

Important changes to the HSBC InvestDirect Sharedealing and Investment Terms and Conditions (the “Terms”)

Please read this notice carefully and keep
it in a safe place for future reference.

These changes will be effective from 26 November 2021.

We're making variations to the Terms to reflect changes to how HSBC InvestDirect will work, or to clarify how HSBC InvestDirect works currently. We're providing you with at least 30 days' written notice in line with our obligations under the Terms. We're also making changes to the HSBC InvestDirect and HSBC InvestDirect Plus Key Features Document (the "KFD") and the HSBC InvestDirect and InvestDirect Plus Rates and Fees ("Rates and Fees") document. These changes will come into effect from 26 November 2021 unless expressed otherwise within this document.

The changes being made to the Terms, KFD and Rates and Fees are explained in this Notice of Variation. Where necessary, we've also updated clause references and made minor and/or other typing amendments which are not in this Notice of Variation. Copies of each of the amended documents can be found on our website, [hsbc.co.uk/investments](https://www.hsbc.co.uk/investments).

Expressions defined in the Terms and used in this Notice of Variation shall have the meaning given to them in the Terms.

We recommend you carefully read the information set out in this Notice of Variation and keep it in a safe place for future reference.

Do I need to do anything?

If you're happy to accept the changes being proposed, you don't need to do anything. **If we do not hear from you before 26 November 2021 about the changes, we will be entitled to assume you accept the changes and consent to the updated Terms. You have the right to close your Account(s) with us at any time by calling us on the number below. There will be no charge for closing your Account(s) if you inform us that you wish to do so before 26 November 2021. However, if the value of your Investments has fallen, you may get back less than you paid in.**

How to contact us

Please contact us on **03456 080848** (dial **+44 122 626 1090** from overseas) if you would like to discuss the changes set out below or if you would like us to send you a copy of the amended Terms. We've temporarily reduced our opening hours due to the COVID-19 pandemic. You can contact us between 7:30am–5:00pm Monday to Friday excluding public holidays. To help us continually improve our services and in the interests of security, we may monitor and/or record your communication with us.

Changes to the Terms

Section – How to contact us

The wording of this clause has been simplified and consolidated so that all references to recording and monitoring communications are in one place. The clause will read as follows:

To ensure we carry out your instructions accurately, to help us to continually improve our service and in the interest of security, we'll record and may monitor your communications with us. All telephone calls that lead or may lead to a transaction in investments will be recorded and kept for seven years. We'll also keep records of all Secure e-messages relating to transactions for seven years. You may ask us for a copy of any such record at any time in the applicable seven year period.

Section – How to contact us – Contacting You Personally

We've amended this term to highlight that on certain occasions we may be legally required to contact you in a certain way. The new clause will read as follows:

In these Terms, when we say that we'll 'contact you personally', we may do this by post, telephone (including mobile phone), email, text message, Secure e-message (if you're registered for OB), a message on your Statement, or in any other way that will be sent to you individually unless there is a legal or regulatory requirement to contact you in a particular way.

Section – How to contact us – Execution-only service

We've moved this section to a new heading called 'Introduction'.

Section – Glossary

We've removed the defined terms for 'Controlling Persons', 'Customer Identification Number', 'FCA rules', 'Foreign Currency Instrument', 'Linked Supplier(s)' and 'OB ID' as these are no longer used within the document.

Section – Glossary

We've updated the defined term for 'Agreement(s)' which will read as follows:

Agreement(s) means the Terms, Additional Conditions and any Supplemental Terms which we'll communicate to you before we provide a product or service to you, and the Application signed by you.

Section – Glossary

We've changed the defined term from 'Laws' to 'Applicable Laws'.

Section – Glossary

We've added the defined term 'Cleared Funds' which will read as follows:

Cleared funds are cash balances in the relevant account that are able to be immediately withdrawn or used in financial transactions. Any sums due in settlement of payments, and any sums that are due to be credited to your accounts which have

not yet cleared are not Cleared Funds. This excludes payments in connection with a trade in Investments which we have processed for you but which has not yet settled.

Section – Glossary

We've simplified the defined term for 'Financial Instrument(s)' which will read as follows:

Financial Instrument(s) means those financial instruments as defined in the Rules that are available under the IDA.

Section – Glossary

We've amended the defined term for 'Funds' which will read as follows:

Funds means the range of individual unit trusts, OEICs, collective investment schemes, investment trusts and Exchange-Traded Funds (or ETFs) offered by us from time to time.

Section – Glossary

We've added the defined terms for 'General Terms and Conditions' and 'Gilts' which will read as follows:

General Terms and Conditions means the document (available on the Website) entitled "Personal Banking Terms and Conditions" which sets out the contractual terms and conditions upon which we provide your personal current account to you.

Gilts means UK Government-issued debt securities;

Section – Glossary

We've simplified the defined term for 'IDA' which will read as follows:

IDA means the HSBC InvestDirect Account offered by us which must comprise a Settlement Account and an Investment Account and may also include such other accounts and/or products as we may offer you from time to time, for example ISAs.

Section – Glossary

We've simplified the defined term for 'Investments' which will read as follows:

Investments means the investments that we allow you to buy and/or sell using the Service.

Section – Glossary

We've added the defined term 'Investor Information Document' which will read as follows:

Investor Information Document means either a Key Information Document (KID), a Key Investor Information Document (KIID), or a NURS-KIID (Non-UCITS Retail Scheme KIID), each of which is a document we are required to make available to you when you invest in certain types of Funds.

Section – Glossary

We've simplified the defined term for 'Market Data Providers' which will read as follows:

Market Data Providers means various third-party sources, or any members of the HSBC Group, who provide Market Data via our Website.

Section – Glossary

We've added the defined term 'Opening Auction' which will read as follows:

The **Opening Auction** takes place shortly before the market officially opens. The Opening Auction determines the opening price of an asset on an exchange, by matching buyers with sellers.

Section – Glossary

We've added the defined term 'PRA' which will read as follows:

PRA means the Prudential Regulation Authority (with its head office address at 20 Moorgate, London, EC2R 6DA), a regulatory body in the United Kingdom, or any successor regulatory body.

Section – Glossary

We've changed the name of the defined term for 'Rates and Fees Page' to 'Rates and Fees Document'.

Section – Glossary

We've simplified the defined term for 'Rules' which will read as follows:

Rules means the rules set out by the FCA and/or PRA that apply to us.

Section – Glossary

We've amended the defined term for 'Supplemental Terms' which will read as follows:

Supplemental Terms means the various supplemental terms and conditions applicable to ISAs or any other product or service that we may offer you from time to time which constitute part of the Agreement.

Section – Glossary

We've amended the defined term for 'Trading Limit' which will read as follows:

Trading Limit means a financial limit that we determine and confirm to you in writing. Your trades (including any unsettled trades) may not exceed this limit at any time.

Section – Glossary

We've added the defined term 'US' which will read as follows:

US means the United States of America, its territories and possessions, any state of the United States, the District of Columbia and all other areas subject to its jurisdiction.

Section – Glossary – Use of the IDA and client categorisation

We've moved this section to a new heading called 'Introduction'.

Section – Glossary – Channel Islands and Isle of Man customers only

We've moved this section to a new heading called 'Introduction'.

Section 1 – InvestDirect Terms – Operation of the IDA – Telephone Service – Clause 2.2

We've simplified this clause, which will read as follows:

2.2 Our telephone service is available, provided that your identity can be verified, by using a Security Number or by speaking to a customer services representative and completing security procedures.

Section 1 – InvestDirect Terms – Operation of the IDA – Important Security Information – Clause 3

We've simplified this clause, removing all sub-clauses. The new clause 3 will read as follows:

You must take all reasonable precautions to keep your Security Details safe and to prevent them from being used in connection with Financial Crime. These obligations are set out in the General Terms and Conditions. If your Security Details are lost or stolen, or you suspect that someone has used or tried to use them, you must take the steps set out in the General Terms and Conditions.

Section 1 – InvestDirect Terms – Operation of the IDA – When trades will and won't be placed by us – Clause 4.2

We've updated clause 4.2 to make our position on refusing to accept trades clearer. This will now read as follows:

4.2 We may refuse to accept a Trade:

- if we don't have information that we reasonably require in order to carry it out;
- when your Trading Limit has been reached or has been or will be exceeded, as further described in Section 3, clause 2.

We'll not be liable for any loss to you if we refuse to accept a Trade as a result of:

- you not providing us with any information we reasonably request (including but not limited to Personal Information); or
- you reaching your Trading Limit or if your Trading Limit will be exceeded by us carrying out your Trade.

We may terminate this Agreement in accordance with clause 13, if you persistently fail to provide us with any information (including but not limited to Personal Information) we reasonably require to carry out Trades.

Section 1 – InvestDirect Terms - Operation of the IDA – Charges for Services and for enquiries about an Instruction – Clause 5.1.3

We've updated clause 5.1.3 to make it clearer. This will now read as follows:

5.1.3 *Each time you give us an Instruction, you authorise us to deduct the costs and charges associated with that Instruction from your Settlement Account.*

You also authorise us to debit and/or credit the necessary funds from/to your Nominated Account to ensure that the balance of your Settlement Account is returned to nil at the close of each Business Day.

Section 1 – InvestDirect Terms – Operation of the IDA – Charges for Services and for enquiries about an Instruction – Clauses 5.4-5.7

We've updated clauses 5.4 and 5.5 to make them clearer. We have also removed clauses 5.6 and 5.7. These clauses will now read as follows:

5.4 *Where permitted by the FCA rules, we may share fees with our Associates and other third parties where those fees enable, or are necessary for carrying out transactions on your behalf.*

Details of any such remuneration or charging arrangements won't be set out in the relevant contract note or confirmation note but will be made available to you if you contact the Customer Service Centre.

5.5 *In the event that you don't comply with your obligations under these Terms, certain additional fees will apply as set out in our Rates and Fees Document from time to time.*

Section 1 – InvestDirect Terms – Operation of the IDA – Joint IDAs – Clause 7.2

We've updated clause 7.2 to make it clearer. This will now read as follows:

7.2 *Unless this conflicts with another authority given in writing on the joint IDA, and until either one of you cancels this authority, you authorise us to:*

- *accept Instructions signed or given to us by either one of you to act on behalf of you both to buy or sell Investments;*
- *make information about the joint IDA available to the other joint IDA holder; and*
- *accept Instructions signed or given to us by any one of you to act on behalf of you both in all other transactions with us. This includes providing any other facilities on your joint IDA in accordance with these InvestDirect Terms, opening further accounts in your joint names and closing such accounts in your joint names. Instructions may be provided by any means or through any media we accept and on such terms as we may tell you.*

Section 1 – InvestDirect Terms – Operation of the IDA – Joint IDAs – Clause 7.9

We've added the sub-heading 'OB access for Joint Accounts' to clause 7.9 and simplified this clause (and its sub-clauses) so that this will now read as follows:

7.9 OB access for Joint Accounts

You agree that if either of you registers for OB or any other banking service provided over an electronic channel which we may make available to you:

- *we may provide OB or such other service in respect of your joint account even if each of you hasn't registered for OB or such other service;*
- *in such circumstances you'll be bound by the OB terms and/or the terms of such other service (terms are available on request or at [hsbc.co.uk](https://www.hsbc.co.uk)); and*
- *we may follow any Instructions given to us in relation to your joint account by either of you, even if any joint account mandate requires the authority of both of you. This clause overrides the mandates.*

Section 1 – InvestDirect Terms – Operation of the IDA – Joint IDAs – Clauses 7.11 and 7.14

We've updated clause 7.11 to make it clearer and removed clause 7.14. Clause 7.11 will now read as follows:

7.11 *If we send any Communications or other material relating to the joint holders of an IDA, we'll usually send one copy addressed to both IDA holders to the address of the first joint IDA holder on our records.*

Section 1 – InvestDirect Terms – Operation of the IDA – Responsibilities – Clause 11.2.5

We've updated clause 11.2.5 to make it clearer. This will now read as follows:

11.2.5 *We'll not be responsible to you if we fail to comply with any of the Terms:*

- *due to a Force Majeure; or*
- *where our failure to comply is due to our obligations under Applicable Laws.*

Section 1 – InvestDirect Terms – Operation of the IDA – Suspension of our telephone service or OB – Clause 11.4.1 and 11.4.2

We've updated clauses 11.4.1 and 11.4.2 to update how and when we will contact you if we choose to suspend your use of our telephone service or OB. This will now read as follows:

11.4.1 *We may, at any time, and without incurring any liability for any resulting loss, suspend your use of our telephone service, OB and/or our Website or otherwise limit or restrict your ability to give instructions or use the Service in order to comply with Applicable Laws or if we've reasonable grounds to suspect:*

- *unauthorised or fraudulent use of our telephone service or OB; or*
- *there is a significantly increased risk that you'll be unable to repay any overdraft on your Nominated Account.*

We'll contact you personally if we're suspending your use of our telephone service or OB.

11.4.2 *If we're going to suspend your use of our telephone service or OB we'll tell you why we're taking this action but we'll not give you notice or details of the reason for the suspension if this would compromise our reasonable security measures or if it is unlawful to do so. We may occasionally suspend your use of our telephone service or OB without notifying you where we've been unable to contact you personally. We may also suspend your use of our telephone service or OB due to any requirements under Applicable Laws.*

Section 1 – InvestDirect Terms – Operation of the IDA – Ending this contract and closing your IDA – Clause 13.5

We've updated clause 13.5 to make it clearer which will now read as follows:

13.5 *If your IDA is closed for any reason and you don't tell us what you want to do with your Investments, we'll contact you to obtain your instructions. If you don't tell us what you want to do with your Investments within a reasonable time, we may take necessary reasonable steps to return your Investments to you. This means we may sell your Investments and deposit the proceeds of sale into your Nominated Account or other HSBC personal bank account in your name. If you're a joint IDA holder, the proceeds of sale have to be deposited into an account in the names of both joint IDA holders. If you no longer hold an HSBC personal bank account, we'll send a cheque to the last address we hold on record for you where it is reasonable for us to do so.*

Section 1 – InvestDirect Terms – Operation of the IDA – Ending this contract and closing your IDA – Clause 13.8.10 and 13.8.11

We've removed clauses 13.8.10 and 13.8.11 as these are already covered under clause 13.8.8.

Section 2 – InvestDirect Terms – Miscellaneous – Your responsibilities – Clause 14.2

We've amended clause 14.2 to make it clear that we may block or close your account if you don't provide us with information that we may reasonably require. This will now read as follows:

14.2 Your responsibilities

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. 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've 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 local tax authorities.

Section 2 – InvestDirect Terms – Miscellaneous – New clauses – Clauses 15 and 16

We've added two new clauses to outline how we store and use information relating to your Personal Information, your use of the Website, and to highlight your options around marketing. These will be inserted after clause 14 (with clause numbers of all subsequent clauses adjusted accordingly) and will read as follows:

15. Website and email personalisation

15.1 *When you use a computer or other device to access websites operated by or on behalf of the HSBC Group and associated third parties, information may be stored and accessed on that device:*

- *to improve your experience;*
- *to improve the functionality, security and performance of those websites;*
- *to provide you with promotional content; and/or*
- *to provide us with information about how those websites are used and how users arrive at those websites.*

15.2 *In the event that you receive emails sent by or on behalf of the HSBC Group, such emails may contain technologies to track for market research purposes whether you opened those emails and whether you accessed internet links contained within those emails. You agree to information being stored, accessed and used in this way.*

15.3 *Members of the HSBC Group may also exchange, analyse and use relevant information about you in the ways described above to make sure that promotional content displayed to you on screen when you use HSBC Group websites is more likely to be relevant and of interest. Further information is available on our cookie policy, site terms and privacy statement at our website [hsbc.co.uk](https://www.hsbc.co.uk)*

16 Further information and marketing

16.1 *We may make and retain copies of passports, driving licences or other identification evidence that you provide.*

16.2 *We'll get your written consent before providing a banker's reference about you, however, if we receive a request from another financial services institution we'll provide information required to verify your identity for money laundering prevention purposes.*

16.3 *If you change your mind at any time about receiving marketing information via post, telephone, or any other method or about participating in market research, you can let us know by contacting us using the contact details set out in this document.*

Section 2 – InvestDirect Terms – Miscellaneous – Governing law and language – Clause 24 (formerly clause 22)

We've amended clause 24 (formerly clause 22) to more clearly define the legal jurisdiction that will apply to you, depending on where you opened your account. This will now read as follows:

24. Governing law and language

If you opened your account(s) in the UK (but not Scotland), the laws of England and Wales apply to these Terms and how we dealt with you before we opened your account(s). You and we submit to the non-exclusive jurisdiction of the courts of England and Wales.

If you opened your account(s) in Scotland, the laws of Scotland apply to these Terms and how we dealt with you before we opened your account(s). You and we submit to the non-exclusive jurisdiction of the Scottish courts.

Section 3 – Sharedealing Terms – Foreign Exchange – Clause 1

We've amended clause 1 to make it clearer which will now read as follows:

1. Foreign exchange

You authorise us to enter into foreign exchange transactions on your behalf at our prevailing rates of exchange to enable the execution of your Client Orders. Such transactions will be made either on Instructions from you or, in the absence of such Instructions, as we think fit (either before or after termination or cancellation of the Agreement) to enable the execution of your Client Orders under these Terms.

Section 3 – Sharedealing Terms – Investment dealing service – Clause 3.1

We've amended clause 3.1 to include details around the account opening process which will read as follows:

3.1 *You may only trade in Investments as defined in these terms. You'll not be permitted to deal in Investments until your Application has been accepted and all account opening formalities have been completed including the confirmation of your Trading Limit.*

Section 3 – Sharedealing Terms – Investment dealing service – Clause 3.5 and 3.7

We've combined clauses 3.5 and 3.7 (and thus removed clause 3.7) to make them clearer. These clauses relate to how we will place Client Orders in the market that were accepted outside Normal Market Hours. This will now read as follows:

3.5 *We will accept Client Orders given outside Normal Market Hours. Client Orders accepted when the market is closed will be placed either:*

- *before the market opens in the markets' Opening Auction; or*
- *as soon as reasonably practicable after the market opens.*

There is a risk of increased price volatility when placing a Client Order when the market is closed or near to the market's opening and you may want to consider whether placing a Limit Order is appropriate.

Section 3 – Sharedealing Terms – Investment dealing service – Clause 3.7 (formerly clause 3.8)

We've amended clause 3.7 (formerly clause 3.8) to make it clearer which will read as follows:

3.7 *With the exception of Fund Shares (and Limit Orders which are not expiring that night), if you place a Client Order shortly before the end of Normal Market Hours we'll take all reasonable steps to enter into a deal for the order in the market on your behalf before the market's close. If we are not able to achieve this before the market's close, your order will be cancelled. We'll normally advise you of the cancellation and if you still want to buy or sell the Investments, you will need to place the order again. To the extent permissible under Applicable Laws, we'll not be liable for any loss arising from such a cancellation.*

Section 3 – Sharedealing Terms – Investment dealing service – Clause 3.14.9 (formerly clause 3.15.9)

We've amended clause 3.14.9 (formerly clause 3.15.9) to make it clearer which will read as follows:

3.14.9 *The prices of the Funds appearing on our Website will be based on the latest prices published by the Operator which may not be the current price. Funds deal on a forward pricing basis meaning that the price you will receive is determined once the Fund is next valued after your order is placed.*

Section 3 – Sharedealing Terms – Best Execution – Clause 5.2 and 5.3.3

We've combined clauses 5.2 and 5.3.3 (and thus removed clause 5.3.3) to make them clearer. These clauses relate to our Execution Policy and will now read as follows:

5.2 *Your Client Orders will be executed in accordance with our Execution Policy in order to achieve the Best Possible Result. You're entitled to ask us to demonstrate that any particular Client Order has been executed in accordance with our Execution Policy. A summary of the steps we'll take is set out in our Best Execution Disclosure Statement in Annex 3.*

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.2

We've updated clause 7.2 following the UK's exit from the European Union and this will now read as follows:

7.2 *Investments will be held either by us or with such subcustodians and/or Clearing Systems as we consider appropriate. You should note that we and any sub-custodian will have security interests or liens over, or rights of set-off in relation to, Investments or cash held with us or them. A Clearing System (or its depositories) may also have such rights. In addition, where you owe us money, and you've no cash standing to the credit of your accounts, we may act as your Agent to sell Investments on your behalf and credit the proceeds of sale to your cash account. A lien is the right to treat an Investment as our or their asset and dispose of it (in our case as your Agent) in order to cover a debt obligation owed.*

By entering into this Agreement you agree that these types of interest and rights may occur in two situations:

- A security interest, lien, right of set-off or right of sale may arise to permit us, any sub-custodian or Clearing System the right to retain, transfer into our or their name, or sell (acting as Agent or as principal) your Investments and apply the proceeds to discharge any monies properly owing to us or them for the provision of custody services.
- A security interest, lien or right of set-off may arise where it is required by the applicable law in a country other than the UK where your Investment is held. This may be a general mandatory requirement or a requirement of the custody or Clearing System of that jurisdiction. We'll only allow your Investments to be held in this way by a sub-custodian and/or Clearing System in accordance with the Rules and when we've taken reasonable steps to determine that this is in the best interests of our clients. The Statements that we send you as noted in Section 1 clause 9 will contain additional information regarding Investments held in countries other than the UK.

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.2.2

We've updated clause 7.2.2 following the UK's exit from the European Union and this will now read as follows:

7.2.2 Your Investments which are subject to the law of a country other than the UK may be held overseas. There may be different settlement, legal and regulatory requirements and different practices for the separate identification of investments from those applying in the UK.

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.7

We've amended clause 7.7 to make the Settlement Dates for certain types of Investments clearer. This will now read as follows:

7.7 The following Settlement Dates normally apply to the types of Investments below:

- Gilts – one Business Day after the date of Trade (T+1)
- Equities – two Business Days after the date of Trade (T+2)
- Funds – three Business Days after the date of Trade (T+3)

For other types of Investments the Settlement Date will be indicated on your contract note.

If you place an order to buy Investments, you must have sufficient funds in your Nominated Account to settle your purchases on the Settlement Date.

If you place an order to sell Investments, you must have sufficient Investments available to sell in your Investment Account on the date you instruct us to sell. On the Settlement Date, you must have sufficient settled Investments to settle your sales.

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.8

We've amended clause 7.7 to make it clearer which will read as follows:

7.8 You will be and will remain the beneficial owner of your Investment Account (and any other Account in your IDA other than your Settlement Account). However, the title to any Investments held in such accounts will be registered in the name of a nominee (subject to clauses 7.2 and 7.2.1). In addition, where we act for you as your Agent, it is the other party to the transaction and not us who is responsible for settling the trade with you and delivery or payment (as the case may be) will be at your entire risk. Our obligation is only to pass on to you, or to pass on as you direct, or to credit to your IDA, such deliverable documents or sale proceeds (as the case may be) as we actually receive.

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.14

We've amended clause 7.14 to make our process for claiming and receiving dividends clearer. This will now read as follows:

7.14 We will claim and receive dividends and interest payments accruing to your Investments. These will be credited to your IDA in either cash or Investments, depending on the standing Instruction that you have given us. You can check or amend the status of your standing Instruction by contacting our Customer Service Centre. If these payments are received as cash, they will be converted into sterling and credited to your Settlement Account. Whilst we will not notify you of these payments, these will be shown on your Statements.

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.16 and 7.17

We've amended clauses 7.16 and 7.17 to make your obligations (as well as ours) clearer in relation to exercising your rights (including voting rights) in relation to your Investments. These will now read as follows:

7.16 If you notify us that you wish to exercise rights in respect of your Investments within the time period we specify, we will use reasonable endeavours to carry out your Instructions (but only on such terms as we may agree from time to time). Otherwise, we will act (or refrain from acting) in respect of any corporate event as we in our absolute discretion see fit. This includes, without limitation, the disposal of any subscription rights on your behalf.

7.17 Any voting Instructions must relate to a single line of stock. You are not permitted to make Instructions for multiple lines of stock at the same time. Instructions will not be accepted for other shareholder benefits and we will not accept standing Instructions. Please note that in order to vote, you must have been issued with voting rights.

Section 3 – Sharedealing Terms – Settlement and custody – Clause 7.20

We've added a new clause (clause 7.20) to define how we will act when transactions are affected by system limitations or rounding. This new term will read as follows:

7.20 Whenever Client Orders are executed in the market and these are affected by system limitations (for example, rounding) you will always receive the full entitlement you are due. Occasionally, fractional rounding may apply to your entitlement of Fund Shares as a result of the way in which Operators allocate the units of their Funds. However, the amount paid to (for buy transactions) or received from (for sale transactions) the fund manager will always be the amount of your instruction.

Any fractional units remaining after rounding will be paid to charity.

Section 3 – Sharedealing Terms – Conflicts of interest – Clause 8.4

We've added a new clause (clause 8.4) relating to our conflicts of interests policy and non-financial benefits we may benefit from. This was formerly Section 1 clause 5.6 and has been relocated to the most appropriate section. The new clause will read as follows:

8.4 On occasion we may benefit from non-financial incentives, such as corporate hospitality and training. We maintain strict policies to control how benefits of this type are managed to protect the interest of customers. Further information about these policies is available from us upon request.

Section 3 – Sharedealing Terms – Charges over Investments – Clause 10.4 and 10.5

We've amended clauses 10.4 and 10.5 to make them easier to understand. These will now read as follows:

10.4 The security interest we have over the Investments and money in your IDA will always remain in place, as a continuing security. Even where an outstanding amount has been settled, our continuing security against other outstanding amounts will not be affected. The security interest we have over your Investments and money in your IDA will also operate alongside any other security, guarantee or similar requirement you have in place with us, or another party, to pay any outstanding amounts you owe to us.

10.5 By agreeing to these Terms, you give us authority to execute and sign any transfers, assignments, or other documents or do anything reasonably required to exercise the security interests set out in these Terms. You also give us authority to take any other steps that might reasonably be required to preserve rights and interests relating to our security, or any similar powers or authorities we have.

Annexes – Annex 2 – Security information

We've amended the Security information section to make it easier to understand and to provide you with a way to find more information about the security used on our Website. This will now read as follows:

Security information

We're committed to the privacy and security of your Personal Information. We keep your Personal Information secure by ensuring that:

- The public (pre-login) areas of our Website don't contain any of your Personal Information.

- The secure area of our Website supports the use of strong encryption. For further information, please visit [hsbc.co.uk/help/security-centre/](https://www.hsbc.co.uk/help/security-centre/).
- Our web servers are protected behind 'firewalls' and our systems are monitored to prevent any unauthorised access. As an extra measure of security your data is stored on separate computers from those used to serve web pages.
- We'll not send Personal Information to you by email. As the security of email cannot be guaranteed, you should only send emails to us using the Secure e-messaging facility within OB.

In particular, to prevent unauthorised access to your data you should take care when opening emails from sources that are not otherwise known to you.

Please note that we cannot guarantee confidentiality of emails that are not sent using our Secure e-messaging facility within OB.

Annexes – Annex 6 – Additional matters – Complaints

We've amended the Complaints section to update what we will do when we receive a complaint which will now read as follows:

Complaints

If you're unhappy in any way with our products and services then please let us know. When we get your complaint, we'll issue you with an acknowledgment letter which includes details of our complaint handling process entitled 'Listening to your comments', which explains how we'll handle your complaint. A written copy of our complaint procedures is available on request. If we cannot resolve your complaint in the first instance, you can refer it to:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange
London
E14 9SR

Telephone: **0800 023 4567** or to call from abroad
+44 20 7964 0500

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

Website: [financial-ombudsman.org.uk/contact-us](https://www.financial-ombudsman.org.uk/contact-us)

Changes to the KFD

Key features of these products – Important Information for US Persons

We've added a section that provides important information for US Persons. This has been added immediately after the 'Risks' section and will read as follows:

Important Information for US Persons

If you are classified as a US person, certain rules set out by the US government mean you won't be able to invest in particular securities.

As a US Person, you'll only be able to place trades over the phone with our call centre – this is to ensure both you and HSBC act in accordance with these rules. You'll only be charged our online dealing rates as outlined in our Rates and Fees Document and you can still view your investments via our Online Banking service.

Just so you know, in line with current laws and regulations, we class a US Person to be anyone who is a US citizen, permanent US resident or is regarded as resident in the US by virtue of time spent there. This includes US Persons not currently living in the US.

Product Comparison and Key Features

We have removed references to a list of the available UK listed Exchange Traded Funds as we no longer produce this list.

Questions and answers – Can I access the website 24 hours a day?

We have added some wording about how orders placed outside of market hours will be executed which will read as follows:

Can I access the website 24 hours a day?

Yes. However, on occasion we may undertake routine maintenance, which normally takes place between 00.00 and 6am on a Sunday morning.

Orders placed outside of market hours will be executed either before the market opens in the market's opening auction, or as soon as practicable when the stock market opens.

Rates and Fees

We've added information about the Spanish Financial Transaction Tax (SFTT) including the rate of SFTT that will apply on purchases. This will read as follows:

The following Government charges apply:

Irish Stamp Duty* – 1.0% on Irish equity purchases

Irish Takeover Panel* – €1.25 charge on all Irish share transactions over €12,500

French Financial Transaction Tax* (FTT) -0.3% on purchases

Italian Financial Transaction Tax* (ITT) -0.1% on purchases (0.2% for Over The Counter trades)

Spanish Financial Transaction Tax* (SFTT) -0.2% on purchases.

Rates and Fees

We've updated the SEC Rate which will read as follows:

A small transaction fee will apply to the sale of US equities and is paid to the US Securities and Exchange Commission (SEC). For reference, the latest SEC rate is 0.00051% (correct as of 25 February 2021). This SEC levy is subject to change at any time.*

Further Information

We've removed the section entitled 'Stabilisation' as this is covered in the terms and is not required in the Key Features Document.

Changes to the Rates and Fees document

Rates and Fees

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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 overseas).

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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