

Banking Terms and Conditions

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Contents

Section 1: General Terms and Conditions	4
1. Account Opening and Categorisation	4
2. Our Relationship with You	4
3. Charges	5
4. Borrowing	5
5. Using Account Balances to Reduce Overall Liability	5
6. Closing your Account	6
7. Use of your Information	6
8. Security	8
9. Inactive and Dormant Accounts	9
10. Refunds and Liability: Micro-enterprises	9
11. Refunds and Liability: Customers other than Micro-enterprises	10
12. Liability	11
13. Additional Terms and Conditions and Information	11
Section 2: Account Terms and Conditions	15
1. Operating Your Account(s)	15
2. Stopping Payments	16
3. Cash	16
4. Cheques	17
5. Debit Cards	17
6. SEPA Credit Transfer	19
7. SEPA Debtor DD Services	20
8. Other Payment Methods	22
9. Your Current Plus Account	23
10. Your Foreign Currency Current Account	23
11. Your Corporate Deposit Account	24
12. Your Fixed Term Deposit Account	24
13. Your Collateral Account	26
14. Additional Services	26
15. Client Monies Accounts	27
16. Business Notice Accounts	27
17. HSBCnet	29
Section 3: How To Make A Complaint	30
Section 4: Glossary	32

About us

HSBC Innovation Bank Limited is registered in England and Wales at Alphabeta, 14-18 Finsbury Square, London EC2A 1BR, UK (Company Number 12546585). HSBC Innovation Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (Firm Reference Number 543146).

We shall refer to HSBC Innovation Bank Limited as “**HSBC Innovation Banking**”, “**we**” or “**us**” throughout the rest of these terms and conditions.

HSBC Innovation Banking is committed to making its website and related documents accessible to everyone. Learn more at www.hsbcinnovationbanking.com/en-gb/accessibility.

You can contact us in the following ways:



by emailing us at
innv-ukclientservices@hbc.com



by telephone on 0800 023 1441
(or on +44 (0) 207 367 7881 if
calling from outside the UK)



by visiting our website at
www.hsbcinnovationbanking.com/contact-us



(if your query relates to any personal
information held by us about you or
your representatives) by contacting
our data protection officer by
telephone at the number to the left, in
writing at the address to the right or by
email at innv-dpo@hbc.com



by writing to us at Alphabeta,
14-18 Finsbury Square,
London EC2A 1BR

Section 1: General Terms and Conditions

1. Account Opening and Categorisation

- 1.1 These **banking terms and conditions**, together with **your** new client account application, **mandate** and **tariff**, **our** privacy policy (available at www.hsbcinnovationbanking.com/privacy-notice) and any terms and conditions which apply to specific **accounts** or services (such as **HSBC Innovation Banking's** foreign exchange services) set out the terms and conditions which will apply to **your** relationship with **us**, including all business **accounts** (whether current or deposit **account(s)** **you** have with **us** in the UK. These **banking terms and conditions** are with **you**, the business in whose name **we** maintain the **account**. These **banking terms and conditions** (as amended from time to time) will apply to **your account(s)** until all **your account(s)** with **us** have closed.
- 1.2 If there are any inconsistencies between the new client **account** application, the terms and conditions that apply to any **charge card** issued by **us**, any other terms and conditions which apply to specific **accounts** or services, or the **mandate** and or **tariff** and these **banking terms and conditions**, the relevant provision in these **banking terms and conditions** shall prevail.
- 1.3 **You** should read these **banking terms and conditions** carefully and keep a copy of them for **your** reference. **We** will provide a paper copy of these **banking terms and conditions** to **you** upon request. Terms in bold are defined in the glossary at the end of this document.
- 1.4 These **banking terms and conditions** replace any previous version of **banking terms and conditions** we have provided to **you**. The most up-to-date version of these **banking terms and conditions** can be found at www.hsbcinnovationbanking.com/banking-terms-and-condition.

ACCOUNT OPENING

- 1.5 In order to open an **account**, **we** may ask **you** to provide documents to prove **your** identity, such as **your** address as well as financial information. **We** may also ask **you** for information relating to **your** tax residence or tax status. To the extent permitted by applicable law, **we** reserve the right to refuse to open an **account**, without having to give **you** a reason.
- 1.6 **You** (and any other **authorised signatories**) will be required to sign a **mandate** and provide **us** with specimen signatures. This is necessary in order to process payments from **your account** (though in certain cases, **you** can also make a payment via a **payment initiation service provider** or a **card based payment instrument issuer**).
- 1.7 Subject to any legal or regulatory requirements which may apply, **you** agree that **we** are **authorised** to act upon any instruction, agreement or arrangement that is made by any person on the **mandate** in accordance with the **mandate**, without enquiring further as to that person's authority, the purpose of the instruction or the circumstances in which it is given. This includes when **we** receive any electronic or telephonic communication purporting to be from **you** or an **authorised signatory** or when **we** receive instructions from a trustee if **you** are a trust.
- 1.8 It is important **you** keep **us** informed of any changes in **your** business or any other important changes that are relevant to **us**, including but not limited to:

- (a) changes to **your** place of incorporation, where **you** do a material part of **your** business or **your** registered address;
- (b) changes in ownership or management of **your** business (for example, changes to ultimate beneficial owners, directors, partners or trustees);
- (c) changes to **your** group entity structure;
- (d) changes to **your** contact details, including email address, correspondence address and phone numbers;
- (e) changes to **your cardholder's** contact details for card delivery;
- (f) changes that cause **you** to be classified as a **micro-enterprise** as set out in clause 1.10 and 1.12 of Section 1 below;
- (g) if there is a dispute between **your** ownership, management or **authorised signatories**; and
- (h) if **you** are holding any money in **your account** as client money;
- 1.9 If **we** know there is a dispute within or between **your** ownership or management, including but not limited to **your** partners, directors, members or **authorised signatories**, **we** have the right to insist on alternative instruction arrangements.

CATEGORISATION

- 1.10 Certain laws and regulations to which **we** are subject allow **us** to agree different terms with a customer who is not a **micro-enterprise** compared to a customer who is a **micro-enterprise**. If **you** are not a **micro-enterprise**, **you** agree that the requirements of Part 6 and, insofar as is possible, Part 7 of the Payment Services Regulations 2017 (as amended) do not apply in connection with **your** relationship with **us**. To this end, certain clauses within these **banking terms and conditions** apply only to customers who are **micro-enterprises**, while other clauses apply to all customers who are not a **micro-enterprises**. Where relevant **we** have made this clear throughout this agreement.
- 1.11 If, at the date **your account** is opened, **you** are a **micro-enterprise** **you** must notify **us** immediately if at any time **your** annual turnover or annual balance sheet total changes and is more than €2 million or if **you** employ more than 10 persons. If this happens, **we** may notify **you** that **you** have ceased to be categorised as a **micro-enterprise**.
- 1.12 If **you** are not a **micro-enterprise** at the date **your account** is opened, **you** must notify **us** immediately if, at any point thereafter, **your** annual turnover or annual balance sheet total is less than €2 million and **you** employ fewer than 10 persons. If this happens, **we** may notify **you** that **you** will be re-categorised as a **micro-enterprise**.
- ### 2. Our Relationship with You
- 2.1 **We** will use reasonable care and skill in providing **you** with the services and products covered by **our** agreement with **you**.
- 2.2 Any money held by **us** on **your** behalf when conducting designated investment business will be held by **us** as banker and not as trustee. Therefore, the FCA's client money distribution rules will not apply to such funds, and **you** will not be entitled to share in any distribution under the FCA's client money distribution rules. **We** will notify **you** if **we** decide to hold the money as trustee and not as banker and as at that time the money will be held in accordance with the FCA's client money rules and the

FCA's client money distribution rules will apply to that money on the failure of **HSBC Innovation Banking**.

3. Charges

3.1 **You** agree to pay charges as well as applicable rates of interest for the banking and other services that **we** agree to provide to **you**. These charges are set out in **your tariff**. If **you** require a copy of **your current tariff**, please contact **your** relationship manager.

3.2 **We** may agree other charges with **you**. Where **we** do this, **we** will write to **you** separately.

3.3 **We** may change **our** charges, giving **you** at least 2 months' notice of the change before **we** make it by emailing **you** or otherwise providing **you** with details of the change. **We** may provide **you** with less than 2 months' notice where the change is favourable to **you** or neutral. If **you** do not agree to the change, **you** should tell **us** before it comes into effect. If **you** do this, **we** will deem this to be a request by **you** to close **your account**. Otherwise, **you** will be deemed to have accepted the change.

3.4 **We** may change **our** interest rates at any time and without notice to **you** if:

(a) (where the interest rate on an **account** is pegged to an index rate) there is a change to the index to which the interest rate for the **account** is pegged; or

(b) the change is to **your** advantage.

Where **we** make a change to interest rates under paragraph (a) above, it will be applied on the date notified to **you**. **We** will not change an interest rate on a **fixed term deposit account** during the **fixed term**. **You** can find **our** interest rates online at www.hsbcinnovationbanking.com/interest-rates. If the relevant interest rate set out for **your account** is a negative rate or where **we** have notified **you** that a negative interest rate charge will apply to **your non-interest bearing account**, **we** reserve the right to charge interest on some or all of the credit balance of that **account**.

3.5 Where **we** apply an interest rate charge as set out in clause 3.4 or as otherwise described in these **banking terms and conditions**, **we** may apply this charge based on an aggregated view of **your accounts** with **us** if a threshold applies to that charge.

3.6 **We** will tell **you** 14 days before **we** deduct any **monthly accrued charge**.

3.7 **You** may nominate one or more **accounts** as a **nominated billing account**. **We** will deduct **our** fees and charges from **your nominated billing account** at the times specified in these **banking terms and conditions**. Where the **nominated billing account** is in a different currency from an **account** where the fee or charge to be deducted arises then **we** will convert the amount of the fee or charge to the currency of the **nominated billing account** at **our** then prevailing exchange rate. Our exchange rates are variable exchange rates which are constantly changing throughout the day. The exchange rate and any charges applicable to a particular conversion will appear on **your** statement and is also available on request if **you** contact **us** (details in the About Us section).

4. Borrowing

INTRODUCTION

4.1 **We** may agree to lend **you** money in accordance with this clause 4 and, for an authorised overdraft facility, **we** may enter into an overdraft facility agreement with **you**.

UNAUTHORISED BORROWING

4.2 If **we** have not agreed, or upon request do not agree, to provide **you** with an overdraft facility, it is **your** responsibility to make sure that **you** always have sufficient funds to cover all charges and payments out of **your account**. If **you** do not have sufficient funds in **your account** to cover all charges and payments, **we** may return items as unpaid. Alternatively, **we** will consider this to be unauthorised borrowing and **we** may charge **you** a fee and a higher rate of interest on the amount **you** have borrowed, details of which are set out in **your tariff**.

REPAYMENT

4.3 **We** may, at any time, withdraw or reduce **your** overdraft limit (including any agreed overdraft facility arrangements) and/or demand that **you** immediately pay all money owed to **us**. Although **we** may withdraw or reduce **your** overdraft limit for any reason, the following are common examples as to why **we** may do so:

(a) **you** use **your** overdraft facility for a different purpose from that agreed with **us**;

(b) **you** fail to pay money into **your account** when **we** ask **you** to;

(c) **you** trade or continue to trade at a loss;

(d) **you** cease to trade; or

(e) insolvency proceedings are commenced against **you** or an insolvency practitioner is appointed with power to deal with **your** affairs.

LIABILITY FOR BORROWING

4.4 If **you** are a partnership, personal representative or a trustee, not only will **you** be jointly liable with every other **account** holder, **you** may also be individually liable for any amounts owed by **your** business to **us**. This will apply even if **you** cease to be a partner, personal representative or trustee, unless **we** have agreed otherwise in writing. This means **we** can demand repayment from all or any of the **account** holders for all or any of the amounts owed by **your** business to **us**.

4.5 If **you** are a company, limited liability partnership or another incorporated or unincorporated body that has not been mentioned in clause 4.4 above, **your** shareholders or members will not normally be liable for amounts owed by **you** to **us**.

5. Using Account Balances to Reduce Overall Liability

5.1 Subject to clause 5.3 below, if **you owe us** money on any **account** **we** may use money in that **account** or any other **account** (including in a **fixed term deposit account**) that **you** have with **us** to reduce or repay what **you owe us**. **You** authorise **us** to debit any of **your accounts** with **us** for any amounts due. This is **our** right of set-off.

5.2 In exercising **our** right set out in clause 5.1, **we** may make any required conversion of the currency of the money in an **account** into the currency of the sum **you** owe **us** using **our** then prevailing current exchange rates. Our exchange rates are variable exchange rates which are constantly changing throughout the day. The exchange rate of any charges applicable to a particular conversion will appear on **your** statement and is also available on request if **you** contact **us** (details in the About Us section).

5.3 **We** are not permitted to, and will not, use **our** right of set off in respect of any money held within a **client monies account**.

5.4 If **you** are a **micro-enterprise** **we** will inform **you** before **we** exercise **our** right of set off for the first time and whenever required under applicable law thereafter. If **you** are a **micro-enterprise** **we** will also inform **you** promptly after **we** have exercised such a right. If **you** are not a **micro-enterprise**, **we** do not need to tell **you** before **we** exercise **our** rights under this clause 5.

6. Closing your Account

6.1 **We** may choose to close **your account** (other than a **fixed term deposit account**) or terminate this agreement, at any time, on 2 months' written notice unless there are circumstances such as those described in clause 6.2 which justify **us** ending the relationship earlier.

6.2 **We** reserve the right to close **your account** (including a **fixed term deposit account**) and/or terminate this agreement immediately without giving a reason, to the extent permitted by applicable law. This applies even if this results in a loss of tax benefits for **you** and **we** will not be liable to compensate **you** for any loss of tax benefits or other consequential or indirect losses whatsoever and howsoever arising. Circumstances in which **we** may need to terminate **your account** or this agreement include but are not limited to:

- (a) if **you** commit a serious breach of this agreement or if **you** breach it on a number of occasions;
- (b) if **you** give, or have given, **us** material information which is incomplete, false or inaccurate;
- (c) if **we** are required to close **your account** as a result of a decision by a court or a direction from a government or regulatory body;
- (d) if **you** become insolvent, steps are taken to commence insolvency proceedings in relation to **your** business, **you** are unable to pay **your** debts, **you** seek to enter into an arrangement with **your** creditors, such as a readjustment or rescheduling of **your** debts;
- (e) if **you** stop carrying on **your** business or steps are taken to wind it up; or
- (f) if **you** fail to provide **us** with any information that **we** request from **you** to comply with tax reporting obligations and standards applicable to **us**.

6.3 **You** may terminate this agreement and close **your account(s)** immediately by giving **us** notice in writing. If **you** close a **fixed term deposit account** prior to the **maturity date**, **you** will have to pay an early withdrawal charge, as described in clause 12.11 of Section 2.

6.4 If **you** or **we** terminate this agreement and close **your account(s)** under this clause 6, **we** may suspend the use of certain facilities available through **your account(s)**, such as **your debit card**, **BACS approved bureau** facility and certain products, either (i) on the date of notice of termination or (ii) 14 days prior to the closure of **your account(s)** and the termination of this agreement, to ensure that there will be sufficient funds in **your account(s)** to settle any amounts owed to **us** or any outstanding **payment transactions**.

6.5 Regardless of whether **we** or **you** close **your account** or suspend the use of any facilities on **your account**, at the time of closure **you** must pay **us** all amounts outstanding on **your account**. When **your account** is closed, **we** will apportion the **account** maintenance fee for that period and credit **you** with any amounts owing to **you**.

If **you** wish to switch **your account** to another bank upon termination, please contact **us** as soon as possible using the contact details in the About Us section.

RIGHTS OF CANCELLATION – MICRO-ENTERPRISES

6.6 If **you** are a **micro-enterprise**, then **you** may cancel this agreement within a period of 14 calendar days beginning on the later of: (i) the date **we** open **your account**; and (ii) the first date on which **you** have received this agreement and any terms and conditions specific to the **account** which **you** have opened.

6.7 No reason is needed for cancellation. **We** will give **you** all of **your** money back together with any interest it has earned (if any is payable) within 30 days from the date of cancellation and, if **you** ask **us** to, help **you** switch to a different bank **account**. If **you** have an overdraft, **you** must repay what **you** owe **us**. **We** will ignore any additional charges or **notice period** that applies to **your account**, service or facility. Please see clauses 13.38 and 13.39 of Section 1 below for how to contact **us** if **you** wish to cancel.

6.8 The rights of cancellation under this clause 6 do not apply to any **account** **you** open with **us** where the rate of interest payable is:

- (a) fixed for a period following the opening of the **account** (for instance, a **fixed term deposit account** or a **fixed term linked account**); or
- (b) variable depending upon movements in the financial markets outside **our** control during the 14-day cancellation period.

6.9 If **you** are or become a **micro-enterprise** and subsequently apply for an additional or new **account**, service or facility, **you** may cancel that **account**, service or facility within a period of 14 calendar days beginning on the later of:

- (a) the date **we** open that **account**; and
- (b) the first date on which **you** have received this agreement and any terms and conditions specific to the **account** which **you** have opened.

Clauses 6.7 and 6.8 apply to **your** rights of cancellation under this clause 6.9.

7. Use of your Information

7.1 By applying for or using any service or product from **us**, **you** confirm that **your** representatives (which include the individuals who represent **your** business in **your** dealings with **us**, including **online users** and administrators for **HSBCnet**, and other parties

who own and/or are responsible for the management of **your** business) have **authorised** the use of their information by **us** for the purposes set out in this clause 7 (as amended from time to time).

- 7.2 **We** will not disclose **your** or **your** representatives' information without **your** consent unless:
- (a) **we** are legally required to do so by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction;
 - (b) **our** legitimate business purposes require disclosure; or
 - (c) it is disclosed as described in this clause 7.
- 7.3 **We** may collect and use the following information about **you**, **your** representatives and other external parties (such as payees in **payment transactions**):
- (a) Personal Details – name, email address, postal address, telephone number, date of birth, username and **password** login;
 - (b) Payment Details – **payment methods** and details, payment history and any correspondence relating to payments;
 - (c) Profile Information – **account** information collected from, or about, **you** or **your** representatives, in connection with **our** service or advertising, including **you** or **your** representatives' lifestyle and consumption habits and social media habits;
 - (d) Device data – IP addresses, cookie data, device identifiers and similar device-related information;
 - (e) Survey data – demographic information and feedback voluntarily submitted by **you** or **your** representatives in surveys (including race or ethnic origin data); and
 - (f) Correspondence data – correspondence and other communications (including lawfully-recorded telephone communications data) with **you** or **your** representatives for the purpose of providing client support.
- 7.4 **We** may collect and use information about **you** and **your** representatives (including **your** use of **our** services and products and **your** relationships with **HSBC Group** in the following ways:
- (a) to supply **you** with and to process any applications **you** make in respect of products and services;
 - (b) for customer service, product analysis, audit and administrative purposes;
 - (c) to notify **you** about changes to **our** services or products;
 - (d) to carry out **our** obligations arising from the delivery of **our** services and products to **you** and to recover any payments due to us;
 - (e) to monitor calls and other communications with **you** and **your** representatives to ensure compliance with applicable laws and to combat fraud;
 - (f) to share relevant information about **you**, **your** representatives, **your** transactions and **your** relationships with the **HSBC Group** and **our** card processing supplier/s for the purposes of credit assessments and detecting and preventing fraud;
- (g) to carry out **our** obligations under the **confirmation of payee scheme**; and
 - (h) for the purpose of complying with applicable laws.
- 7.5 **We** collect **your**, or **your** representatives', personal information through the following methods:
- (a) application forms for the use of **our** services and products;
 - (b) undertaking **our** Know **Your** Customer obligations;
 - (c) email and other correspondence between **us** and **you** and/or **your** representatives;
 - (d) **you** or **your** representatives' use of **HSBCnet** and other **HSBC Innovation Banking** online services; or
 - (e) use of online or manual responses to surveys that **we** may send **you** or **your** representatives from time to time.
- 7.6 **Your** or **your** representatives' personal information may be accessed from, transferred to, and/or stored at, a destination outside the UK and/or **EEA** in which data protection laws may be of a lower standard than in the UK and/or **EEA**. This may include transferring data to and receiving data from **our** pre-acquisition affiliated service providers within Silicon Valley Bridge Bank N.A. and First Citizens BancShares, Inc. and its affiliates. Regardless of location, **we** will impose the same data protection safeguards that **we** deploy inside the UK and/or **EEA** including through the use of a data transfer agreement between **us** and **HSBC Group** companies and the use of standard data protection clauses (where available) for vendors. Where **you** use an **account information service provider** or a **payment initiation service provider** in connection with **your accounts** or **you** ask **us** to share information with them, they will be independent data controllers and **we** have no control over their use of **your** or **your** representatives' personal information or its access, transfer or storage. **We** recommend that **you** agree the scope of such use directly with the **relevant account information service provider** or **payment initiation service provider**.
- 7.7 **We** may share information about **you** and/or **your** representatives with credit reference agencies to verify **your** and/ or **your** representatives' identity and to assess **your** suitability for an **account**. **We** may use information from the Electoral Register and other public sources for this purpose. If **you** apply for any **account** or credit **we** may use **your** and/or **your** representatives' credit history to assess **your** ability to meet financial commitments and the credit reference agencies will record the application which may form part of **your** or **your** representatives' credit history. **We** may share with credit reference agencies details of how **you** manage **your accounts** or borrowing and of any defaults by **you** on **your** repayment obligations. This may affect **your** or **your** representatives' ability to obtain credit.
- 7.8 Where appropriate, **we** may share information about **you**, **your** representatives and/or (where applicable) the owners of funds held in any pooled client **accounts**, with other members of the **HSBC Group**, with credit reference agencies, fraud prevention agencies, law enforcement agencies, debt recovery agencies, **our** correspondent or other banking partners and/or other organisations to prevent crime (including money laundering), verify **your** and **your** representatives' identity, to recover debt and/ or to comply with applicable legal or regulatory obligations.

- 7.9 In the event **we** transfer, or may transfer, any of **our** rights and obligations under the **banking terms and conditions** to a third party or in connection with the sale to a third party or restructure of any member of the **HSBC Group**, **we** may share information about **you** and **your** representatives with the restructured entity or third party, provided they use such information for the same purposes for which it was supplied to **us** and/or used by **us**.
- 7.10 **We** may permit other members of the **HSBC Group** and selected third parties to use **your** and **your** representatives' information in accordance with **our** instructions for the purposes set out in this clause 7 who will be subject to obligations to process such information in compliance with the same safeguards that **we** deploy.
- 7.11 **We** may also use **your** and **your** representatives' information for marketing **our** own and selected third parties' services and products to **you** and **your** representatives by post, email, SMS, phone and fax and, where required by law, **we** will ask for **your** consent at the time **we** collect **your** data to conduct any of these types of marketing. **We** will provide an option to unsubscribe or opt-out of further communication on any electronic marketing communication sent to **you**.
- 7.12 If **you** or any of **your** representatives do not wish to be contacted for marketing purposes, please let **us** know by contacting **us** (details in the About Us section).
- 7.13 Where **we** hold personal information about **you** or **your** representatives, **we** will only hold it for as long as required under applicable law which, in most cases, will be for 7 years from the termination of **your** relationship with **us**. However, **we** will delete that personal information earlier than this point if **you** notify **us** that the individual that **we** hold personal information about is no longer connected to **you** (in which case, **we** will hold the personal information for 7 years from the date on which that individual ceases to be connected to **you**).
- 7.14 If **you** or **your** representatives want to exercise, or have questions above, the individual rights afforded under the **GDPR** (e.g. rights of access, deletion, correction or transfer to a third party), please contact the **data protection officer**, whose contact details are set out in the About Us section.
- 7.15 If **you** or **your** representatives are unhappy with the way in which **we** collect, hold or deal with personal information, **you** can make a complaint as set out in Section 3 of these **banking terms and conditions** or, alternatively, contact the UK Information Commissioner on 0303 123 1113 or visit ico.org.uk/global/contact-us/ for further information.
- 7.16 **You** or **your** representatives can exercise the right to restrict processing of personal information by **us** in accordance with the **GDPR** for the following reasons:
- (a) if **you** or **your** representatives contest the accuracy of the personal data **we** hold (in which case, **we** will restrict processing of that personal information to enable **us** to verify its accuracy);
 - (b) where the processing of that personal information is unlawful and **you** or **your** representatives oppose its erasure and request its restriction of use instead;
 - (c) **we** no longer need the personal data for the purposes of processing, except to the extent that **you** require **us** to process that personal data for the establishment, exercise or defence of legal claims; or
- (d) **you** or **your** representatives object to the processing as permitted under the **GDPR** (in which case, the processing will be restricted pending the verification of whether **our** legitimate grounds for processing the personal information override **yours** or **your** representatives'.
- 7.17 If **you** or **your** representatives do exercise the right referred to in clause 7.16, **we** will suspend processing **your** personal information while **we** investigate **your** request and, if it is valid, **we** will cease to process that personal information and inform **you** that **we** have done so. Cessation of the processing of **your** personal information could result in the termination of affected banking services provided to **you** by **us**.
- 7.18 Under data protection legislation, individuals have the right to access certain personal information held about them. Any access request may be subject to a reasonable fee to meet **our** costs in providing **you** with details of the personal information **we** hold about **you** or **your** representatives. For further information regarding **our** use of **your** or **your** representatives' personal information or information on the use of cookies, please see **our** privacy policy at www.hsbcinnovationbanking.com/privacy-notice.
- 7.19 Where **we** use biometric authentication as set out in clause 8.3 below, that biometric information is processed in accordance with **our** privacy policy at www.hsbcinnovationbanking.com/privacy-notice. **You** acknowledge that by enabling biometric login on **your** device where requested by **us**, **you** will allow any other person with biometric information stored on **your** device to access **your** personal and payment **account** details that **we** hold about **you**. **We** may suspend or disable the use of biometric authentication at any time. If **you** suspect that someone else may attempt to use **your** biometric information to access **your** **account**, **you** must contact **us** as soon as possible.

8. Security

- 8.1 **You** must take all reasonable precautions to prevent the unauthorised use of **your** **account** or any **security credentials**. **You** must notify **us** immediately by calling **us** on the telephone numbers in the About Us section above, if **you** become aware of the loss, theft, misappropriation or unauthorised use of any **payment method** or **security credentials** and **we** will take all reasonable steps to prevent them from being used. This notification requirement applies in all such circumstances, even if a **payment initiation service provider**, **account information service provider** or **card based payment instrument issuer** is involved in the transaction or is otherwise connected with the instance of loss, theft, misappropriation or unauthorised use.
- 8.2 **You** have the right to request evidence of any notification made under clause 8.1 up to 18 months after the date on which **you** tell **us**.
- 8.3 **We** will apply multi-factor authentication procedures to certain **payment transactions** and certain actions in **HSBCnet**, including biometric authentication and/or the use of **OTPs**. Where applicable, **we** will send a unique **OTP** to **your** registered telephone number(s) or registered email address. **You** must notify **us** if **your** registered telephone number(s) or registered email address changes or the associated device (such as **your** mobile phone) is lost or stolen. **You** must take all reasonable precautions

to prevent the unauthorised use of **your** registered telephone number(s) or registered email address when receiving the **OTP** or when **we** request other **security credentials** from **you**.

8.4 **You** should be aware that **you** may be liable for unauthorised **payment transactions**, in the circumstances described in clauses 10 to 12 of Section 1. **You** could also be liable for additional losses if **you** delay in notifying **us** of any loss, theft, misappropriation or unauthorised use of any **payment method** or **security credentials**.

8.5 **We** may carry out certain checks on payments made into and out of **your account** as a fraud prevention measure. If **we** consider there to be suspicious activity on **your account**, **we** may contact **you** asking **you** to contact **us**. If **we** do so, **you** must contact **us** as soon as possible.

8.6 **We** will never ask **you** for **your PIN** or **password** when **we** contact **you**. This includes any communications **we** make to **you** via phone, email or on **our** website. If **you** receive any communication that purports to be from **us** asking for **your PIN** or **password**, please call **us** on the telephone numbers in the About Us section.

8.7 **We**, and any other member of **HSBC Group**, may take any action necessary, either in the UK or elsewhere, to prevent fraud, money laundering, terrorist financing or any other crime or to discharge **our** obligations under applicable laws (including those concerning financial crime). This may include:

(a) delaying or declining to open or close **your account** or suspending, stopping or reducing a service, facility or **account we** provide to **you**;

(b) intercepting payments made into and out of **your account** to ascertain the source of funds or intended recipient. This may result in a delay to **your payment transaction** and, if **we** are not satisfied that a **payment transaction** made into or out of **your account** is lawful, **we** may refuse to process it;

(c) delaying execution of a **payment instruction**;

(d) declining to follow, or asking for confirmation before following, an instruction (which may result in a delay in the execution of such instruction);

(e) preventing withdrawals from **your account**; or

(f) delaying or declining to pay **you** interest.

We will advise **you** in accordance with clause 13.7 of section 1 of the reasons for any such action or delay unless it would be unlawful to do so. It would not be permitted by any relevant government, regulator or international body.

8.8 Where **we** provide **you** with services including those relating to any pooled client **accounts** and **client monies accounts**, **you** agree to provide **us**, on request, with information on the identity of the owners and/or controllers of funds held in those **accounts**, in accordance with applicable regulatory requirements. **You** agree to provide **us** with this information in a reasonable timeframe to enable **us** to discharge **our** obligations under applicable laws (including those concerning financial crime).

8.9 Please see the provisions relating to **your specific account** and clause 17 on **HSBCnet**, both in Section 2, for further details.

9. Inactive and Dormant Accounts

9.1 If there has been no activity on **your account** for 12 months, **we** will consider **your account** to be inactive. **We** may continue to impose charges on **your account** in accordance with clause 3 of Section 1 for as long as **you** hold a positive balance in **your account**. **We** may remove access to **your inactive account** via **HSBCnet** and may place those funds into a suspense **account** with **us**.

9.2 If there has been no activity on **your account** for 15 years, **your account** will be considered to be dormant under the Dormant Bank and Building Society Accounts Act 2008. **We** participate in the Government's unclaimed assets scheme which has set up a reclaim fund. **We** will transfer the balance from dormant **accounts** to the reclaim fund.

9.3 **We** will give **you** at least 30 days' notice before **we** transfer any of **your** money to the reclaim fund. Upon transfer of **your** money, **we** will close **your account** in accordance with clause 6 in Section 1. **You** will always maintain the right to **your** money and **you** should contact **us** (details in the About Us section) for information on having **your** money repaid to **you**.

10. Refunds and Liability: Micro-enterprises

10.1 If **you** are a **micro-enterprise** this clause 10 applies to **you**.

10.2 This clause 10 does not apply to **direct debits** which have been incorrectly debited from **your account**, as **your** rights under the Direct Debit Scheme will prevail.

UNAUTHORISED PAYMENTS

10.3 Subject to clauses 10.4 to 10.6 below, if **you** inform **us** that there has been an unauthorised **payment transaction** on **your account** **we** will;

(a) refund the amount of the **payment transaction** (approximately 1 working day after **we** have confirmed that the **payment transaction** is unauthorised) and any charges directly incurred on the **account** as a result of the **payment transaction**; and

(b) where applicable, restore **your account** to the state it would have been in had the **payment transaction** not taken place.

10.4 However, **we** will not be required to refund any unauthorised **payment transaction** and, where applicable, restore **your account** under clause 10.3 above unless **you** notify **us** within 13 months from the day the relevant payment was deducted from **your account**.

10.5 **You** will be liable for all unauthorised **payment transactions** on **your account** if **we** can show that **you** or a **third party account operator** or, in the case of a **card transaction**, a **cardholder** has acted fraudulently.

10.6 **You** will also be liable for all losses arising from unauthorised **payment transactions** on **your account** if **we** can show that **you** or a **third party account operator** or, in the case of a **card transaction**, a **cardholder** has acted with intent or been grossly negligent in relation to:

(a) **your** obligations set out in clause 8 of Section 1;

(b) **your**, or in the case of a **card transaction**, a **cardholder's** obligations in clause 5 of Section 2;

(c) the corresponding clauses on security relating to **HSBCnet** and/or **your** current, savings or **currency account(s)**,

unless **we** did not apply multi-factor authentication procedures to the relevant **payment transaction** where required under these **banking terms and conditions** and/or applicable law and/or the unauthorised **payment transaction** occurred after **you** had notified **us** in accordance with clause 8.1 of Section 1 of the loss, theft, misappropriation or unauthorised use of any **payment method** or **password**.

HIGHER THAN EXPECTED CHARGES

10.7 **We** will refund the full amount of any **payment transaction**

(a) to **you** (and, where applicable, restore **your account** to the state it would have been in had the **payment transaction** not taken place) if: when **you** or, in the case of a **card transaction**, a **cardholder** authorised the **payment transaction**, but **you** or, in the case of a **card transaction**, a **cardholder** did not specify the exact amount of the **payment transaction**; and

(b) the amount of that **payment transaction** exceeded the amount that **you** or, in the case of a **card transaction**, a **cardholder** could have reasonably expected it to be, taking into **account your** or, in the case of a **card transaction**, a **cardholder's** previous spending pattern, these **banking terms and conditions** and the circumstances surrounding the **payment transaction** provided that **you** or, in the case of a **card transaction**, a **cardholder** have not acted fraudulently or deliberately failed or been grossly negligent in failing to comply with these **banking terms and conditions** or any other terms and conditions which may apply; and

(c) the **payment transaction** was made in the UK, or the payment was a **SEPA** transfer of funds; and

(d) **you** request **your** refund within 8 weeks from the date on which the funds were debited.

10.8 However, **you** will not have the right to request a refund under clause 10.7 if:

(a) **you** or, in the case of a **card transaction**, a **cardholder** has directly given **your** consent to **us** for the **payment transaction**; and

(b) if applicable, the information on the **payment transaction** was provided or made available to **you** or, in the case of a **card transaction**, a **cardholder** in writing, by email or by telephone at least four weeks before the **due date** of the **payment transaction**.

10.9 **We** may require **you** or, in the case of a **card transaction**, a **cardholder** to provide **us** with further information as **we** reasonably consider necessary to ascertain whether **you** are entitled to a refund under clause 10.7. In any event, **we** will inform **you** of whether **you** will receive a refund or the reasons for refusing **your** request for a refund within 10 **business days** of receiving any further information as **we** may require (or, if **we** do not require any further information, 10 **business days** from the date of **your** request for a refund). If **we** refund **you** under clause 10.7 above, **we** will pay or refund any applicable interest or charges as of the date on which the funds were debited.

INCORRECTLY EXECUTED PAYMENTS

10.10 Where a **payment transaction** has been authorised by **you**, **we** are responsible for making the payment in accordance with **your** instructions. Subject to clause 10.11 below, **we** are liable for the correct execution of the **payment transaction** unless **we** can prove that the recipient's bank has received the payment within the maximum processing time for that **payment method** as set out on **our** website at www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times. If **we** cannot prove this to **you**, **we** will:

(a) refund the amount of the payment to **your account**;

(b) restore **your account** to the state it would have been in had the **payment transaction** been executed correctly; and

(c) refund any charges and interest which **you** are required to pay as a direct consequence of the incorrect execution of the **payment transaction**.

10.11 However, **we** will not be required to refund **you** in connection with any incorrectly executed payment and, where applicable, restore **your account** under clause 10.10 above unless **you** notify **us** about the incorrectly executed transaction within 13 months from the day the relevant payment should have been executed

10.12 If **we** are not responsible for an incorrectly executed **payment transaction** and **we** can prove that the recipient's bank has received the payment in accordance with **your** instructions, they will be responsible to their customer for making the payment available to them or crediting their customer's **account** as applicable.

10.13 If **you** ask **us** to, **we** will make immediate efforts to trace an incorrectly executed payment and inform **you** of the outcome.

11. Refunds and Liability: Customers other than Micro-enterprises

11.1 If **you** are not a **micro-enterprise** this clause 11 applies to **you**.

11.2 Our liability under this clause 11 shall be limited to:

(a) the amount (if any) necessary to reimburse **you** as required by law in respect of the **payment transaction** pursuant to which **our** breach or negligence occurred; and

(b) the amount of any charges or interest directly incurred by **you** that would not have been incurred otherwise.

11.3 **We** will not be liable for unauthorised **payment transactions** on **your account** if **we** can show that **you** or a **third party account operator** or, in the case of a **card transaction**, a **cardholder** has acted fraudulently. **We** will also not be liable for any losses arising from **payment transactions** on **your account** if **we** can show that **you** or a **third party account operator** or, in the case of a **card transaction**, a **cardholder** has acted with intent or been grossly negligent in relation to:

(a) **your** obligations set out in clause 8 of Section 1;

(b) **your**, or in the case of a **card transaction**, a **cardholder's** obligations in clause 5 of Section 2;

(c) the corresponding clauses on security relating to **HSBCnet** and/or **your** current, savings or **currency account(s)**.

- 11.4 If a retailer is responsible for refunding a **card transaction to your current plus account**, we will only credit the relevant **current plus account** with the amount of the refund when we have received the proper voucher or other satisfactory confirmation from the retailer.
- 11.5 This clause 11 does not apply to **direct debits** which have been incorrectly debited from **your account**, as **your** rights under the Direct Debit Guarantee scheme will prevail.

UNAUTHORISED PAYMENTS

- 11.6 Subject to the remainder of this clause 11, if **you** tell **us** that a payment which has been deducted from **your account** has not been authorised by **you**, **we** will investigate the payment.
- 11.7 If **we** are satisfied that (i) **you** or, in the case of a **card transaction**, a **cardholder** have not acted fraudulently or negligently, (ii) **you** have complied with clause 8 of Section 1 on security and with these **banking terms and conditions**, (iii) in the case of a **card transaction**, the **cardholder** and **you** have complied with clause 5.4 of Section 2, (iv) **you** have requested the refund within 8 weeks from the date on which the funds were debited and (v) **you** are entitled to a refund under these **banking terms and conditions** or the available evidence proves that the payment has not been authorised by **you** or, in the case of a **card transaction**, a **cardholder**, **we** will refund **your account** with the amount of the payment (or, where appropriate, the part of the payment that was unauthorised) and, where applicable, restore **your account** to the state it would have been in had the payment not been deducted (approximately 1 working day after **we** have confirmed that the **payment transaction** is unauthorised). Beyond this **we** will have no further liability to **you** for an unauthorised transaction.
- 11.8 **You** will not be liable for any losses in respect of unauthorised **payment transactions** arising after **you** have notified **us** in accordance with clause 8.1 of Section 1 of the loss, theft, misappropriation or unauthorised use of any **payment method or password**.

INCORRECTLY EXECUTED PAYMENTS

- 11.9 If **we** fail to correctly execute a **payment transaction on your account**, **we** will be liable to **you** for any reasonable losses incurred by **you** but only if they arise directly from **our** breach of these **banking terms and conditions** or **our** negligence, and if in the ordinary course of events and with the knowledge **we** had, **we** might reasonably have expected such loss to result directly from such breach or negligence. Beyond this, **we** will have no liability to **you** for a failure to correctly execute a **payment transaction**. In particular, **we** will not be liable to **you** for any interest **you** may have lost on **your account** as a result of the **payment transaction**.

12. Liability

- 12.1 If **you**, a **payment initiation service provider** or a **third party account operator** do not provide **us** with the correct details which **we** need to execute a **payment transaction** **we** will not be liable if that **payment transaction** is not properly executed. However, **we** will use all **our** reasonable efforts to recover the payment and correctly execute the **payment transaction**, although **we** reserve the right to charge **you** a fee to cover **our** reasonable costs for doing so.

- 12.2 Neither **we** nor any other member of **HSBC Group** shall be liable to **you** or any third party for any loss suffered as a result of **us** or any other member of **HSBC Group**:

- (a) carrying out any of the actions contemplated by clause 8.5 of Section 1 above; or
- (b) refusing to provide **you** with information as to the reason, or reasons, for such actions.

- 12.3 **We** will not be liable for any indirect or consequential loss or damage (including, but not limited to, loss of business, loss of profits, loss of opportunity, loss of goodwill or data and third party claims) that may cause **you** to claim against **us**, whether or not any such loss or damage was foreseeable by **us**.

- 12.4 Subject to 10.6 and 11.8 above, **you** will be liable for all amounts arising from, or in connection with, the use of a **debit card** by a **cardholder** including any use which is in breach of these **banking terms and conditions**.

- 12.5 **We** will not be liable if any retailer, bank, **ATM** or other machine will not accept a **cardholder's debit card**.

- 12.6 Nothing in these **banking terms and conditions** excludes **our** liability for fraudulent misrepresentation by **us**, **our** employees or agents, **our** liability for death or personal injury caused by **our** negligence or the negligence of **our** employees or agents or any other liability on **our** part which cannot be excluded by law.

13. Additional Terms and Conditions and Information

COMMUNICATING WITH YOU

- 13.1 **We** shall provide regular bank statements for **your account(s)**, which will show **you** the payments into and from **your account**. If **you** have a **fixed term deposit account** with **us** which has a **fixed term** of less than one month, **we** will only provide an opening and closing statement in accordance with clause 13.2 of Section 1.

- 13.2 By default, **your** regular bank statements for **your account(s)** will be provided to **you** via **HSBCnet** and will show all **payment transactions** relating to **your account** for the preceding month. **You** can request to change the date **your** statements are generated and provided to **you** by contacting **us** (see the About **us** section).

- 13.3 **You** can view up to 365 days' worth of transaction history online by logging in to **your HSBCnet account** at www.HSBCnet.com. **You** can download up to 7 years' worth of bank statements. **We** recommend that **you** download and store **your** statements for future reference.

- 13.4 **We** will provide **you** with the following information about **your payment transactions** on **your** bank statements:

- (a) the amount and currency of the transaction;
- (b) the amount of any charges and a breakdown of charges (and, if applicable, interest);
- (c) the details of any exchange rate used;
- (d) the debit or credit value or date of the **payment transaction**; and
- (e) the **recipient's** name.

13.5 **You** should carefully check **your** bank statements when they are available online and let **us** know without delay if **you** do not agree with any entry or become aware of an unauthorised payment or a payment which has been incorrectly processed. This notification requirement applies in all such circumstances, even if a **payment initiation service provider** is involved in the transaction.

13.6 If **you** are a **micro-enterprise** and **you** would like information on an individual **payment transaction**, **we** will provide this to **you** in a reasonable timeframe. **You** can request this information by contacting **us** (see the About Us section).

13.7 **We** or **our** representatives will contact **you** by email, telephone, text message, or through **HSBCnet** if:

- (a) **we** think suspected or actual fraud, unauthorised access or security threats will have an impact on **your account**;
- (b) **we** need to cancel or suspend **your debit card** in accordance with clauses 5.6 and 5.7 of Section 2; or
- (c) **we** refuse to execute a **SEPA credit transfer** in accordance with clause 6.20 of Section 2.

Which method **we** use will depend on the circumstances. In cases of fraud or unauthorised access where **we** contact **you** by telephone, **you** will be required to go through identification and verification checks.

13.8 **We** can provide **you** with another copy of these **banking terms and conditions** at any time and the current version is available at www.hsbcinnovationbanking.com/banking-terms-and-conditions.

13.9 The language of these **banking terms and conditions** shall be English and all information provided, made available and notified to **you** shall be in English.

13.10 **You** acknowledge that a substantial portion of the communications between **us** and **you** shall be by telephone. **YOU ACKNOWLEDGE THAT TELEPHONE CONVERSATIONS BETWEEN US MAY BE RECORDED BY US.** The recording of telephone conversations is common practice in the banking industry, but **we** are not obligated to **you** to record or to retain the recordings of any telephone conversations.

YOUR ACCOUNT BALANCE

13.11 **Your account** balance may include payments that are still being processed.

13.12 Even if **your account** appears to be in credit, this may not accurately represent funds that are available for **you** to withdraw if it includes payments into **your account** which have not been cleared.

13.13 If **you** rely on uncleared payments in order to make payments from **your account** and those uncleared payments are later returned unpaid, **you** may have to pay a charge if **your account** then uses an unauthorised overdraft.

CALCULATION OF INTEREST

13.14 The calculation method for payment of interest on credit and debit balances depends on the currency of the **account**.

- (a) For the following currencies, **we** will calculate interest daily over a 360 day year: Australian Dollar, Canadian Dollar, Danish

Krone, Euro, Israeli Shekel, Japanese Yen, Norwegian Krone, New Zealand Dollar, Swedish Krona, Swiss Franc, United States Dollar.

- (b) For the following currencies, **we** will calculate interest daily over a 365 day year: Chinese Renminbi, Great Britain Pound, Hong Kong Dollar, Singapore Dollar, South African Rand.

THIRD PARTY RIGHTS

13.15 No third party has any rights under these **banking terms and conditions**.

OUR RELATIONSHIP WITH YOU

13.16 **We** may decline to accept money or **your** application to open an **account**, to review a deposit or to be provided with a service to the extent permitted by applicable law.

13.17 **We** may occasionally allow **you** extra time to comply with **your** obligations in these **banking terms and conditions**. However, this will not prevent **us** from applying the strict deadlines of these **banking terms and conditions** at any other point in time.

USE OF API SERVICES

13.18 If **you** give authority to an **account information service provider**, a **payment initiation service provider** or a **card based payment instrument issuer** to operate **your account** or provide **you** with other services relating to **your account** with **us**, then **you** must ensure that, if the service is an **API service**, that the **account information service provider**, **payment initiation service provider** or **card based payment instrument issuer** uses the relevant **API** that **we** provide for that service.

13.19 **You** agree that **you** will notify **us**, as soon as reasonably practicable, if **you** are aware that an **account information service provider**, a **payment initiation service provider** or a **card based payment instrument issuer** is accessing or operating **your account** with **us** through a means other than an **API**, if the service that the **account information service provider**, **payment initiation service provider** or **card based payment instrument issuer** is providing **you** with is an **API service**.

13.20 If **you** give authority to an **account information service provider**, a **payment initiation service provider** or a **card based payment instrument issuer** as set out in clause 13.18, **we** will enable that **account information service provider**, **payment initiation service provider** or **card based payment instrument issuer** to access and/or operate **your account** (as relevant), subject to the **account information service provider**, **payment initiation service provider** or **card based payment instrument issuer** meeting certain authentication requirements when it accesses, or attempts to access, the relevant **API** for an **API service**.

13.21 Subject to any legal or regulatory requirements which may apply and subject to the **account information service provider**, **payment initiation service provider** or **card based payment instrument issuer** successfully meeting the authentication requirements referred to in clause 13.20, **we** are **authorised** to act upon any instruction, agreement or arrangement that is made by that **account information service provider**, **payment initiation service provider** or **card based payment instrument issuer**, without enquiring further as to their authority, the purpose of the instruction or the circumstances in which it is given.

13.22 **You** will be responsible for all acts or omissions of the **account information service provider, payment initiation service provider or card based payment instrument issuer**, to the extent permitted by applicable law, as if they were **your** own and **we** shall have no liability to **you**, the **account information service provider, payment initiation service provider or card based payment instrument issuer** for any loss, damage or expense incurred due to any act or omission of the **account information service provider, payment initiation service provider or card based payment instrument issuer**

13.23 **You** agree that **you** will notify **us** immediately by contacting **us** using the details in the About Us section if an **account information service provider, payment initiation service provider or a card based payment instrument issuer** providing **you** with an **API service** ceases to have a relationship with **you** or if **you** suspect improper use of **your** details by the **account information service provider, payment initiation service provider or card based payment instrument issuer**.

THIRD PARTY ACCOUNT OPERATORS

13.24 If **you** give authority to any other legal person other than an **account information service provider, a payment initiation service provider or a card based payment instrument issuer** (for instance a **BACS approved bureau**) to operate **your account**, use the facilities **we** provide, give instructions under these **banking terms and conditions** or perform the functions of an **authorised signatory** or an **online user** on **your** behalf (a **third party account operator**) then:

- (a) **you** must notify **us**, as soon as is reasonably practicable, of **your** intention to appoint a **third party account operator** and before **we** will recognise the authority of such **third party account operator**:
 - (i) **you** must enter into a written **contract** with the **third party account operator** setting out, amongst other things, the terms and conditions on which it will act and provide **us** on **our** request, as soon as is reasonably practicable, with a copy of that **contract** duly executed by both parties (the **third party account operator contract**); and
 - (ii) **we** will require that the **third party account operator** enters into a **mandate** with **us** which is countersigned by **you** (the **third party account operator mandate**);
- (b) should there be any changes to the **third party account operator contract**, or should **you** terminate **your** relationship with the **third party account operator**, **you** must notify **us** of those changes, or the termination of the relationship, in writing as soon as is reasonably practicable and, at the same time, where there have been changes to the **third party account operator contract** provide **us** with an updated copy of the **contract**;
- (c) subject to any legal or regulatory requirements which may apply, **we** are **authorised** to act upon any instruction, agreement or arrangement that is made by any person on the **third party account operator mandate** in accordance with the **third party account operator mandate**, without enquiring further as to that person's authority, the purpose of the instruction or the circumstances in which it is given. This includes when **we** receive any electronic or telephonic

communication purporting to be from the **third party account operator** or an **authorised signatory**; and

(d) **you** will be responsible for all acts or omissions of the **third party account operator**, whether or not **you** have **authorised** such acts or omissions, as if they were **your** own and **we** shall have no liability to **you**, the **third party account operator** or any other third party for any loss, damage or expense incurred due to any act or omission of the **third party account operator**.

13.25 **You** should make the **third party account operator** aware of **your** obligations under these **banking terms and conditions**. In relation to the **BACS** system, **we** may refuse to recognise the authority of the **third party account operator** if it has been given "System Administrator" status or the "Sole Transaction Control" functionality has been enabled.

13.26 Where appropriate, **we** will interpret references to "**you**" and "**your**" in these **banking terms and conditions** so as to include references to the **third party account operator**.

LEGAL PROCESS

13.27 **We** may comply with any legal process relating to **your account**, including a levy, subpoena, warrant, government agency request for information, or other legal process which **we** believe (correctly or otherwise) to be valid. If **we** are required under the legal process to provide funds, records or other property or information, **we** may deliver such property or information immediately or hold it for a longer period as permitted by law. **We** may also freeze the funds or the **account** to allow **us** to determine the appropriate course of action. Unless required by law, **we** may, but are not required to, notify **you** of such legal process by telephone, electronically or in writing. **We** will not provide notice to **you** if **we** believe the law prohibits **us** from doing so.

13.28 **We** may charge **your account** a fee for each legal process served on **us** relating to **your account**. If **we** are not fully reimbursed for **our** costs (including legal fees) associated with responding to the legal process by the party that served it, **you** agree that **we** may deduct such costs from any of **your accounts**, in addition to **our** legal process fee. Any legal process against an **account of yours** is subject to **our** right of offset and any security interest **we** have in the **account**.

13.29 **We** are not obliged to pay interest on any funds **we** deliver or set aside in response to legal process. **You** agree that **we** may respond to a legal process that is served personally, by mail, by electronic notification (such as email) at any of **our** branches or business offices (including locations other than where the funds, records or other property or information sought are held).

13.30 **We** have established a legal process cut-off time, which affects **our** obligations to pay or return cheques and other items. If **we** receive a legal process before **our** legal process cut-off time, **we** may review cheques and other items presented for payment against **your account** on the previous **business day** to determine whether **we** are required to return any of them unpaid to comply with the terms of the legal process. If **we** receive legal process after the cut-off time, **we** may or may not review cheques and other items presented the previous **business day**.

TRANSFER OF RIGHTS

13.31 **We** may transfer any and all **our** rights in relation to **your account** to another entity. **We** may also transfer any and all of **our**

obligations under this agreement to another entity, but **we** will only transfer them to an entity which **we** reasonably think is capable of fulfilling those obligations. If **we** transfer **our** rights or obligations in this way, references to 'we' or 'us' shall be read as references to that other entity.

VARIATION

13.32 **We** may vary these **banking terms and conditions** at any time by giving **you** written notification of the changes at least 2 months before the change comes into effect (unless required sooner to comply with **our** legal or regulatory obligations), and **we** will do so in accordance with clause 13.38 below which may be sent to **you** by post, by email or posted as a notice on **our** website (or in any other way which **we** reasonably think is likely to come to **your** attention and which satisfies **our** legal and regulatory obligations). **We** may provide **you** with less notice of a variation to these **banking terms and conditions** where the changes are favourable to **you** or neutral.

13.33 If **you** object to any of these changes, **you** must tell **us** within 2 months of receiving notice of the change. If **we** do not hear from **you** before the change comes into effect, then **you** will be deemed to have accepted the change.

13.34 If **you** give **us** notice that **you** object, then the changes will not be binding on **you** and **we** will treat such notice as a request to terminate this agreement and close **your account** in accordance with clause 6.3 of Section 1 above, without the application of any additional charges. All amounts outstanding on any **account you** close will be payable in accordance with clause 6.5 above.

13.35 Notwithstanding clause 13.32 above, if **we** make any changes to the interest charges or exchange rate applicable to **your account**, these changes will be made immediately and without notice to **you** if:

(a) (where the interest rate on the **account** is pegged to an index rate) the changes are based on changes to the base rate index to which the underlying rate is pegged; or

(b) the changes are favourable to **you**; or

(c) the change to the exchange rate is a change to the MasterCard® or Visa® Exchange Rate.

Where **we** make a change under paragraph (a) above, it will be applied on the **business day** following the underlying change to the index.

FORCE MAJEURE AND SANCTIONS

13.36 Subject to anything contrary in these **banking terms and conditions**, **we** will not be liable for failing to perform any of **our** obligations under these **banking terms and conditions** if there are abnormal and unforeseeable circumstances beyond **our** control (which may include, but is not limited to, acts of God, fire, flood, war or terrorism, acts or restraints of governments or public authorities, strikes or other industrial action not involving **our** staff, failure of equipment, software or communications networks, including those owned or operated by **us** or a third party, interruption to third party power supplies and/or disruption to the international banking systems to and/or through which payments are sent), the consequences of which are unavoidable despite all **our** efforts to the contrary.

13.37 **We** and/or any other member of **HSBC Group** may be subject to sanctions and/or embargos imposed by the international community, including the UK, EU, UN and the USA. **We** may not accept instructions and refuse to make any payment or take any action pursuant to a **payment transaction** if **we** reasonably consider it likely to result in a breach by **us** or any member of **HSBC Group** or any of its respective employees of any sanction or embargo whether or not imposed in the UK and **we** will not be liable for any loss, damage, cost or expense if any arises. **We** will be permitted to disclose to any relevant authority any information in relation to a **payment instruction** or **account** as may be required.

NOTICE

13.38 Any notice (other than notifications of changes to interest rates or exchange rates, or confirmations of **spot FX contracts** as set out in clause 16 of Section 2 of these **banking terms and conditions**) in relation to **your account** to be given by either party shall be in writing and either:

(a) sent by post (in which case it will be deemed to have been received two **business days** after posting);

(b) by email from the email account **you** have given **us** for correspondence or listed in **your mandate** (in which case it will be deemed to have been received the next **business day** after sending); or

(c) otherwise delivered by hand to the other party.

13.39 If **you** are sending **us** a notice, **our** address shall be Alphabeta, 14-18 Finsbury Square, London EC2A 1BR and if **we** are sending **you** a notice, **we** shall assume that **your** address is the one **you** have given **us** for correspondence. Either party may change address for communication by giving 7 days' notice in writing to the other party.

BANKING SERVICE CHANGES

13.40 **We** may change **our** banking practices at **our** discretion and **we** will notify **you** of these online at www.hsbcinnovationbanking.com or in writing. The change will apply from the date specified in the notice.

13.41 **We** may introduce additional benefits on **your account**, for example, preferential terms and/or special promotions. The availability of these additional benefits may be limited to a certain period and at the end of any such period, the benefit will cease to be available.

GOVERNING LAW AND JURISDICTION

13.42 These **banking terms and conditions** (and any non- contractual obligations connected with them) are governed by and construed in accordance with the laws of England and Wales. **You** irrevocably submit to the jurisdiction of the English courts, which have jurisdiction over any claims, disputes or other matters (including non-contractual claims or disputes) which may arise out of or in connection with these **banking terms and conditions**.

INFORMATION ABOUT YOUR DEPOSITS AND SHARING INFORMATION WITH TAX AUTHORITIES

Important information about deposits and the UK Financial Services Compensation Scheme

- 13.43 **HSBC Innovation Banking** is covered by the UK Financial Services Compensation Scheme (FSCS). Please see the Deposit Protection information at www.hsbcinnovationbanking.com/regulations/legal-information/deposit-protection or further guidance on eligibility and compensation limits. The FSCS pays compensation to eligible depositors if **HSBC Innovation Banking** is unable to meet its financial obligations.
- 13.44 Any references to 'execution', 'signed' or 'signature' or any similar words in these **banking terms and conditions** or any associated documents shall include electronic signatures or the keeping of records in electronic format and shall have the same legal effect, validity and enforceability as a non-electronic signature or a paper record, where permitted by applicable law.
- 13.45 **We** may be or become obliged to (either as a matter of domestic or international law, or as a result of **us** generally agreeing with a tax authority to do so) share information about **your accounts** with tax authorities in the UK, the **us** or elsewhere. That information may then be shared with other tax authorities. **You** must supply **us** with adequate and timely information requested by **us** in order to fulfil any such reporting obligation. If **you** do not supply such information in a timely fashion, **we** may close **your account** or, if required by law or as a result of **us** generally agreeing with a tax authority to do so, **we** may withhold amounts from payments on **your account** and pay the withheld amount to the relevant tax authority. Neither **we** nor any member of **our** group will be liable to compensate **you** for any loss of tax benefits or other consequential or indirect losses whatsoever and howsoever arising as a result of any action taken under this clause 13.45 of Section 1. If **we** close **your account** in these circumstances, the provisions of clause 6 of this Section 1 (other than clause 6.9) shall apply to such closure.

Section 2: Account Terms and Conditions

1. Operating Your Account(s)

- 1.1 **We** will show all **payment transactions** made into and out of **your current plus accounts** and **your corporate deposit accounts** in sterling (GBP) and **we** will execute all **payment transactions** in sterling (GBP) unless otherwise agreed (for example, if **you** have a **currency account** in which case all **payment transactions** will be in the currency of the relevant **currency account**).
- 1.2 **We** will convert payments made into **your account** in a currency other than GBP at **our** prevailing exchange rate (unless **you** have a **currency account** and payments are made into that **account** in the same currency). Our exchange rates are variable exchange rates which are constantly changing throughout the day. The exchange rate and any charges applicable to a particular payment will appear on **your** statement and is also available on request if **you** contact **us** (details in the About Us section).
- 1.3 There is no minimum balance that must be held in an **account** (other than a **fixed term deposit account**, and a **business notice account**) at any one time. However, if **you** are concerned that **you** do not have sufficient funds in **your account** to cover **your payment transactions**, please contact **us** (details in the About Us section).
- 1.4 If **you** receive a **BACS** payment or **faster payment** into **your account** that has been paid in error (for example because the payment details were incorrect, the payment amount is incorrect or the payment should not have been made at all) then **we** may take action to recover that payment from **you** on behalf of the **payer**. Such action may include reversing the payment out of **your account**, placing a hold on the payment sum in **your account**, or asking **you** to put **your account** into funds to enable the payment to be reversed. Where the payment in question has been in **your account** for two months or less, **you** must notify **us** within 15 **business days** of **our** notification to **you** of the payment made in error if **you** disagree that the payment was made in error. **We** may ask **you** to provide appropriate and sufficient evidence to support **your** claim that the payment was not made in error.
- 1.5 If **you** make a **BACS** payment or **faster payment** in error **you** must notify **us** as soon as possible (and in any event within 13 months of the date of the payment). **We** may ask **you** to provide **us** with sufficient evidence to demonstrate that the payment was made in error.
- If **we** are satisfied that the **BACS** payment or **faster payment** was made in error then **we** will use reasonable endeavours to recover some or all of the payment made in error from the payee's bank **account**. **We** may not be able to recover any or all of the payment made in error and will notify **you** of the outcome of **our** request for the return of the payment made in error.
- 1.6 **You** may give **us** instructions and consent to a payment:
- using a **payment method** (for example using a **debit card**);
 - using **HSBCnet** in accordance with clause 17 of Section 2;
 - by telephone using the contact details in the About Us section of these **banking terms and conditions**; or
 - through certain third parties (for example, via a **payment initiation service provider** or a **card based payment instrument issuer** as set out in clauses 1.7 to 1.11 below or via a **third party account operator** as set out in clause 13.18 of Section 1).
- 1.7 **We** may refuse to act on instructions from a **payment initiation service provider**, an **account information service provider** or a **card based payment instrument issuer** if **we** are concerned about the security of **your account** or suspect fraud or unauthorised access.
- 1.8 If **we** can identify the relevant **payment initiation service provider**, **account information service provider** or **card based payment instrument issuer**, **we** will advise **you** (in advance, if possible) of the reasons for any refusal under clause 1.7 above unless:
- it would be unlawful to do so;
 - it would not be permitted by any relevant government, regulator or international body; or
 - we** reasonably think that doing so would undermine **our** security measures.

1.9 Subject to clauses 13.18 to 13.23 of Section 1 of these **banking terms and conditions**, to allow a **payment initiation service provider**, an **account information service provider** or **card based payment instrument issuer** to have access to **your current plus account**:

- (a) **you** must have registered to use **HSBCnet**;
- (b) **you** must have given them explicit consent to access **HSBCnet**;
- (c) **you** must not share **your passwords** or **HSBCnet** log on information with them unless **we** have informed **you**, a **payment initiation service provider**, an **account information service provider** or **card based payment instrument issuer** that an **API service** is not available and, subject to applicable law, **we** have notified **you** that **you** may share such information.

1.10 If a **payment initiation service provider**, an **account information service provider** or **card based payment instrument issuer** accesses **HSBCnet** using the log on information **you** have provided to them in accordance with clause 1.9(c) above, **we** will treat the access and transactions made by the **payment initiation service provider** or **account information service provider** as having been made by **you**. If a **payment initiation service provider** makes a payment from **your account** using the log on information **you** have provided to them, that means **you** have consented to the payment.

1.11 If **you** give access to a **payment initiation service provider** or an **account information service provider** as described in clause 1.9 above all information accessible via **HSBCnet** will be visible to the **payment initiation service provider** or **account information service provider** and they will be responsible for their use and security of this information. If using a **payment initiation service provider** or an **account information service provider** in this way, **we** recommend that before sharing **your** login information **you** check the Financial Conduct Authority's register (register.fca.org.uk/) to ensure that the relevant **payment initiation service provider** or **account information service provider** is authorised.

2. Stopping Payments

2.1 Once **we** receive **your payment instruction**, **you** may not stop it unless **you** inform **us** (using the details in the About Us section or, subject to **your** user permissions, through **HSBCnet** that **you** withdraw **your** consent and before the following deadline:

Payment type	Deadline
Inter-account transfer	No later than the business day before the account is due to be debited
Faster payment	No later than the business day before the account is due to be debited
BACS	No later than four business days before the account is due to be debited
Standing orders and direct debits	No later than three business days before the account is due to be debited
SEPA credit transfer	No later than the business day before the account is due to be debited
SEPA core direct debit	No later than the business day before the account is due to be debited

2.2 **We** cannot guarantee that the **payment instruction** will be stopped unless **you** inform **us** by midday (12.00pm) (UK time) on the deadline indicated. If **you** wish to stop a future dated

payment instruction initiated through a **payment initiation service provider**, **you** (or a **payment initiation service provider** on **your** behalf) must inform **us** that **you** withdraw **your** consent in accordance with the requirements in clause 2.1 of Section 2 above.

2.3 If **you** choose to stop a **payment instruction** as described in clauses 2.1 or 2.2 of Section 2 above, **we** may charge **you** a fee at the rate set out in **your tariff**.

2.4 **We** shall have the right to stop a **payment instruction** on reasonable grounds relating to:

- (a) the security of the **payment method**;
- (b) the suspected unauthorised or fraudulent use of a **payment method**;
- (c) any reason set out in clause 5.6 of this Section 2 in relation to a **card transaction**;
- (d) if a **payment instruction** has not been made in accordance with the instructions on **your mandate**;
- (e) **we** have been unable to verify a **payment instruction** through biometric authentication, an **OTP** or the **call to verify** system; or
- (f) if a **payment instruction** relates to any credit advanced to **you**, **your** inability to repay any credit advanced to **you**.

2.5 **We** may also refuse to execute a **payment instruction**:

- (a) to prevent fraud, money laundering, terrorist financing or any other crime or to discharge **our** obligations under applicable laws (including those concerning financial crime); or
- (a) if the **payment instruction** is unclear, incomplete, incorrect or in any other way not made in accordance with these **banking terms and conditions**, but if **we** do so, **we** will notify **you** of the refusal and the reasons for the refusal (unless it would be unlawful to do so or it would not be permitted by any relevant government, regulator or international body) by the end of the next **business day** following the **payment instruction** and, if factual errors led to the refusal, give **you** a chance to rectify those factual errors.

3. Cash

3.1 Cash deposits are not permitted for all **account** types, as described further in clauses 10-13 of Section 2 below and may be subject to daily and/or monthly limits.

3.2 **You** may deposit cash at any HSBC Branch counter or self-service machine in the UK and **we** will credit **your account** immediately after processing, provided the deposit is made before the **cut-off time** displayed in branch.

3.3 **You** may deposit sterling (GBP) cash using a business deposit card and cash bag at a Post Office® and **we** will credit **your account** immediately after processing. Limits apply to the amount of cash **you** can pay in at a Post Office®. These can change at any time. **You** can find the latest limits when **you** pay in cash, by asking **us** or visiting business.hsbc.uk/post-office.

3.4 **You** can deposit foreign currency cash into a sterling **account** but **we'll** convert it to sterling first. **You** can't pay sterling directly into a foreign currency current **account** and will need to pay it into a

sterling **account** first before converting and transferring it into **your foreign currency account**. **We** don't accept payments in all currencies. Ask **us** if **you** want to know what currencies **we** cover. If **you** pay in cash which isn't in the currency of **your account**, we'll convert it into the currency of **your account** at **our** prevailing exchange rate.

4. Cheques

- 4.1 Payments into **your account** by way of cheque are not permitted for all **account** types, as described further in clauses 10-13 below, and may be subject to daily and/or monthly limits.
- 4.2 **We** may refuse to process any cheque which is presented more than 6 months after the date of the cheque.
- 4.3 **You** may pay in a cheque at any HSBC Branch counter or self-service machine in the UK and **we** will begin the clearing process the working day **we** receive the cheque or as otherwise displayed on the self-service machine.
- 4.4 **You** may pay in a sterling cheque at a Post Office® and **we** will begin the clearing process the working day **we** receive the cheque from the Post Office®.
- 4.5 Due to difficulties that can occur with **foreign cheques** drawn on overseas banks, e.g. exchange restrictions, **we** may not always be able to collect **foreign cheques**. Where **we** process a **foreign cheque** for **you**, **you**'ll be responsible for **our** charges and costs and the charges of any foreign bank or agent **we** use to collect the payment.
- 4.6 If **we** collect a cheque, **we** will deduct a cheque **collection** fee as set out in **your tariff** (or for cheques in currencies other than sterling, the foreign currency equivalent of the fee set out in the **tariff**). In addition, the paying bank may deduct a fee from the proceeds or, if it is not paid, charge a fee for the unpaid cheque (in which case **we** may debit **your account** a corresponding amount in order to pay such fees to the paying bank).
- 4.7 Under the **central clearing cycle**, if **you** pay in a sterling cheque into **your account** using an image of the cheque, it will normally take two **business days** before **you** can withdraw the money unless **we** agree otherwise.
- 4.8 **You** may pay a sterling cheque into a **foreign currency current account** but this may be subject to additional costs and charges. We'll convert it to the currency of **your account** at **our** prevailing exchange rate.
- 4.9 **We** may agree to collect a **foreign cheque** although **we** are not obliged to do so. **We** may appoint an agent or **correspondent bank** to help **us**.
- 4.10 **You** must sign the back of any **foreign cheque** to be paid into **your account**. The signature should be given by an **authorised signatory**.
- 4.11 **We** will take reasonable care in selecting **our** agent and **correspondent banks** when collecting **foreign cheques**. However, **we** do not accept liability for any loss, damage or delay resulting from the failure to perform or any act or omission of any agent or **correspondent bank** which is not directly due to **our** own negligence.
- 4.12 If **we** collect a **foreign cheque**, **we** will credit **your account** with the amount of the **foreign cheque** when **we** or **our** agent and/or

correspondent banks are satisfied that the funds have been received and can be credited to **your account**. There may be a delay after receiving funds from the bank upon which the **foreign cheque** was drawn before **we** credit **your account** so that **we** and **our** agent and/or **correspondent banks** can be certain that it has cleared and has not been returned unpaid.

- 4.13 Notwithstanding clause 4.9, a **foreign cheque** may be returned unpaid even if **we** have let **you** withdraw the amount of the **foreign cheque** from **your account** in which case unauthorised overdraft fees and charges may apply as set out in **your tariff**.

5. Debit Cards

USING YOUR BUSINESS DEBIT CARD

- 5.1 **You** must have a **current plus account**, in order to be issued with a **debit card**. **We** may decide to offer **debit cards** on other **accounts** in **our** absolute discretion.
- 5.2 Upon **your** written application **we** may issue a **debit card** and **PIN** to any **cardholder** on **your account** as set out in clause 5.1 of Section 2. **You** should contact **us** (details in the About Us section) if **you** want **us** to issue a **debit card**. **You** authorise each **cardholder** to use the **debit card** issued to them and to authorise **card transactions** on **your** behalf.
- 5.3 **You** must ensure that:
 - (a) all **cardholders** sign the **debit card** issued to them immediately on receipt;
 - (b) the **debit card** may only be used by the **cardholder** for the duration of the period indicated on the **debit card** and in accordance with these **banking terms and conditions**;
 - (c) each **cardholder** only uses their **debit card** for business purposes;
 - (d) the **debit card** is not used by anyone other than the **cardholder**, who will not disclose the **PIN** or any other **security credentials** about the **debit card** to anyone else (including any other **authorised signatory**); and
 - (e) **you** and every **cardholder** comply with any instructions **we** give in relation to the safekeeping and security of a **debit card** and other **security credentials**, including **card details**, **OTP** and **PIN** and do all that **you** can to make sure that the **debit card** and any **PIN** is kept secure.
- 5.4 **We** will issue **you** and any other **cardholder** with a **PIN** for use with the **debit card**. **You** must ensure that:
 - (a) each **cardholder** takes all reasonable steps to keep the **PIN** and any other **security credentials** safe;
 - (b) no **cardholder** discloses the **PIN** or any other **security credentials** to anyone else or allows anyone else to use it (including **our** staff, who will never ask **you** or the **cardholder** for a **PIN**); and
 - (c) no **cardholder** writes down the **PIN** on their **debit card** or on anything which is kept with the **debit card**.
- 5.5 If a **cardholder** wishes to change their **PIN**, they can do so by following the instructions on screen when using an **ATM**.

- 5.6 **We** may cancel or suspend the use of a **debit card** at any time if **we** reasonably suspect that any **cardholder** is using the **debit card** fraudulently or in an unauthorised manner. **We** may also suspend the use of a **debit card**:
- (a) if **we** are concerned about the security of **your account** and any **debit card(s)** **we** have issued to a **cardholder** on **your account**;
 - (b) if **we** have reasonable grounds to believe that there is a significant risk that **you** may have difficulty in repaying the sums owed under these **banking terms and conditions**; or
 - (c) to prevent fraud, money laundering, terrorist financing or any other crime or to discharge **our** obligations under applicable laws (including those concerning financial crime).
- 5.7 **We** will advise **you** (in accordance with clause 13.7. of Section 1 and in advance, if possible) of the reasons for any cancellation or suspension under clause 5.6 above unless:
- (a) it would be unlawful to do so;
 - (b) it would not be permitted by any relevant government, regulator or international body; or
 - (c) **we** reasonably think that doing so would undermine **our** security measures.
- 5.8 **We** may impose volume, activity or other limitations on the use of **debit cards**. If **you** require any limits to be imposed please contact **us** on 0800 023 1062 (or +44 20 7367 7852 if calling from outside the UK).
- 5.9 **You** may terminate the authority of a **cardholder** to use a **debit card** by contacting **us** on 0800 023 1062 (or +44 20 7367 7852 if calling from outside the UK) and by cutting the **debit card** in half through the chip and magnetic stripe and returning it to **us** at the address in the About Us section.
- 5.10 **We** may need to contact a **cardholder** by telephone, email or SMS if **we** suspect fraudulent activity using a **debit card** and when submitting an application for a **debit card** to be issued to a **cardholder** **you** confirm that the **cardholder** has given consent for **us** to contact them in this way for this purpose.
- 5.11 In accordance with clause 4 of Section 1, any **cardholder** may access their **authorised** overdraft facility by using their **debit card**. As a result, the issuance of a **debit card** to any **cardholder** may be subject to credit approval of that **cardholder** and **we** may impose credit limits on the use of a particular **debit card** or all **debit cards** on a particular **account**.
- 5.12 The use of a **debit card** does not give **you** an automatic overdraft or any other form of credit. If **you** would like to arrange an **authorised** overdraft, please contact **us** using the contact details in the About Us section. Agreeing to an **authorised** overdraft is at **our** sole discretion. Once **you** have agreed an overdraft facility with **us**, any **cardholder** will be able to draw on the overdraft facility by using their **debit card**.
- 5.13 When a **cardholder** uses his/her/their **debit card**, if he/she/they creates an unauthorised overdraft on **your account** or a **cardholder** exceeds an agreed overdraft limit, this is unauthorised borrowing and **you** must repay it immediately. **We** may charge **you** a fee and a higher rate of interest on the amount **you** have borrowed, which is set out in **your tariff**.

MAKING AND STOPPING PAYMENTS

- 5.14 A **cardholder** can use their **debit card**, together with their **PIN**, or in the case of **contactless payment**, without use of the **PIN**, to make withdrawals and payments from **your account** in clause 5.1 of Section 2 (a **card transaction**). When a **cardholder** uses a **debit card** to make a **card transaction**, it will be regarded as having been **authorised** by **you** unless **you** have notified **us** that the **card transaction** was not **authorised** by **you** or a **cardholder** in accordance with clause 10.3 of Section 1. The authorisation of a **card transaction** can include authorising a single transaction, a series of recurring transactions or pre-authorising a future transaction of a certain or uncertain amount.
- 5.15 A card will be properly **authorised** when:
- (a) the **cardholder** inserts the **debit card** into an **ATM** and enters the **PIN** to make a request for a cash advance; or
 - (b) the **cardholder** enters a **PIN**, or signs a sales voucher at a point of sale with a retailer; or
 - (c) by the **cardholder** completing the necessary authentication procedures, including (where applicable) the use of biometric authentication, entering an **OTP** or other **security credentials** to authorise a **card transaction**; or
 - (d) the **cardholder** uses the card in conjunction with a payment device which does not require signature or **PIN** to authorise the transaction.
- 5.16 If **you** authorise a **card transaction** where the final billed transaction amount isn't known at the point of that authorisation, the amount of funds specified in **your** authorisation will be blocked on **your account** and cannot be spent. This block will be removed:
- (a) when the merchant sends through a cancellation;
 - (b) if the merchant doesn't send through a cancellation, within 30 days of the date the authorisation was made;
 - (c) when the merchant sends through a request for payment against the authorised amount (and if the final billed amount is within pre-defined limits of the amount of **your** initial authorisation, **we** will release the remaining blocked funds immediately); or
 - (d) if **you** pay the merchant the full amount via another **payment method**, when the merchant sends through a cancellation or, if no cancellation is sent, within 30 days of the date the authorisation was made.
- 5.17 **cardholders** can use their **debit cards** to withdraw cash of up to a limit agreed with **us** per day, provided that there are available funds in the **relevant account** in clause 5.1 of Section 2 and unless **you** have instructed **us** not to include this facility for a **cardholder**. If a **cardholder** uses a **debit card** to withdraw cash from another bank, **ATM** operator or bureau de change, there may be additional charges. If a **cardholder** uses a **debit card** to withdraw cash in a foreign country, a 1.5% fee will be charged on the amount withdrawn.
- 5.18 When a **cardholder** withdraws cash on a **debit card**, **we** will debit the amount that they have withdrawn (and any additional charges which may apply) from the **relevant account** in clause 5.1 of

Section 2 whether or not this will result in the **relevant account** going overdrawn or exceeding an agreed overdraft.

- 5.19 **We** will debit the amount of each **card transaction** to the **relevant account** in clause 5.1 of Section 2 when **we** receive it. **You** will be liable to pay **us** all amounts so debited. **You** are also liable to pay all charges debited in accordance with clause 5.21 below. **We** receive a **card transaction** when **we** receive the instruction from MasterCard® or Visa®, as applicable.
- 5.20 If a **cardholder** makes a **card transaction** in a foreign currency and **we** provide the currency conversion service, the amount will be converted into sterling (GBP) on the day Visa® or MasterCard® processes it using the Visa® or MasterCard® exchange rate (available at visaeurope.com or mastercard.com). **We** add a 2.75% location based fee (as set out in **your tariff**) to the Visa® or Mastercard® exchange rate and this fee is included in the exchange rate for the **card transaction** which is shown on **your statement** for the **relevant account** in clause 5.1 of Section 2. The day the currency conversion is carried out may be after the day the **card transaction** was carried out.

LOST AND STOLEN CARDS

- 5.21 If a **debit card** is lost or stolen or could be misused or if someone other than the **cardholder** knows the **PIN**, **you** must contact **us** immediately on 0800 023 1062 (or +44 20 7367 7852 if calling from outside the UK). **We** may ask **you** to send **us** written confirmation within 7 days.

TERMINATION

- 5.22 Each **debit card** belongs to **us**. If **we** ask **you** to return a **debit card**, **you** must do so immediately without using it for any further **card transactions** and ensure that it is cut in half through the chip and magnetic stripe on the **debit card** before sending it to **us**.
- 5.23 After these **banking terms and conditions** are terminated, **we** can continue to deduct the amount of any **card transactions** from the **relevant account** in clause 5.1 of Section 2 and **you** will still be liable to repay any amounts owing under these **banking terms and conditions** on **your account**.
- 5.24 **Debit cards** remain active until the expiry date shown on the card unless **you** notify **us** that **you** wish to de-activate a **debit card**. **You** will be required to ensure that the de-activated **debit card** is cut in half through the chip and magnetic stripe before sending it to **us**.
- 5.25 **You** will notify **us** if any of **your debit card authorised signatories** are removed from the **mandate**. On such notification **we** will de-activate the **debit card**, unless otherwise requested by **you** and agreed by **us**. **You** will be required to ensure that the de-activated **debit card** is cut in half through the chip and magnetic stripe before sending it to **us**.

6. SEPA Credit Transfer

- 6.1 If **you** hold a **current plus account** or Euro-denominated **foreign currency current account** with **us**, **you** may make a **SEPA** transfer of funds, in Euro, to another payment **account** held within a **SEPA country** by complying with this clause 6. **SEPA** payments made out of a sterling-denominated **current plus account** will be converted into Euros at **our** prevailing exchange rate.

- 6.2 A **SEPA credit transfer** is a particular means of making Euro-denominated payments from **your account** to a **recipient's** payment **account** which is located within a **SEPA country**.
- 6.3 **You** can make Euro-denominated payments from **your account** to a **recipient** in any country or dependency which forms part of **SEPA**, by **SEPA credit transfer**.
- 6.4 It is important that **you** remember that it is **your** responsibility to ensure that **your account** contains sufficient funds to meet any **authorised SEPA payment transaction**. Subject to receiving **your authorised SEPA payment transaction** instructions prior to the payment **cut-off time** set out on www.hsbcinnovationbanking.com/payments-and-fx-cut-off-times the **SEPA payment transaction** will be processed on the same day that such instruction is received. If the **SEPA payment transaction** instruction is received after the payment **cut-off time** then the **SEPA payment transaction** will be processed on the next **business day**.
- 6.5 **You** can receive Euro-denominated payments into **your account** from a **payer** in any country or dependency which forms part of **SEPA**, by **SEPA credit transfer**.

AUTHORISATION OF INDIVIDUAL AND BULK SEPA CREDIT TRANSFERS

- 6.6 **You** can make an individual payment, or a bulk presentation of individual payments to be debited from **your account** at the same time by **SEPA credit transfer**. In order to authorise either an individual **SEPA credit transfer** or a bulk submission, **you** must authorise a **SEPA payment transaction** in the following way:
- (a) **you** must provide **us** with **your** instructions using **HSBCnet** (unless **HSBCnet** is temporarily unavailable or **you** are unable to process **your** instructions online in which case, **you** should contact **us** on the telephone number in the About Us section of these **banking terms and conditions**). **You** must provide **us** with the following details when giving **us** **your** instructions:
- Your** name and address (which will be passed to the **recipient's** bank);
 - Your** IBAN;
 - the amount of the payment transfer in Euro;
 - the **recipient's** IBAN (in the case of a bulk **SEPA credit transfer**, this must be provided for all **recipients**);
 - the name and address of each **recipient**;
 - the **requested execution date** of the **SEPA credit transfer**;
 - any remittance information which **you** wish to include, and to be provided to each **recipient**; and
 - for recurring individual **SEPA payment transactions** which are **standing orders** using **SEPA credit transfer**, the start date and frequency of the payments.
- 6.7 **You** may only authorise a **SEPA credit transfer** to a **recipient** whose bank is a participant of the **SEPA credit transfer** scheme.
- 6.8 **You** cannot authorise a bulk **SEPA credit transfer** on a recurring basis.

TRANSACTION PROCESSING TIMES

- 6.9 We will process an **authorised SEPA payment transaction** made by **you** in accordance with these **banking terms and conditions** on the same **business day** that **you** make the authorisation, subject to the daily **cut-off time**. Where **you** authorise a **SEPA credit transfer** on a day which is not a **business day** or after the daily **cut-off time**, we will process the **SEPA credit transfer** within one **business day** of the authorisation.

CANCELLATION OF A SEPA CREDIT TRANSFER

- 6.10 After we have processed **payment instructions** for an immediate **SEPA credit transfer** from **your account**, **you** cannot stop or withdraw **your** consent to the processing of the payment.
- 6.11 **You** can cancel a recurring, or future **SEPA payment transaction** at any time before the **cut-off time**, one **business day** before the next payment is due to be made.
- 6.12 In the event that **you** provide us with an incorrect **IBAN**, or name and address for the **recipient**, we are under no obligation to trace the **SEPA payment transaction** though we will take reasonable efforts to recover the funds involved in the **SEPA payment transaction**. We may charge **you** a fee for any attempt to carry out such recovery, in accordance with **your tariff**.
- 6.13 Further, if, following execution of a **SEPA credit transfer**, any of the following circumstances exist, with the result that a **SEPA credit transfer** cannot be executed, and **you** are not a **micro-enterprise**, we reserve the right to pass on our reasonable costs to **you**, in accordance with **your tariff**:
- (a) the **recipient's** bank **account** is held with a bank which is not **SEPA-reachable**. In this instance, we may carry out the **SEPA payment transaction** as a wire transfer, or other (non-**SEPA**) method;
 - (b) the **recipient's** bank **account** is closed;
 - (c) the **recipient's** **account** address is invalid; or
 - (d) the **recipient's** **account** is blocked for any other reason.

RECALL OF A SEPA CREDIT TRANSFER

- 6.14 **You** may request a recall of a **SEPA credit transfer** within ten **business days** of the **requested execution date** only for the following reasons:
- (a) there has been duplicate sending of the **SEPA credit transfer**;
 - (b) there were technical problems resulting in an erroneous **SEPA credit transfer**; or
 - (c) there has been a fraudulently **authorised SEPA credit transfer**.
- 6.15 In order to process a recall in accordance with these **banking terms and conditions**, we may receive a charge from the **recipient's** bank. In such circumstances, this charge will be reflected in the amount which is ultimately credited back to **your account**.

PAYMENT CURRENCY

- 6.16 We will make payments in Euro only to a **recipient** in accordance with **your payment instructions**.

FEES AND CHARGES

- 6.17 If we incur any fees or charges payable in respect of processing a **SEPA credit transfer** to a **recipient**, we will charge these to **your account**, together with our fees and charges (as applicable) in accordance with **your tariff** or, if appropriate, as set out at the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times.
- 6.18 We will debit charges to **your account** where there are insufficient funds in **your account** to meet any **authorised SEPA credit transfer** in accordance with **your tariff**.
- 6.19 Where **you** receive an incoming **SEPA credit transfer**, we will charge **you** a fee in accordance with **your tariff**.

REFUSALS TO EXECUTE A SEPA CREDIT TRANSFER

- 6.20 We may refuse to execute a **SEPA credit transfer** for any valid reason, including:
- (a) where we suspect that the **SEPA payment transaction** may be illegal, for any reason, including where the **SEPA payment transaction** appears to be unauthorised by **you** or otherwise fraudulent;
 - (b) where the information which is required to properly authorise the **SEPA payment transaction**, in accordance with clause 6.6 of this Section 2, is incomplete or inaccurate;
 - (c) where there are insufficient funds in **your account** at the time we attempt to execute the **SEPA payment transaction**; or
 - (d) for reasons set out in the **SEPA credit transfer scheme rulebook**.
- 6.21 If we refuse to execute a **SEPA credit transfer**, we will provide an explanation of the reason for refusal through **HSBCnet** or otherwise in accordance with clause 13.7 of Section 1.

STATEMENT

- 6.22 As set out at clause 13 of Section 1, we will provide statements for **your account** via **HSBCnet** (unless **your account** is inactive or dormant).
- 6.23 Each individual **SEPA credit transfer** will be shown on **your** statement as a debit, along with the exchange rate (where applicable) which was applied to that **SEPA payment transaction**. Bulk **SEPA credit transfers** will be shown as one consolidated entry for all payments out of **your account** by way of bulk transfer for the **requested execution date**.
- 6.24 Where **you** are the payee for a **SEPA credit transfer** your statement will show the name of the **payer**, the amount of the **SEPA credit transfer** and any remittance information provided by the **payer**.

7. SEPA Debtor DD Services

SEPA DEBTOR DD SERVICES

SEPA debtor DD services allows **you** to set up a **SEPA direct debit** of funds, in Euro, to another creditor's payment account held within a **SEPA country**. **HSBC Innovation Banking** offers **SEPA debtor DD services** under the

SEPA Debtor Direct Debit Core scheme (**SEPA debtor DD core**), which is available to all **HSBC Innovation Banking** customers in accordance with these **banking terms and conditions** and the **SEPA DD core rulebook**.

7.1 **You** are encouraged to review the terms of the **SEPA DD rulebook** and to familiarise **yourself** with any risks discussed within the **SEPA DD rulebook** which may be material to **you**. By providing a **SEPA DD mandate** **you** acknowledge and agree that **you** are aware of such risks, and of the rights and obligations that **you** may have upon using the **SEPA debtor DD services**.

You must hold a Euro-denominated **current plus account** or **foreign currency current account** with **HSBC Innovation Banking** to set up any **SEPA debtor DD services** with **us**.

7.2 **You** must comply with these **banking terms and conditions** and meet the eligibility criteria set out in the **SEPA DD core rulebook** in order to use the **SEPA debtor DD services**.

7.3 **SEPA debtor DD services** may be a one-off payment or a series of payments. The creditor will inform **you** of the amount and **due date** prior to **collection**. **We** are not required to check that this notification between **you** and the creditor exists.

7.4 If **you** are eligible for **SEPA debtor DD services**, **we** shall make **direct debit** payments out of **your current plus account** or **foreign currency current account** with **HSBC Innovation Banking** in Euro in accordance with the requirements of the **SEPA DD rulebook**.

7.5 It is important that **you** remember that it is **your** responsibility to ensure that **your account** contains sufficient funds to meet any **authorised SEPA direct debit** transaction. If **you** do not have sufficient funds then **we** may reject this payment in accordance with the applicable **SEPA DD rulebook** and may charge **you** a fee in accordance with clause 7.22.

YOUR OBLIGATIONS AS A DEBTOR UNDER SEPA DD

7.6 By using the **SEPA debtor DD services** **you** agree to:

- (a) **HSBC Innovation Banking** debiting **your account** in accordance with the **SEPA DD mandate** and relevant **SEPA DD rulebook**;
- (b) comply with the applicable **SEPA DD rulebook** as it applies to debtors;
- (c) take any action (including providing correct and accurate information) required to assist **HSBC Innovation Banking** in providing the **SEPA debtor DD service** to **you** in accordance with the relevant **SEPA DD rulebook**;
- (d) notify **us** immediately if **you** wish to change **your collection account**;
- (e) notify **us** immediately if **you** or the creditor make any changes to the **SEPA DD mandate** which would impact **HSBC Innovation Banking's** provision of the **SEPA debtor DD services** to **you**;
- (f) comply with the terms of the **SEPA DD mandate** agreed with the creditor;
- (g) claim refunds only in accordance with the **SEPA DD rulebook**; and
- (h) **HSBC Innovation Banking** storing data relating to the **SEPA DD mandate** as required under the **SEPA DD rulebook**.

7.7 If **you** receive **SEPA debtor DD core**, **you** have the right to cancel a **SEPA DD mandate** by issuing a request directly to the creditor. **You** agree to inform **HSBC Innovation Banking** immediately in writing of this cancellation request.

7.8 If **you** receive **SEPA debtor DD core**, **you** agree to comply with the terms of all **SEPA DD mandates** as agreed between **you** and **your** creditors.

7.9 **You** are entitled to request any information relating to a **SEPA DD mandate** to the extent such information has been made available to **us** by a relevant **creditor PSP**. **We** will provide this, along with a copy of the relevant **SEPA DD mandate**, within a reasonable timeframe.

HSBC INNOVATION BANKING'S RIGHT TO REJECT A SEPA DD COLLECTION

- 7.10 When providing the **SEPA debtor DD services** we may reject a collection
- (a) for the reasons set out in the **SEPA DD rulebook**; or
 - (b) if the details required by the European Payments Council for UK Banks are not provided, including address details and the BIC code.

CREDITOR'S RIGHT TO REVERSE A SEPA DD

- 7.11 In respect of both **SEPA DD core**:
- (a) Creditors can apply for a reversal of the **collection** within five **Business days** after the **due date**. Once **HSBC Innovation Banking's account** has been credited with the reversal amount it will credit **your account**; and
 - (b) any requests made by the creditor for a reversal of a **collection** five **business days** following the **due date** requested in the original **collection** will not be processed under the **SEPA debtor DD services**.

YOUR RIGHT TO REQUEST A REFUND

7.12 **SEPA debtor DD services** provides certain rights of refund under the **SEPA DD rulebook** which are set out in clauses 7.17 to 7.19. In order to process a refund in accordance with these **banking terms and conditions**, **we** may receive a charge from the creditor's bank. In such circumstances, this charge will be reflected in the amount which is ultimately credited back to **your account**.

UNAUTHORISED PAYMENTS

7.13 For unauthorised payments under **SEPA DD core**, **you** can request a refund for the amount of the **SEPA direct debit** to **your account** within 13 months of the date of the payment which was deducted from **your account**. **We** will inform **you** of the information that **we** require in order to process the refund.

AUTHORISED PAYMENTS

7.14 In respect of **SEPA DD core**, for **authorised** payments, **you** can also request a refund for the amount of the **SEPA direct debit** to **your account** within eight weeks of the date which the payment was deducted from **your account** and refunds will be provided by **HSBC Innovation Banking**. **We** will inform **you** of the information that **we** require in order to process the refund.

FEES AND CHARGES

- 7.15 To provide the **SEPA debtor DD services** we will charge **you** a fee in accordance with **your tariff**.
- 7.16 If **we** incur any fees or charges payable in respect of processing a **SEPA direct debit** to a creditor, **we** will charge these to **your account**, together with **our** fees and charges (as applicable) in accordance with **your tariff** or, if appropriate, as set out at the payment processing information page available in the Payment and Foreign Exchange Processing section at www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times.
- 7.17 **We** will debit charges to **your account** where there are insufficient funds in **your account** to meet any **authorised SEPA direct debit** in accordance with **your tariff**.

STATEMENT

- 7.18 **We** will provide statements for **your account** via **HSBCnet** (unless **your account** is inactive or dormant) in accordance with these **banking terms and conditions**.

LIABILITY

- 7.19 **We** accept no liability for processing the **SEPA direct debit** instructions **we** receive based on **your** agreed **SEPA DD mandate**.
- 7.20 **You** agree that any liability arising in connection with **your** use of the **SEPA DD debtor services**, shall be determined in accordance with these **banking terms and conditions** and the **SEPA rulebooks**.
- 7.21 Separate to **your** right of refund under the **SEPA DD rulebook**, **you** acknowledge and agree that it is **your** responsibility to resolve any dispute about **collections** directly with the creditor and accept that the obligations of **HSBC Innovation Banking** and the **creditor PSP** in connection with **SEPA DD core** are not subject to claims or defences under the contractual or other arrangements in place between **you** and creditor.

TERMINATION

- 7.22 Any **SEPA debtor DD services** provided to **you** shall terminate automatically when either **you** or **we** close **your** Euro- or GBP-denominated **current plus account** or **foreign currency current account** with **HSBC Innovation Banking** in accordance with these **banking terms and conditions**. If **you** or **we** terminate these **banking terms and conditions**, **we** may suspend the use of **SEPA debtor DD services** immediately on the date of notice of termination or at such other time, to ensure that there will be sufficient funds in **your account(s)** to settle any amounts owed to **us** or any outstanding transactions.
- 7.23 Regardless of whether **we** or **you** suspend the use of **SEPA debtor DD services** on **your account**, at the time of closure **you** must pay **us** all amounts outstanding on **your account**.

8. Other Payment Methods

DIRECT DEBITS

- 8.1 If **you** want to make a payment by **direct debit** from **your account** (where the **account** is of a type from which payment by way of **direct debit** is permitted, as described further 10 to 13 below), it will be **authorised** if:

- (a) **you** complete a **direct debit** instruction form (which includes **your** name, address and the sort code and **account** number of the **account** from which payments will be made) in writing;
- (b) the **direct debit** instruction form contains the payment details of the intended **recipient** and the **recipient** lodges the **direct debit** instruction form with **us**, either electronically or by post; and
- (c) **you** authorise **us** to make each **direct debit** payment for which **we** have received a payment request from the **recipient** containing a reference which matches the reference on the electronic file or the instruction form by **our cut-off time** for **direct debits** (see www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times for further details).

- 8.2 In accordance with clause 2.4 of Section 2, **we** may not accept **your direct debit** instruction if **we** reasonably believe that it has not been made by **you** or in accordance with the instructions on **your mandate**.

DIRECT DEBIT GUARANTEE

- 8.3 A **direct debit** guarantee is offered by all banks and building societies that accept instructions to pay **direct debits**. If an error is made in the payment of **your direct debit** by **us**, **you** are entitled to a full and immediate refund of the amount paid from **us**. If **you** receive a refund, **you** are not entitled to, **you** must pay it back when **we** ask **you** to.
- 8.4 **You** can cancel a **direct debit** at any time by contacting **us** using the details in the About Us section.

STANDING ORDERS, FASTER PAYMENTS AND INTER-ACCOUNT TRANSFERS

- 8.5 If **you** make a payment from **your account** by **standing order** or **faster payment** (where the **account** is of a type from which payment by way of **standing order** or **faster payment** is permitted, as described further in clauses 11 to 14 below) to a **recipient** in the UK, that payment can be made immediately or on a future date. Funds can be transferred from one bank **account** to another bank **account** held with **us** immediately or on a future date by **inter-account transfer**. These types of payment are **authorised** when **we** receive instructions to make them from **your account**. In accordance with clause 2.1 of Section 2, **you** can cancel a **standing order** at any time up to three **business days** before the next **standing order** is due to take place. **You** can cancel a payment made using **faster payments** at any time up to one **business day** before the **faster payment** is due to take place.
- 8.6 If **you** want to instruct **us** to make these types of payment, **you** must provide **us** with **your** instructions. **We** may enable this to be done using **HSBCnet**. Otherwise, instructions may be given by contacting **us** on the telephone numbers in the About Us section and **we** will make arrangements to process alternative **payment instructions**). **You** must also provide **us** with the following details when giving **us** **your** instructions:

- (a) for **standing orders**, details of the **recipient's** name, the sort code and **account** number of their account, together with the amount, duration, frequency and start date for the payments and any reference **you** wish to provide for the **recipient**;
- (b) for **faster payments**, details of the **recipient's** name, the sort code and **account** number of their **account** together with the

amount of the payment, the date on which **you** would like it to be paid and any reference **you** wish to provide for the **recipient**, although instructions can be accepted without the **recipient's** sort code and account number where **you** have made a previous payment to the **recipient** from **your account**, this information is set up on **your account** and **you** agree to **us** making the payment without confirming this information; or

- (c) for **inter-account transfers**, details of the **account** number of the **account** the funds are to be transferred to and from together with the amount of the payment, the date on which **you** would like it to be paid and any reference **you** wish to provide for the transfer.

8.7 **You** can only make a payment by **faster payment** if the **recipient's** bank is able to accept payments in this way. **We** will tell **you** if this service is not available when **we** receive a **faster payment instruction** but **we** cannot guarantee that it will still be available for future dated payments.

BACS PAYMENTS

8.8 **You** will not be able to make payments from **your account** via **BACS** unless **you** have made a request to do so in writing to **us**. **We** will respond to **your** request within a reasonable period and the decision of whether to allow **BACS** payments to be made from **your account** and the credit limit applying to any **BACS** payments shall be at **our** discretion.

8.9 A credit limit set at a daily, weekly or monthly frequency will be set in relation to any **BACS** payments **you** make from **your account**. If **you** make a **BACS** payment, or a series of **BACS** payments, which would exceed **your BACS** credit limit on **your account**, the frequency will be set in relation to any **BACS** payments **you** make from **your account**. If **you** make a **BACS** payment, or a series of **BACS** payments, which would exceed **your BACS** credit limit on **your account**, **we** may refuse to execute **your BACS** payment in accordance with clause 2 of Section 2 and which may incur an associated fee as set out in **your tariff**.

8.10 A credit limit set at a daily, weekly or monthly frequency will be set in relation to any **BACS approved bureau** payments made **you** make from **your account**. If **you** make a **BACS approved bureau** payment, or a series of **BACS approved bureau** payments, which would exceed **your BACS approved bureau** credit limit on **your account**, **we** may refuse to execute **your BACS approved bureau** payment in accordance with clause 2 of Section 2 and which may incur an associated fee as set out in **your tariff**.

9. Your Current Plus Account

PAYMENTS INTO YOUR CURRENT PLUS ACCOUNT

9.1 **You** may use any one of the following methods of payment into **your current plus account**:

- (a) cash deposits (see clause 3 of Section 2 above for further information on cash);
- (b) sterling and **foreign cheques** (see clause 4 of Section 2 above for further information on cheques);
- (c) **CHAPS**;
- (d) **BACS** (subject to clauses 8.8 and 8.9 of Section 2);
- (e) **faster payments**; and

(f) **SWIFT**;

(g) inter-**account** transfers; and

(h) for Euro and Sterling **accounts**, **SEPA credit transfers**.

PAYMENTS FROM YOUR CURRENT PLUS ACCOUNT

9.2 **You** may use any one of the following methods of payment from **your current plus account**:

- (a) **CHAPS**;
- (b) **BACS** (subject to clauses 8.8 and 8.9 of Section 2);
- (c) **inter-account transfers**;
- (d) **direct debits**;
- (e) **faster payments**;
- (f) **card transaction**;

(g) payment through a **payment initiation service provider**;

(h) **SWIFT**; and

(i) for Euro and Sterling **accounts**, **SEPA credit transfers**.

9.3 In order to properly execute a **payment transaction**, **you** must provide **us** with the **recipient's** bank sort code and **account** number or, where applicable, their BIC number and **IBAN** number, the **recipient's** bank **SWIFT** address or their National Clearing Code. Please refer to the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times for further details.

INTEREST ON YOUR CURRENT PLUS ACCOUNT

9.4 **We** will pay interest on the balance of **your current plus account** at rates set out at www.hsbcinnovationbanking.com/interest-rates. If the relevant interest rate set out there is a negative rate, **we** may charge interest on some or all of the credit balance of **your current plus account**. Interest will be calculated daily on the daily closing balance and applied on a monthly basis.

10. Your Foreign Currency Current Account

10.1 If **you** hold a **foreign currency current account**, **you** will be able to make payments into and from **your foreign currency current account**. **Foreign currency current accounts** are available in a number of currencies, including:

- (a) US Dollars; and
- (b) Euros.

For a full list of currencies, please look at **our** website www.hsbcinnovationbanking.com/interest-rates.

10.2 **We** reserve the right to cease to provide **foreign currency current accounts** for individual currencies as **we** see fit, but **we** will provide **you** with details of this in accordance with clause 13.32 of Section 1 if this will affect any of **your** foreign currency current **accounts**.

10.3 **We** may pay interest on some or all of the credit balance of **your foreign currency current account** at the interest rate set out for the relevant **foreign currency current account** at

www.hsbcinnovationbanking.com/interest-rates. If the relevant interest rate set out is a negative rate, we reserve the right to charge interest on some or all of the credit balance of **your foreign currency current account**). Interest will be calculated daily on the daily closing balance and applied on a monthly basis.

PAYMENTS INTO YOUR FOREIGN CURRENCY CURRENT ACCOUNTS

10.4 You may use any one of the following methods of payment into **your foreign currency current account**:

- (a) **foreign cheques**;
- (b) **SWIFT**;
- (c) **inter-account transfers**; and
- (d) for Euro **accounts, SEPA credit transfer**.

PAYMENTS OUT OF YOUR FOREIGN CURRENCY CURRENT ACCOUNTS

10.5 You may use any one of the following methods of payment from and out of **your foreign currency current account**:

- (a) **inter-account transfers**;
- (b) **SWIFT**; and
- (c) for Euro **accounts, SEPA credit transfer and SEPA direct debit**.

10.6 In order to properly execute a **payment transaction**, you must provide us with **your** instructions as set out at www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times (unless the website is temporarily unavailable or you are unable to process **your** instructions online, in which case, you should contact us on the telephone numbers in the About Us section). You must also provide us with the **recipient's** bank sort code and account number or, where applicable, their BIC number and **IBAN** number, the **recipient's** bank **SWIFT** address or their National Clearing Code.

Please refer to the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times for further details.

11. Your Corporate Deposit Account

11.1 A **corporate deposit account** can be held in a number of currencies, including:

- (a) US Dollars; and
- (b) Euros.

For a full list of currencies, please look at our website www.hsbcinnovationbanking.com/interest-rates.

A **corporate deposit account** held in a currency other than GBP is known as a **foreign currency savings account**. References in these terms and conditions to **corporate deposit accounts** shall be read as including **foreign currency savings accounts** unless otherwise indicated.

11.2 We reserve the right to cease to provide **corporate deposit accounts** for certain currencies as we see fit. If this will affect any of **your corporate deposit accounts**, we will provide you with details of this in accordance with clause 13.32 of Section 1.

11.3 If any **corporate deposit account** becomes overdrawn, we will consider this to be unauthorised borrowing and we may charge you a fee and a higher rate of interest on the amount you borrow, which is set out in **your tariff**.

PAYMENTS INTO YOUR CORPORATE DEPOSIT ACCOUNT

11.4 You may use any one of the following methods of payment into **your corporate deposit account**:

- (a) **inter-account transfers**;
- (b) for **foreign currency savings accounts, SWIFT**; and
- (c) for Euro **foreign currency savings accounts SEPA credit transfer**; and
- (d) for Sterling **accounts, CHAPS**, provided the payment is from an **account held in your name**.

PAYMENTS FROM YOUR CORPORATE DEPOSIT ACCOUNT

11.5 You may use any one of the following methods of payment from and out of **your corporate deposit account**:

- (a) **inter-account transfers**;
- (b) for **foreign currency savings accounts, SWIFT**; and
- (c) for Euro **foreign currency savings accounts, SEPA credit transfer**; and
- (d) for Sterling **accounts, CHAPS**, provided the payment is to an **account held in your name**.

11.6 In order to properly execute a **payment transaction**, you must provide us with the **recipient's** bank sort code and account number or, where applicable, their BIC number and/ or **IBAN** number, the **recipient's** bank **SWIFT** address or their National Clearing Code. Please refer to the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times for further details.

11.7 **Standing order and direct debit** instructions are not available from **your corporate deposit account**.

INTEREST ON YOUR CORPORATE DEPOSIT ACCOUNT

11.8 We will pay interest on the balance of **your corporate deposit account** at rates set out at www.hsbcinnovationbanking.com/interest-rates. If the relevant interest rate set out is a negative rate, we reserve the right to charge interest on some or all of the credit balance of **your corporate deposit account**). Interest will be calculated daily on the daily closing balance and applied on a monthly basis.

12. Your Fixed Term Deposit Account

AVAILABILITY OF FIXED TERM DEPOSIT ACCOUNTS

12.1 We may offer **fixed term deposit accounts** for **fixed terms** and at interest rates available from time to time. When we offer **fixed term deposit accounts**, the terms set out in this clause 12 will apply.

12.2 We reserve the right to cease to offer **fixed term deposit accounts** for certain currencies, **fixed terms** or interest rates as

we see fit, save that we will permit any **fixed term deposit account** which has already been opened to remain open for the **fixed term**. If we cease to offer certain **fixed term deposit accounts**, this may affect your ability to **roll over** as described in clause 12.19 below.

OPENING A FIXED TERM DEPOSIT ACCOUNT

12.3 To request a **fixed term deposit account** you will need to contact us by telephone, email or by post as a **fixed term deposit account** cannot be opened online.

12.4 To open a **fixed term deposit account**, you must hold a **current plus account** or a foreign currency current account with us in the currency in which you wish to open the **fixed term deposit account**. A **fixed term deposit account** can be held in the following currencies:

- (a) Sterling;
- (b) US Dollars; and
- (c) Euros.

Fixed term deposit accounts may be available in other currencies. Please contact us (details in the About Us section) to enquire about the availability of any other currencies.

12.5 A request to open a **fixed term deposit account** must:

- (a) be received by us before midday (12.00pm) (UK time) on the **fixed term** deposit start date (if received after, it will start on the next **business day**); and
- (b) not include a start date later than the date set out in the **fixed term deposit account** summary box you received; and
- (c) include a start date and a **maturity date** which is a **business day**.

The **fixed term** will start on a **business day** on the day the **account** is opened as confirmed in the **fixed term** confirmation and will run for the **fixed term** selected by you from the **fixed terms** available.

PAYMENTS INTO YOUR FIXED TERM DEPOSIT ACCOUNT

12.6 Only one deposit, made at **account** opening, may be made into a **fixed term deposit account**. This deposit must be made:

- (a) in cleared funds on the date you open your **fixed term deposit account**;
- (b) in the currency of your **fixed term deposit account**; and
- (c) by way of **inter-account transfer** from a **current plus account** or **foreign currency current account** which you hold with us and which is in the same currency as the **fixed term deposit account** (this **current plus account** or **foreign currency current account** is your **fixed term linked account**).

12.7 In order for us to execute the **payment transaction**, you must provide us with the information set out in clause 8.6(c) of Section 2 above. Please refer to the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff times for further details.

12.8 A minimum amount is required to open a **fixed term deposit account** which we will notify to you when we open a **fixed term deposit account** and the **account** balance will be restricted to that initial deposit amount for the **fixed term**.

12.9 You may have more than one **fixed term deposit account** open at any given time.

PAYMENTS OUT OF YOUR FIXED TERM DEPOSIT ACCOUNT

12.10 Withdrawals from your **fixed term deposit account** or **account** closure are normally allowed only in exceptional circumstances prior to the **maturity date** (for example, if you enter into insolvency). If you request a change to the balance or **fixed term** of your **fixed term deposit account** prior to the **maturity date**, we will deem this to be a request for early closure. The decision whether or not to accept your request will be made by us at our sole discretion and you have no right to demand a change to the balance or **fixed term**. You should not open a **fixed term deposit account** if you may need some or all of your money before the end of the **fixed term**.

12.11 Other than as described in clause 12.13 below, if you either apply to make a withdrawal from, or close, your **fixed term deposit account** prior to the **maturity date** or we close your **fixed term deposit account** under the provisions of clause 12.34 of Section 1 above, an early withdrawal charge will be payable if we agree to the withdrawal or closure. The early withdrawal charge will consist of: (i) an early withdrawal administration fee; and (ii) an early withdrawal adjustment fee and the calculation for this is set out in the **fixed term deposit account** summary box provided to you at the time of opening your **fixed term deposit account**.

The total early withdrawal charge will be advised to you at the time you apply to make a withdrawal from, or close, your **fixed term deposit account**. In the event of early withdrawal or closure, you may not achieve the published rate of return and you may receive less money back than you initially deposited.

12.12 If you request to make a withdrawal from, or close, your **fixed term deposit account** prior to the **maturity date** and we agree to such withdrawal or closure, interest due up to the date of withdrawal or closure will be calculated and netted against the applicable early withdrawal charge. The balance of your **fixed term deposit account** at the date of withdrawal or closure, plus any interest accrued to that date but less the applicable early withdrawal charge, will be credited or transferred to your **fixed term linked account** by way of **inter-account transfer**. If the early withdrawal charge exceeds the accrued interest, the early withdrawal charge will be debited from the balance of your **fixed term deposit account**.

12.13 If we make any changes to these **banking terms and conditions** or any terms and conditions specific to your **fixed term deposit account** which are not favourable to you in respect of your **fixed term deposit account**, you may make a withdrawal or close your **fixed term deposit account** prior to the **maturity date**. In such case, we will not charge you an early withdrawal charge. Instead, the balance of your **fixed term deposit account** at the date of withdrawal or closure, plus any interest accrued to that date, will be credited or transferred to your **fixed term linked account** by way of **inter-account transfer**.

12.14 You are not entitled to make any form of payment, such as **standing order** or **direct debit** payments, from your **fixed term deposit account**. If any **fixed term deposit account** becomes

overdrawn, **we** will consider this to be unauthorised borrowing and **we** may charge **you** a fee and a higher rate of interest.

INTEREST ON YOUR FIXED TERM DEPOSIT ACCOUNT

- 12.15 The interest rate is fixed for the term of **your fixed term deposit account** and will be as advised in the **fixed term** confirmation. The applicable interest rate will also be shown in each **fixed term deposit account** statement.
- 12.16 Subject at all times to **HSBC Innovation Banking's** ability to charge interest on **your** credit balance in clause 3.4 of Section 1, **we** will pay interest on the credit balance of **your fixed term deposit account**. Interest will be calculated daily.
- 12.17 Interest (less any applicable tax) will be credited to **your fixed term linked account** on the **maturity date**. If the **maturity date** or other interest **payment date** falls on a day other than a **business day**, interest will be paid on the following **business day**.

MATURITY AND ROLLOVER

- 12.18 Seven days before the **maturity date** **we** will send **you** a **maturity notice** via **HSBCnet**, post or email. If **your fixed term deposit account** is for a term of less than seven days then no **maturity notice** will be sent to **you**.
- 12.19 If **your fixed term deposit account** has a **fixed term** of 14 days or more, **you** can request **your fixed term deposit account** to **roll over** on the next **maturity date**, for the same **fixed term**, with the same balance, at the same interest rate. **We** may, at **our** discretion, agree to such request if: (i) notice is given in accordance with clause 12.21 below; and (ii) at the **maturity date**, **we** are offering **fixed term deposit accounts** for that **fixed term** and with such interest rate. If **we** are not offering such **fixed term deposit accounts** at the **maturity date**, or do not agree to **your** request for any other reason, **we** will discuss with **you** what, if any, alternative **fixed term deposit accounts** are available to **you**.
- 12.20 If:
- (a) **you** do not make a request to **roll over your fixed term deposit account** in accordance with clause 12.21 below;
 - (b) **we** do not agree to a request for **roll over**; or
 - (c) **your fixed term deposit account** has a **fixed term** of less than 14 days, on the **maturity date**, the balance in **your fixed term deposit account** will be transferred to **your fixed term linked account** by way of **inter-account transfer**. **Your fixed term deposit account** will then be closed.
- 12.21 **You** need to contact **us** by the close of business on the second last **business day** before the **maturity date** to request a **roll over**. **We** will provide **you** with a form to **roll over**, and **we** must receive a returned and completed form before midday (12.00pm) (UK time) on the **maturity date**. Each instruction in relation to **rollover** applies only in respect of the **maturity date** in relation to which it was given. If **you** wish to **roll over** in respect of the next **maturity date**, **you** will be required to give **us** a further instruction in accordance with this clause 12.21 and clause 12.19 will apply. In order to **roll over**, **you** must maintain a **fixed term linked account** with **us**.

FIXED TERM LINKED ACCOUNTS

- 12.22 **You** may notify **us** if **you** wish to substitute another **account** **you** hold with **us**, in the currency of **your fixed term deposit account**, for **your** initial **fixed term linked account**. Following such notification, the new **account** will become the **fixed term linked account**. The **fixed term linked account** must be maintained with a cleared balance to cover **account** charges during the term of the **fixed term deposit account**.

OTHER TERMS

- 12.23 Regardless of whether **you** are a **micro-enterprise**, cancellation rights under the FCA's Banking Conduct of Business Rules do not apply to **your fixed term deposit account**, as described in clause 6.9 of Section 1.
- You** have no right to cancel the agreement in respect of **your fixed term deposit account** once the **fixed term** has commenced.
- 12.24 If **you** would like to establish a **fixed term deposit account** to hold funds as collateral for loan facilities **you** have with **us**, additional terms and conditions relating to **your fixed term deposit account** will apply as agreed between **us** in writing.

13. Your Collateral Account

- 13.1 A **collateral account** can be held in a number of currencies, including:
- (a) US Dollars; and
 - (b) Euros.
- 13.2 The balance of the **collateral account** is used to provide security to **us** for **your** liability to **us** for the provision of certain products or services. **We** may ask **you** to grant to **us** a legal charge over the balance of the **collateral account** to secure **our** preferential interest in the balance of the **collateral account**.
- 13.3 **You** will have restricted access to the **collateral account**. Only **inter-account transfers** from and to **your** collateral account are permitted.
- 13.4 **We** will pay interest on the balance of **your** collateral account at rate applicable to **current plus accounts** as set out at www.hsbcinnovationbanking.com/interest-rates. Interest will be calculated daily on the daily closing balance and applied on a monthly basis. If the relevant interest rate set out for **your** account is a negative rate, **we** reserve the right to charge interest on some or all of the credit balance of that **account**.
- #### 14. Additional Services
- 14.1 The following shall be additional services available on **your** **account(s)**, which means that **we** may charge a fee for providing them:
- (a) if **you** want to stop a payment on **your** **account** in accordance with clause 2 of Section 2;
 - (b) returned cheque paid in;
 - (c) duplicate statements to the statements received in accordance with clause 13.1 of Section 1 and which are older than 24 months;

- (d) **standing orders** returned unpaid (only available if **you** hold a **current plus account**);
- (e) **direct debits (BACS)** returned unpaid (only available if **you** hold a **current plus account**);
- (f) **BACS** file payments (only available if **you** hold a **current plus account**); and
- (g) cheque **collections**.

15. Client Monies Accounts

15.1 Where **you** have a **client monies account**, **you** agree that:

- (a) **you** will not alter the name(s) of that **client monies account** on **HSBCnet** in order to ensure that **your client monies account** remains identifiable as such at all times;
- (b) the information provided to **us** when opening **your client monies account** relating to **your status** with the UK or other regulator(s) is accurate and that **you** will notify **us** if that status is altered, cancelled or revoked;
- (c) **you** understand that the provision of the **client monies account** is solely at **our** discretion and **we** may decline **your** application for a **client monies account** if **we** do not think that a **client monies account** will be appropriate for **you**;
- (d) **you** will notify **us**, both at the time of opening a **client monies account** and at any point while **you** hold a **client monies account**, if there are additional regulatory requirements which should apply to the **client monies account** by virtue of **your** regulatory status so that **we** can determine if **we** can provide, or continue to provide, **you** with a **client monies account**; and
- (e) **you** understand that, unless **you** hold an appropriate FCA permission to hold client money, any funds held in **your client monies account** will not be held in accordance with the FCA's Client Assets Sourcebook.

16. Business Notice Accounts

AVAILABILITY OF BUSINESS NOTICE ACCOUNTS

- 16.1 **We** may offer **business notice accounts** for certain **notice periods**, currencies and interest rates from time to time. The **business notice account** is a restricted access account and only **inter-account transfers** into **your business notice account** in accordance with clause 16.6 of Section 2 are permitted. Only transfers or payments out of **your business notice account** to **your business notice linked account** are permitted.
- 16.2 These **banking terms and conditions** should be read in conjunction with the **business notice account** application form and the **business notice account** summary box, which can be found at www.hsbcinnovationbanking.com/business-notice-account-summary-box and which are incorporated into these **banking terms and conditions**.
- 16.3 **We** reserve the right to cease to offer **business notice accounts** for certain currencies, interest rate periods or **notice periods** as **we** see fit, if **we** did this **we** would provide **you** with the details of this in accordance with clauses 13.32-13.34 of Section 1 above. If **we** cease to offer the **business notice account** for the currency, interest rate period or **notice period** offered at opening, make any changes to these **banking terms and conditions** or any terms and conditions specific to **your business notice account** which are not

favourable to **you** in respect of **your business notice account**, **you** may make a withdrawal or close **your business notice account** prior to the end of the relevant **notice period**. In such case, **we** will not charge **you** an early withdrawal charge. Instead, the balance of **your business notice account** at the date of withdrawal or closure, plus any interest accrued to that date, will be credited or transferred to **your business notice linked account** by way of **inter-account transfer**.

OPENING A BUSINESS NOTICE ACCOUNT

- 16.4 To request a **business notice account**, **you** will need to contact **us** by telephone, email or by post (details in the About Us section of these **banking terms and conditions**) and **we** will provide **you** with a **business notice account** application form to complete. A **business notice account** cannot be opened online.
- 16.5 **You** must hold a **current plus account** or a HSBC Innovation Banking **account** with **us** in the currency in which **you** wish to open the **business notice account**. A **business notice account** can be held in the following currencies:
 - (a) Sterling;
 - (b) US Dollars; and
 - (c) Euros

Business notice accounts may be available in other currencies. Please contact **us** at the details in the About Us section of these **banking terms and conditions** and at www.hsbcinnovationbanking.com/business-notice-account-summary-box to enquire about the availability of any other currencies.

PAYMENTS INTO YOUR BUSINESS NOTICE ACCOUNT

- 16.6 The initial deposit into the **business notice accounts** must be made:
 - (a) in cleared funds on the date **you** open **your business notice account**;
 - (b) in the currency of **your business notice account**; and
 - (c) by way of **inter-account transfer** from an account which **you** hold with **us** and which is in the same currency and from the same client entity as the **business notice account**.
- 16.7 In order for **us** to properly execute any **payment transaction** into **your business notice account**, **you** must provide **us** with the information set out in clause 8.6(c) of Section 2 above. Please refer to the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times for further details.

MINIMUM BALANCE

- 16.8 A minimum amount is required to open and maintain a **business notice account**, which **we** will notify to **you** when **you** open a **business notice account** ("**business notice minimum balance**"). If **your business notice account** is below the **business notice minimum balance** **we** may transfer the balance to **your business notice linked account** and close **your business notice account**, **we** will contact **you** before **we** do this.

MAXIMUM BALANCE

16.9 The maximum balance for a **business notice account** will be notified to **you** when **you** open a **business notice account** ("**business notice maximum balance**"). If **your business notice account** balance exceeds the **business notice maximum balance** at any time, **we** may transfer the excess balance to **your business notice linked account**.

NUMBER OF ACCOUNTS

16.10 **You** may have more than one **business notice account** open at any given time, but only one **business notice account** is available per currency (unless otherwise notified by us). If more than one currency per **account** is permitted, the **business notice maximum balance** applies to the **aggregate balance** of all **business notice account** in that currency.

WITHDRAWALS AND CLOSURE OF YOUR BUSINESS NOTICE ACCOUNT

16.11 The **business notice account** operates on a strict notice basis and is a restricted access **account**, **you** cannot withdraw funds from the **business notice account** before the end of the **notice period** (except in exceptional circumstances as set out in clause 16.18 of Section 2 below). **You** should not open a **business notice account** if **you** may need some or all of **your** money before the end of the **notice period**. Upon expiry of the **notice period** the requested withdrawn funds will be paid to **your business notice linked account**.

16.12 Partial withdrawals are available at the end of the **notice period**, providing the **business notice account** always remains equal to, or above, the **business notice minimum balance** notified to **you** in clause 16.8 of Section 2 above.

16.13 **Your business notice account** is a restricted access **account**. **You** are not entitled to make any form of payment, such as **standing order** or **direct debit** payments, from **your business notice account**. If any **business notice account** becomes overdrawn, **we** will consider this to be unauthorised borrowing and **we** may charge **you** a fee and a higher rate of interest.

16.14 **You** cannot close a **business notice account** before the end of the **notice period** (except in exceptional circumstances as set out in clause 16.18 of Section 2 below).

16.15 **You** must give **us** notice of a withdrawal or closure from **your business notice account** between 9.00am and midday (12.00pm) (UK time) (or 4pm (UK time) if made via **HSBCnet**) on a **business day** by completing a withdrawal notice **we** provide to **you**, this can be obtained by contacting **us** on the telephone, email or post details found in the About Us section of these **banking terms and conditions** or by submitting a withdrawal request using **HSBCnet**. If **you** complete the withdrawal notice (other than using **HSBCnet**) after midday (12.00pm) (UK time), or on a non-**business day**, notice will be taken as given on the next **business day**. If **you** complete a withdrawal notice using **HSBCnet** after 4.00pm (UK time), or on a non-**business day**, notice will be taken as given on the next **business day**. **We** will process the instructions on the next **business day**, such that the **notice period** will begin on the following **business day** after the withdrawal notice has been received.

16.16 Upon a notice of withdrawal becoming effective, we'll:

(a) open a **notice term deposit account**; and

(b) transfer the withdrawal amount from **your business notice account** to the **notice term deposit account**.

16.17 Upon expiry of the **notice period**, we'll transfer the withdrawal amount from the **notice term deposit account** to **your business notice linked account**.

16.18 Withdrawals or **account** closures before the end of the **notice period** are only allowed in exceptional circumstances (for example, if **you** enter into insolvency). If **you** request a withdrawal of **your business notice account** prior to the **notice period** ending, **we** will deem this to be a request for early closure. The decision whether or not to accept **your** request will be made by **us** in **our** sole discretion.

16.19 If **HSBC Innovation Banking** permits an early withdrawal or **account** closure in accordance with clause 16.18 of Section 2 an early withdrawal charge will be payable by **you**. The early withdrawal charge will consist of: (i) an early withdrawal administration fee; and (ii) an early withdrawal adjustment fee, the basis for this is set out in the summary box for the **business notice account**. The total early withdrawal charge will be advised to **you** at the time **you** apply to make an early withdrawal or close **your business notice account**. In the event of early withdrawal or closure, **you** may not achieve the published rate of return and **you** may receive less money back than **you** initially deposited.

16.20 The balance of **your business notice account** at the date of withdrawal or closure, plus any interest accrued to that date but less applicable early withdrawal charge, will be credited or transferred to **your business notice linked account** by way of **inter-account transfer**.

16.21 If the early withdrawal charge exceeds the accrued interest, the early withdrawal charge will be debited from the balance of **your business notice account**.

16.22 If **you** apply to withdraw any funds or close **your business notice account** within the first 14 days of opening it, **we** will close **your business notice account** and transfer the funds and any interest to **your business notice linked account**, **we** will contact **you** before **we** do this. The early withdrawal charge set out in clause 16.19 of Section 2 won't apply in these circumstances.

INTEREST ON YOUR BUSINESS NOTICE ACCOUNT

16.23 **We** will pay interest on the balance of **your business notice account** at rates set out at www.hsbcinnovationbanking.com/interest-rates. Interest will be calculated daily on the daily closing balance and applied on the last **business day** of each month to the business notice linked **account**.

16.24 If the relevant interest rate set out is a negative rate, **we** may charge interest on some or all of the credit balance of **your business notice account**, such charge would be debited from **your business notice linked account**.

16.25 **We** may apply a different interest rate to any withdrawal amount transferred to a **term deposit account** if this is indicated in **your tariff** or otherwise notified to **you**.

16.26 **We** may change **our** charges or interest rate as set out in these **banking terms and conditions**.

BUSINESS NOTICE LINKED ACCOUNTS

- 16.27 In order to hold a **business notice account**, you must maintain a **business notice linked account** with us. If you close your **business notice linked account**, we reserve the right to close your **business notice account** and will contact you before we do this.
- 16.28 You may notify us if you wish to substitute another **account** you hold with us, in the currency of your **business notice account**, for your initial **business notice linked account**. We reserve the right to refuse this request. Following such notification, if this request is approved the new **account** will become the **business notice linked account**.

17. HSBCnet

YOUR CURRENT PLUS ACCOUNT AND FOREIGN CURRENCY CURRENT ACCOUNT

- 17.1 You (or, where appropriate, a **payment initiation service provider** or an **card based payment instrument issuer**) may use HSBCnet to make any electronic payment of the following type from your **current plus account**:
- (a) CHAPS;
 - (b) BACS (subject to clauses 8.8 and 8.9 of Section 2);
 - (c) SWIFT;
 - (d) faster payments;
 - (e) inter-account transfers;
 - (f) standing orders; and
 - (g) for Euro and Sterling accounts, SEPA credit transfers.
- 17.2 You (or, where appropriate, a **payment initiation service provider** or an **card based payment instrument issuer**) may use HSBCnet to make any electronic payment of the following type from your **foreign currency current account**:
- (a) SWIFT; and
 - (b) inter-account transfers; and
 - (c) for Euro and Sterling accounts, SEPA credit transfers.
- 17.3 HSBCnet enables you (or, where applicable, a **payment initiation service provider**, **account information service provider** or **card based payment instrument issuer**) to:
- (a) view your **account** details, including transaction details and **account** statements; and
 - (b) subject to payment processing times, stop **current plus account** and **foreign currency current account** payments.

YOUR CORPORATE DEPOSIT ACCOUNT

- 17.4 You (or, where appropriate, a **payment initiation service provider**) may use HSBCnet to make **inter-account transfers** and **SWIFT** payments (in relation to **foreign currency savings accounts** only) from your **corporate deposit account**.
- 17.5 HSBCnet also enables you to view your **corporate deposit account** details, including transaction details and **account** statements.

YOUR FIXED TERM DEPOSIT ACCOUNT

- 17.6 We may enable you (or, where appropriate, an **account information service provider**) to view your **fixed term deposit account** details on HSBCnet, including transaction details and **account** statements.

FOREIGN EXCHANGE TRANSACTIONS ON HSBCNET

- 17.7 Where you enter into cross-currency payments and cross-currency transfers through HSBCnet you will be entering into a **spot FX contract** with us on the terms set out in this clause, which will be value dated in accordance with our payment processing document available at www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times.
- 17.8 Execution of **spot FX contract**. You may request a **Spot FX contract** by using HSBCnet and selecting the currency and amount of your cross-currency payment or cross-currency transfer.
- 17.9 For cross-currency payments only, and depending on your approval settings in your **HSBCnet mandate**, any refreshed FX rate presented to an approver will constitute a new request for a **spot FX contract**.
- 17.10 Once you have accepted the price, completion of the required authentication procedures will constitute your irrevocable execution of a **spot FX contract** subject to these terms. The date of your acceptance of the price and completion of the required authentication procedures shall be the date of the **spot FX contract** (the "**spot FX contract date**").
- 17.11 We will debit your **account** with the agreed amount of currency required in order for us to deliver on the **settlement date** the agreed amount of currency purchased by you under the **spot FX contract**.
- 17.12 You are responsible for ensuring that there are sufficient funds in the **relevant account** from which you intend to debit funds for the purposes of settlement of the **spot FX contract**. If we have received cleared funds in the agreed amount of currency referred to in clause 17.9, and also **payment instructions** via the HSBCnet platform or any other format approved by HSBC Innovation Banking, we will deliver by the **settlement date** the amount of currency purchased by you under the **spot FX contract**. If we have not received this amount and also the **payment instructions** by the **settlement date**, we are not obliged to deliver the currency which you have contracted to receive, and we may cover our exposure for the **spot FX contract** by purchasing or selling currency in the interbank market, as we deem appropriate. You shall be liable for all losses, damages, costs, and expenses (collectively, "**trading losses**") incurred by us from your failure to satisfy your obligations under these **banking terms and conditions** and you may be entering into unauthorised borrowing on that **account**, as set out in clause 4.2 of Section 1 of these **banking terms and conditions**. We shall not be liable to you for any gain in value of a **spot FX contract** we may obtain in covering our exposure caused by failing to have sufficient funds.
- 17.13 You shall be liable to the extent permitted by applicable law for all trading losses incurred by us and shall pay us, on demand, the amount of the trading losses. If we cannot reach you by telephone, we may, but are not required to, notify you by mail or email. From the date we incur any trading losses, you are liable for interest on the amount of the trading losses at a rate per

annum equal to the Base Rate plus five percent; computed on a 365-day year (or, in any case where the practice in the London interbank market differs, computed in accordance with that market practice) for the actual number of days elapsed, plus any processing fees.

- 17.14 If **you** do not immediately reimburse **us** for the trading losses, **we** may apply any collateral or reserve as security for trading losses and accrued interest, if any, or, in **our** sole discretion, treat the amount of the trading loss as an advance under any revolving loan with **us**, in any order, combination, or manner **we** desire. Nothing in this clause 17 of Section 2 of these **banking terms and conditions** shall limit **our** rights to collect the trading losses from **you**, including the exercise of **our** right to set off or resort to any other collateral granted to **us** for any of **your** other indebtedness. **You** authorise **us** to debit any of **your** account(s) with **us** for any amounts due.
- 17.15 On a continuing basis, **you** represent and warrant that:
- any information given to **us** by **you** or on **your** behalf is complete, accurate and not misleading;
 - no **spot FX contract** shall be for speculating in the value of any foreign currency;
 - all **spot FX contracts** shall be entered into only to offset or hedge **your** exposure for the fluctuation in value of foreign currency from bona fide commercial transactions; and
 - you** enter into any **spot FX contract** as principal and not as agent of any person or entity.
- 17.16 **We** may decline to enter into or settle any particular **spot FX contract** for any reason including, without limitation that:
- certain foreign currencies are not available to **us**;
 - certain foreign currency market conditions prevent **us** from purchasing or selling certain foreign currencies;
 - you** do not have sufficient funds in the **relevant account** from which **you** are debiting funds for the purposes of the **spot FX contract**; and
 - if **we** were concerned about potential fraud.
- 17.17 Each of the individuals designated as an **online user** on the **HSBCnet mandate** or by an Administrator for **your account** is an **authorised user** and is specifically authorised, to enter into and execute **spot FX contracts** with **us** as provided in this clause 17 of Section 2 of these **banking terms and conditions**, to give **us** instructions, and to take any and all actions related to any **spot FX contract**. **You** shall give **us** written notice of any change of any **authorised user** by delivering to **us** a **supersede mandate**, unless **we** otherwise agree in writing. **You** authorise **us** to rely on telephone and written communications with any **authorised user** in accordance with **your mandate** for the purposes of any required authentication procedures for the execution of a **spot FX contract**, and **you** assume all risks in connection with any communication purported to be made by an **authorised user**.
- 17.18 **You** release **us** from any liability or claim which may arise from any mistaken identity or lack of authority of any individual with whom **we** have such telephone or written contact as set out in clause 17.15 of Section 2 of these **banking terms and conditions**.
- 17.19 **We** shall not be liable for any inaccuracy, interruption, delay, or default in the execution or settlement of a **spot FX contract** caused by circumstances beyond **our** reasonable control.

TRANSACTIONS

- 17.20 In order for **us** to execute an **online transaction** for **you**, **you** must provide **us** with all the required information and details as prompted to **you** on screen and as set out in these **banking terms and conditions**. Please refer to the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times and the **HSBCnet** instructions on screen for further details.

INSTRUCTIONS

- 17.21 Subject to the **cut-off times** for certain types of payment detailed in the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times, if, between 9am and 3pm in the United Kingdom on a **business day**, an **online user** (or, where appropriate, a **payment initiation service provider**) provides **us** with an **online instruction** that is to be carried out as soon as possible, that instruction will be deemed to have been received by **us** on that **business day**.
- 17.22 Subject to the **cut-off times** for certain types of payment detailed in the Payment Processing Information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times, if, outside the hours of the **business day**, **you** (or, where appropriate, a **payment initiation service provider**) or an **online user** provide **us** with an **online instruction** that is to be carried out as soon as possible, that instruction will be deemed to have been received by **us** on the following **business day**.
- 17.23 Subject to the **cut-off times** for certain types of payment detailed in the payment processing information page available on www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times, if, **you** (or, where appropriate, a **payment initiation service provider**) or an **online user** provide **us** with an **online instruction** that is to be carried out at a future date, that instruction will be deemed to have been received by **us** on the future date specified unless that future date is not a **business day**, in which case it will be deemed to have been received by **us** on the first **business day** following the specified date. If the future dated payment is a **faster payment**, that instruction will be deemed to have been received by **us** on the future date regardless of whether that future date is a **business day**.
- 17.24 In some cases it may be possible to cancel an **online instruction** using the online cancel facility where an **online instruction** appears on **HSBCnet** as yet to be executed. However, please see clause 2.1 of Section 2 with respect to stopping a **payment instruction**.
- 17.25 **You** are able to make a bulk presentation of individual payments to be debited from **your account** at the same time by **BACS**, **faster payments**, **CHAPS** and **SEPA credit transfer**. **You** will be charged for each individual payment in accordance with **your tariff**.

Section 3: How To Make A Complaint

We aim to provide the highest level of customer service possible. However, if **you** experience a problem, **we** will seek to resolve it as quickly as possible. **We** will also take the steps necessary to prevent the problem happening again.

If **you** have a complaint, we've set out how it will be handled in **our** Complaints Handling Procedures available at www.hsbcinnovationbanking.com/regulations/legal-information/complaints-handling.

If **you** are a **micro-enterprise** (or otherwise an eligible complainant as defined by the Financial Conduct Authority) and **we** cannot resolve **your** complaint to **your** satisfaction, **you** are entitled as set out in **our** Complaints Handling Procedures to refer **your** complaint to:

The Financial Ombudsman Service Exchange Tower London E14 9SR

Telephone: 0800 023 4567 or (+44 207 964 0500 if calling from outside the UK)

Email: complaint.info@financial-ombudsman.org.uk

Section 4: Glossary

account	means any account that you have with us to which these banking terms and conditions apply. References to an account are references to all accounts you have with us unless we make it clear that a Term or Condition only applies to a particular type of account
account information service provider	means a legal person that is authorised by the Financial Conduct Authority to provide account information services (e.g. to enable you to see your accounts with different providers in one place)
account maintenance fee	means a fee which is payable by you to us in order to keep your account open
API	means an application programming interface, a tool which enables certain third parties to access HSBC Innovation Banking software
API service	means the range of account information, card based instrument issuing services and/or payment initiation services offered by HSBC Innovation Banking through an API , as amended, enhanced, modified or restricted from time to time
ATM	means an automatic teller machine
authorised signatory	means any individual who is authorised by a mandate signed by you or a third party account operator mandate countersigned by you to operate, without restriction, your account
authorised user	means an online user designated as being authorised to enter into spot FX contracts on your behalf
BACS	means BACS Payment Schemes Limited and/or Vocalink Limited as appropriate (and any successor entity or entities thereto)
BACS approved bureau	means a commercial bureau approved by BACS that submits transactions through the BACS service on behalf of its customers
BACS system	means the system relating to the automated clearing and settlement of payments operated by
banking terms and conditions	means these terms and conditions
business day	means a day on which banks are open for business in the United Kingdom, excluding Saturdays, Sundays and bank holidays
business notice account	means an interest-bearing restricted access deposit account with a fixed notice period to withdraw funds or close the account
business notice linked account	means a current plus account, or foreign currency current account in the same currency as your business notice account
business notice maximum balance	has the meaning given to that term in clause 16.9 of Section 2 of these banking terms and conditions
business notice minimum balance	has the meaning given to that term in clause 16.8 of Section 2 of these banking terms and conditions
call to verify	means the automated call to an authorised signatory to enable transactions accessed using HSBCnet to be processed once the authorised signatory's identity has been confirmed
card based payment	means a legal person that is authorised by the Financial Conduct Authority to provide instrument issuer card based payment instrument issuing services
card details	means the 16-digit number, expiry code and security code embossed on a debit card
cardholder	means any individual who has been issued a debit card in accordance with the banking terms and conditions
card transaction	means a payment transaction using a debit card
central clearing cycle	means the time taken for money paid into your account to be added
CHAPS	means the Clearing House Automated Payment System
client monies account	means, subject to availability, a current account, or a foreign currency current account used for the purposes of holding funds belonging to an underlying client in a separately identifiable account . A foreign currency current account used for this purpose is known as a currency client account

collateral account	means an interest bearing restricted access current plus account
collection	means the instructions from the creditor PSP to HSBC Innovation Banking in relation to direct debits , which contains the mandatory information imposed by the SEPA debtor DD services
confirmation of payee scheme	means the industry wide account name checking service that helps to make sure payments are not sent to the wrong bank or building society account
contactless payment	means a card transaction authorised by the cardholder presenting a debit card at a payment device which does not require a signature or PIN to authorise the transaction
contract	means your commitment to purchase from or sell to us a set amount of specific foreign currency at a set price on or by a given date and is specified by you to you
corporate deposit account	means an interest bearing deposit account , including a foreign currency savings account
correspondent bank	means a UK bank used by us to provide certain banking services to you on our behalf.
creditor PSP	means the payment services provider where the creditor's account is held and which receives and executes instructions from the creditor to initiate the SEPA debtor DD services to HSBC Innovation Banking
currency account	means an account denominated in a currency other than GBP
currency client account	means a client monies account denominated in a currency other than GBP
current plus account	means an interest bearing current account, any references to a “current account” shall include a current plus account
cut-off time	means the payment cut off times available at www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times
data protection officer	means the individual appointed as our data protection officer required under the General Data Protection Regulation (EU) 2016/679 (as amended)
debit card	means a debit card issued under these banking terms and conditions including any renewal or replacement debit card
direct debit	means an instruction given by you to us to pay a recipient varying amounts of money on a periodic basis
due date	means the day when the payment is due by you to the creditor, this will be included in the collection details
EEA	means the European Economic Area
faster payments	means a faster bill payments service
fixed term	means the term of a fixed term deposit account
fixed term confirmation	means, in relation to a fixed term deposit account , notice from us to you (made available through HSBCnet and given at account opening and rollover) confirming the amount of the deposit, the fixed term and the interest rate which will apply to that fixed term deposit account
fixed term deposit account	means an interest bearing account with a fixed term , a set maturity date and a fixed rate of interest
fixed term linked account	has the meaning given to that term in clause 12.6 of Section 2 (and any replacement account notified to us in accordance with clause 12.22 of Section 2)
foreign cheque	means a cheque drawn in currency other than in GBP
foreign currency current account	means a standard non-interest bearing currency account . It may also be referred to as an “International Business Account”
foreign currency savings account	means a corporate deposit account denominated in a currency other than GBP
GDPR	means the General Data Protection Regulation (as amended)
HSBC Group	means HSBC Holdings plc and its subsidiaries
IBAN	means the International Bank Account Number for the relevant account, which must be an international payment account number identifier, which unambiguously identifies an individual payment account, the elements of which are specified by the International Organisation for Standardisation

inter-account transfer	means a manual transfer of money between accounts you hold with us , including accounts set out on your mandate
mandate	means a document (or on HSBCnet , settings) indicating who is authorised to make payments from your account(s)
maturity date	means the date on which the fixed term of your fixed term deposit account ends, which must be a business day
maturity notice	means a notice made available to you via HSBCnet before the maturity date of your fixed term deposit account notifying you that your fixed term deposit account is approaching maturity
micro-enterprise	means an enterprise or group of enterprises of which it forms part, which at the time you enter into this agreement complies with the FCA definition of a micro-enterprise found at www.handbook.fca.org.uk/handbook/glossary/G2623.html which, in summary, employs fewer than 10 persons and has an annual turnover (or balance sheet) of less than €2 million (or its equivalent)
monthly accrued charge	means any and all charges imposed by us for the provision of services to you that are not collected immediately on provision of the service to you but added to your account and collected on a monthly basis
nominated billing account	means an account in any currency from which we may deduct fees and charges that you owe to us from that or any other account that you choose to associate with the nominated billing account
nominated correspondent	means the correspondent bank branch nearest to you that we have designated as your nominated branch
notice period	means the period of notice required to withdraw funds or close a business notice account as notified to you at the opening of the business notice account
notice term deposit account	means the account we open for you when you make a withdrawal from your business notice account
online instruction	means any request, instruction, agreement or other communication received by us from you through HSBCnet or an API service , including (as appropriate) a payment instruction , an instruction to stop a payment and an instruction to order a deposit book
online transaction	means any payment transaction communicated to us from you by way of an online instruction , including an inter-account transfer and an instruction to make a payment to a third party
online user	means an individual (including an individual at a third party account operator) authorised to access your accounts using HSBCnet
OTP	means a One Time Passcode, a unique code we will use to authenticate certain payment transactions and the use of HSBCnet
password	means any confidential password , code, number or memorable information of any kind that can be used to identify you , an online user or an authorised signatory to facilitate access to, and use of, HSBCnet
payment initiation service provider	means a person that is authorised by the Financial Conduct Authority to provide payment initiation services (e.g. to enable you to instruct payments to be made from your account by a third party)
payment instruction	means any instruction you give us in relation to your account which relates to a payment method and which we may verify using your security credentials
payment method	means any card transaction or any other method of executing a payment transaction provided by us
payment transaction	means the use of a payment method in relation to your account (which includes an online transaction or a payment using a payment initiation service provider)
payer	means a natural or legal person who holds a payment account within a SEPA country and who is the remitter of funds intended for you which are the subject of a transaction initiated by them
PIN	means the personalised identification number issued to cardholders or chosen subsequently by a cardholder to use with a debit card to enable a cardholder to make card transactions
recipient	means a natural or legal person who holds a payment account and who is the intended recipient of funds which have been the subject of a SEPA payment transaction
requested execution date	means the date on which you wish for us to commence the execution of the SEPA credit
security credentials	means a personalised device or personalised set of procedures agreed between you and us which you use to initiate a payment transaction and may include passwords , personal identification numbers, call to verify , OTPs , biometric

	authentication (including the use of facial recognition or behavioural identifiers), security keys, fingerprints or any other personal identifier or any combination of such methods
SEPA	means the Single Euro Payments Area
SEPA country	means the countries and dependencies which form the Single European Payments Area, i.e. all EU member states, Norway, Iceland, Liechtenstein and Switzerland as well as Monaco and a number of dependencies
SEPA credit transfer	means a Euro-denominated payment from your account to a recipient's payment account which is located within a SEPA country
SEPA DD core rulebook	means the SEPA Core Direct debit Scheme Rulebook as amended from time to time by the European Payments Council and accessible at www.europeanpaymentscouncil.eu/what-we-do/SEPA-direct-debit
SEPA DD mandate	means the authorisation given by you to the creditor written in English containing the required information under the SEPA DD rulebook to allow such creditor to initiate collections for debiting your account and to allow HSBC Innovation Banking to comply with such instructions
SEPA DD rulebook	means the SEPA DD core rulebook
SEPA DD set-up times	means the SEPA DD cut off times available in the Payment and Foreign Exchange Processing section at www.hsbcinnovationbanking.com/payments-and-fx-cutoff-times
SEPA debtor DD core	has the meaning set out in clause 7.1(a) of these banking terms and conditions
SEPA debtor DD services	means SEPA debtor DD core provided by HSBC Innovation Banking to enable you to make a Euro-denominated payment from your HSBC Innovation Banking current plus account or foreign currency current account to a creditor's payment account located within a SEPA country
SEPA payment transaction settlement/delivery date	means an act, initiated by you to transfer funds from your account to another payment account within a SEPA country
spot FX contract	means the value date set out in the contract confirmation
	means a contract that settles via actual delivery of the relevant currencies normally by the next available value date or, if this is not possible, within (i) two business days or (ii) the period generally accepted in the market for that currency as the standard delivery period, whichever is later
HSBCnet	means the internet based electronic banking service developed by HSBC Group and made available to you under terms and conditions and customer agreements specified by us from time to time. If we make another internet based electronic banking service available to you , references to HSBCnet in these terms and conditions shall be taken to refer to that alternative internet based electronic banking service
standing order	means an instruction given by you to us to pay a recipient a regular amount of money on a periodic basis (e.g. monthly or quarterly)
supersede mandate	means a mandate which you will need to provide to us to amend any existing mandate
SWIFT	means the Society for Worldwide Interbank Financial Telecommunication
tariff	means the latest list we provide to you from time to time that outlines the charges or fees that we will charge you for the provision of banking or other services to you
third party account operator	has the meaning given to that term in clause 13 of Section 1 (and, for the avoidance of doubt, does not include an account information service provider or a payment initiation service provider or a card based payment instrument issuer)
third party account operator contract	has the meaning given to that term in clause 13 of Section 1
third party account operator mandate	has the meaning given to that term in clause 13 of Section 1
transfer rollover or roll over	means the reinvestment of the balance in your fixed term deposit account on the maturity date