

## Pre-Authorized Debit Agreement

Numbers correspond to guidance table below

### 1. Payor's Information (Please Print or Type Clearly)

Payor's name

Street Address

City

Province

Postal Code

Phone number

Email address

### 2. Payor's Financial Institution Information (Please Print or Type Clearly)

Account Number

Transit Number

Name of Financial Institution

Account Type (check one):

Personal

Business

### 3. Pre-Authorized Debit Details

3 GoCardless LTD has been contracted by \_\_\_\_\_ ("COMPANY"). You, the Payor, authorize GoCardless LTD to debit the bank account identified above and, if necessary, electronically credit your account to correct erroneous debits for (select one):

a single (one-time) entry (any subsequent PAD(s) require a newly Authorized Payor's PAD Agreement)

4  recurring entries (that recur at regular intervals without my affirmative action to initiate future entries)

5 Amount of debit(s) or method of determining amount of debit(s): \$

6 Number of debit(s):

7 Frequency of debit(s):

8 Start date:   /   /

9 **You have waived your right to receive pre-notification of the amount of the PAD and agreed that you do not require advance notice of the amount of PADs before the debit is processed.**

10  sporadic entries (initiated under the terms of this PAD Agreement)

**You will be notified of the amount and date of debit 10 days in advance of each sporadic debit by COMPANY.**

11 GoCardless LTD may appear in the Payor's banking information as the debtor of the PAD. You, the Payor, confirm that you have authority under the terms of your account agreement to authorize this debit.

12 You, the Payor, may revoke your authorization at any time by notifying COMPANY (Merchant) by \_\_\_\_\_ (insert process), subject to providing notice of \_\_\_\_\_ (insert period not to exceed 30 days). To obtain a sample cancellation form, or for more information on your right to cancel a PAD Agreement, contact your financial institution or visit [www.payments.ca](http://www.payments.ca). COMPANY (Merchant) may also cancel this PAD Agreement on not less than \_\_\_\_\_ days' notice to you.

13 Signature of Account Holder

Name (Please Print)

Date (MM/DD/YYYY)   /   /

14 You have certain recourse rights if any debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on your resource rights, you may contact your financial institution or visit [www.payments.ca](http://www.payments.ca).

15 COMPANY (Merchant) Name

Attention Customer Billing Department

COMPANY Address

COMPANY Telephone Number

COMPANY email address

# Guidance

## \*\*\*Record Retention

You, the merchant, shall ensure that an audit trail, including the Payor's PAD Agreement and evidence of Authorization, where applicable, and all information needed to retrieve or trace a PAD is maintained for a minimum of 12 months following the last PAD processed in accordance with that Payor's PAD Agreement.

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- 1 This is the customer's (i.e. Payor's) personal information. As a minimum, you must collect their name, phone number and full address (including postal code). If an email address is not available, you can set the customer up in GoCardless via the API / dashboard using your (i.e. merchant's) email address, but you will be responsible for sending any required notifications. In the case of a Payor setting up an authorization to debit a joint account, you should collect one of the account owners' details, in addition to their signature (i.e. you do not need to collect both details and two signatures).

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  - 2 This is the customer's (i.e. Payor's) bank account information. It must specify whether the PAD is to debit a personal or a business checking account.

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  - 3 This is a Payment Service Provider statement. Where a Payee (GoCardless LTD) is collecting payments on behalf of an entity (you, the merchant) that is providing a Payor with goods and services, the Payor's PAD Agreement must include a statement that describes the arrangement between the Payee (GoCardless LTD) and the entity providing the Payor with goods and services (you, the merchant).

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  - 4 These are the different types of authorization which you can set up. A single PAD is a one off authorization to a one-time debit of funds. A recurring PAD is an ongoing authorization to a regular debit for substantially similar amounts at pre-scheduled intervals. A sporadic PAD is an advance authorization for non-standard future debits and must specify that the Payee is required to obtain due Authorization from the Payor in accordance with Rule H1 for each Sporadic PAD that the Payee issues against the Payor.

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  - 5 You should insert the amount of the payment to be taken under the authorization here. For a single authorization, this will be the one-time payment amount. For a recurring authorization, this can either be the set amount to be regularly paid or, if you expect minor fluctuations, you can insert a reasonable range that the regular payment will fall within. For a sporadic PAD, you are unlikely to know the amount in advance so you should instead specify "Amount will be determined by <<a specified act, event or other criteria, then an unambiguous description of that act, event or other criteria>>".

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  - 6 You should insert the number of debits to be taken under the authorization. For a single authorization, this will always be one (1). For a recurring and standing authorization, this can be a set amount (for example, twelve (12)), or you may specify "Until revocation or termination".

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  - 7 You should insert the frequency of debits to be taken under the authorization. For a single authorization, you can specify "Not applicable". For a recurring authorization, you need to specify e.g. "daily", "weekly", "bi-weekly", "monthly", "quarterly". For a sporadic authorization, as the intervals can be irregular, you should instead specify "Timing will be determined by a specified act, event or other criteria, then an unambiguous description of that act, event or other criteria".

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  - 8 You should insert the start date of the authorization - i.e. when the customer's authorization becomes effective, on or after which the debit to the account will occur.

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- 9 This is a waiver of Pre-notification / Confirmation requirements that may only apply to One-time or Recurring PADs and may permit the Payor and Payee to mutually waive Pre-notification / Confirmation requirements of Rule H1, provided the Payor specifically indicates its acceptance of the waiver in the Payor's PAD Agreement. Any such clause to waive the standard Pre-notification / Confirmation requirements must be prominently displayed (e.g. bold, highlighted or underlined)
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- 10 This is only relevant for sporadic PADs. You must notify the Payor of the amount and date of each sporadic debit 10 days prior to each debit.
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- 11 Authority to debit account: A statement by the Payor that must be duly authorized in accordance with its account agreement with its Processing Member, clearly and unambiguously authorizing the Payee to debit an account specified by the Payor.
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- 12 You should include cancellation information to the effect that (a) the Payor may revoke their Authorization at any time, subject to providing notice (you shall set out the notice period which shall not exceed 30 days), and (b) you, the merchant, may cease issuing PADs either in accordance with the terms of the Payor's PAD Agreement or, where cancellation is not addressed, in accordance with Rule H1. A Payor's PAD Agreement shall also advise that the Payor may obtain a sample cancellation form, or further information on their right to cancel a PAD Agreement, at their financial institution or by visiting [www.payments.ca](http://www.payments.ca). Note: One-Time Payor's PADs Agreements only permit a single PAD. In the case of a payer setting up an authorization to debit a joint account, you should only act on a revocation instruction from the account holder who provided their details and signed the PAD agreement (i.e. you should not let the other account holder revoke the authorization if you did not seek their details and signature).
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- 13 Date and signature.
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- 14 Recourse/reimbursement statement: each Payor's PAD Agreement must contain the following statement in its entirety: "You [or I/We, depending on the context] have certain recourse rights if any debit does not comply with this agreement. For example, you [I/we] have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on your [my/our] recourse rights, [I/we may] contact your [my/our] financial institution or visit [www.payments.ca](http://www.payments.ca)."
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- 15 Your (merchant's) contact information: you shall include reasonable and accurate contact information so that a Payor may contact you by any method of communication used by you, the merchant (e.g. postal address, fax number, telephone number, email address) to make inquiries (e.g. regarding your practices related to personal information, privacy, and information security), obtain information or seek recourse with respect to any PAD issued.