

As a result of the migration of your Term Deposits and GICs to RBC, certain amendments have been made to the terms and conditions that govern your products.

The document below identifies the changes that have been made to the **Additional Terms and Conditions Term Deposits and GICs** that are effective as of the migration of your products to RBC. Deletions (terms that are no longer applicable) are noted by a strike-through, and additional terms (resulting from the migration to RBC) are noted in bold text.

Please note that these agreements as amended apply to existing Term Deposits and GICs that are migrated from HSBC Bank Canada. Any GICs renewed or purchased after migration will be made under the then current RBC Client Agreement found here: <https://www.rbcroyalbank.com/dms/investments/clientacknowledgementforms.html>.

Additional Terms and Conditions Term Deposits and GICs

Definitions

Account means each account you have with us including any Deposit.

Agreement means with respect to a Deposit, the Confirmation issued for the Deposit and the Additional Terms and Conditions, both as amended from time to time.

Confirmation means a confirmation we give you for each Deposit you make, including one we give you after the automatic renewal of a Deposit. This sets out the amount, term, Start Date, Maturity Date, interest rate, and other details of the Deposit.

Deposit means a term deposit or guaranteed investment certificate (GIC) you make with us, including any renewal.

General Banking Agreement means a general banking agreement, including the Personal Banking Agreement, you have entered into with us, as amended from time to time, in the form that was in effect the day before the migration of your Deposit from HSBC Bank Canada to RBC.

~~HSBC Group~~ **RBC means** ~~HSBC Holdings plc~~ **Royal Bank of Canada**, its affiliates, subsidiaries, associated entities, and their branches and offices, together or individually.

Instructions means information we receive from you (or that we reasonably believe comes from you) related to a Deposit. We can receive the information in writing, electronically or verbally through an instruction, an agreement, or a document.

Losses means claims, charges, costs (including legal or other professional costs), damages, debts, expenses, taxes, liabilities, and other payments or losses of any kind (for example currency or exchange loss), obligations, allegations, suits, actions, demands, causes of action, proceedings, or judgments of any kind however calculated or caused. These losses can also be direct or indirect, consequential, incidental, or economic.

Maturity Date means the date set forth in the Confirmation as the date upon which the Deposit matures.

Start Date means the date set forth in the Confirmation as the date upon which interest will begin to be calculated on the Deposit.

Us, we and the bank mean each of **HSBC Royal Bank of Canada, HSBC Royal Bank Mortgage Corporation, Royal Trust Corporation of Canada** ~~or HSBC, and, in Quebec, The Royal Trust Company (Canada)~~ **that you have an Account with.**

You and your mean each person who has a Deposit. This includes such person's heirs, executors, administrators, successors and assigns (someone to whom you transfer the rights or benefits of your Deposit). It also includes each person who holds a Deposit or an Account jointly.

Singular words in this Agreement include the plural. Plural words include the singular.

General Banking Agreement applies to this Agreement

If you have entered into a General Banking Agreement with us, you acknowledge and agree that the terms and conditions of the General Banking Agreement (including its set-off and indemnities sections), also apply to each Deposit. If there is a conflict between these terms and conditions of this Agreement and your General Banking Agreement as it applies to this Deposit, this Agreement governs the part that is inconsistent.

The terms and conditions of the General Banking Agreement do not apply to your Deposit except and only to the extent it is necessary to interpret and apply this Agreement. If there is a conflict between this Agreement and the Personal Banking Agreement as it applies to this Deposit, this Agreement governs the part that is inconsistent. Section 6 of the Personal Banking Agreement is amended to conform to the provisions of this Agreement as amended.

Terms in the Confirmation

We issue you a Confirmation for each Deposit you make, including on automatic renewal of the Deposit. For each Deposit you have with us, you agree to the terms in the Agreement with respect to the Deposit. The Confirmation is non-negotiable which means neither the Confirmation nor the Deposit can be transferred to someone else except as allowed in this Agreement. We may issue the Confirmation in writing or in electronic form. We consider the Confirmation to be correct, unless you tell us immediately that there is an error in it.

~~Your General Banking Agreement explains how and when to contact us about errors:~~

Interest

We do not compound interest on Deposits, unless we say we do on the Confirmation for the Deposit. We calculate interest daily counting the Start Date, but not including the Maturity Date or the date you otherwise redeem or withdraw the Deposit.

Automatic Renewal

If the “Renewal Information” field in the Confirmation indicates automatic renewal, then we will and you instruct us to automatically renew a Deposit (all of principal and interest **where possible**, unless interest has already been paid to you) on the Maturity Date for the same term and type as the maturing Deposit without any further agreement from you, unless you change or cancel the automatic renewal instructions after the Confirmation is issued (see below). **If we are unable to renew the interest portion of the Deposit, we will pay the interest to you in accordance with the Payment section below. Upon renewal, the Deposit will be under the terms and conditions of the corresponding RBC Client Agreement available at the time of renewal. If the Deposit is no longer offered, we will renew it as a one-year redeemable GIC.**

You may change your renewal instructions including as to the principal amount and term for a Deposit on automatic renewal, or cancel the automatic renewal of the Deposit, by contacting us at any time but no later than ~~two~~ **seven** business days before the Maturity Date of the Deposit that is to automatically renew. ~~The interest rate we apply to your renewed Deposit will be the fixed rate posted at www.hsbc.ca on the Start Date of the renewed Deposit for a deposit of the same term and type as the one in your instructions. However, if there is no posted rate for the same term, the interest rate we apply to your renewed Deposit will be the rate posted at www.hsbc.ca on the Start Date of the renewed Deposit for a deposit of the closest shorter term.~~

~~At our discretion, we may apply to your Deposit a rate that is higher than the posted rate, such as a promotional or bonus rate that we offer on comparable deposits on the Start Date of the renewed Deposit. We will calculate, compound and pay interest on your renewed Deposit in the same way as we did for the recently maturing Deposit.~~

Contact your advisor for the rate applicable to your renewal.

Interest will not accrue on a Deposit after the Maturity Date unless after its Maturity Date the Deposit has been automatically renewed or you invested in a new Deposit and you do not cancel the automatically renewed or new Deposit.

Inactive Account Status for Automatic Renewal

If you provide us with automatic renewal instructions at maturity for your term deposit, your account may be deemed inactive two years from the term deposit’s maturity date if you do not re-confirm or update your automatic renewal instructions within that time. The Bank will send you an inactive account notice in January following the first year of being deemed in inactive status and will continue annually for ten years if you do not confirm or update your automatic renewal instructions. ~~For Canadian dollar deposits, any~~ **Any** term deposits remaining in inactive status for a period of ten years will be considered unclaimed and will be forwarded to the Bank of Canada. The term deposit account will be closed at that time.

Alternative Automatic Renewal

If you cancel automatic renewal or we are not able to carry out your Instructions for any reason and we are not able to contact you **in time to update Instructions prior to maturity or if you do not provide updated Instructions upon request**, we may invest all of the principal (and interest, **where possible**) on the Deposit in a new redeemable term deposit

~~for a term of 30 days~~ **Deposit into the current type of Deposit for the same term to a maximum of one year**, to be automatically renewed at maturity for the same term, and the rate we apply to your renewed Deposit is the fixed rate posted at www.hsbc.ca on the Start Date of the renewed Deposit for a 30 day redeemable term deposit rbcroyalbank.com/investments/gic-rates.html on the Start Date of the renewed Deposit for the corresponding GIC term. **If it is not possible to invest the interest on the Deposit in a GIC, the interest will be paid to you in accordance with the Payment section below. Note that we are not able to add or remove funds to a GIC upon automatic renewal. To do so you will need to cancel your automatic renewal and purchase a new GIC.**

Cancellation of Automatically Renewed Deposit

You can cancel the automatically renewed Deposit within ~~15~~ **ten** business days of the day we renewed it. No charges will apply and no interest will be paid to you on such cancelled renewed Deposit.

Payment

You may provide us with payment or reinvestment instructions for all or part of the principal or interest of a Deposit at any time but no later than two business days before the Maturity Date of the Deposit.

If you redeem or withdraw the Deposit (**where applicable**) or if you told us to not automatically renew the Deposit on the Maturity Date, we may pay principal or interest in one of the following ways:

- credit one of your Accounts;
- send you a bank draft or a cheque to the address we have for you in our records;
- invest in a new Deposit for an additional term in accordance with your instructions;
- * ~~if no Instructions are provided or we are not able to contact you in time to carry out your~~ **receive or update Instructions for any reason and we are not able prior to contact maturity or if you do not respond to our request for updated Instructions, invest all of the principal and interest on the Deposit in accordance with the Alternative Automatic Renewal section in this Agreement wherever possible. However, if this is not possible, we will invest all of the principal, and the interest will be paid to you in accordance with this Payment section.**

~~If we pay you in any of these ways and in accordance with the Confirmation, we have no other obligations to you for the Deposit or accrued interest on the Deposit.~~

~~If payment is due on a non-business day, the payment will be made on the following business day.~~

Withdrawal prior to the Maturity Date

a. If you selected a redeemable Deposit

~~If you choose a redeemable Deposit when you purchase or renew a Deposit, you may withdraw all or part of the Deposit, or part of the Deposit if it is a redeemable Canadian Dollar Deposit before its Maturity Date. However, for a term deposit, if you withdraw all of the Deposit (or part of it, which is only an available option for redeemable Canadian dollar term deposits,) before the Maturity Date, we will not pay any interest on the amount withdrawn unless we say we do at an early redemption rate that may be lower than the Fixed Interest Rate as stated on the Confirmation, for the number of days between the Start Date and the date up to but not including the date you withdraw it.~~

~~For a redeemable GIC, if you withdraw all or part of it, which is only an available option for redeemable Canadian dollar GICs) before the Maturity Date, the following conditions apply:~~

- ~~if you withdraw it 89~~ **29** days or fewer from the Start Date, we will not pay any interest on the amount withdrawn; or
- ~~if you withdraw it 90~~ **30** days or more after the Start Date, we will pay interest at the interest rate that applies to the amount withdrawn, for the number of days between the Start Date and the date up to but not including the date you withdraw it.

~~We will pay interest at the Fixed Interest Rate stated in the Confirmation on any part of your Deposit not withdrawn before the Maturity Date.~~

b. If you selected a non-redeemable Deposit

~~If you choose a non-redeemable Deposit when you purchase or renew a Deposit, you cannot withdraw the Deposit until the Maturity Date. If we allow you to withdraw the Deposit before the Maturity Date, we may not pay you interest, or if we have~~

paid you interest we may deduct any such payment of interest from the Deposit at the time of the withdrawal. **To the extent that your Confirmation provides for the conditions on which we may allow you to withdraw a nonredeemable Deposit, those terms are hereby deleted.**

Transfer

You may only transfer the Deposit to another person if the following conditions are met:

- you must ask for and obtain our written agreement to the transfer before it happens. If we agree, the transfer is subject to our rights to apply the Deposit to pay debts or other obligations you owe us (the right of set-off) and any pre-existing security interests (or moveable hypothecs, if your Deposit is in Quebec) we may have;
- you must give us Instructions in writing, telling us who to transfer your Deposit to, and we must be satisfied with the Instructions; and
- the person you want to transfer the Deposit to must bring us the original Confirmation for the Deposit and such other information we may require in order to open an account for that person. A transfer is only effective after we record the transfer in the records of your Account. We do not owe that person interest or principal we paid to you before we recorded the transfer in our records.

General release of liability of bank

You agree that we will not be responsible or liable and that you release us from all liabilities, claims, and Losses related to this Agreement and any Deposits unless the liabilities, claims, or Losses were caused only by our gross negligence or willful misconduct.

We will not, under any circumstances (even if we are negligent), be responsible or liable for Losses that are indirect, consequential, special, aggravated, punitive, or exemplary, regardless of the basis for the claim.

Even if we are negligent, we will not be responsible or liable to you for Losses related to:

- an act or failure to act based on information or direction we provide to you;
- delay, failure, or error in implementing or executing Instructions; or
- improper, inaccurate, or incomplete Instructions or information you give us.

Indemnity for telephone, fax and email instructions

If you give us Instructions by phone, fax, or email, you will be responsible and liable for Losses if we either did or did not act on the Instructions. You will also be responsible for Losses that come from someone taking legal action against us. When you give us Instructions through telephone banking, mobile banking, or internet banking, you are not responsible for Losses as long as you meet your obligations under this Agreement and follow any service guides.

Bank can charge Account and right to set-off

You agree the following set-off provisions apply if you owe us or another member of the ~~HSBC Group~~ **RBC** amounts under a loan or other obligation. We may:

- withdraw funds from any Account;
- set-off or compensate between your Accounts or another account you have with us or another member of the ~~HSBC Group~~ **RBC**, even if this creates (or increases) an overdraft in your Account;
- set-off or compensate against a joint Account, even if the other joint Account holder is not responsible for amounts you owe, and even if they deposited the funds in the joint Account;
- create or increase an overdraft in any Account;
- redeem a Deposit, including a non-redeemable Deposit, you have to pay some or all overdraft amounts, plus interest, that you owe us or another member of the ~~HSBC Group~~ **RBC**. You are responsible for any amount we charge, plus applicable fees.

Instructions for Jointly held Deposits

~~This section applies to each jointly held Deposit you have. All joint Deposit holders must agree to:~~

- ~~first establish an automatic renewal Deposit;~~
- ~~purchase any new Deposit other than by automatic renewal.~~

We may accept Instructions to do the following on the jointly held Deposit from any one of you: **in accordance with the signing authority that you provided to us at the time of account open:**

- redeem (or withdraw) the Deposit prior to the Maturity Date;
- make payment on the Maturity Date to just one of you and, if we do, this payment completely discharges our obligations for that Deposit.
- add or withdraw funds from the Deposit;
- change your renewal instructions including as to the principal amount and term for Deposits on automatic renewal or cancel the automatic renewal of a Deposit.

We may also accept instructions to the following on the jointly held deposit from any one of you:

- make administrative changes, for instance change the mailing address or switch to electronic statements of Account. If you make any of these changes, you agree to notify the other joint Deposit holders;
- provide statements of Account, Confirmations and notices;
- receive notice of errors or objections;

Redeeming Deposits if you die

If you die, we must receive proof of your death and proof that you have an authorized representative. If we are satisfied with the proof, we may redeem your Deposits prior to any Maturity Date or follow Instructions from your authorized representative on how to handle the Deposits.

For joint Deposit holders in all provinces except Quebec

The funds in your Deposit and the interest it earns is your joint property with a right of survivorship. This means that if one of you dies, the Deposit will automatically become the property of the joint Deposit holders that are still alive (the survivors). If the Deposit holder who dies owes money to us, this is paid first. The survivors' rights and obligations under this Agreement will remain the same (including the right to continue to deal with the Deposit).

For joint Deposit holders in Quebec

Deposits in Quebec do not have a right of survivorship. After the death of one of the joint Deposit holders, your rights and obligations related to Deposits held jointly are set out in the Federal Laws of Canada and the laws of Quebec that apply to the survivors' rights and obligations.

Your consent to give you regulatory information electronically

You consent to us providing you with information required by Law through information systems you designate. The types of information include all notices, documents (for example, disclosure statements and agreements), and other information that, by law, we must give you about product and service features, rates, fees, our policies and procedures and our collection practices. You designate fax, email and our secure online banking websites as information systems through which we can electronically deliver this information. You must tell us if your fax number or email address changes.

You must keep copies of the information we send to you electronically. We only keep this information and make it available to you according to our record retention policy. Your consent to receive information electronically takes effect immediately. If you do not want to receive this information from us electronically at any time, call 1-888-310-HSBC (4722) 1-800-769-2511.

Changes to this Agreement

We may make changes to the following sections of this Agreement from time to time:

- Payment
- Automatic Renewal
- Alternative Automatic Renewal

- Withdrawal prior to the Maturity Date
- Instructions for Jointly held Deposits

and anything else required by law. If we do, we will inform you where the current terms and conditions may be found on our website before the changes take effect.

Complaints

If you have a complaint with us about your Account or Deposit, including on the application of any charges applicable to your Account and Deposit, you must tell your branch or contact us at 1-888-310-HSBC (4722). You can get a brochure at your branch or by visiting www.hsbc.ca about resolving complaints with us. If you are not satisfied with the way we have dealt with your concerns, you can contact the Financial Consumer Agency of Canada in writing at:

Financial Consumer Agency of Canada
427 Laurier Ave. West, 6th Floor Ottawa, Ontario
K1R 1B9

Or through its website at www.fcac-acf.ca

If you have a question about these terms and conditions or a complaint, you may call us at 1-800-769-2511 or visit an RBC Royal Bank branch. Our complaint resolution process is explained in our brochure “How to Make a Complaint”. You may obtain a copy of this brochure at any of our branches in Canada, by calling the tollfree number shown above, or online at rbc.com/customer-care/. The Financial Consumer Agency of Canada (FCAC) supervises all federally regulated financial institutions for compliance with federal consumer protection laws. While the FCAC does not resolve individual customer complaints, if you believe that your complaint relates to a violation of a federal consumer protection law, you may submit your complaint to: Financial Consumer Agency of Canada, Enterprise Building, 6th Floor 427 Laurier Avenue West Ottawa, ON K1R 1B9 Telephone: 1-866- 461-3222 fcac-acfc.gc.ca.

