Client Money Manager Accounts

Additional Conditions

For all HSBC UK Client Money Manager Accounts as of 11 December 2020

HSBC UK

Client Money Manager Accounts

Additional Conditions
These Additional Conditions will apply in addition to the Relationship Terms and your Business Banking Terms and Conditions.

If there is any conflict between these Additional Conditions, the Relationship Terms and the Business Banking Terms and Conditions the following order of priority applies:

- first, these Additional Conditions;
- next, the Business Banking Terms and Conditions; and
- finally, the Relationship Terms.

You can find information on the charges that apply to your accounts in your price list.

If you'd like these Additional Conditions in another format such as large print, Braille or audio, please contact us.

Client Money Manager Accounts (CMM)

What is CMM?	CMM is the Client Money Manager Account service that allows you to have a physical bank account and subdivide the funds into multiple virtual accounts. Using CMM, you can: ◆ allocate and track balances against virtual client records ◆ set up transactional activities against virtual client records ◆ allocate interest rates to your virtual accounts ◆ generate electronic virtual account statements
How do I access CCM?	You must access the CMM service via HSBCnet. If we terminate or withdraw your access to HSBCnet, your access to the CMM portal will also terminate at the same time.

What accounts are available?

Account	Physical bank account	Virtual account
Description	◆ An account containing all of the pooled money you hold on behalf of your clients in your business current account(s), in your name and in the same currency. ◆ You can have more than one physical account. ◆ You can ask us to open a physical bank account. If we do, we'll call it '[your name] – Client Money Manager Account' unless we've agreed in writing to use a different name.	◆ A notional account associated with a physical bank account. This notional account is not a bank account. ◆ Each virtual account is a ledger record of certain credits and debits in a physical bank account. ◆ A virtual account is not a bank account and we don't treat it in the same way as a physical bank account. This means we will not monitor how much money is allocated to it or send you any notifications about it, for example if it goes overdrawn.
Currency	◆ Your physical bank account can be in any currency we agree with you in writing. ◆ We'll pay money into and out of your physical bank account in whatever currency the physical bank account is in. ◆ You can still pay in other currencies to or ask us to make payments in other currencies from your physical bank account. Before we do so we'll convert the payment to the currency of your physical bank account. This is described in our Business Banking Terms and Conditions).	◆ Your virtual account can be in any currency we agree with you in writing as long as you have a corresponding physical bank account in the same currency ◆ The account balance of your physical bank account in each available currency should equal all your virtual account balances in that currency.

Payments	◆ You may only make payments from a physical bank account using cleared funds. ◆ You can't make a payment into or out of your account using a debit card.	◆ You can only make payments from a published virtual account, as described and explained in your User Guide.
Overdrafts	◆ You must not go overdrawn on your account. If we're unable to prevent the payment which causes you to go overdrawn for operational reasons, we'll treat this as an informal overdraft and you'll be required to repay the amount immediately on demand.	◆ We don't monitor the balances in your virtual accounts therefore it's your responsibility to manage payments into and out of them and their balances appropriately.

What will the CMM services cost you?

What are the charges?	You must pay charges and interest on your physical bank accounts. We'll agree our charges for setting up CMM for you beforehand. We may send you an invoice from time to time, for any charges up to and including the invoice date. You need to settle any invoice within 28 days of the date on it.
What are the interest rates?	We'll provide details of your interest rate at account opening and you can contact us to find out your current rate. We'll calculate interest daily on your physical bank account. We can also calculate interest on each of your virtual accounts at the rate you choose through CMM. We won't credit these interest amounts to any of your physical accounts.
When do we pay interest?	We'll agree with you in writing when we'll pay on the balance in your physical bank account.
How do we pay interest?	Into your physical bank account.
How do we change the interest?	Sterling accounts: ◆ If the Bank of England base rate changes, we'll change your physical bank account's interest rate within one working day after the published rate changes. It's publicly available, so you can find it out at any time. Other currency accounts: ◆ We'll make the change immediately without telling you in advance. If you'd like to know what the current reference rate is, please get in touch. You'll be able to find your new reference rate on CMM.

How and when do we make other changes?

Changes to charges	We'll give you 30 days' notice.
Changes to access CMM	We'll give you 30 days' notice.

Closing your account	
Why and how we will close your account	If we're no longer able to offer an account in a particular currency: ◆ We'll give you two months' notice if we need you to do close it. In exceptional circumstances, we may need you to close it immediately. If we want to or need to close your accounts: ◆ We'll close all your physical and virtual accounts following the process set out in our Business Banking Terms and Conditions. ◆ You can no longer use CMM. ◆ You must immediately delete or remove any CMM related software and documents you have. We may also ask you to return or destroy any hard copies you have and ask you to prove that you've done this. ◆ You must immediately pay any charges already invoiced but not paid.
How can you close your account?	If you want to close a virtual account: ◆ You can request this at any point but we can only close a virtual account where the balance is zero. If you want to terminate CMM: ◆ You can do this by giving us 30 days' notice.

What is your responsibility?	
Complete any required paperwork	◆ If we ask you, you must complete a mandate for each physical bank account. ◆ Obtain and keep a copy of any consents we may require to process information about you or your clients on CMM.
Comply with any relevant laws and our user guide	◆ Only use CMM and your accounts in line with legal requirements and our user guide; ◆ Only credit client money to physical bank accounts; ◆ Select the interest rate that should apply to your virtual accounts; ◆ Carry out any due diligence on your clients, to make sure you comply with all relevant laws and regulations and provide us with such evidence of having done so as we may reasonably request.
Maintain access to HSBCnet	You are responsible for maintaining access to HSBCnet and complying with HSBCnet Terms and Conditions in order to use CMM.
Provide accurate data	Make sure any data you enter about your business and clients is accurate. We won't be liable for any losses you suffer because the data you entered is wrong unless caused by fraud on our part.
Reimburse us	Fully reimburse us for any costs, losses or expenses we incur because of you using or misusing CMM or your accounts unless they're down to our own negligence or wilful default, either directly or indirectly. This includes any costs, losses or expenses because of any legal action that your client takes against us or any of our directors, employees or agents and any loss we suffer by accepting an application or request to open an account, which appears to be correct and complete.

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Customer Information: Customer Service Centre, BX8 1HB.

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