account Opening Schedule means the form used to open a Notice Account. • 31 Day Notice Account Addition/Withdrawal Schedule means the form used to instruct the Bank to withdraw funds from a Notice Account and transfer them to a Term Account, or transfer additional funds to an existing Notice Account. • Agreement means this agreement, the attached schedule(s) and any other document which states that it forms part of this agreement, as any of such documents may be amended from time to time. • Authority means any judicial, administrative or regulatory body, any government, or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over the relevant Party or : member of its group. • Business Account means the Customer's account identified in the 31 Day Notice Account Opening Schedule to be used for transferring funds to the Notice Account or receiving funds from the Term Account. • Initial Deposit Amount means the amount identified in the 31 Day Notice Account Opening Schedule to be debited from the Business Account and transferred to the Notice Account on the Start Date. • Maturity Date means the date a Term Account expires, being the last day of the 31 day notice period which follows the date a 31 Day Notice Account Addition/Withdrawal Schedule becomes effective for the withdrawal of funds from a Notice Account, in accordance with the 31 Day Notice Account Opening Schedule. If the Maturity Date falls on a day that is not a business day, the Maturity Date will be deemed to be on the following business day. • Minimum Deposit Amount means the amount identified in the 31 Day Notice Account Opening Schedule and represents the minimum balance amount required to be held in the Notice Account in order to earn interest at the Notice Account Rate (as may be amended from time to time by notification by the Bank to the Customer). • Notice Account means the account identified in the 31 Day Notice Account Opening Schedule to be used for holding deposited funds in accordance with the terms of this Agreement. • Notice Account Rate means the interest rate applied to funds held in a Notice Account, as specified in the 31 Day Notice Account Opening Schedule and which may change from time to time in accordance with this Agreement. 	<p>In this Agreement, the following words shall have the meanings set out below.</p> <ul style="list-style-type: none"> • 31 Day Notice Account Opening Schedule means the form used to open a Notice Account. • 31 Day Notice Account Addition/Withdrawal Schedule means the form used to instruct the Bank to withdraw funds from a Notice Account and transfer them to a Term Account, or transfer additional funds to an existing Notice Account. • Agreement means this agreement, the attached schedule(s) and any other document which states that it forms part of this agreement, as any of such documents may be amended from time to time. • Authority means any judicial, administrative or regulatory body, any government, or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over the relevant Party or : member of its group. • Business Account means the Customer's account identified in the 31 Day Notice Account Opening Schedule to be used for transferring funds to the Notice Account or receiving funds from the Term Account. • Initial Deposit Amount means the amount identified in the 31 Day Notice Account Opening Schedule to be debited from the Business Account and transferred to the Notice Account on the Start Date. • Maturity Date means the date a Term Account expires, being the last day of the 31 day notice period which follows the date a 31 Day Notice Account Addition/Withdrawal Schedule becomes effective for the withdrawal of funds from a Notice Account, in accordance with the 31 Day Notice Account Opening Schedule. If the Maturity Date falls on a day that is not a business day, the Maturity Date will be deemed to be on the following business day. • Minimum Deposit Amount means the amount identified in the 31 Day Notice Account Opening Schedule and represents the minimum balance amount required to be held in the Notice Account in order to earn interest at the Notice Account Rate (as may be amended from time to time by notification by the Bank to the Customer). • Notice Account means the account identified in the 31 Day Notice Account Opening Schedule to be used for holding deposited funds in accordance with the terms of this Agreement. • Notice Account Rate means the interest rate applied to funds held in a Notice Account, as specified in the 31 Day Notice Account Opening Schedule and which may change from time to time in accordance with this Agreement.

	Current wording in the HSBC Bank Canada account agreement	Revised Wording
12. Definitions (continued)	<ul style="list-style-type: none"> • Party means the Customer or the Bank and Parties means the Customer and the Bank. • Services means the 31 day notice account services supplied to the Customer in accordance with this Agreement. • Start Date means the date set out in the 31 Day Notice Account Opening Schedule or as otherwise confirmed to the Customer, being the date the Notice Account begins to accrue interest. • Term Account means the accounts) in CAD and/ or US Dollars, opened by the Bank in the Customer's name following receipt by the Bank of a 31 Day Notice Account Addition/Withdrawal Schedule indicating the Customer's request to withdraw funds from the Notice Account. • Term Account Rate means the interest rate applied to funds held in a Term Account, as specified in the 31 Day Notice Account Opening Schedule and which may change from time to time in accordance with this Agreement. • Withdrawal Amount means the amount notified by the Customer to the Bank to be withdrawn from the Notice Account and transferred to a Term Account pursuant to a 31 Day Notice Account Addition/ Withdrawal Schedule. 	<ul style="list-style-type: none"> • Party means the Customer or the Bank and Parties means the Customer and the Bank. • Services means the 31 day notice account services supplied to the Customer in accordance with this Agreement. • Start Date means the date set out in the 31 Day Notice Account Opening Schedule or as otherwise confirmed to the Customer, being the date the Notice Account begins to accrue interest. • Term Account means the accounts) in CAD and/ or US Dollars, opened by the Bank in the Customer's name following receipt by the Bank of a 31 Day Notice Account Addition/Withdrawal Schedule indicating the Customer's request to withdraw funds from the Notice Account. • Term Account Rate means the interest rate applied to funds held in a Term Account, as specified in the 31 Day Notice Account Opening Schedule and which may change from time to time in accordance with this Agreement. • Withdrawal Amount means the amount notified by the Customer to the Bank to be withdrawn from the Notice Account and transferred to a Term Account pursuant to a 31 Day Notice Account Addition/ Withdrawal Schedule.
Customer Declaration	<p>By executing the 31 Day Notice Account Agreement, the Customer acknowledges the receipt of and agrees to all of the terms and conditions contained within this Agreement which apply to the provision of the Services by the Bank. The Customer certifies that:</p> <ol style="list-style-type: none"> It has taken all necessary action to authorize the entry into and performance of this Agreement; The signatories named below have the necessary capacity and authority to enter into this Agreement with the Bank on the Customer's behalf; All information and documentation provided in this Agreement, and/or in connection with this Agreement to the Bank is complete, true and correct. 	<p>By executing the 31 Day Notice Account Agreement, the Customer acknowledges the receipt of and agrees to all of the terms and conditions contained within this Agreement which apply to the provision of the Services by the Bank. The Customer certifies that:</p> <ol style="list-style-type: none"> It has taken all necessary action to authorize the entry into and performance of this Agreement; The signatories named below have the necessary capacity and authority to enter into this Agreement with the Bank on the Customer's behalf; All information and documentation provided in this Agreement, and/or in connection with this Agreement to the Bank is complete, true and correct.

