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## Small Business High Rate Savings Account New Deposits Promotion – Terms and Conditions

These Terms and Conditions govern the HSBC Bank Canada Small Business HRSA *New Deposits Promotion* running from January 5, 2021 to March 31, 2021. Please read these Terms and Conditions carefully as they explain how to earn Bonus Interest on New Deposits of up to CAD 4,999,999.99 in your CAD Small Business Savings Accounts. Bonus Interest is earned during the Promotion Period only. You can find a list of words we define in these Terms and Conditions at the end of the document.

### **HOW TO QUALIFY FOR BONUS INTEREST**

1. Bonus Interest will only be calculated on New Deposits of up to CAD 4,999,999.99 in a Small Business *Savings Account*. This means that both Small Business HRSA balance and your Total Deposits balance must increase. Bonus Interest will be applied to the amount by which a Small Business HRSA balance or Total Deposits increased, whichever is lower.

For example:

- If you deposited \$3,000 to your Small Business HRSA but withdrew \$3,000 from your Small Business Chequing Account, your Total Deposits have not increased. Bonus Interest will not apply.
- If you deposited \$3,000 to your Small Business HRSA and withdrew \$1,000 from your Small Business Chequing Account, your Total Deposits increased by \$2,000 (\$3,000 - \$1,000). Bonus Interest applies to \$2,000.

### **A more detailed example of how Bonus Interest works during the Promotion:**

*Example provided for illustrative purposes only. Each row represents an example of a change on one day during the Promotion. Figures represent balance changes as compared to the close of business day on January 4, 2021.*

CHANGE IN			NEW DEPOSITS (BONUS INTEREST APPLIES)
Small Business Savings BALANCE	Small Business Chequing	TOTAL DEPOSITS	
+\$5,000	-\$5,000	\$0	\$0
+\$5,000	+\$1,000	+\$6,000	\$5,000
+\$5,000	-\$5,500	-\$500	\$0
+\$15,000	-\$12,500	+\$2,500	\$2,500
+\$0	+\$1,000	+\$1,000	\$0
+\$3,000,000	+\$100,000	+\$3,100,000	\$3,000,000

### **RESTRICTIONS ON BONUS INTEREST**

2. Deposits in the following savings accounts do not qualify for Bonus Interest:

- Foreign currency accounts
  - Investment Savings
  - RBB Trust Accounts
3. Deposits with HSBC at the close of business day on January 4, 2021 are not New Deposits and do not qualify for Bonus Interest
  4. Total Deposits are calculated based on each Customer Account Number. Deposits (including GIC and term deposits) that are paid to an account with a different Customer Account Number will reduce your Total Deposits.

### **HOW BONUS INTEREST WILL BE PAID**

5. Bonus Interest is earned on New Deposits of up to CAD \$4,999,999.99 in your Small Business HRSA at the annual rate of 0.30% during the Promotion Period.
6. Bonus Interest is calculated daily on the daily closing balance of the New Deposit and is paid monthly.
7. Bonus Interest will be shown separately from your Regular Interest on your statements.
8. If you have multiple CAD Small Business Savings Accounts under the same Customer Account Number:
  - Bonus Interest is earned on New Deposits in each CAD Small Business HRSA but will be added together and paid to the first CAD Small Business High Rate Savings Account opened.
  - Bonus Interest is earned on New Deposits of up to a combined CAD \$4,999,999.99 in all your CAD Small Business Savings Accounts, i.e. the limit is not per CAD Small Business Saving Account.
9. Any calculated but unpaid Bonus Interest on New Deposits in a CAD Small Business HRSA will be forfeited if the savings account is closed. However, if you close a CAD Small Business Savings Account, but at the time of closing that account hold another CAD Small Business Savings Account, then the calculated but unpaid Bonus Interest will be transferred to your other CAD Small Business Savings Account.

### **OTHER CONDITIONS**

10. Except as otherwise set out in these Terms and Conditions for the Promotion, all regular terms and conditions related to each account will remain in effect during and after the Promotion Period.
11. This Promotion cannot be combined with any other promotions or offers.
12. This Promotion may be amended, extended or cancelled at the sole discretion of HSBC at any time without prior notice.
13. Without limiting HSBC's rights above, HSBC reserves the right to refuse or terminate any individual's participation in this Promotion if HSBC has concerns or discovers abuse of intended operation of the Promotion.
14. Bonus Interest will be earned on New Deposits of up to CAD \$4,999,999.99 in your Small Business High Rate Savings Account in addition to Regular Interest. The sum of Regular Interest and Bonus Interest will determine the total interest payable during the Promotion Period on New Deposits. For example:

On the portion of your daily closing balance	Regular Interest Rate (%)*	Bonus Interest Rate (%) (paid on <u>New Deposits only</u> )	Regular + Bonus Interest Rate on New Deposits During the promotion period (%)*
Between \$0.00 - \$99,999.99	0.20%	0.30%	0.50%
Between \$100,000.00 - \$499,999.99	0.25%	0.30%	0.55%
Between \$500,000.00 - \$1,499,999.99	0.35%	0.30%	0.65%
Between \$1,500,000.00 - \$4,999,999.99	0.40%	0.30%	0.70%
Between \$5,000,000.00 - \$9,999,999.99	0.50%	0.00%	0.50%
No interest paid for balances greater than \$10,000,000.00	0.00%	0.00%	0.00%

\* Annual interest rates; subject to change.

### **CONVERTING CUSTOMERS**

If a Business Direct customer converts their Legacy Account to a Small Business HRSA, then the existing balance in the Legacy Account, as of January 5, 2021, would not be considered New Deposits. If a customer converts their Legacy Account to a Small Business Account during the Promotion Period, then deposits made to the Small Business Account after January 5, 2021 would be considered New Deposits, and Bonus Interest would apply, subject to the other requirements in these Terms and Conditions.

### **DEFINITIONS**

When used in these Terms and Conditions, the phrases set out below mean the following:

- (a) "Bonus Interest" means the additional interest earned on New Deposits of up to CAD \$4,999,999.99 in your Small Business High Rate Savings Account during the Promotion Period.
- (b) "Customer Account Number" means the first nine digits of your account number. For example, 123-456789-XXX.
- (c) "HSBC" means HSBC Bank Canada.
- (d) "HRSA" means High Rate Savings Account.
- (d) "Legacy Account" means a Commercial Savings Account, Commercial Investment Account or Business Savings Account that is converted by a customer to a Small Business Savings Account.
- (e) "New Deposits" means the portion of the daily closing balance of your CAD Small Business High Rate Savings Account during the Promotion Period which is the lower of the following two amounts:

- 1) The balance increase in Total Deposits from the close of business on January 4, 2021, and

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2) The balance increase in Small Business Savings Balance from the close of business on January 4, 2021.

If the lower of the two amounts is zero, then the New Deposits are zero. Deposits at the close of business on January 4, 2021 are not New Deposits.

(f) "Promotion" means this 'Small Business High Rate Savings Account New Deposits Promotion' running during the Promotion Period.

(g) "Promotion Period" means January 5, 2021 to March 31, 2021. Bonus Interest is earned during the Promotion Period only.

(h) "Regular Interest" means interest earned at the standard posted (non-Bonus) interest rate on the Business savings based at the rate that applies to the balance tier.

(i) "Total Deposits" means the total value in Canadian dollars of all your chequing, savings, guaranteed investment certificates (GICs) and term deposit accounts under the same Customer Account Number with HSBC during the Promotion Period. For the purpose of calculating the total value, foreign currency account balances will be based on the Canadian dollar equivalent.



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