

Checklist for each type of pre-authorized debit (PAD)

The following table is based on the documents provided by the Canadian Payment Association (CPA).

	Fixed interval PADs		Sporadic PADs
	Fixed amount	Variable amount	Fixed or variable amount
Payor's PAD Agreement	Always mandatory		
Written confirmation of an electronic Payor's PAD Agreement	Mandatory <ul style="list-style-type: none"> Includes, at least, all the mandatory elements of the Payor's PAD Agreement and waiver clauses, if applicable 15 days before the 1st PAD Lead time may be reduced to 3 days with the payor's consent The payor cannot completely waive it May be deemed a pre-notification before the 1st PAD 		
Pre-notification before 1st PAD	<ul style="list-style-type: none"> 10 days before the 1st PAD The payor can waive it 	<ul style="list-style-type: none"> 10 days before the 1st PAD The payor can waive it 	Must obtain authorization before each PAD
Authorization before each PAD	Not necessary	Not necessary	<ul style="list-style-type: none"> Mandatory The payor cannot waive it
Pre-notification before each PAD	Not necessary	Necessary <ul style="list-style-type: none"> 10 days before each PAD The payor can waive it 	Must obtain authorization before each PAD
Pre-notification before next PAD If amount or date change	<ul style="list-style-type: none"> 10 days before next PAD The payor can waive it Not necessary if the change is due to reduction in a tax 	Necessary <ul style="list-style-type: none"> 10 days before each PAD The payor can waive it 	Must obtain authorization before each PAD
Advance notice before next PAD If name of business changes or termination of Payor's PAD Agreement (including a collection agency)	<ul style="list-style-type: none"> Written notice 10 days before next PAD The payor cannot waive it 		
Waiver	Waiver provisions may be included in a separate document or in the Payor's PAD Agreement. If they are included in the Payor's PAD Agreement, they must be prominent (e.g., highlighted, underlines or in bold) to ensure that the payor is aware of it.		
Standard model Payor's PAD Agreement	Model for fixed interval PADs (most common): <ul style="list-style-type: none"> Word version (236 KB) PDF version (600 KB) 		Model for sporadic PADs: <ul style="list-style-type: none"> Word version (72 KB) PDF version (560 KB)