



RBC ROYAL BANK® LIABILITY WAIVER INSURANCE CERTIFICATE

This certificate is a valuable source of information. Please keep it in a safe place.

What is RBC Royal Bank Liability Waiver Insurance?

The RBC Royal Bank Liability Waiver Insurance program allows **Eligible Companies** that have entered into an agreement with Royal Bank of Canada (“**Royal Bank**”) for the establishment of business and/or commercial **Card** accounts and the issuance of **Cards** to request **Royal Bank** to waive the **Eligible Company’s** liability for certain Unauthorized Charges made by its **Cardholders**.

Who Provides this Insurance?

This insurance is provided by Royal & Sun Alliance Insurance Company of Canada (the “**Insurer**”). The policy number is PSIO48575914 (the “**Policy**”).

What is the Maximum Amount of Insurance?

The RBC Royal Bank Liability Waiver Insurance program will waive the **Eligible Company’s** liability for Unauthorized Charges up to \$100,000 CAD per **Card**, subject to the terms, conditions, limitations and exclusions in this Certificate.

Definitions

“**Affidavit of Waiver**” means a written request sent to **Royal Bank** by mail or fax from the **Eligible Company** requesting **Royal Bank** to waive the Unauthorized Charges in accordance with the terms and conditions of this program.

“**Card**” means an RBC® Visa⁺ Business, RBC Avion® Visa Business (formerly “RBC Visa Business Platinum Avion”), RBC Avion Visa Infinite Business⁺, RBC Visa Business Gold, RBC Commercial Avion Visa, RBC Commercial Cash Back Visa, RBC Commercial Visa, or RBC Commercial U.S. Dollar Visa card issued by **Royal Bank** to a **Cardholder**.

“**Cardholder**” means the designated employee of an **Eligible Company** to whom a **Card** has been issued by **Royal Bank**, who is over 18 years of age, residing in Canada and who is authorized to use the **Card** for business purposes, in accordance with the **Eligible Company’s** internal policies. The **Eligible Company** will not request any person to receive a **Card** on any of its present or future accounts if that person has been named at any time by the **Eligible Company** in an **Affidavit of Waiver**.

“**Charges**” means the amounts, billed or unbilled, including purchases and cash advances, charged to a **Card**.

“**Date of Notification of Employment Termination**” means the date the **Eligible Company** gives or receives a written notice of immediate or pending employment termination of a **Cardholder** or the date on which the **Cardholder** leaves the **Eligible Company’s** service, whichever is earlier, or if the **Cardholder** is a member of a bargaining unit of a union and the employer contract includes grievance procedures, the date the **Eligible Company** files a grievance with the labour arbitrator recommending the **Cardholder’s** employment be terminated, or the date the **Eligible Company** notifies the **Cardholder** that the **Cardholder** can no longer use the **Card**.

“**Eligible Company**” means a corporation, partnership, sole proprietorship or any other entity which has entered into an agreement with **Royal Bank** for the establishment of **Card** accounts and the issuance of **Cards**, if such agreement is still active and in force.

“**Royal Bank**” means Royal Bank of Canada.

“**Waiver Date**” is the date on the **Affidavit of Waiver** sent from the **Eligible Company** to **Royal Bank**.

What are Unauthorized Charges?

A. “Unauthorized Charges” are **Charges** to a **Cardholder’s Card** incurred by a **Cardholder**:

- a) which are not made in accordance with the **Eligible Company’s** internal policies and/or which do not benefit the **Eligible Company** directly or indirectly, in whole or in part; or

- b) for which the **Eligible Company** has reimbursed the **Cardholder** but the **Cardholder** has not paid **Royal Bank**.

Provided that such Unauthorized Charges:

- i) are billed within the seventy-five (75) days preceding the **Date of Notification of Employment Termination**, or preceding the date **Royal Bank** receives the request from the **Eligible Company** to cancel the **Card** on which Unauthorized Charges were incurred;
- ii) are unbilled up to fourteen (14) days after **Royal Bank** has received a request to cancel the **Card** but were incurred prior to such request being received and provided the **Eligible Company** must have notified **Royal Bank** within two (2) business days of the **Date of Notice of Employment Termination**;
- iii) are discovered no later than 75 days after the termination of:
 - a) the **Policy**; or
 - b) the insurance in respect of the **Eligible Company**;whichever occurs first.

B. Auditors fees incurred with the **Insurer’s** written consent solely to substantiate the amount of the claim are covered.

What are Not Waivable Charges?

The following **Charges** are excluded and not covered by this **Policy**, whether they are Unauthorized Charges or authorized **Charges**.

1. **Charges** made by partners, owners, or principal shareholders who own more than five percent (5%) of the **Eligible Company’s** outstanding shares, or persons who are not employees of the **Eligible Company** at the time **Charges** were incurred.
2. Interest or fees imposed by **Royal Bank** on outstanding unpaid **Charges**.
3. In cases where **Royal Bank** invoices the **Cardholder**, any amount on a cheque submitted by a **Cardholder** which is not paid by the **Cardholder’s** financial institution, if the **Cardholder** has, within the last twelve (12) months, submitted any other cheque to **Royal Bank** which was not paid by the **Cardholder’s** financial institution.
4. **Charges** to purchase goods or services for the **Eligible Company** or bought for someone else if instructed or approved by the **Eligible Company** will not be covered. However, these **Charges** will be covered if **Royal Bank** bills the **Cardholder** directly, where the **Eligible Company** has reimbursed the **Cardholder** and the **Cardholder** has not paid **Royal Bank**.
5. **Charges** billed by the **Cardholder** more than fourteen (14) days after **Date of Notification of Employment Termination**.
6. **Charges** billed by the **Cardholder** more than fourteen (14) days after **Royal Bank** receives the request from the **Eligible Company** to cancel the **Card**.
7. **Charges** billed on or after the **Date of Notification of Employment Termination** if such **Notification of Employment Termination** was not sent to **Royal Bank** within two (2) business days of the **Date of Notification of Employment Termination**.
8. **Charges** billed if the **Eligible Company** has not notified **Royal Bank** in writing to cancel the **Card** within two (2) business days of the **Eligible Company’s** intention to cancel the **Card** or given notice to the **Cardholder** to stop using the **Card** or cancels the **Card** in accordance with the cancellation policy with **Royal Bank**.
9. **Charges** resulting from either a lost or stolen **Card** or **Charges** to a **Card** which is closed, frozen or ninety (90) or more days delinquent.

10. Cash advances after the **Date of Notification of Employment Termination** or immediately after **Royal Bank** receives the request by the **Eligible Company** to cancel the **Card**, in excess of \$300 per day per **Cardholder** or a maximum of \$1,000 per **Cardholder**, whichever is less.

11. Any interest on money owing.

What are the Responsibilities of the Eligible Company?

Notification to Royal Bank. The **Eligible Company** may request **Royal Bank** to waive the **Eligible Company's** liability for Unauthorized Charges only if the **Eligible Company** meets all of the following requirements:

1. The **Eligible Company** must use its best efforts to retrieve the **Card** from the **Cardholder** and notify **Royal Bank** in writing to cancel the **Card** within two (2) business days of:

- (i) the **Date of Notification of Employment Termination**; or
- (ii) the **Eligible Company's** intention to cancel the **Card** and/or notice to the **Cardholder** to stop using the **Card**; and

such letter must state:

- (i) If applicable, that the **Cardholder's** employment has terminated and the **Date of Notification of Employment Termination**.
- (ii) If applicable, that the **Card** is cancelled or no longer authorized.
- (iii) The **Cardholder's** name, home address and, if the **Cardholder's** employment was terminated, the last known business addresses and **Card** number.
- (iv) If the **Card** was retrieved from the **Cardholder** and, if so, the date it was retrieved and confirmation that such **Card** is still in the **Eligible Company's** possession or is enclosed therein.
- (v) The **Eligible Company** requests the waiver of Unauthorized Charges.

Notification to Cardholder. In cases where **Royal Bank** sends its statements directly to the **Cardholder**, the **Eligible Company** must deliver to the **Cardholder** or send, by first-class mail in writing, a notice stating the **Cardholder's** right to use the **Card** has been cancelled, and instruct the **Cardholder** to:

- (i) immediately discontinue all use of that **Card**;
- (ii) immediately pay any outstanding **Charges** to **Royal Bank**; and
- (iii) immediately return the **Card** to the **Eligible Company**.

If the **Eligible Company** knows that a **Cardholder** is receiving reimbursement for **Charges** but is not paying **Royal Bank** for those **Charges**, the **Eligible Company** must promptly give written notice to **Royal Bank**.

How To Make a Claim

1. An authorized official of the **Eligible Company** must send an "**Affidavit of Waiver**" to **Royal Bank** in writing by mail or fax. The **Affidavit of Waiver** must be sent within thirty (30) days of the employee's Notification of Employment Termination or the date of the **Eligible Company's** intention to cancel the **Card**.
2. All claim documents must be filed with the Insurer within six (6) months from the employee's **Date of Notification of Employment Termination**.

Inquiries

Please direct any claim inquiries to:

Royal & Sun Alliance Insurance Company of Canada
Attention: Claims Management Services
2 Prologis Blvd., Suite 100
Mississauga, Ontario
L5W 0G8

Within the Toronto Region (905) 412-2015
Outside the Toronto Region 1-866-832-1354

Please refer to the program and the Policy number.

Recovery

1. If the **Eligible Company** recovers any amounts for Unauthorized Charges from any source after the **Eligible Company** has filed an **Affidavit of Waiver** with **Royal Bank**, the **Eligible Company** will remit all such amounts to **Royal Bank**. The **Eligible Company** agrees to assign any rights it may have to collect such amounts from the **Cardholder** to **Royal Bank**. The **Eligible Company** agrees to assign any rights it may have to collect such amounts from the **Cardholder** to the Insurer.
2. **Royal Bank** agrees to forward any recovered amounts to the Insurer if the Insurer has already reimbursed **Royal Bank** for the Unauthorized Charges.

Other Insurance

This program does not cover losses that are covered by other insurance and/or losses that would have been paid if this program did not exist. Losses that are above those covered by other insurance as noted, but less than the limit of this coverage, are eligible for payment.

This certificate is not a contract of insurance. It contains only a summary of the principal provisions of the Policy. In the event of any conflict between the description of coverage in this certificate and the Policy, the Policy will govern.

Termination

Coverage under this Policy will automatically terminate on the earliest of the following:

- 1) the date the **Eligible Company's** agreement with **Royal Bank** for the establishment of **Card** accounts and the issuance of **Cards** is cancelled; or
- 2) the date the Policy terminates; or
- 3) thirty (30) days after the date of written request for cancellation by **Royal Bank**.

Misstatement

Any fraud, misstatement or concealment by the **Eligible Company**, either in regard to any matter affecting this insurance or in connection with the making of a claim shall render this insurance null and void.

Currency

All claims will be paid in Canadian dollars.