

Pre-Authorized Debit Agreements

If you use pre-authorized debits (PAD) in your business, you should take note that new requirements have been established by the Canadian Payments Association that came into effect on February 28, 2010. You may need to change your existing PAD agreement to comply with these requirements so we recommend that you contact your financial institution to obtain a new form of PAD agreement. PAD agreements entered into before February 28, 2010 are grandfathered and are exempted from the new requirements.

For more information on corporate and commercial matters, contact Derwin Wong or Dixie Ho at Morrison Brown Sosnovitch LLP, 1 Toronto Street, Suite 910, Toronto, ON M5C 2V6, phone (416) 368-0600 fax (416) 368-6068 email: dwong@businesslawyers.com or dho@businesslawyers.com.

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