

# Business Deposit Account

**Summary Box**

<b>Account name</b>	<b>Business Deposit Account</b>				
<b>What is the interest rate?</b>	<p>We pay credit interest at our variable credit interest rate, or where specifically agreed, at a specified percentage of/below the Bank of England base rate.</p> <p>Credit interest is calculated on a daily basis on cleared funds, and paid quarterly.</p> <p>You can find the current Bank of England base rate on the Bank of England website <a href="http://bankofengland.co.uk">bankofengland.co.uk</a>.</p> <p>If a rate negotiated as a specified percentage of/below the Bank of England base rate hasn't been specifically agreed with you, you'll receive the variable credit interest rate, which is currently as shown below.</p>				
<b>Product</b>	<b>GBP Amount</b>	<b>Rates (%) effective until 28 April 2025</b>		<b>Rates (%) effective from 29 April 2025</b>	
		<b>Gross</b>	<b>AER<sup>1</sup></b>	<b>Gross</b>	<b>AER<sup>2</sup></b>
<b>Business Deposit Account</b> (Quarterly Interest) Instant Access	Up to £50,000	1.68	1.69	1.56	<b>1.57</b>
	£50,000+	1.70	1.71	1.58	<b>1.59</b>
	£100,000+	1.72	1.73	1.60	<b>1.61</b>
	£200,000+	1.76	1.76	1.64	<b>1.65</b>
<p>You can find the current variable credit interest rate by contacting your usual HSBC representative.</p>					

1. AER (Annual Equivalent Rate): This is a notional rate which illustrates what the gross rate would be if interest were paid and compounded each year.
2. AER (Annual Equivalent Rate): This is a notional rate which illustrates what the gross rate would be if interest were paid and compounded each year.

<p><b>Can the Bank change the interest rate?</b></p>	<p>Yes, the Bank can change the credit interest rates at any time in line with the Business Banking Terms and Conditions.</p> <p><b>Change to Bank of England base rate</b></p> <p>We'll make the change in one working day. We won't tell you in advance, but the new rate will appear on your next bank statement.</p> <p><b>Favourable changes to the specified percentage or variable credit interest rate</b></p> <p>We'll make the change immediately and tell you about it once the change has been made.</p> <p><b>Unfavourable changes to the specified percentage or variable credit interest rate</b></p> <ul style="list-style-type: none"> <li>• Small Business Banking and Business Banking customers: We'll let you know at least two months before we make the change.</li> <li>• Corporate Business customers: We'll make the change immediately, and tell you about it once the change has been made.</li> </ul>								
<p><b>What would the estimated balance be after 12 months, based on a range of deposits?</b></p>	<p><b>Example 1 – Single deposit, no withdrawals</b></p> <p>For the purpose of this calculation it's assumed:</p> <ul style="list-style-type: none"> <li>• Variable credit interest rate is paid.</li> <li>• Initial deposit of £1,000.</li> <li>• No additional deposits.</li> <li>• No withdrawals.</li> <li>• No change to the interest rate during the 12 months.</li> <li>• Interest is paid quarterly.</li> </ul> <table border="1" data-bbox="507 1666 1457 1924"> <thead> <tr> <th data-bbox="507 1666 823 1821">Initial deposit</th> <th data-bbox="823 1666 1139 1821">Interest rate</th> <th data-bbox="1139 1666 1457 1821">Total balance at the end of 12 months</th> </tr> </thead> <tbody> <tr> <td data-bbox="507 1821 823 1924">£1,000</td> <td data-bbox="823 1821 1139 1924">1.57% AER (1.56% Gross)</td> <td data-bbox="1139 1821 1457 1924">£1,015.69</td> </tr> </tbody> </table>			Initial deposit	Interest rate	Total balance at the end of 12 months	£1,000	1.57% AER (1.56% Gross)	£1,015.69
Initial deposit	Interest rate	Total balance at the end of 12 months							
£1,000	1.57% AER (1.56% Gross)	£1,015.69							

**What would the estimated balance be after 12 months, based on a range of deposits?**

### **Example 2 – Single deposit, no withdrawals**

For the purpose of this calculation it's assumed:

- Agreed negotiated credit interest: Bank of England Base Rate<sup>3</sup> (4.50%) minus 2.50% = 2% (for indication purposes only).
- Initial deposit of £25,000.
- No additional deposits.
- No withdrawals.
- No change to the interest rate during the 12 months.
- Interest is paid quarterly.

<b>Initial deposit</b>	<b>Interest rate</b>	<b>Total balance at the end of 12 months</b>
£25,000	2.02% AER (2.00% Gross)	£25,503.76

### **Example 3 – Larger deposits**

- If you deposit enough, you can earn more.
- Depending on your balance, the interest rate you earn may go down if you make withdrawals.
- Based on you paying in the following deposits on day 1 and making no withdrawals or additional deposits, your estimated balance after 12 months would be as shown in the table below.

<b>Amount deposited</b>	<b>Amount after 12 months</b>
£50,000	£50,794.69
£100,000	£101,609.62
£200,000	£203,300.22

3. Bank of England Base Rate correct as at 6 February 2025.

<p><b>How do I open and manage my account?</b></p>	<p><b>How to open the account:</b></p> <ul style="list-style-type: none"> <li>• Via your Relationship Director.</li> </ul> <p><b>Minimum/Maximum balance:</b></p> <ul style="list-style-type: none"> <li>• No minimum deposit.</li> <li>• No maximum deposit.</li> </ul> <p><b>How to manage the account:</b></p> <ul style="list-style-type: none"> <li>• Once opened, you can manage your account online, in branch or by phone.</li> </ul>
<p><b>Can I withdraw money?</b></p>	<p>Yes, you can make as many withdrawals as you like in line with the Business Deposit Account Additional Conditions. No notice is required.</p>
<p><b>Additional information</b></p>	<p>This is a sterling instant access savings account and can only be used as a savings account.</p> <p>You don't need to have a HSBC Business Current Account to apply for or maintain a Business Deposit Account.</p> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>• AER stands for annual equivalent rate. A notional rate which illustrates what the gross rate would be if interest was paid and compounded each year.</li> <li>• Gross is the contractual rate of interest payable before the deduction of income tax at the rate specified by law.</li> <li>• Variable credit interest rate is a rate that HSBC sets and may change from time to time.</li> <li>• Small Business Banking customers are typically small enterprises (including not-for-profits) with borrowing needs of up to £100k (UK Government lending schemes are subject to different limits). Their everyday transactional banking products and needs wouldn't require the support of a Relationship Manager.</li> </ul>

**Additional  
information**

- Business Banking customers are typically small and medium-sized enterprises (including not-for-profits with product needs that require support through a dedicated Relationship Manager, who work alongside our specialist teams. Our Relationship Managers can provide transactional banking and funding solutions of over £100k (both domestically and internationally).
- Corporate Banking customer means any business customer whose accounts are held with us in the UK, which isn't a Small Business Banking or a Business Banking customer.

# Accessibility

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## **business.hsbc.uk**

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