

Material differences between the HSBC Program Agreement and the RBC Business Credit Card Agreement Joint & Several Liability



Changes to the HSBC BusinessVantage® Mastercard® Program Application (containing the Terms and Conditions, Privacy Information and the Program Agreement, F1032154) (together, the “**HSBC Program Agreement**”) also include those identified in the box below. Please note that we only focused on the material differences between the HSBC Program Agreement and the RBC Royal Bank Business Credit Card Agreement (Joint & Several Liability, F16187) (“**RBC Business Credit Card Agreement**”).

The current wording of the HSBC Program Agreement appears in the left column and the revised wording of the RBC Business Credit Card Agreement appears in the right column. Note that these are excerpts only.

Current wording in the HSBC Program Agreement – Joint & Several Liability	Revised wording in the RBC Business Credit Card Agreement – Joint & Several Liability
<p>HSBC BusinessVantage Mastercard Program Agreement (...) 2. Card Issuance and Renewal (...) You shall distribute a Cardholder Agreement in the form provided by us, to the individual named on each Card.</p>	<p>2. Express Consent (...) It is your responsibility to ensure that each Owner and Cardholder receives a copy of this Agreement and any replacements of, or amendments to, this Agreement, as well as any notices that affect the use of the Cards or the Account(s). You are also responsible for ensuring that all Cardholders comply with the applicable terms and conditions of this Agreement.</p>
<p>4. Foreign Currency Transactions If a Cardholder makes a Transaction in a foreign currency (or returns any such Transactions), the Account will be charged (or credited) in Canadian dollars at the exchange rate in effect at the time we post the Transaction to the Account. This rate may be different from the rate in effect on the date of the Transaction. The exchange rate used reflects the Mastercard conversion rate, plus we charge a foreign exchange administration fee, which fee is disclosed in the Disclosure Statement. This applies to both debits/purchases and credits/refunds to the Account. Rates and Fees Annex Foreign Exchange Conversion: 2.5% We will bill you in Canadian currency if you use your account to make transactions in foreign currency. We will convert it directly to Canadian dollars at the exchange rate in effect at the time we post the transaction to your account. When the transaction is posted to your account, in addition to the exchange rate, you will be charged a foreign exchange administration fee of 2.5% for each foreign currency transaction.</p>	<p>10.6 Foreign Currency Conversion All transactions indicated on an Account Statement are billed in Canadian dollars. The exchange rate indicated on your Account Statement, to six (6) decimal places, is calculated by dividing the converted Canadian dollar (CAD) amount, rounded to the nearest cent, by the transaction currency amount. It may differ from the original benchmark rate because of this rounding. The CAD amount charged to your Account is 2.5% over the benchmark rate. Some foreign currency transactions are converted directly to CAD, while others may be converted first to U.S. dollars, then to CAD. In either case, the benchmark rate will be the actual exchange rate applied at the time of the conversion, and is generally set daily. The original benchmark rate at the time a transaction was converted may be obtained at visa.com/exchange, if set by Visa, or Mastercard.ca/currency-converter, if set by Mastercard. If you are paying interest on your Account, interest will also be charged on the full value of your foreign purchases, as determined by our exchange rate. If you have any questions, please call us at 1-800 ROYAL® 1-2 (1-800-769-2512).</p>

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<p>7. Liability for the Total Debt</p> <p>You will be liable to us for the Total Debt, no matter how it is incurred or who has incurred it and even though we may send Account Statements to Cardholders and not to you. (...)</p> <p>Terms and Conditions</p> <p>(...)</p> <p>The Business and each Owner hereby:</p> <p>(...);and</p> <p>(c) agrees, together with each Guarantor, to be jointly and severally liable (solidarity liable in Quebec) for all use of the Account and all interest, fees and other charges to the Account, including those made by each individual Cardholder.</p>	<p>9.6 Liability for Debt</p> <p>Except as otherwise set out in this Agreement and, for Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold card products only, except as may otherwise be provided under the Liability Waiver Program, the Applicant, together with each Owner, are jointly and severally (in Quebec, solidarily) liable to us for all Debt charged to the Account, no matter how it is incurred or who has incurred it, and even though we may send Account Statements to Cardholders and not to any of you. (...) The Applicant together with each Owner are also jointly and severally (in Quebec, solidarily) liable to us for everything else you have agreed to in this Agreement.</p> <p>(...)</p> <p>An Owner will continue to be liable for the Debt as long as the Owner's name appears on this Agreement. If there is any change to the ownership or structure of the Applicant, including if an Owner ceases to be an owner, it is your responsibility to notify us as a new Agreement may need to be signed or entered into.</p> <p>We may apply any money the Applicant or an Owner has on deposit with us or with any of our affiliates against any Debt you owe us. We can apply the money on deposit against any Debt without prior notice to any of you.</p>
<p>10. Interest rate and calculation</p> <p>We charge interest at the annual interest rates shown on the Disclosure Statement, as amended over time. The annual rates at any time and their equivalent daily interest rates appear on the Account statement. We calculate interest, for each category of Transactions, by multiplying the outstanding balance each day by the applicable daily interest rate. We then add together the interest charges for each day during the period covered by the Account statement.</p>	<p>10.2 Determination of Interest</p> <p>(c) <u>Applicable to all Business Card Products</u></p> <p>Fees are treated in the same manner as Purchases for the purpose of charging interest. The transaction date for a Fee is the date that the Fee is posted to the Account.</p> <p>We do not charge interest on interest.</p> <p>We calculate interest daily; however we only add it to the Account monthly. The amount of interest we charge is calculated as follows:</p> <ul style="list-style-type: none"> • We add the amount that you owe each day, and divide that total by the number of days in the Account Statement period. This is your average daily balance; and • We multiply the average daily balance by the applicable daily Interest Rate(s) (obtained by taking the annual Interest Rate(s) and dividing it by the number of days in the year). We then multiply this value by the total number of days in the Account Statement period to determine the interest that we charge you. <p>If there is more than one applicable Interest Rate, we calculate the amount of interest that you owe based on the average daily balances that apply to each Interest Rate. (...)</p>

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<p>11. Minimum payment</p> <p>(...) However, each month you must pay at least the amount shown as the total minimum Payment Due on the Account statement. The minimum payment is determined as follows:</p> <ul style="list-style-type: none"> • if the New Balance is more than \$10, the greater of 5% of the New Balance or \$10, • if the New Balance is \$10 or less, the full amount. <p>In addition, past due amounts and/or any amount exceeding the credit limit are included in the total minimum Payment Due. You must pay the total minimum Payment Due by the due date shown on the Account statement. (...)</p>	<p>9.3 Minimum Payment and Other Payment Terms</p> <p>(...)</p> <p>(b) Except as otherwise set out in this Agreement, you must make a Minimum Payment by the Payment Due Date, equal to the lesser of</p> <ul style="list-style-type: none"> (i) for all Business Card Products except CLSB: \$10.00, plus interest, plus Fees or, for CLSB: \$100.00, plus interest, plus Fees, and (ii) the New Balance, in order to keep the Account up to date. Each of these amounts will be indicated on the Account Statement. Any past-due amounts will be included in the Minimum Payment amount. <p>(c) You must also pay any amount that exceeds either the Account Credit Limit or the Card Credit Limit immediately, even though we may not yet have sent an Account Statement on which that excess appears.</p> <p>(....)</p>
<p>Grace period: 21 days</p>	<p>9.3 Minimum Payment and Other Payment Terms</p> <p>[See section 10.3 for the standard Grace Period applicable to your RBC business credit card product]</p> <p>(g) If the New Balance on a previous Account Statement was paid in full by the Payment Due Date, the Grace Period for the current Account Statement will continue to be the minimum number of days applicable to the Business Card Product. If the New Balance on the previous Account Statement was not paid in full by the Payment Due Date, the Grace Period for the current Account Statement will be extended to twenty-five (25) days from the last Statement Date. This Section 9.3(g) does not apply to CLSB, which has no Grace Period.</p>
<p>12. How we apply payments</p> <p>We apply payment of the Debt in respect of a Cardholder's Account to amounts shown on the Account statement in this order: interest; premiums for optional insurance; service fees and applicable taxes on premiums for optional insurance; annual membership fees; Cash Advances; and Purchases. If you have paid more than the New Balance, we will apply the extra payment to amounts that have not yet appeared on the Account statement but have been posted to the Account, in this order: Cash Advances; Purchases; interest; service fees and applicable taxes on premiums for optional insurance; premiums for optional insurance; and annual membership fees. In any category of Transactions, those amounts that are subject to a lower rate of interest may be paid first.</p>	<p>9.4 Payment Allocation</p> <p>When you make a payment, we apply the amount up to the Minimum Payment first to any interest and second to any Fees. We then apply the remainder of any Minimum Payment to the New Balance, generally starting with amounts bearing the lowest Interest Rate before amounts bearing a higher Interest Rate.</p> <p>If you pay more than the Minimum Payment, we will apply the amount over the Minimum Payment to the remainder of the New Balance. If the different amounts that make up the New Balance are subject to different Interest Rates, we will allocate your excess payment in the same proportion as each amount bears to the remainder of the New Balance. If the same Interest Rate is applicable to both a Cash Advance and a Purchase, we will apply your payment against the Cash Advance and the Purchase in a similar proportionate manner.</p> <p>If you have paid more than the New Balance, we will apply any payment in excess of the New Balance to amounts that have not yet appeared on your Account Statement in the same manner as set out above. Credits arising from returns or adjustments are generally first applied to transactions of a similar type, second to any interest and Fees, and the remainder to other Debt owing in the same manner as we apply payments in excess of the Minimum Payment.</p>

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<p>13. Account statements</p> <p>Unless you direct us to send the Account statements to the Authorized Representative, we will send Account statements to each Cardholder at the address provided for such Cardholder.</p> <p>(...)</p>	<p>8. Account Statement, Verification and Disputes</p> <p>(...) Unless you have opted and consented to electronic Account Statements, we will send the Account Statement to you, directed to the Applicant's address last appearing on our records or, in the case of Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold card products, directly to Cardholders, at your request.</p> <p>(...)</p> <p>When available, you may choose to receive the Account Statements and Account Documentation through Electronic Channels. In that case, the Account Statement and Account Documentation will only be made available to the Applicant and will not be sent directly to Cardholders.</p>
<p>Unaddressed</p>	<p>15. Loyalty Programs</p> <p>15.1. RBC Rewards Program (now Avion Rewards)</p> <p>If your Business Card Product allows Cardholders to earn RBC Rewards® points (now Avion points), which can be redeemed for merchandise, travel and other rewards, you acknowledge that your participation, and the Cardholders acknowledge that their participation (where applicable), in the RBC Rewards program (now Avion Rewards program) is subject to the RBC Rewards Terms and Conditions (now Avion Rewards Terms and Conditions), which are available for review at www.rbc rewards.com (now avionrewards.com). Paper copies are available upon request.</p> <p>15.2 RBC Cash Back Program</p> <p>If your Business Card Product allows you to earn back a certain percentage of the total amount of eligible net Purchases charged to the Account annually, as a credit to the Account, you acknowledge that your participation in the RBC Cash Back program is subject to the RBC Cash Back Terms and Conditions, which are available for review at www.rbc.com/cashbackterms. Paper copies are available upon request.</p>
<p>16. Your liability for Unauthorized Use of Cards</p> <p>You or a Cardholder will inform us immediately of any actual or suspected loss, theft or unauthorized use of a Card, Personal Identification Number (PIN), Account number or Cheques. You agree that we will consider that all Transactions have been authorized by you until you or a Cardholder advise us otherwise.</p> <p>If a Cardholder's Card, PIN, Account number or Cheques are lost or stolen or you become aware of any unauthorized use, before we have been notified of such loss, theft or unauthorized use, you will be liable for all Debt, including</p> <ol style="list-style-type: none"> all Debt incurred through use of the Cardholder's Card or Account; all Debt incurred through any one or more Transactions where the Card is used together with the PIN; and all Debt resulting from fraud, theft or unauthorized use of a Card, PIN, Account number or Cheques by personnel employed by or affiliated with you, including any such fraud, theft or unauthorized use after you have received a Card but before it has been delivered to the Cardholder. <p>If a Card is reported as lost or stolen, you will not be liable for any unauthorized Transactions that occur after you or the Cardholder notify us.</p>	<p>7.1. Lost, Stolen, or Unreceived Cards</p> <p>The Cardholder must inform us immediately if:</p> <ol style="list-style-type: none"> their Card is lost, stolen or has never been received by the Cardholder after it has been requested by the Applicant or the Cardholder; the Cardholder suspects that their Card is missing; the Cardholder suspects that someone else may know their Personal Authentication Information; or the Cardholder suspects that their Card or the associated Card Information is being used by someone else; <p>by calling our 24-hour toll-free number at 1-800-361-0152. If the Cardholder is outside North America, the Cardholder can call us collect at 1-514-392-9167. Operator assistance may be required.</p> <p>Once any of the above events has been reported to us, we will be able to prevent the use of the Card, Card Information and Personal Authentication Information, and you will not be liable for any unauthorized use following the receipt of such report.</p> <p>Also, if we suspect unauthorized or fraudulent use of a Card or the associated Card Information, we may block the Card and prevent the use of the associated Card Information without prior notice to the Cardholder.</p>

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	<p>7.2. Fraudulent Transactions with a Card</p> <p>For the purposes of this provision, “unauthorized use” of a Card, Card Information and/or Personal Authentication Information means use by a person, other than the Cardholder, who does not have actual, implied or apparent authority for such use, and from which neither you nor the Cardholder receives any benefit.</p> <p>If a Card, Card Information and/or Personal Authentication Information is used in an unauthorized manner, you will not be liable for those unauthorized charges provided that the Cardholder (a) is able to establish, to our reasonable satisfaction, that the Cardholder has taken reasonable measures to protect their Card against loss or theft and to safeguard their Card Information and/or Personal Authentication Information in the manner set out in this Agreement, or as we may otherwise advise Cardholders from time to time, and (b) the Cardholder fully cooperates with our investigation.</p> <p>You will, however, remain fully liable for all Debt incurred in connection with an unauthorized use of the Card or the associated Card Information if the Cardholder (a) contributed to the unauthorized or fraudulent use of the Card or the associated Card Information, or otherwise permitted access to the Account, (b) voluntarily disclosed their Personal Authentication Information, (c) failed to inform Royal Bank promptly that their Card had been lost, stolen or remained unreceived, (d) failed to inform Royal Bank promptly that they suspected that (i) their Card was missing, (ii) someone else may know their Personal Authentication Information, or (iii) the Card or the associated Card Information was being used by a person other than the Cardholder, or (e) allowed any other person to use their Card or the associated Card Information.</p> <p>7.3. Unauthorized Charges by Cardholders</p> <p>If you have an Avion Visa Infinite Business, Avion Visa Business, Visa Business or Visa Business Gold card product, you may request us to waive, in accordance with the Liability Waiver Program, your liability for certain unauthorized charges incurred by a Cardholder, as set out in the Liability Waiver Program Description.</p> <p>The Liability Waiver Program is made available at no cost to you, and you will abide by the provisions of the Liability Waiver Program Description, in effect from time to time. (...)</p>
<p>18. Credits from merchants</p> <p>(...) However, if we have charged any interest as a result of the original Transaction, we will not refund this interest to you.</p>	<p>6.6. Credits and Refunds</p> <p>(...) However, if interest and/or Fees have been charged as a result of the transaction, we will not refund the interest and/or the Fees.</p>
<p>Unaddressed</p>	<p>18. Termination</p> <p>(a) We or any one of you may terminate this Agreement at any time by giving notice of termination to the other party. We will direct our notice of termination to the Applicant’s address last appearing on our records. You will contact our Cards Customer Service at 1-800 ROYAL® 1-2 (1-800-769-2512) or visit your local branch to learn how to provide your notice of termination.</p>

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<p>23. Changes</p> <p>We may change the annual interest rates, fees and this Agreement from time to time by providing you with notice of such amendment at the most recent address in our records. A change may apply both to the Debt and to all new Transactions on an Account. Any such notice will be provided in accordance with applicable laws.</p>	<p>17. Amending This Agreement</p> <p>We may amend, supplement, restate, or otherwise change this Agreement at any time. If we do make a change that we consider to be a material change, in our absolute discretion, such as changing the Interest Rates or the Fees applicable to your Business Card Product(s), we will notify you at least thirty (30) days before the change takes effect, by giving you notice of the change(s) in any one or more of the following way(s): by (a) sending you a notice by mail, (b) adding a message on the Account Statement(s), (c) posting a notice on our website and/or digital channels, (d) sending you a notice through Electronic Channel(s), (e) posting a notice in all of our branches, or (f) displaying a notice at our ATMs. If we send you a notice by mail, it will be directed to the Applicant's address last appearing on our records and it is your responsibility to ensure that each Owner (and Cardholders, where applicable) receive(s) a copy of such notice.</p> <p>If any Account, Card or Card Information is used or if any Debt remains unpaid after the effective date of a change, it will mean that you have agreed and consented to the change. If any change is not acceptable to you, you must immediately stop using the Account and the Cards and contact Royal Bank for assistance.</p> <p>You agree to be bound by the latest version of this Agreement made available from time to time on our website, or otherwise provided to you. You agree to regularly review it, and to review any notice of change we may give you, as outlined above.</p> <p>The benefits and services that are automatically provided with your Business Card Product(s) are subject to terms and conditions, which may also be amended by us or the third party(ies) that provide(s) them, from time to time, without notice to you or any Cardholder.</p>
<p>27. Governing Law</p> <p>This Agreement and, unless otherwise specified therein, all documents or instruments delivered in accordance with this Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario (the "Governing Jurisdiction") and the federal laws of Canada applicable therein). You irrevocably subject to the non-exclusive jurisdiction of the courts in the Governing Jurisdiction and waive, to the fullest extent permitted by applicable law any defence based on convenient forum.</p>	<p>19.2 Governing Law</p> <p>This Agreement shall be interpreted and governed in accordance with the laws of the province or territory in which the Applicant resides (or the laws of the Province of Ontario if the Applicant resides outside Canada) and the applicable laws of Canada. In the event of a dispute, you agree that the courts in the province or territory where the Applicant resides (or the courts in the Province of Ontario if the Applicant resides outside of Canada) shall be competent to hear such dispute, and you agree to be bound by any judgment of that court.</p>
<p>32. Giving instructions & Communications</p> <p>(...)</p> <p>You agree that we may send Account statements and other communications under this Agreement electronically or through any other method.</p>	<p>12. Communication Between You and Us</p> <p>12.1. Delivery of Account Documentation</p> <p>Any Account Documentation, including Account Statements, notices and disclosures, may be delivered using one or more means of communication, which may include (a) delivery in paper form, (b) delivery in electronic form using any Electronic Channel, or (c) posting on Royal Bank's website.</p> <p>If we have important announcements to make, or important information to communicate to you, about your Account(s) and/or your Business Card Product(s), we will normally do so by adding a message to the Account Statement(s). Each month, when you receive your Account Statement(s), you will look for these messages and read them carefully, where applicable.</p> <p>(...)</p>

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<p>33. Exchange of Information</p> <p>Information about a Cardholder’s use of their Account and Card, and pertinent information about any reimbursement of Debt received by the Cardholder, Cardholder employment status and location, and any other related Cardholder tracking information may be exchanged between you and us. You hereby represent, warrant and agree that you have obtained the express consent of each Cardholder to the collection, use and disclosure of such information as contemplated in this Agreement.</p>	<p>13. Exchange of Information, Verification and Communication</p> <p>This Section supplements what is set out in the “Collection, Use and Disclosure of Information” Section below.</p> <p>13.1. With or About Cardholders Who Are Not Owners</p> <p><u>Applicable to Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold card products only</u></p> <p>(Note: If you are being migrated to an RBC Business Cash Back credit card, this section 13.1 also applies to you)</p> <p>Even though we may issue Cards to individuals who are not Owners at your request, our primary business relationship is with you.</p> <p>You will, prior to requesting the issuance of a Card for any individual who is not an Owner, obtain the following information with respect to each such individual: the legal first and last names, date of birth, personal home address and personal telephone number. You must keep this information for at least seven (7) years after a Cardholder’s Card has been cancelled and provide it to us, upon request, within thirty (30) days.</p> <p>We will not ascertain the personal creditworthiness of any individual who is not an Owner by obtaining credit bureau reports on them, at the time the Card is opened or periodically thereafter. We may however make other inquiries or checks about them as required by applicable law or regulation, for example, in compliance with our anti-money laundering obligations.</p> <p>Except as otherwise specified in this Agreement, or as required by applicable law, we will not communicate directly with Cardholders who are not Owners, and will not send these Cardholders any marketing promotion or offer. However, if they are a participant in the RBC Rewards program, we may communicate with them if they have provided consent and their email address for that purpose. Notices under this Agreement, legal disclosures and other Account Documentation may also be sent to them directly.</p> <p>Where applicable, you confirm that you will obtain any necessary consent, approval or authorization from Cardholders for the purposes of accessing, collecting, using, and disclosing their information in accordance with this Agreement and applicable law.</p> <p>13.2 With or About Any Cardholder (including Owners)</p> <p><u>Applicable to All Business Card Products</u></p> <p>Because you are liable for all Debt charged to the Account, any of you will have access to any and all information concerning Cardholders’ use of their Card, including information pertaining to each Purchase, Cash Advance or other transaction charged to the Account, and all their activities as Cardholders</p>

