

Making sense of overdrafts

Introducing our Overdraft Service

Our Overdraft Service provides flexibility to make payments when you have run out of money in your account. It can help you through expensive months and cover life's unexpected costs such as a car breakdown or an emergency plumber. The Overdraft Service works in the same way for all accounts, except for Bank Account Pay Monthly (explained on the next page). You can switch either to or from Bank Account Pay Monthly whenever it suits you by either calling us or visiting your local branch.

Who is eligible for this service?

Eligibility depends on your credit status. You must be over 18 to apply. The Overdraft Service is not available on our Basic Bank Account, HSBC Passport, Amanah Bank Account, Appointee Bank Account or any savings account. All overdrafts are repayable on demand.

Do you know you need an overdraft?

Most of the time, you'll probably know in advance if you need an overdraft. If this is the case, you can approach us at any time to ask us to either set up or increase a formal overdraft limit on your current account. There is no overdraft fee for agreeing a formal limit.

You'd be surprised how many current account customers issue a cheque or use their debit cards, and when we receive a payment request for the item, there's not enough money in their account or there is not a sufficient formal overdraft limit to cover it.

We all lead busy lives so it's hard to keep a track of what's going in and out of your account. And you may not be able to control exactly when an item will be taken from your account.

If you make a payment request without there being enough funds or a sufficient formal overdraft limit, we will treat this as an informal request from you for an overdraft. If we agree to that request, the overdraft will be provided for 31 days and we may charge you a £5 daily Informal Overdraft Usage Fee. We won't charge an Informal Overdraft Usage Fee if:

- Covering funds are paid in before the end of the day (defined as 11:45pm).
- The informal overdraft is for £10 or less.
- The informal overdraft is a result of overdraft interest or charges.
- Your account has been in informal overdraft for more than 30 consecutive days.

Informal Overdraft Usage Fees are capped at £80 per charging month. In addition, we won't charge you more in Informal Overdraft Usage Fees than the maximum informal overdraft agreed in that charging month (eg, the cost of a £15 informal overdraft will be limited to £15 even if you remain over your limit for more than three days).

Overdraft text alerts

In order to help you keep track of your account and avoid overdraft charges, we will automatically send you text messages where we have a valid mobile telephone number for you in the following circumstances.

- If we have agreed an informal overdraft on your account; or
- If there isn't enough available balance in your account to make payments due to be made that day.

You can opt out of receiving these alerts by calling us or coming into branch.

Keeping track of your balance

We've got numerous ways for you to keep an eye on your balance. For example, register for Text Banking to receive additional text alerts on your mobile (at no extra cost). There's also HSBC Mobile Banking, our mobile application that lets you check your balance on the go using your smartphone.

Use HSBC cash machines, which warn you if your withdrawal may incur a charge, or use Online Banking to view balances, statements, payment details and request a change to your overdraft. You can also ring us any time, to check your balance using our automated service.

The cost of your overdraft

If you keep within your formal overdraft limit, the only cost you will pay is overdraft interest.

Representative example (assumed overdraft £1,200): 19.9% EAR variable (please contact us for a full list of our overdraft rates).

If we agree an informal request for an overdraft, in addition to overdraft interest you may also be charged a daily Informal Overdraft Usage Fee. Details of overdraft interest rates and fees can be found in Personal Banking Terms and Conditions and Charges, online at [hsbc.co.uk/legals](https://www.hsbc.co.uk/legals), by calling us or by going into your local branch.

Bank Account Pay Monthly

Bank Account Pay Monthly is available for a fee of £10 per month. As with our standard Overdraft Service, you can approach us at any time to ask us to set up or increase a formal overdraft limit on your account, subject to status and we will charge overdraft interest on all overdrawn balance.

Whether you have a formal overdraft limit or not, you'll also receive an overdraft 'buffer' to act as a safety net if you don't otherwise have enough funds to cover a payment. The buffer is intended for short-term emergency borrowing so we expect you to repay any amount borrowed in this way within 31 days. We may agree to informal requests with our standard Overdraft Service. With Bank Account Pay Monthly the difference is we won't agree to any such requests that would take you over any formal overdraft limit and your £50 buffer other than in very limited circumstances where we are obliged to make a payment. If payments are refused, your credit rating may be affected.

We will not charge any overdraft fees with Bank Account Pay Monthly.

Account management

Every month, we will review your account to make sure your overdraft borrowing is suitable, based on credits to your account. If we feel that your overdraft borrowing may be too much when compared to credits to your account, we will recommend an appropriate amount to pay in. When we get in touch, we will also explain how we may be able to help, in the short and long term, if you are unable to pay this amount.

Is our Overdraft Service the best way to borrow?

If you are struggling to run your account in credit, we can help you consider whether there are better ways to manage your finances. When it comes to borrowing money, the Overdraft Service is just one of the options available to you. Our Overdraft Service is a convenient way to borrow money for a short period of time. It can cover you for a few days before pay day: if you have particularly heavy spending which you know you can repay over a couple of months; or if an item just happens to hit your account at the wrong time.

However, if you find yourself increasingly relying on your overdraft, an overdraft may not be the most cost effective way to borrow. Contact us if you want to discuss other borrowing options.

Want to know more?

Call us, visit your local branch or go online if you'd like to:

- set up, or change, a formal overdraft on your current account
- know more about how to get your current account back in credit
- know more about other products which could help you with larger, longer term borrowing needs
- talk to someone about your borrowing – if you think you may be having difficulties it's important to speak to us as soon as possible to see where we can help.

Important Information

HSBC Bank plc's registered office is at 8 Canada Square, London E14 5HQ. In the United Kingdom, HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm reference number: 114216. HSBC Bank plc, Jersey branch, is regulated by the Jersey Financial Services Commission for Banking, General Insurance Mediation and Fund Service Business, Investment Business. HSBC Bank plc, Guernsey branch, is licensed by the Guernsey Financial Services Commission for Banking, Insurance, Fund Service Business and Investment Business. In the Isle of Man HSBC Bank plc is licensed by the Isle of Man Financial Services Authority.

Click www.ciiom.hsbc.com/current-accounts/overdrafts

Call 0345 600 6161

Visit your local branch

HSBC customers – lines are open 8am to 10pm every day.

HSBC Advance customers – calls are answered 24 hours a day.

Calls may be monitored or recorded.

Issued by HSBC Bank plc

HSBC Bank plc, Customer Information, PO Box 6201, Coventry CV3 9HW