

HSBC Small Business Guide to Fees and Service Charges

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Have questions? Reach out.

- **By phone:** Call us at 1-877-955-4722 (HSBC).
Open from 8am-8pm EST Monday to Friday.
- **Visit us online at [hsbc.ca](https://www.hsbc.ca).**
- You can also find a branch at [hsbc.ca/atm](https://www.hsbc.ca/atm).

What you need to know.

This guide includes important information you need to know about fees on our HSBC Small Business accounts. We also provide you with a side-by-side view of our HSBC Small Business chequing and savings accounts, making it simple to choose the right one for your business.

If fees change, you'll be notified.

We'll tell you if we introduce new fees or make any changes to existing ones at least 30 calendar days before any changes occur, either through our website, via a notice posted in our branches or through our ATMs.

Canadian fees and other currencies.

Unless otherwise stated, fees are charged in Canadian Dollars (CAD). For any accounts held in currencies other than Canadian dollars, we will charge fees in the currency of that account. If a fee is not shown in the foreign currency, we charge you the Canadian dollar fee converted to the foreign currency at our rate on the date we charge the fee.

Here are 2 examples to illustrate how fees appear and will be charged:

- **\$5/US \$5.00** – For Canadian currency accounts, the amount charged will be \$5.00 CAD. For US currency accounts, the charge will be \$5.00 USD and will appear as such on your statement.
- **\$2.50** – For Canadian currency accounts, the amount charged will be \$2.50 CAD. For other currency accounts, the charge will be \$2.50 CAD converted to the account currency based on the rate on the day we charge the fee.

Can't find a specific fee in this document?

Certain products or services may not have fees listed in this document. For those, fee disclosures will be provided to you in a separate document. If, for any reason, the amount of a service fee applicable to a HSBC Small Business account cannot be established at the time the account is opened, we will provide you with notice of the amount of the fee as soon as possible after the amount is determined.

Additional taxes may apply.

HSBC Small Business Accounts

	HSBC Start Chequing	HSBC Smart Chequing	HSBC Unlimited Chequing	HSBC Small Business High Rate Savings	
	Choose the right non-interest bearing chequing account for your business.			Interest rates can be found at www.hsbc.ca/our-rates	
Fees & features	Monthly account fee	\$5/US \$5.00	\$30/US \$30.00	\$60/US \$60.00	Free
	Minimum Total relationship balance (TRB) required (sum of personal and business) to waive monthly account fee [‡]	CAD \$10,000	CAD \$60,000	CAD \$120,000	N/A
	Transactions included (debits ² and credits ¹)	10	60	Unlimited	3 debits ² and 3 credits ¹
	Fee per additional transaction	\$1/US \$1.00 per transaction	\$1/US \$1.00 per transaction	Not Applicable	\$1/US \$1.00 per transaction per additional credit ¹ \$5/US \$5.00 per transaction per additional debit ²
	Online ³ , Mobile ⁴ and Telephone banking	Included	Included	Included	Included
Fees for items deposited*	Each cheque deposited ⁵	\$0.20/US \$0.20 per cheque	First 45 included ⁵ , \$0.20/US \$0.20 per additional cheque	First 100 included ⁵ , \$0.20/US \$0.20 per additional cheque	\$0.20/US \$0.20 per cheque
	Cash deposit fee per \$1000 deposited per month ⁵	\$2.50/US \$2.50	First \$5,000/US \$5000 ⁵ included per month, \$2.50/US \$2.50 per additional \$1000	First \$15,000/US \$15000 ⁵ included per month, \$2.50/US \$2.50 per additional \$1000	\$2.50/US \$2.50
	Coin deposits per \$100.00** (rolled or loose coins) per month ⁵	\$2.50	\$2.50	\$2.50	\$2.50
ATM fees**†	Using any HSBC Bank Canada ATM (Withdraw, Deposit)	Free	Free	Free	Free
	Each withdrawal using other Financial Institutions' ATMs in Canada	\$1.50	\$1.50	\$1.50	\$1.50
	Each withdrawal using other Financial Institutions' ATMs outside of Canada (including HSBC's worldwide network of ATMs)	\$5.00	\$5.00	\$5.00	\$5.00

* Fees charged for items deposited and ATM fees are in addition to fees charged for transactions

** Not available through ATMs

† Some banks charge an additional convenience fee to use their ATMs.

‡ Monthly account fee will be waived for a maximum of 5 accounts per customer if the actual total relationship balance (TRB) exceeds the minimum TRB required for the waiver. For more details, see Total relationship balance (TRB) 12 under terms and conditions. For customers with more than 5 accounts, we will waive the 5 highest account fees for which the customer qualifies in that month.

Foreign Currency Saving Accounts

In order to better support our customers, we offer our saving accounts in the following foreign currencies:

- Pound sterling (GBP)
- Euro (EUR)
- Swiss Franc (CHF)
- Hong Kong dollar (HKD)
- Japanese Yen (JPY)
- Renminbi (RMB).

Note: Cash deposit and cash withdrawals are not permitted on RMB accounts. All remittances must be electronic (via wire transfer through Online or Mobile banking).

For details on applicable interest rates, refer to the “Foreign Currency Savings Account” section available on our website at www.hsbc.ca/1/2/todays-rates/all-rates-tables or at any of our HSBC branches. For applicable fees related to these accounts, refer to the “Additional Services and Fees” section below.

Additional Services and Fees

In addition to the monthly account, transaction and deposit fees listed on page 3, this section provides a list of all other services offered and the related fees for each.

Account Cancellation

If you cancel your account within 14 business days after the day you opened your account, you will be refunded the monthly account fee (if it has already been charged). You will not be refunded amounts related to your use of the account (such as transaction and deposit fees and fees related to services you have obtained) or expenses we have reasonably incurred in providing the account to you.

Day-to-Day Services & Fees

This section lists the most common services and fees used by our customers in alphabetical order.

Bank Drafts

Canadian dollar, US dollar and other foreign currency, each	\$7.50
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Certified Cheques

Per cheque	\$15.00/ US \$15.00
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Electronic Funds Transfer (EFT)

Allows you to efficiently process payments and collect receivables within Canada. Please speak with your Relationship Manager for specific solutions and pricing.

Online Tax Filing Service

A convenient way to remit federal, provincial and municipal taxes, as well as various employee payroll deductions over the Internet

One time set-up fee, per Online Tax Filing Service Profile	\$40.00
Minimum monthly administration fee (not charged for any month when filings are made)	\$3.50
Government filing, each	\$2.50

Stop Payments

Issued Canadian dollar or US dollar cheques or pre-authorized debits, per request:

Through Online ³ banking	\$12.50
In person ¹¹	\$15.00/ US \$15.00
Foreign drafts	\$10.00
With incomplete information or encoding	\$20.00

Plus applicable fees levied by negotiating bank

Transfers between all HSBC Bank Canada Accounts

In person ¹¹ through HSBC ATMs, Online ³ , Mobile ⁴ or Telephone banking	Free
Request made to an HSBC Bank Canada Branch by phone or fax	\$4.50/ US\$4.50

Note: Standard transaction fees outlined in the HSBC Small Business Accounts section apply, depending on the accounts owned by the customer.

Wire Transfer Fees^{6, 7, 8, 9, 10}

Sending wire transfers at an HSBC Bank Canada Branch in Canada^{6,7,8,10}

Up to and including \$30,000	\$45.00 per transfer
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Day-to-Day Services & Fees (cont'd)

Wire Transfer Fees^{6, 7, 8, 9, 10}

Greater than \$30,000	\$75.00 per transfer
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Sending wire transfers through Online banking^{3, 6, 7, 8, 9, 10}

Up to and including \$30,000	\$20.00 per transfer
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Greater than \$30,000	\$40.00 per transfer
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Receiving money wire transfer^{8, 9}

Any value	\$15.00 per transfer
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Fees for incorrectly formatted instructions (including repairs)	\$35.00
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Cancel, recall or trace

Request received through online	\$40.00 per request
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Request received through non-online	\$40.00 per request
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Note: Some business customers may already hold HSBC Commercial chequing and savings products and will continue to use those accounts while also opening new HSBC Small Business accounts. Once an HSBC Small Business account is opened, the wire transfer fees set out in this guide will apply to all business accounts, including the HSBC Commercial chequing and savings accounts. For all other fees relating to the HSBC Commercial chequing and savings accounts, please refer to the **Commercial Service Charges/ Statement of Disclosure**.

Other Fees

You can find all other fees listed below in alphabetical order.

Accounts Statement

Duplicate or interim statements, each	\$5.00
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Account Transfer

Balance of account transferred to another financial institution	\$19.50
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Bank Confirmation

Per hour (Minimum \$35.00)	\$50.00
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Note: Hourly fee is charged based on the amount of time required to complete the customer request.

Certificate of Account Balance/Reference Letter

For each request	\$17.50
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Cheque Validation

If an HSBC customer requests that a non-HSBC cheque be confirmed with another financial institution before processing	\$5.00
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Collection Items

Items sent to other financial institutions for collections within Canada	\$25.00
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Outgoing cheque collections	0.20% of amount
Canadian dollar, US dollar or foreign currency cheques payable outside of Canada	Minimum-\$30.00 Max-\$150.00

Plus applicable charges levied by the issuing and intermediary bank(s)

Customized Cheques

Price depends on style and quantity ordered. For more information contact your Relationship Manager	Price Varies
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Deposited Items Returned Unpaid (Chargebacks)

Due to non-sufficient funds	\$7.00
For any other reason, each	\$7.00
Telephone or fax if required, each	\$7.00

Dishonoured (NSF) Items

Each cheque or debit item (Charge supersedes the \$5.00 overdraft item handling fee)	\$45.00
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Foreign Exchange

Foreign cheques purchased by HSBC Bank Canada (i.e. cashed, deposited) per cheque (excludes Traveller Cheques)*	\$2.50
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Foreign cheques** written on a Canadian dollar account, per cheque*	\$20.00
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Other Fees (cont'd)

Foreign Exchange

Foreign currency pension cheques purchased by the Bank	Exchange only
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* Plus applicable foreign exchange

** Cheques written in currencies other than Canadian or US dollars will be treated as Collections items. Please refer to the fees for Collections items.

Value for US dollar and foreign currency cheques (purchased or deposited into any account) may be delayed for 1-3 business days for US dollar items and for at least 5 business days for foreign currency items to allow for clearing and international settlement

Inactive Accounts

Your Account becomes inactive if no Transactions (other than those we initiate such as interest credit, bank fees) have taken place within two years.

When your Account is inactive, we may charge you applicable service charges, monthly package fees and other fees, as well as an annual inactivity fee collected on April 30th (listed below) for each inactive Account until your Account balance is zero or less. If your Account balance reaches zero or less, we may close your Account without telling you first.

Annual inactivity Fees	\$30.00
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If you do not make any Transactions (other than those we initiate such as interest credit and bank fees) for periods of two years, five years and nine years, we are required by law to send you a notice. We may send notices more frequently.

For Canadian dollar accounts, if no Transactions (other than those we initiate such as interest credit and bank fees) have taken place on your Account for ten years, the balance will be considered unclaimed and will be forwarded to the Bank of Canada. You may contact the Bank of Canada to claim your funds.

Interac e-Transfer

INTERAC e-Transfer ^{@1}	Free
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Account transaction fees may also apply.

The Account transaction fees (if charged) are non-refundable, even if the transfer is cancelled, fails, expires or is declined

Night Deposit Service

Disposable bags, package of 50	\$15.00
Head door key replacement, each key	\$15.00

Overdraft Item Handling

Per item, on any day when cheques, withdrawals and other debits ² paid at our discretion result in an unauthorized overdraft or, when an authorized limit under a line of credit or overdraft protection facility is in place, in the authorized limit being exceeded.	\$5.00/ US \$5.00
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Where there is no authorized limit in place, overdraft interest will be charged at 21% per annum compounded monthly (equivalent to an effective annual interest rate of 23.14%).

Advances within an authorized limit (under a line of credit or overdraft protection facility) will be charged at the appropriate rate; any portion which exceeds an authorized limit will be charged at 21% per annum compounded monthly (equivalent to an effective annual interest rate of 23.14%).

Search for Records/Vouchers

Within 60 days after the transaction	\$5.00/US \$5.00 per request
More than 60 days after the transaction	\$15.00/US \$15.00 per request

No fee is charged if we determine that a HSBC Bank Canada error is involved.

Un-Encoded/Incorrectly Encoded Cheques

Items processed as cheques against the account or cheques with incorrect MICR encoding (such as with legacy accounts) or where encoding has been defaced, per item	\$5.00
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Copy of tax receipts

Per copy of receipt	\$15.00
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Important Account Notices

Notice of Withdrawals

We reserve the right to require 24 hours' notice from you for withdrawals.

Hold Funds Policy

When you make a deposit to your HSBC Small Business Account, at an HSBC Bank Canada branch, through an HSBC ATM or other method, we may hold some or all of the amount. If your deposit is subject to a hold, the full amount of the deposit will be reflected in your account balance right away. However, your ability to access those funds will be restricted. You cannot withdraw the funds we hold, and we will not use these funds to pay cheques or pre-authorized debits until the hold period ends. Our hold funds policy is applied on a customer by customer basis.

Deposit type	Deposit Method	Deposit Amount	Maximum Hold Period*
Cheques or instruments issued in Canadian dollars and drawn on a financial institution's branch in Canada	In-branch with an HSBC employee or HSBC ATM or other method	Any Amount	4 business days
Cheques or instruments issued in US dollars or other foreign currency (whether drawn on a financial institution's branch in Canada or outside Canada)	In-branch with an HSBC employee or HSBC ATM or other method	Any Amount	30 business days (to allow for clearing and international settlement)

*If the deposit is made on a business day after 6:00 PM PT/9:00 PM ET or on a non-business day, then the maximum hold period starts on the next business day. Business days do not include Saturday, Sunday or statutory holidays. The maximum hold period is based on the item being deposited meeting HSBC's criteria, and may be extended if such criteria are not met, if we need to investigate a cheque, or due to situations beyond our control such as a system outage or natural catastrophe. After the expiry of the hold period, you may access the funds. However, our release of the funds to you does not mean that the cheque or other instrument cannot be returned for another reason. If it is returned after the hold period we may charge the amount of the cheque or other instruments to HSBC Small Business Account.

All deposits at an ATM follow our hold funds policy, regardless of whether the contents are cash or cheques. Refer to <http://www.hsbc.ca/hold-policy> for more details.

Accounts Maintained but Not Sold in HSBC Small Business

The following accounts are products which although continue to be managed within the HSBC Small Business segment, are no longer offered:

- Current Account
- HSBC BusinessVantage Account
- HSBC Business Direct Account
- Commercial Savings Account
- Commercial Investment Account
- Commercial Investment Account - variable, premium rate
- Business Savings Account

For the fees and service charges for the accounts above, please refer to the Commercial Service Charges/Statement of Disclosure.

Terms and Conditions

- ¹ Credit transactions include credits made to an HSBC Bank Canada account from another HSBC Bank Canada account using HSBC Online³ banking, Mobile⁴ banking, HSBC ATMs, Telephone banking, IVR (automated interactive voice response system) and deposit using HSBC ATMs, night deposit service, HSBC Bank Canada branches and other HSBC accredited deposit channels.
- ² Debit transactions include debits from an HSBC Bank Canada account by way of withdrawals, bill payments, cheques, pre-authorized payments and payments through HSBC Online³ banking, Mobile⁴ banking, HSBC ATMs, Telephone banking, IVR (automated interactive voice response system), HSBC Bank Canada branches and other HSBC accredited channels.
- ³ Online banking refers specifically to the HSBCnet Business Online banking platform available to HSBC Small Business customers.
- ⁴ Mobile banking refers specifically to the HSBCnet Mobile app and HSBC Fusion app available to HSBC Small Business customers.
- ⁵ Monthly deposit content activity is based on a calendar month, except for deposits made by HSBC Bank Canada ATMs or night deposit, which may be calculated on a different billing cycle. Please consult with your HSBC Bank Canada Relationship Manager for more details.
- ⁶ For outgoing wire payments from an HSBC Small Business Account in a different currency than that of HSBC Small Business Account, the payment will be converted to the different currency at the current day's exchange rate.
- ⁷ For outgoing wire payments, intermediaries, (including HSBC Group affiliates) and final beneficiary banks, may apply their own fees, which will be charged to the account of the beneficiary or the remitter, as applicable.
- ⁸ By indicating that the fee is for the account of the beneficiary (BEN), fees are automatically deducted from the principal of the payment and are not separately billed to the HSBC Small Business Account.
- ⁹ For inbound wire payments, intermediary fees may apply, which will be charged to the account of the beneficiary.
- ¹⁰ For an outgoing payment from your HSBC Small Business Account to an account denominated in

a different currency, we may route the payment through any intermediary (which may be an HSBC Group affiliate) that we deem reasonable under the circumstances and we shall have no liability with respect to such selection. If any outgoing payment from your HSBC Small Business Account designates an intermediary bank, we may select a different intermediary bank on your behalf, where appropriate, and we shall have no liability with respect to such selection. We may have reciprocal commercial referral arrangements with intermediaries. Intermediaries may (but are not obliged to) carry out a currency conversion. Conversions are made at the prevailing market rate chosen by the intermediary. Intermediaries may earn fees, impose fees and make a spread on the cost of buying or selling such currencies as necessary to fulfil a transaction request. You agree we are not acting as your agent in routing outgoing payments involving a currency conversion through intermediaries. Where reciprocal commercial referral arrangement with intermediaries are applicable, we will, on request, obtain and communicate the exchange rate that has been applied by the intermediary after the currency conversion has taken place.

- ¹¹ Refers to account services requests made in person, with an HSBC employee, at an HSBC Bank Canada branch
- ¹² Total relationship balance (TRB) Monthly account fee will be waived for a maximum of 5 accounts per customer after grace period¹³ if the actual total relationship balance (TRB) exceeds the minimum TRB required for the waiver.

TRB (calculated in Canadian dollars) includes:

- Daily average deposit balances of Small Business chequing and savings accounts, including Small Business Guaranteed Investment Certificates (GICs) and Term deposits for the monthly cycle.
- Market value of the Small Business investments on the last day of the month with:
 - HSBC Investment Funds (Canada) Inc.¹⁴
 - HSBC InvestDirect¹⁵
 - HSBC Private Investment Counsel (Canada) Inc.¹⁶
- Personal Total Relationship Balances (as defined in the Personal Service Charges Statement of

Disclosure) of any owners, including partners and shareholders, of the small business customer who provided consent to the use of their personal Total Relationship Balances for this purpose.

- For details on the personal TRB calculation visit www.hsbc.ca/content/dam/hsbc/ca/global/hsbc-personal-service-charges-statement-of-disclosure-en.pdf
- The balance of any personal accounts held jointly by two or more owners (including partners and shareholders) of the small business customer will be used in the small business TRB calculation only once.

TRB does not include:

- Personal and Small business credit facilities (loans, line of credit, overdraft, mortgage and credit card balances)
- Funds in accounts that are not able to be identified a part of Small business banking relationship or the business owner's personal banking relationship
- Balances of sole accounts held by other people with whom business owner has a joint account
- Personal Total Relationship Balances (as defined in the Personal Service Charges Statement of Disclosure) of any owners of the small business customer who did not provide consent to the use of their personal Total Relationship Balances for this purpose.

¹³ Grace Period – Account(s) monthly fee(s) will be waived for the first 3 months after you open your first Small Business chequing account. The month of account opening counts as the first month. After the

grace period ends, the monthly fee(s) will be waived only if you qualify under the minimum TRB.

¹⁴ HSBC Investment Funds (Canada) Inc. is a direct subsidiary of HSBC Global Asset Management (Canada) Limited ("AMCA") and an indirect subsidiary of HSBC Bank Canada, and provides its services in all provinces of Canada except Prince Edward Island. AMCA is a wholly owned subsidiary of, but separate entity from, HSBC Bank Canada and provides its services in all provinces of Canada except Prince Edward Island. The services of HSBC Investment Funds (Canada) Inc. are not guaranteed or covered by the Canada Deposit Insurance Corporation, HSBC Bank Canada, or any other investor protection fund or deposit insurer.

¹⁵ HSBC InvestDirect is a division of HSBC Securities (Canada) Inc., a wholly owned subsidiary of, but separate entity from, HSBC Bank Canada. HSBC Securities (Canada) Inc. is a member of the Investment Industry Regulatory Organization of Canada and Canadian Investor Protection Fund. HSBC InvestDirect is not guaranteed or covered by the Canada Deposit Insurance Corporation, HSBC Bank Canada, or any other investor protection fund or deposit insurer.

¹⁶ HSBC Private Investment Counsel (Canada) Inc. is a subsidiary of, but separate legal entity from, HSBC Bank Canada and provides its services in all provinces of Canada, except Prince Edward Island. The services of HSBC Private Investment Counsel (Canada) Inc. are not guaranteed or covered by the Canada Deposit Insurance Corporation, HSBC Bank Canada, or any other investor protection fund or deposit insurer.

^{@1} Interac e-Transfer is a registered trade-mark of Interac Inc. Used under license.