

We're making changes  
to our overdrafts

# We're making changes to our overdrafts

We're making changes to the way we charge you for using your overdraft to comply with new rules that apply to all banks. We explain the changes we're making in more detail later in this document. It's important you read these carefully so you understand what they mean for you. The changes apply from **14 March 2020**.

You'll be able to download the new terms (at [hsbc.co.uk/legal](https://www.hsbc.co.uk/legal)), pick up a copy in our branches or ask for them to be posted to you from **14 March 2020**.

## Overdrafts – what's changing?

As part of our package of changes to our overdrafts, you can expect to see:

- ◆ **simpler unarranged overdrafts** – we're removing the £5 daily unarranged overdraft usage fee (where it currently applies) and reducing the Monthly Maximum Charge
- ◆ **a new single interest rate** – we'll charge one interest rate whether you have an arranged or unarranged overdraft
- ◆ **new interest free amounts** – on some accounts.

Further details can be found online at [hsbc.co.uk/overdrafts](https://www.hsbc.co.uk/overdrafts).

## What do you need to do?

If you accept the changes you don't need to do anything, they'll happen automatically. If you don't, you have the option to close any accounts covered by these terms. We won't charge you for closing the account but you'll need to repay everything you owe. That includes any overdraft as well as charges for using the account such as payment or overdraft charges. If you want to do this, please contact us before **14 March 2020**.

# Overdrafts are changing

## **The way we charge for overdrafts – introducing simpler charges**

Right now, the charges you pay on your overdraft depend on whether it's arranged (one we've agreed in advance) or unarranged (one we haven't).

To make things simpler, from **14 March 2020** we're:

- ◆ **removing the £5 daily usage fee for unarranged overdrafts** (where it currently applies)
- ◆ instead, you'll be charged **interest** on the amount you borrow whether you have an **arranged or unarranged overdraft**
- ◆ **reducing the Monthly Maximum Charge** for using an unarranged overdraft to **£20**.

## What does this mean for you?

We've set out the changes we're making to the charges on your account in the table below:

### Our new, simpler charges

	Fees and interest			Monthly Maximum Charge	
	Arranged overdrafts	Unarranged overdrafts	Arranged and unarranged overdrafts	Unarranged overdrafts	
Your account	Current charges	Current charges	New charges	Current charges	New charges
<b>HSBC Jade</b>	9.9% EAR variable		<b>39.9% EAR variable</b>	£2,000	<b>£20</b>
<b>HSBC Premier Bank Account</b>	11.9% EAR variable			£500	
<b>HSBC Advance Bank Account</b>	17.9% EAR variable	£5 daily usage fee		£80	
<b>Bank Account</b>	19.9% EAR variable				
<b>Graduate Bank Account</b>					
<b>Current Account (off-sale)</b>					
<b>Bank Account Pay Monthly</b>	19.9% EAR variable			N/A	
<b>Student Bank Account</b>	0% EAR variable		<b>0% EAR variable</b>	N/A	

The **Monthly Maximum Charge** is the maximum amount we might charge you in a month for having an unarranged overdraft.

### **Introducing interest free overdraft amounts on more accounts**

We're now introducing **interest free overdraft amounts** of **£25** on these accounts:

- ◆ HSBC Advance
- ◆ Bank Account
- ◆ Bank Account Pay Monthly
- ◆ Current Account (off-sale)

You'll only be charged interest on the amount you borrow over the interest free amount. So if you use £25 or less of your arranged overdraft, no charges will apply.

Don't forget that with **Bank Account Pay Monthly**, you also already have a £50 buffer on your account that applies if you go over your arranged overdraft limit.

If you already have an interest free overdraft amount on your account this will continue to apply, for example if you're a **HSBC Premier** customer, or you have a **Graduate** or **Student Bank Account**.

If you're a **HSBC Jade** customer, we're increasing your interest free overdraft amount to £1,000.

### **Other changes we're making to our terms**

#### **When we charge for using an unarranged overdraft**

Right now, we don't charge daily unarranged overdraft usage fees where you have an unarranged overdraft if:

- ◆ the unarranged overdraft is £10 or less
- ◆ your account has had an unarranged overdraft for more than 30 days in a row
- ◆ your account has an unarranged overdraft only because of an overdraft or interest charge.

In future, we'll charge unarranged overdraft interest at the rates set out in this document even where these circumstances apply. But you won't be charged interest if you use your arranged or unarranged overdraft and pay it back before 11.45pm on the same day.

#### **Some other changes**

Because we're making changes to the way we charge for overdrafts, we'll also need to make some changes to our terms to remove anything that's no longer relevant, for example to remove references to 'unarranged overdraft usage fees'.

# Accessibility

To find out more about our accessible services please visit [hsbc.co.uk/accessibility](https://www.hsbc.co.uk/accessibility) or ask at any of our branches.

**If you'd like this in another format such as large print, Braille or audio, please contact us.** A textphone service is available for customers with hearing and/or speech impairments. If you use your own textphone you can call us on **03457 125 563 (+44 207 088 2077** from outside the UK).

BSL Video Relay Service is also available (Monday-Friday 8am-6pm, excluding Bank and Public Holidays) at [hsbc.co.uk/accessibility](https://www.hsbc.co.uk/accessibility).

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