

HSBC Help To Buy ISA Terms and Conditions

Effective from 13 January 2018

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About this agreement

It's important that you know who we are, how to contact us if you need to at any time and how we'll contact you. We set this out below and we also explain what the agreement covers and where to find all the terms that form the agreement. You can ask us for a copy at any time.

If you'd like this document in another format such as large print, Braille or audio, please contact us on one of the telephone or textphone numbers or by our BSL Video Relay Service as detailed in the table below.

1. Who's this agreement between?

You	Us
The person we've opened the account for	HSBC UK Bank plc

2. How do we contact each other?

For us to contact you if we need to tell you anything about our service

If we need to tell you anything about our service, we'll use the most recent address, email address, telephone and mobile numbers you've given us. If you use Mobile Banking, we may also communicate with you using in-App and push notifications.

If we need to contact you about any actual or suspected fraud or security threats, we'll use the fastest and most secure way of contacting you (for example, we may try to send a text message rather than telephone).

If you're registered for Online Banking or Mobile Banking, we may also send you secure messages through the 'My Messages' facility. We may also place documents in the 'My documents' facility in Online Banking. If we've got an up to date email address for you, we'll send an email each time we place something new in My documents and won't change or delete them. If your relationship with us ends, you can ask us for copies of everything we put in My documents for the previous six years.

You must tell us as soon as possible if any of your contact details change. If you don't, we won't be responsible if you don't get information or notices from us.

We may record telephone numbers you call us from and may use them if we need to contact you urgently.

We'll always use English to communicate with you.

For you to contact us

By telephone	From UK	From anywhere else
If you suspect misuse of your account or security details	03457 404 404	+44 1226 261 010
UK (including HSBC Advance)	03457 404 404	+44 1226 261 010
HSBC Premier	03457 70 70 70	+44 1226 260 260
Textphone	03457 125 563	+44 207 088 2077
Online Banking	www.hsbc.co.uk	
Mobile Banking	HSBC Mobile Banking App	

BSL Video Relay Service	www.hsbc.co.uk/accessibility
By post	At the address at the end of this document

To help us continually improve our services and for security reasons we may monitor and record your telephone calls with us.

3. What does this agreement cover?

Accounts		Services	
Help to Buy Individual Savings Account (ISA)	✓	Online banking	✓
Current accounts and any other savings accounts	✗	Mobile banking	✓
Business use or trusts	✗	Telephone banking	✓

4. What forms our agreement?

Terms	Where you will find them
General terms that apply to your account, including charges	In this document.
Our credit interest rates	In the Savings Interest Rates brochure.
Our current exchange rates	By contacting us in branch or through Telephone Banking.
For some services (e.g. Digital Banking), the terms we give you when you request the service will also apply.	

About your account

Because interest on your account is exempt from income tax, it's important that you know:

- ◆ the restrictions that apply to your account;
- ◆ some important provisions about the Help To Buy scheme;
- ◆ what happens if you die;
- ◆ about transferring money to or from other ISA managers; and
- ◆ whether the money in your account can lose its tax-free status.

5. What restrictions apply to your account?

You can only open an account if you're eligible for a Help To Buy ISA. To be eligible for an account, you must be an Eligible Customer.

What is an Eligible Customer?

A person who:

- ◆ is 16 years of age or over;
- ◆ has a valid National Insurance number;
- ◆ is resident in the UK (or, though not resident in the UK has general earnings from overseas Crown employment subject to UK tax or is married to such a person);
- ◆ has not exceeded the maximum subscription which can be made in that tax year to an ISA;
- ◆ has not subscribed, and will not subscribe to any other Help to Buy: ISA or cash ISA in that tax year;
- ◆ has not previously received a bonus, unless the full amount of such bonus has been repaid to the Help to Buy: ISA Scheme Administrator in accordance with the Help to Buy: ISA Scheme Rules; and
- ◆ is not, and has never been, a Residential Property Owner.

What is a Residential Property Owner?

A person who owns an interest in land (whether in the UK or elsewhere) which:

- (a) ◆ in England or Wales is (a) freehold, (b) leasehold, where the lease was originally granted for a fixed period exceeding 21 years or (c) commonhold;
 - ◆ in Scotland is registered or recorded (or would be capable of being registered or recorded) as a right of absolute ownership in the Land Register of Scotland or General Register of Sasines in Scotland, as applicable;
 - ◆ in Northern Ireland is (a) freehold or (b) leasehold, where the lease was originally granted for a fixed period exceeding 21 years; or
 - ◆ is an equivalent interest in land to the interests in land listed above in any jurisdiction outside the UK; and
(including, where that person has acquired an interest in land under a Regulated Home Purchase Plan)
- (b) ◆ comprises a building that is used or suitable for use as a dwelling, or is in the process of being constructed or adapted for such use; and
- (c) ◆ was acquired by that person as a purchaser; or
 - ◆ entitles that person to possession or occupation of that land.

Who is the Scheme Administrator?

The person appointed by the Government to administer the Help to Buy: ISA Scheme (currently, UKAR Corporate Services Limited)

We'll manage your account in accordance with the Help To Buy ISA Scheme Rules. If you would like further information about the Help To Buy ISA Scheme and the rules please ask us or go online to **www.helpstobuy.gov.uk/isa**

We'll also manage your account in accordance with these terms, the ISA Regulations 1998 as amended or replaced from time to time (we'll refer to these in this document as the ISA Regulations) and any other applicable legal and regulatory requirements.

Your ISA must be in your sole name and not with anyone else. You must hold the money in your account for your benefit only and not for the benefit of anyone else or as security for a loan (although you can use the money to repay a loan). You can't borrow on your account.

You can only pay money into your account up to the limits set by the Help to Buy ISA Scheme Rules. Currently, in the month after we open your account, you can pay in up to £1,200. After this, you can only pay in up to £200 into your account each month. If any of this changes, we'll let you know.

Once you've paid in the monthly maximum, you're not entitled to pay in any more money (even if you've made withdrawals). If you pay in more than the monthly maximum, we'll return any amounts over the maximum to the account where the payment came from or we'll pay this amount to you by cheque within 14 days. We won't pay any interest on amounts which exceed the monthly maximum.

If you pay in less than the monthly maximum, you can't carry over any unused amounts into the next month.

If you don't pay money into your account in a whole tax year, you'll need to reactivate your account before you can pay money into your account in following tax years.

What is a tax year?

A tax year runs from 6 April in one year to 5 April in the following year.

6. Does the Government pay a bonus for paying into the account?

Yes but only if you're eligible. Having a Help to Buy ISA doesn't necessarily mean that you'll qualify for a bonus.

If you're eligible, you can make a claim for a bonus payment from the Government when you close your account. You must do this within 12 months from when you close your account or you'll no longer qualify.

The bonus is set by the Help To Buy ISA Scheme Rules and is currently 25% of the balance of your account (including interest) when you close it. The minimum bonus is £400 and the maximum is £3,000. This means you need to save at least £1,600 to qualify for the minimum bonus and £12,000 to qualify for the maximum. You can save more than £12,000 into your account but any amounts over £12,000 won't qualify for a bonus payment from the Government.

If you die, no one else can claim a bonus for amounts saved in your account.

To qualify for a bonus, you must be a First Time Buyer (we've explained what this means below) and you must close your account following the process under the Help to Buy ISA Scheme Rules. To do this, you need to ask us to close your account and to provide the documents that you need to apply for a bonus. We'll send you a closing statement and any other information required within seven days of closing your account.

What is a First Time Buyer?

a person who (a) is not, and has never been, a Residential Property Owner and (b) will (whether alone or jointly) become a Residential Property Owner where:

- ◆ the acquisition is of the legal interest in land situated in the UK (including, where that person will acquire an interest in land under a Regulated Home Purchase Plan);
- ◆ the acquisition is to be funded by a loan that will be secured by a charge by way of legal mortgage over the land (including, where that person will acquire an interest in land under a Regulated Home Purchase Plan);
- ◆ the entirety of the bonus payable to that person will be applied towards the acquisition;
- ◆ the purchase price for the acquisition is (a) in the case of a property in London, not more than £450,000 or (b) in the case of a property outside London, not more than £250,000;
- ◆ that person intends to occupy the land as their only or main residence; and
- ◆ following the acquisition, that person occupies the land as their only or main residence (unless that person is a member of the Regular Forces or the Reserve Forces or the spouse or civil partner of such a person and, as a consequence, is unable to occupy the land as their only or main residence at the time of acquisition but intends, in the future, to occupy such land as their only or main residence).

The Scheme Administrator will review your request for a bonus payment and will pay this to you on behalf of the Government.

You can only make a claim for a bonus through your solicitor or conveyancer. The Scheme Administrator will pay your bonus to your solicitor or conveyancer on your behalf and this can only be used for the purchase of an interest in land in respect of which you become a First Time Buyer.

7. What if you close my account but my property purchase does not go ahead?

If you close your account and claim a bonus but your proposed property purchase doesn't proceed, you can ask us to open a new Help to Buy ISA account for you so that you can pay the money you withdrew back into it.

To do this, you should ask your solicitor or conveyancer for a Purchase Failure Notice and give this to us within 12 months of the date when we closed the account. We may ask you to complete a new application form or sign a declaration to confirm that you're still eligible for the account.

If we open a new account for you, you'll be able to make an initial payment in which is no more than the balance of your account when you closed it.

After you have made your initial payment, you'll only be able to pay in up to £200 each month. If your initial payment is less than your balance when you closed your account, you won't be able to make any further payments in subsequent months to make up the difference.

8. Can you have more than one Help To Buy ISA?

No. You can't hold more than one Help To Buy ISA, whether with us or another ISA manager. If you already have a Help To Buy ISA when you open this account or if you open another Help To Buy ISA after you open this account, you'll only qualify for a bonus with your first Help To Buy ISA and the second Help To Buy ISA will be void (meaning that your tax benefits will have been lost).

9. Can you pay into your Help To Buy ISA and another Cash ISA in the same tax year?

No. If you pay money into your Help to Buy ISA with us, you won't be able to pay money into a cash ISA (whether with us or another ISA manager) in the same tax year. This is because you can't pay into two cash ISAs in one tax year (and a Help to Buy ISA is classified as a cash ISA). For the same reason, if you've already paid money into a cash ISA (whether with us or another provider), you won't be able to pay money into your Help to Buy ISA in the same tax year.

10. What happens if you die?

The law dictates the tax status of your account when you die. This means that interest earned after you die may be taxable and your estate will need to deal with this. Your account will remain open and these terms will continue to apply.

We may use any money in your account to reduce or repay any amounts you owe on other accounts you have with us.

In this section, 'we' and 'us' includes first direct and any HSBC Group Company worldwide.

11. Can you transfer money in from another ISA?

Yes. You can only transfer money into your account from another Help To Buy ISA you hold with another ISA manager but you can't transfer in money from another cash ISA or stocks and shares ISA.

If you have another Help to Buy ISA, you'll have to transfer the full existing balance, as you can't have more than one. During the month when you transfer in an existing Help To Buy ISA, you may not pay more than £200 of new money into either your existing Help To Buy ISA or your new account with us.

If you wish to do this, please let us know. After we have your instructions, we'll contact your current ISA manager to begin the transfer process.

12. Can the money in my account lose its tax exempt status?

Yes. We'll notify you if, by reason of any failure to satisfy the provisions of the ISA Regulations, your ISA (or any part of it) has, or will, become void (meaning that your tax benefits have been lost).

If this happens, we'll as soon as practicable transfer any invalid amounts with interest to:

- ◆ another account you hold with us – if you have more than one account we'll pay it in to the account offering the highest interest rate; or
- ◆ if you don't have another account, a new savings account which we'll open for you.

These invalid amounts may be subject to UK income tax. It's your responsibility to deal with any tax liability.

About using your account

It's essential that you know about:

- ◆ the security checks we'll make before we allow access to your account and to make sure payments from it are properly authorised;
- ◆ the position if you use the accounts and services we provide under this agreement through an authorised Third Party Provider or TPP (we explain more about TPPs later in this section);
- ◆ when other people can operate the accounts for you; and
- ◆ information we'll give you about your accounts and information we need from you.

13. How do we make sure we're dealing with you?

Before we provide information about your account, make payments, provide new services, open or close accounts and do other things we're asked to do, we need to check your identity and make sure that the action you're asking us to take is authorised by you.

- ◆ We can check that your signature on a document authorising a payment matches a signature you've given us. If you're in a branch, we may also ask for an identity document which has your photo on it (e.g. a driver's licence or passport).
- ◆ In all other cases, we'll assume we're dealing with you and that we're authorised to take action if your security details are used with Telephone, Online or Mobile Banking (or another service we provide for accessing your accounts). We may add other ways of checking your identity in the future.

What are 'security details'?

These can be passwords, PINs, security codes, memorable data, biometric data (such as a fingerprint or voice ID) or any other information or details that you've set up with us for use with Telephone, Online or Mobile Banking.

14. Keeping up security

We'll do all we reasonably can to prevent unauthorised access to your account. You must also act reasonably to prevent misuse of your account by keeping your security details safe. If you don't, we may block access to your account to protect you and us from unauthorised use. If you ask, we'll tell you when the block will end.

Tips for preventing misuse of your accounts:

- ◆ Don't tell anyone (other than a TPP) your security details.
- ◆ Don't choose security details that can be easily guessed by anyone else.

Don't log in, or stay logged in, to Online Banking on a device if you're not in full control of it or it's not in your possession.

Additional tips for protecting your account and for keeping your security details safe are on our website and in the Banking made easy brochure. Please check for any updates we may make from time to time.

If someone else tries to access, or has accessed, your account (with or without security details), or if the security details have been lost or stolen, you must contact us as soon as possible. We'll ask you to give us information or other help and we may also give, or ask you to give, information to the police to assist with any investigation.

15. Using a third party provider (TPP)

A TPP is a third party service provider that's authorised by or registered with the FCA or another EEA regulator or otherwise permitted by law to access information and make payments on online payment accounts operated by other providers (such as banks, building societies and credit card issuers) and has your permission to do this.

An EEA regulator is a regulator in a member state of the European Union, Iceland, Liechtenstein or Norway.

If you choose to use a TPP, the terms of this agreement will still apply. We'll give the TPP access to account information and you'll be able to make the same payments through the TPP that you would be able to make if you were dealing with us online. Account information will include details about who you make payments to and receive payments from. This might contain some sensitive personal information, for example, if you pay a Trades Union or Church membership subscription from your account.

Although you must not, generally, give your security details to anyone else, you may give them to a TPP if it's necessary to allow them to provide their services to you. We may refuse to allow a TPP to access your account if we're concerned that the TPP is acting on an unauthorised or fraudulent basis. We'll tell you if we do this (unless doing so would compromise our reasonable security measures or would otherwise be unlawful).

You must check from the information provided to you by the TPP that they are authorised. If you give your security details to an unauthorised third party, we'll assume it's you that is authorising us to give access to information about your accounts and you'll be responsible for any payments made as a result. If we're aware that an unauthorised third party is using your security details, we'll block access to your accounts.

If you think a payment made through a TPP was unauthorised or incorrect you must call us as soon as you can.

16. Can someone else operate your account for you?

You can allow another person to operate your account. If you want to do this you'll have to sign a document called a third party mandate or provide us with a valid Power of Attorney.

If you're not able to operate your account for any reason (such as mental incapacity), another person may be appointed to act for you but we'll need to have the right legal document before we can allow that person to use your account.

These conditions will apply to any person allowed or appointed to use your account. As they would be operating the account for you or with your permission, you'll be responsible for everything they do even if they make you break the agreement.

We'll refuse to accept instructions under a Power of Attorney if we know that a person's legal authority to act for you has ended.

17. Statements and other information we'll give you

Whenever we make a payment into or out of your account, take our charges or charge or pay interest, we'll give you details by updating the information we provide through Online Banking. This information will also be available if you ask for it using Telephone Banking or in our branches.

We may also ask you to choose whether you would prefer to receive monthly statements or would prefer simply to have the information made available as set out above. If you choose not to receive monthly statements, we may still send you statements at a different frequency (we will tell you this when we offer you the choice). If we ask you to choose, but you don't tell us what you want, we'll provide statements monthly.

We'll send statements by post or, if you're registered for Online Banking, they'll be provided online unless you've asked us for paper statements. We'll also send statements by post if they are not available online. We will not send a statement if there have not been any payments out of the account since the last statement we gave you. You can ask us for a copy of your statement and we will also send you a closing statement.

You must let us know as soon as possible if you think there are any unusual or incorrect transactions on your accounts. If you don't do so within 13 months of the date of the transaction, you won't have a right to a refund.

18. Information we need from you and when we can disclose information about you

If we make a reasonable request for information, you must give it to us as soon as possible. If you don't give it to us, or if we suspect fraudulent or criminal activity of any kind:

- ◆ you might not be able to carry on doing some or all of your banking with us anymore;
- ◆ we might try to get it from another source, ourselves; or
- ◆ we could block or close your account(s).

It's up to you to make sure the information you give us is accurate and up to date and you must tell us if anything changes, within 30 days.

We'll use your information as explained in our Privacy Notice. In addition, we'll give it to others if we're compelled to do so by law, we've a public duty to disclose it, we need to disclose to protect our own interests (for example in any legal proceedings) or if we have your specific agreement. For example, if we believe you may have tax obligations in other countries, we may have to disclose information about you directly to HM Revenue & Customs (HMRC) or other tax authorities.

19. Tax compliance

It's up to you to meet your tax responsibilities in the UK and any other countries where this arises. This relates to the opening and use of accounts and services provided by members of the HSBC Group. Some countries' tax laws may apply to you even if you don't live there or aren't a citizen of that country. Connected Persons, who are people connected with you that's relevant to your relationship with us, are responsible for their own tax obligations. As you are responsible for your own tax obligations (and Connected Persons, for theirs), no HSBC Group member is responsible for this nor provides tax advice. It is your choice if you seek independent legal and tax advice.

Payments

This section covers the payments that can be made into and out of your account. You can make payments in to your account by cash, cheque or electronically by direct transfer or standing order. You can't make cheque or standing order payments from your account.

You can receive payments in other currencies into the account from accounts with us or other banks or by cheque (but charges may apply). If you hold a HSBC Currency Account, you can make payments in other currencies from your ISA to that account. We don't accept or make payments in all currencies (you can ask us if you want to know which currencies we cover).

Here we explain:

- ◆ when and how payments can be made; and
- ◆ what happens when a payment is unauthorised or made incorrectly.

How we manage payments can depend on whether the payment is made within the European Economic Area (EEA) and whether it's in an EEA currency.

Working day: all payments and decisions about payments are made on working days. A working day is usually Monday to Friday (excluding public holidays). For example, branch opening hours will be the working day for payments at a branch, but for payments made by Faster Payments our working day is 24/7.

EEA: The EEA is all member states of the European Union and Iceland, Liechtenstein and Norway.

20. Payments into your account (other than by cheque)

Payments can be paid into your account in different ways and will be available to you at different times.

Payment in	When you can use the funds and when they count for working out interest
Cash	
Over the counter at our branches	Immediately.
At our self-service machines if they accept payments into your ISA	Immediately (if the machine says that it automatically counts your cash). The same working day if you pay in before the cut-off time displayed on the machine but otherwise the next working day.
At other banks if they allow you to do so – they may charge you	Immediately after we receive your cash from the other bank.
If you want to pay in cash in a foreign currency we'll convert it into sterling first using the HSBC Exchange Rate at the time we receive the cash. The timings above will then apply.	
Electronic payments	
All payments in sterling	Immediately.
All payments not in sterling	Immediately after we've converted it into sterling using the HSBC Exchange Rate at the time we receive the payment.

Regular payments into your account

You can make regular payments into your account by standing order from another account in your name, but each regular payment must be a minimum of £10. If you want to stop or change your regular payments, you must tell us by the end of the working day before the next payment is due. You should also tell the bank or building society providing the account the payment is coming from.

21. Payments into your account by cheque

Paying sterling and euro cheques from a UK bank into your account

We have to collect payments made by cheque from the paying bank. The time it takes to collect the payment so that you can use it depends on whether we process the paper cheque or an imaged cheque.

Paper cheques

If paid into HSBC branches in the UK or sent to us by post:	Number of working days after the working day that the cheque is paid in
◆ You'll start earning interest	2
◆ You'll be able to use the funds	3
◆ The paying bank can't recall the funds and we can't take it out of your account (unless we reasonably suspect fraud or you agree)	7

When we refer to the day that a cheque is paid in, we mean the first day that we deal with and process the cheque.

If you pay a cheque in at an HSBC branch in the Channel Islands or the Isle of Man, these timings will begin when we receive it, normally on the next working day.

If the customer making a cheque payment has an account at the same branch as you, we don't have to collect the payment so the payment will be available immediately.

Imaged cheques

If paid into HSBC branches in the UK or received by us for processing:	Number of working days after the working day that the cheque is paid in
◆ You'll start earning interest	1
◆ You'll be able to use the funds	1 (as soon as the payment is shown in your account – this could be any time that day)
◆ The paying bank can't recall the funds and we can't take it out of your account	1

An imaged cheque is a scanned digital image of a paper cheque that can be processed for clearing and payment between banks and building societies through the Image Clearing System on a phased basis from 30 October 2017. This will significantly speed up the clearing process.

Examples

If you pay a cheque in on a Tuesday:	Paper cheque	Imaged cheque
◆ You'll start earning interest	On Thursday	On Wednesday
◆ You'll be able to use the funds	On Friday	After the funds appear in your account on Wednesday (this could be at any time that day).
◆ The paying bank can recall the cheque	Until the end of Wednesday (the week after you pay it in). We'll take the funds out of your account if this happens.	Until the funds appear in your account on the same day.

If a cheque paid into your account is returned unpaid we'll tell you and take the payment from your account. We may ask for payment again from the paying bank. An unpaid cheque won't count towards the maximum amount that you can pay into your ISA in that tax year.

Paying other cheques into your account

We can't always process a foreign cheque (including a sterling or euro cheque where the paying bank is not in the UK, Channel Islands or the Isle of Man) for example if exchange controls apply. You'll be responsible for the cost to us of processing, or trying to process a foreign cheque. We'll take our charges, and any charges made by the foreign bank or an agent we use to collect the payment, from the account you told us to pay the cheque into.

To pay a foreign cheque into your account we either have to negotiate or collect it.

Negotiate	Collect
This means we'll assume that the cheque will clear. We'll convert the cheque into sterling using our standard exchange rate and pay that amount into your account on the working day after we receive the cheque.	This means we'll send the cheque to the paying bank and only apply the payment to your account when we receive it from the paying bank. Before we apply it we'll convert the amount into sterling using our standard exchange rate. The time this takes will vary depending on the paying bank or its country. You can ask us for details. We may use an agent to collect payment.

In both cases, if the foreign bank returns the cheque or asks for the money to be returned, we'll take enough money from your account to cover the payment in the foreign currency. This is unlikely to be the same as the amount we paid into your account if exchange rates have changed. We'll do this even if you have already spent the money.

22. Payments into your account by mistake or fraud

If we make a payment into your account by mistake or as a result of an HSBC systems error, we'll take the amount out of your account.

If we're told that a payment from within the EEA was made into your account by someone else's mistake (for example if the payer gave the wrong account number), but, when we contact you, you tell us the payment was intended for you, we're legally required to share all relevant information including your name and address and transaction information with the bank the payment came from if they ask us so that the payer may contact you.

In all other cases, the steps we'll take will depend on how the payment was made and where it came from.

For UK payments (other than payments made by CHAPS)

- ◆ If the payment was made into your account up to two months before we find out about the mistake, we'll tell you about it and won't return it to the bank it came from for 15 working days so you have time to show us that it was intended for you. During this period we'll make sure you can't use the payment (we might do this by taking the amount out of your account or by limiting access to the amount on the account).
- ◆ If the payment was made more than two months before we find out about the mistake, we'll contact you before limiting access to the amount on the account and before we return it to the paying bank.

For CHAPS, international and non-sterling payments

- ◆ We'll ask your permission before we take the payment out of your account and will only return it to the payer with your consent.

If we suspect that any type of payment that has been made into your account was the result of fraud, we can remove it without your permission. This won't count towards the maximum amount that you can pay into your ISA in that tax year.

23. When we can refuse to accept payments into your account

We can refuse to accept a payment into your account if it's reasonable for us to do so for any reason, for example if we reasonably believe:

- ◆ that accepting it might cause us to breach a legal requirement or might expose us to action from any government, regulator or law enforcement agency; or
- ◆ that there is fraudulent or criminal activity on the account.

24. Making Payments

You're entitled under the ISA Regulations to make a withdrawal from your account within a time period that you specify, subject to our own internal processing times. We've set out below the timescales that will apply to the payments you make.

If you make a withdrawal from your account, the amount withdrawn will no longer qualify for any bonus.

How we decide whether to make a payment from your account

We'll make a payment from your account if you ask us to unless:

- ◆ you don't have enough money in your account;
- ◆ you haven't given us the account or reference details or we know the details you've given us are incorrect;

- ◆ you've asked us to make the payment in a particular way (for example by Faster Payments) and the recipient's bank doesn't accept them;
- ◆ you've not provided any extra identification or information about the payment that we've reasonably asked for;
- ◆ the payment exceeds a limit that we tell you when you make the payment (we will make payment limits available to you if requested);
- ◆ there has been, or we suspect, a breach of security or misuse of your account or security details;
- ◆ there has been, or we suspect, fraudulent or criminal activity of any kind whether or not linked to your account or your relationship with us and it is reasonable for us not to make a payment as a result; or
- ◆ we reasonably believe that doing so would cause us to breach a law, regulation, code, court order or other duty, requirement or obligation or expose us to action or censure from any government, regulator or law enforcement agency.

In this section, 'we' and 'us' includes first direct and any HSBC Group Company worldwide.

When working out whether you have enough money in your account to make a payment we include all payments that we know are due to be made out of the account that day (except for automatic transfers into the account).

If you don't have enough money at the start of the day to make a payment, and you've set up a future payment, we'll check again later that day to see if we can make it (unless you're trying to make the payment at the weekend or on a public holiday).

You'll know we've refused to make a payment if you're making it online or using Mobile Banking or Telephone Banking because the payment won't be accepted.

In all cases where we've refused to make a payment, you can call us immediately to find out why and what you need to do to correct any errors that made us refuse it. You'll also be able to get transaction information through Online, Mobile and Telephone Banking. We'll let you know this information unless the law or any regulation prevents us from doing so or for fraud prevention or security reasons.

25. Blocking payments and services

We can block your access to services such as Telephone, Mobile and Online Banking if we reasonably believe it's necessary because of:

- ◆ suspected fraudulent or criminal use; or
- ◆ security concerns (for example, if we know or suspect that your security details have been misused).

If we do this, we'll usually let you know why immediately afterwards, unless the law or any regulation prevents us from doing so or we believe doing so would compromise reasonable security measures. We'll unblock your access to these services as soon as the reason for this ends.

26. Payments from your account

Cash withdrawals

You can withdraw cash at branches.

Cheque withdrawals

If you contact us by post to request a withdrawal, we can send you a cheque for the amount of the withdrawal.

Payments

To make a payment from your account in one of the ways set out below, you'll need to give us details of the account you want to make the payment to and any other details we ask for, including payment references. This is usually the sort code and account number (or the equivalent information for payments outside the UK) or (where available) a number that is linked to these, such as a mobile phone number. It's your responsibility to check that the details are correct before asking us to make a payment. We'll make the payment using only these details but we'll also ask you for the name of the person on the account.

The table below shows the cut-off time for us to receive your payment instruction and how long payments take to reach the payee's bank after we've received your request to make the payment and taken the money from your account.

Cut-off time

This is the latest time on any given day that we can process instructions or add payments to an account. You can ask us for the relevant cut-off time when you give us a payment instruction.

If we don't receive a payment request before the cut-off time on a working day, we'll treat your request as received on the next working day. The timings set out in the box below will begin then.

Payment type	Cut-off	When the payment will reach the payee's bank
Payments in the UK in sterling		
Internal (including automatic transfers) between accounts held with HSBC UK, first direct and some M&S Bank accounts.	11.45 pm	Immediately
Transfers to accounts at other banks.	11.45 pm Faster Payment	Usually within two hours
	4:45 pm CHAPS	Same working day
Payments in currencies other than sterling to your HSBC Currency Account		
Payments in euro.	3.30 pm	Next working day
Payments in currencies other than sterling and euro.	US dollars: 6 pm For other currencies, please check with us. There may be some currencies we can't make payments in.	Usually up to four working days (but may take longer depending on the country the money is being sent to)

If you ask us to make a payment on a future date, we'll make the payment on that date, unless it's a non-working day, in which case we'll make the payment on the next working day.

If a payment you make to an account in the EEA doesn't arrive when it should have (normally the working day after we send the payment from your account), you can ask us to contact the receiving bank and to ask them to treat the payment as if it had been made on time.

If you want to make a payment in a currency other than sterling to your HSBC Currency Account, you can ask us to convert the amount to be paid into the currency and we'll tell you the HSBC Exchange Rate that we'll use. We won't change the rate if the payment goes ahead immediately. If the payment isn't made immediately, we'll apply the HSBC Exchange Rate that applies at the time we make the payment.

If the payment is returned to us or we're unable to make it for any reason, we'll reverse the payment using the exchange rate at that time. If the exchange rate is different, the amount we pay back when we reverse the payment will be more or less than the amount we originally took from your account.

27. Cancelling or changing payments

You can't change or cancel a payment that you've asked us to make immediately.

Other payments can be cancelled as long as you contact us on the working day before the payment is due to be made before the deadline shown below.

Payment type	Deadline
Internal transfers and other payments (except CHAPS)	11.45 pm by Online Banking End of the working day by Telephone Banking or in a branch
CHAPS	3.30 pm in branch or by telephone

28. What happens if there are incorrect or unauthorised payments on an account?

What is an incorrect payment?	What is an unauthorised payment?
A payment that has not been sent to the person or account you specified when you asked us to make the payment.	A payment made from your account which was not authorised by you or someone you've authorised to make payments on your account. If you give someone your security details and they use them to make a payment, we may treat the payment as if you'd authorised it depending on what happened. This is why you mustn't tell anyone your security details.

You need to know the position on incorrect and unauthorised payments. This is explained in the Questions and Answers below.

Question	Answer
General position on refunds	
What should you do if you notice an incorrect or unauthorised payment?	You must call us as soon as you can.
What will we do when you tell us about: <ul style="list-style-type: none"> ◆ an incorrect payment made to another bank; or ◆ an unauthorised payment? 	We'll refund the amount of the payment before the end of the working day after you tell us or sooner if we're able to.

Question	Answer
Will we always make a refund?	<p>No. We won't make a refund:</p> <ul style="list-style-type: none"> ◆ for an incorrect payment, if we can prove that the payee's bank received the payment; ◆ for an unauthorised payment, if we know you've been grossly negligent (acted with a very significant degree of carelessness) or we reasonably suspect fraud on your part; ◆ for an incorrect or unauthorised payment if you don't tell us within 13 months after it was made.
Can we take back a refund we've made?	<p>Yes. We can take back refunds (after giving you reasonable notice) in these cases:</p> <p>For incorrect payments:</p> <ul style="list-style-type: none"> ◆ we can show that the payment was received by the other person's bank. <p>For unauthorised payments:</p> <ul style="list-style-type: none"> ◆ we can prove that you acted fraudulently; or ◆ we can prove that an unauthorised payment was made because you intentionally or with gross negligence (a very significant degree of carelessness) failed to keep your security details safe.
Unauthorised payments	
What happens if we can prove you acted fraudulently?	You're responsible for all payments from your account.
What happens if we can prove you've been grossly negligent (acted with a very significant degree of carelessness)?	You're responsible for all payments from your account until you've told us that your security details have been lost, stolen or that you suspect misuse.
What happens if you made the payment remotely, for example by telephone or online?	We're responsible (unless you've acted fraudulently) for any purchase of goods or services (other than financial services).
Are there any other cases where we're responsible for unauthorised payments or fraud on your account?	<p>We're responsible (unless you've acted fraudulently):</p> <ul style="list-style-type: none"> ◆ after you've told us that your security details have been lost or stolen; ◆ if we haven't provided a number for you to tell us that your security details have been lost or stolen; or ◆ if we haven't applied procedures that we're legally required to use to check that a payment has been authorised by you.

Incorrect payments	
<p>What happens if you:</p> <ul style="list-style-type: none"> ◆ tell us about an incorrect payment more than 13 months after it was made; or ◆ gave us the wrong payment details? 	<p>We won't give a refund but, if you ask us, we'll contact the bank that's received your payment, usually within two working days, to try to recover the money (this may take longer for international payments). We may charge our reasonable costs for doing this but we'll tell you the maximum amount you'll pay first.</p> <p>If the payment was to another bank in the EEA and we're unable to recover your money, you can ask us in writing to give you all the information we've been given by the bank that received the funds so you can try to recover the funds yourself.</p>

29. Refunds

How much will we refund and can we reverse a refund?

If we give a refund for any reason we'll return your account to the position it would have been in if the payment had not taken place by refunding the payment and any interest we charged on it (or by paying any interest we would have paid on it). If we provide a refund but later investigation finds you were not entitled to it, we'll return your account to the position it would have been in if we had not made the refund.

About charges and how we pay interest

It's important that you have the information you need about our charges and interest rates.

You'll find:

- ◆ the current interest rate that applies to your account in the latest version of our Savings Interest Rates document; and
- ◆ all our standard charges, for example for making payments and providing services, below.

Please contact us if you'd like further details.

30. Interest rates

We'll provide details of the interest rate that will apply to your account at the time of account opening and you can contact us to find out your current rate.

We work out interest each day on the amount we're holding for you in that account. We'll pay interest into your account monthly (on the 27th each month).

31. Charges

We may charge for services which are not set out below, but we'll always tell you how much the charge will be and check that you're happy to pay it before we provide the service to you. We may also charge an administration fee, up to the maximum permitted by law, if we have to do anything to comply with a court order on your account(s) (for example, a child maintenance order).

Please note that taxes or costs may apply to you that are not charged by us and/or won't be paid through us. If you're making a payment to another person in the EEA, you'll only pay our charges. You can't pay charges for the other person.

Payment from your accounts	To	Branch and Telephone Banking	Online	Post
CHAPS payment within the UK	HSBC accounts	£20	n/a	£40
	All other accounts	£30	n/a	£40

Charges deducted from certain payments into your account		Charge
Non-sterling payments of £100 or more		£8
Sterling payments from banks outside the UK of £100 or more		£6
Cheques issued by non-UK banks that we negotiate for you	£100 or less	£6
	£100.01 to £5,000	£12
	£5,000.01 to £10,000	£24
	£10,000.01 to £50,000	£34
	£50,000 or more	£60
Cheques issued by non-UK banks that we collect for you	All amounts	£28
	If you want the cheque to be sent by courier	£10

Additional services	Charge
Paper statement more frequently than monthly	£1
Additional copy of a statement	£1 a sheet (maximum charge £10 per request)
Providing copies of the personal information we hold about you (until 25 May 2018 only)	£10 per request

Our relationship with you

Our agreement has no fixed end date and may last a long time and the services we provide may change as your needs change. Here we explain how the agreement works (including how we can make changes and how you and we can end it).

32. Changes we can make after giving advance notice

As this agreement may last a long time it's likely that we'll need to make changes to our terms. These may have little impact on you or they may be to your advantage or disadvantage. The changes we can make are either driven by things we don't control or to reflect a change we're making to our business. We'll only make changes for these reasons if it's reasonable for us to pass on the impact of that change.

In addition, because we can't foretell precisely why we might need to make changes to this agreement, we may make changes for reasons that aren't covered here.

All changes

These apply to all changes but exclude changes to exchange rates.

Changes we don't control	Terms we can change		
	Interest rates	Charges	Other terms
We'll respond proportionately to:			
◆ changes in general law or decisions or recommendations made by a court, any regulator or similar organisation or ombudsman we have to follow (e.g. the Financial Ombudsman Service)	✓	✓	✓
◆ changes in regulatory requirements	✓	✓	✓
◆ new industry guidance and codes of practice	✓	✓	✓
◆ changes in the Bank of England base rate, other specified market rates or indices or tax rates	✓	✗	✗
◆ reflect legitimate higher or lower costs in providing the account (including our funding costs)	✓	✓	✗
Changes to our business			
We'll make reasonable changes to:			
◆ the way in which we manage the account as a result of changes to technology	✓	✓	✓
◆ the systems we use, including introducing new services or facilities or replacing an existing service or facility with a new one	✓	✓	✓
Changes for other reasons			
If we have a reason for making a change which is not set out in this table and it is reasonable (or 'valid') for us to make the change.	✓	✓	✗

Other changes

We can also make changes without giving you a reason but we'll always explain the impact of the change when we tell you and you'll be able to close your account, or end a service that relates to an account, before the change takes effect without charge.



Telling you about these changes

You're also protected from changes that we make to your disadvantage because we'll give you advance warning and you can always end the agreement or switch your account to another account we offer or to another bank.

Change	Notice before change	Notice after change*
	At least two months' personal notice	Within 30 days or three working days*
Increasing interest rates we pay you	X	✓
Reducing interest rates we pay you*	✓	X
All other changes	✓	X

* Notice within three working days will be given online, in a newspaper or in branch. Personal notice will be given within 30 days.

Your rights when we tell you about a change

If we give advance notice that we're going to make a change to this agreement and you don't tell us that you want to close your account before that change takes place, or within the next 60 days (if longer), then we'll assume you've accepted the change and it will take effect automatically at the end of the notice period.

If you tell us that you don't want to accept the change you can close your account without charge.

33. Changes we can make without telling you in advance

Exchange rates	When we apply changes
The HSBC Exchange Rate is based on the foreign currency market for each currency we offer. You can find out details of the rate by contacting us.	We can change these immediately and without giving advance notice.

34. How you can close your account or end this agreement

We show below how you can end the agreement and close your accounts.

During the cooling off period (this lasts for 30 days from the day after we've confirmed we've opened your account (and only applies if you open your account by telephone or online).

If you contact us by post or through Online Banking during this period to tell us you want to close your account, we'll do this without charge but you'll still have to pay any charges you've incurred by using the account (such as payment charges).

If you've transferred money in from another ISA manager and you've changed your mind but you want to retain the tax benefit of holding money in an ISA, you can transfer your account to another ISA manager or back to your original ISA manager (if they agree). If you don't transfer the money to another ISA manager, you'll lose the tax treatment of the ISA.

If you cancel your account, the payments into your account will be treated as if they were never made. This means you can subscribe to another cash ISA with us or someone else in the same tax year (as long as you're eligible).

By giving us notice at any time

If you tell us you want to do this, we'll close the account and send you the amount in it (and any interest) when everything you owe us has been paid (unless you instruct us to transfer the money to another ISA provider in order to retain the tax benefits of your ISA).

If you close your account, you won't be able to open another Help To Buy ISA or Cash ISA in the same tax year. You'll only be able to pay the balance of your account into another Help To Buy ISA or Cash ISA if you open it in a subsequent tax year (and the amount falls within the monthly limits you can pay in) or if we reinstate your account because your proposed property purchase does not proceed.

35. How we can end this agreement and close accounts

We show below the two different ways that we can end the agreement and close your accounts.

Immediately and without notice

We can do this if:

- ◆ you've seriously or persistently broken this agreement;
- ◆ you are, or we reasonably suspect you may be, using or obtaining, or allowing someone else to use or obtain, an account, service or money illegally or fraudulently;
- ◆ your behaviour is improper, for example you act in a threatening or violent manner towards staff;
- ◆ you weren't entitled to open your account or to the service, or are no longer entitled to have the account or the service;
- ◆ we discover, or reasonably suspect, that you're using the account for a purpose not covered by this agreement;
- ◆ you haven't provided us with adequate information that we've requested in relation to your liability for tax;
- ◆ we reasonably consider that you've placed us in a position where we might break a law, regulation, code, court order or other duty, requirement or obligation or we, or another HSBC Group company, may be exposed to action or censure from any government, regulator or law enforcement agency;
- ◆ there has been, or we suspect, a breach of security or misuse of your account or security details;
- ◆ you've provided us with any false information; or
- ◆ you're involved, or we reasonably believe that you're involved, in criminal activity of any kind whether or not linked to your account or your relationship with us.

By giving you at least two months' notice

We'll tell you why we're ending the agreement, unless it would be unlawful for us to do so.

What happens next?

We'll take any charges and add any interest which haven't yet been applied to your account before we pay what is left to you.

You're responsible for cancelling payments into and out of your account.

36. Transferring this agreement

Can we transfer this agreement?	Can you transfer this agreement?
<p>No but:</p> <ul style="list-style-type: none"> ◆ We can delegate any of our functions and responsibilities under this agreement to another person but only if we consider them to be competent to carry out those functions and responsibilities. ◆ We may also appoint another member of the HSBC Group to act as manager of the account. If we do this, we'll give you at least 30 days' notice. 	<p>No. You can't transfer any of your rights and obligations in relation to the agreement, your account, or your account itself, to any other person.</p> <p>But you can at any time transfer the money in your account to another ISA manager (if they agree). If you want to do this, you should contact them. They'll pass on your instructions to us.</p> <p>You may only transfer all (but not part) of the money in your account to a Help To Buy ISA with another ISA manager.</p> <p>If you want to transfer the money in your account to a stocks and shares ISA or a cash ISA (other than a Help To Buy ISA), you may transfer:</p> <ul style="list-style-type: none"> ◆ all (but not part) of the money you've paid into your account in the current tax year; ◆ all or part of the money you've paid in over previous tax years. <p>Whatever kind of transfer you're making, if we receive a request from another ISA manager to transfer to a new ISA, we'll make the transfer within five working days from when we receive the request.</p>

37. When we aren't responsible for things that go wrong

We won't be responsible for any losses you may suffer if we can't perform our obligations under this agreement as a result of:

- ◆ any legal or regulatory requirements; or
- ◆ abnormal or unforeseeable circumstances which are outside our (or our agents' and/or subcontractors') control and which we could not have avoided despite all efforts to the contrary, such as industrial action or mechanical failure.

38. What country's courts and laws apply to this agreement and our dealings before you opened your account?

Where your account is held	Laws	Courts
UK (except Scotland)	England and Wales	The country where your account is held or in the country where you live
Scotland	Scotland	

Information to help manage your account

Privacy

Your privacy is important to HSBC.

You explicitly consent to us accessing, processing and retaining any information you provide to us, for the purposes of providing payment services to you. This doesn't affect any rights and obligations you or we have under data protection legislation. You may withdraw this consent by closing your account. If you do this, we'll stop using your data for this purpose, but may continue to process your data for other purposes.

Our Privacy Notice explains how we collect, use, disclose, transfer, and store your information and sets out your rights to your information. We have provided our Privacy Notice to you separately and will inform you when we make any changes to it. You can also find this at **www.hsbc.co.uk** or you can ask for a copy in branch.

How to make a complaint

If you have a complaint, please contact us using the details at the front of this booklet. We'll send you a written acknowledgement within five working days and keep you informed of our progress until your complaint has been resolved. We'll do everything we can to sort out the problem.

If you still remain dissatisfied you may be entitled to refer your complaint to the ombudsman service in your country using the contact details set out below.

Account held	Ombudsman	Contact details
UK	Financial Ombudsman Service	Exchange Tower, London E14 9SR 0800 023 4567 or 0300 123 9123 complaint.info@financial-ombudsman.org.uk www.financial-ombudsman.org.uk

If you opened your account in the UK online you may also have the option to refer your complaint to the Financial Ombudsman Service using the Online Dispute Resolution platform. The platform has been established by the European Commission to provide an online tool for consumers to resolve disputes about goods and services purchased online. The platform can be found at **<http://ec.europa.eu/consumers/odr/>**

How your money is protected

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors are covered by the scheme. In respect of deposits, an eligible depositor is entitled to claim up to the current FSCS limit for deposits. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, each depositor would have a claim up to the FSCS deposit limit and so the maximum amount that could be claimed in total would be twice the current FSCS limit. The FSCS deposit limit relates to the combined amount in all the eligible depositors' accounts with the bank, including their share of any joint account, and not to each separate account.

first direct and HSBC are both trading names of HSBC UK Bank plc and so if you hold deposits with us and first direct you will only be eligible for one claim of up to the FSCS deposit limit in total.

For further information about the scheme (including the current limits, amounts covered and eligibility to claim) please contact us, visit the FSCS website www.fscs.org.uk or call the FSCS on **020 7741 4100** or **0800 678 1100**. Please note only compensation related queries should be directed to the FSCS.

Unclaimed assets scheme

We participate in the unclaimed assets scheme. If you've an account with us (including an account that we've closed in accordance with these terms but we haven't been able to repay your money to you) and there has been no activity from you on your account for at least the last 15 years we may transfer any money in your account to the unclaimed assets scheme at Reclaim Fund Limited. We'll tell you at least 30 days before we do this. If we haven't already done so, we may then close your account. You'll still have the right to your money – you should ask us for information about how to get your money back. The transfer of money to the unclaimed assets scheme won't affect any entitlement you may have to compensation under the Financial Services Compensation Scheme.

Further information to help you find lost accounts can be found at www.mylostaccount.org.uk

Authorisation details

HSBC UK Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register number is 765112. You can check these details by visiting the Financial Conduct Authority's website www.fca.org.uk or contacting them on **0800 111 6768**.

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