

Summary of Terms

See below for a summary of the rates, fees and other costs of this credit offer. The Select Credit Agreement contains all Account terms and will be sent once you become a customer. We may change the terms on your Account. This may include changing, adding, or removing terms. We may do this in response to the legal, business, competitive environment or other reasons not listed here. Changes to some terms may require at least 45 days advance notice, and we will tell you in the notice if you have the right to reject a change. We cannot change certain terms during the first year of your Account.

The Select Credit Agreement includes an Arbitration provision. If you are a Servicemember or dependent covered by the protections of the Military Lending Act, the Arbitration provision does not apply to you.

Select Credit is a personal line of credit only available for customers who are opening and are approved for or hold an existing consumer deposit relationship (Checking, Savings or Certificate of Deposit) with HSBC Bank USA, N.A.

The information about the costs and benefits of the credit product described in this disclosure is accurate as of 10/1/2018. The information may have changed after that date. To find out what may have changed, speak with a Branch representative or call 800.975.HSBC (4722).

Interest Rates and Interest Charges	
Annual Percentage Rate ("APR") for Cash Advances	7.99%, 11.99% or 15.99% variable Introductory APR, based on your creditworthiness, will apply to Cash Advance transactions posted within the first 45 days from Account opening. The Introductory APR remains in effect until the qualifying balance is paid in full. After that, your variable APR will be 9.99%, 13.99% or 17.99% based on your creditworthiness. These APRs will vary with the market based on the Prime Rate.
APR for Overdrafts	19.99% This APR will vary with the market based on the Prime Rate.
Paying Interest	We will begin charging interest on checks and balance transfers as of the date the transaction posts to the Account, and on overdrafts and electronic/telephonic transfers on the actual date of the transaction.
Fees	
Annual Fee	\$0
Transaction Fees • Overdraft	\$10 maximum per day - A minimum fee will equal the amount transferred to cover the overdrafts. - Fee waived if you are or become a U.S. HSBC Premier Relationship Accountholder.
Penalty Fees • Late Payment • Returned Payment	Up to \$35 Up to \$35
How We Will Calculate Your Balance: We use a method called "average daily balance (including new transactions)." See your Select Credit Agreement for more details.	
Prime Rate: Variable APRs are based on the 5.25% Prime Rate as of 10/1/2018.	
Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided below and in your Select Credit Agreement. You may pay the entire New Balance on your Account at any time.	

Additional Important Information

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an Account.

What this means for you: If you open a personal Account, we will ask for your name, address, taxpayer identification number, date of birth, and other information that will allow us to identify you. Additionally, we will take certain steps to verify your identity, such as asking for your driver's license or other identifying documents or checking other sources. Similar identification requirements apply to non-personal accounts such as corporations and partnerships. Be assured that we recognize the importance of protecting your privacy and safeguarding the confidentiality of the information you provide to us.

Application for Credit: You certify the truth of your statements in your credit application **and authorize HSBC Bank USA, N.A. to obtain credit reports in connection with this application and any account established hereby, as well as any update, renewal, extension, review, or collection thereof.** If it does, you will, upon request, be informed of that fact and each credit bureau's name and address. You also authorize the Bank to verify with others any information contained in your application and to report its transactions with you. Your use of the Select Credit Account constitutes your agreement to the terms of the Select Credit Agreement that you will receive.

Premier Pricing:

If you are or become a U.S. HSBC Premier Relationship Accountholder, we will waive the Overdraft Transaction Fee Finance Charge.

If you are no longer a U.S. HSBC Premier Relationship Client, you will become subject to any applicable Overdraft Transaction fees. Written notice will be provided to you when required by law, unless otherwise stated.

NOTICE FOR CALIFORNIA RESIDENTS: California law requires that we inform customers that should they fail to fulfill the terms of their credit obligation, a negative report reflecting on their credit record may be submitted to a credit reporting agency. If you are married, you may apply for credit in your own name.

NOTICE FOR FLORIDA RESIDENTS: You (the borrower) agree that, should we obtain a judgment against you, a portion of your disposable earnings may be attached or garnished (paid to us by your employer), as provided by Florida and Federal law.

NOTICE FOR NEW YORK AND VERMONT RESIDENTS: A consumer credit report may be requested in connection with this application or in connection with updates, renewals, or extensions of any credit granted as a result of this application. Upon your request, you will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report.

NOTICE FOR OHIO RESIDENTS: Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

NOTICE FOR WISCONSIN RESIDENTS: This offer is void in Wisconsin.

Applicable Law: The above rates and fees are governed, as are your Select Credit Agreement and Account, by the laws and regulations of the State of Virginia, as well as the applicable laws and regulations of the United States of America.

Privacy: We respect your right to privacy. Our Privacy Notice provides details on the types of information we collect, why we collect it, and with whom we share it. By sharing information within the HSBC family of companies, we are able to offer you a comprehensive range of services to help you meet your financial goals. If you reside in California, you also receive the Important Privacy Choices for Consumers Notice. Both Notices provide instructions on how to contact us and record your privacy choices.

INTEREST RATES AND FINANCE CHARGES**Interest Rates**

The variable Introductory APR on your Account applies to Cash Advance transactions posted to the Account within 45 days from Account opening. The variable Introductory APR remains in effect until the qualifying balance is paid in full. Thereafter, the variable APRs on your Account are determined by adding a specified amount ("Spread") to an Index (described below). The APRs are divided by 365 and rounded to the next highest hundred-thousandth of a percentage point to determine your Daily Periodic Rate. The Daily Periodic Rate is used to determine the amount of periodic Interest Charge.

Index for Variable Rates

Monthly Index Information. For each billing cycle, variable APRs are calculated by adding a specified amount ("Spread") to the U.S. Prime Rate published in the Money Rates table of *The Wall Street Journal* that is in effect on the last day of the month ("Prime Rate").

If the Prime Rate changes, the new APRs will take effect on the first day of your billing cycle beginning in the next month. An increase in the Prime Rate will increase your applicable Daily Periodic Rates, which may increase the Interest Charge due on your Account and may increase the Minimum Payment Due. Each time any APR changes, we will apply it to any applicable balances.

Introductory Cash Advance APR

The variable introductory Cash Advance APR applies to any electronic/telephonic transfer methods, balance transfers, Select Credit Checks and counter checks, if available, posted to the Account within 45 days from Account opening. The APR is the sum of the Prime Rate plus 2.74%, 6.74% or 10.74% ("Spread") depending upon your creditworthiness. For example, as of 10/1/2018 these **ANNUAL PERCENTAGE RATES** would have been 7.99%, 11.99% or 15.99% (corresponding Daily Periodic Rate of 0.02189%, 0.03285%, or 0.04381%).

Cash Advance APR

The variable Cash Advance APR applies to any electronic/telephonic transfer methods, balance transfers, Select Credit Checks and counter checks, if available. The APR is the sum of the Prime Rate plus 4.74%, 8.74% or 12.74% ("Spread") depending upon your creditworthiness. For example, as of 10/1/2018 these **ANNUAL PERCENTAGE RATES** would have been 9.99%, 13.99% or 17.99% (corresponding Daily Periodic Rate of 0.02737%, 0.03833%, or 0.04929%).

Overdraft APR

The variable Overdraft APR applies to overdraft transactions for deposit accounts covered by an overdraft agreement. The APR is the sum of the Prime Rate plus 14.74% ("Spread"). For example, as of 10/1/2018 the **ANNUAL PERCENTAGE RATE** would have been 19.99% (corresponding Daily Periodic Rate of 0.05477%).

Interest and Finance Charges

All Interest and Finance Charges will be added to the applicable Overdraft or Cash Advance balance unless otherwise specified.

How Periodic Interest Charges are Calculated. Periodic Interest Charges are added to the Account when we apply the applicable APR to the balances on the billing statement. We do this by multiplying the Average Daily Balance for each type of transaction shown on your billing statement (for example, Cash Advances, Overdrafts) by the applicable Daily Periodic Rate. We then multiply the result by the number of days in the billing cycle. Periodic Interest Charges will be calculated using the Daily Periodic Rate in effect on the billing statement closing date.

How Average Daily Balance is Determined. To calculate the Daily Balances, we take the beginning balance for each type of transaction every day, add any new transaction, any Periodic Interest and Finance Charges, any assessed fees and charges, and subtract any payments and/or credits and make any necessary adjustments. If a transaction posts after the beginning of a billing cycle, but the transaction occurred prior to the beginning of that billing cycle, the applicable Daily Balance and any related Interest Charge calculated may be adjusted to include the transaction amount as of the first day of the billing cycle in which it posts. In addition, if a transaction for a returned payment or a dispute resolved in our favor posts after the beginning of the billing cycle, the applicable Daily Balance(s) and any related Interest Charge calculation will be adjusted retroactively to include the transaction amount as of the date of the original payment or transaction. To calculate the Average Daily Balance, we add the Daily Balances for each day of the billing cycle and divide the total by the number of days in the billing cycle.

Paying Interest (No Grace Period). There is no grace period for any type of transaction on your Account. We will begin charging interest on checks and balance transfers as of the date the transaction posts to the Account, and on overdrafts and electronic/telephonic transfers on the actual date of the transaction.

Overdraft Transaction Fee Finance Charge. This fee may be charged each day an advance is made to pay overdrafts to your checking account with a minimum fee equal to the amount transferred to cover your overdraft(s), up to a maximum fee of \$10 per day. Waived for U.S. HSBC Premier Relationship Clients.

ACCOUNT FEES AND OTHER CHARGES

Late Payment Fee

A Late Payment Fee may be assessed for each billing cycle in which at least the Minimum Payment Due, including any amount past due, is not paid in time to be credited to the Account by the Payment Due Date. The Late Payment Fee for the first time you are late is \$27. If another payment is late in the next 6 billing cycles, then your fee is \$35. The Late Payment Fee will not exceed the amount of your Minimum Payment Due.

Returned Payment Fee

A Returned Payment Fee may be assessed to the Account each time a payment check, automatic payment deduction, or other payment method is not honored or is returned unsatisfied by your bank or other financial institution. The Returned Payment Fee for the first time a payment is returned is \$27. If another payment is returned in the next 6 billing cycles, then your fee is \$35. The Returned Payment Fee will not exceed the amount of your Minimum Payment Due.

ARBITRATION

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

PLEASE READ THIS ARBITRATION PROVISION CAREFULLY. IF YOU DO NOT WANT DISPUTES TO BE RESOLVED THROUGH ARBITRATION, YOU MUST FOLLOW THE INSTRUCTIONS FOR REJECTING ARBITRATION NOTED BELOW.

IF ARBITRATION IS CHOSEN BY ANY PARTY, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO HAVE A CLAIM HEARD IN COURT OR HAVE A JURY TRIAL ON THE CLAIM. IN ADDITION, YOU AND WE WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION AS A REPRESENTATIVE OR MEMBER OF A CLASS. ARBITRATION PROCEDURES ARE GENERALLY SIMPLER THAN THE RULES THAT APPLY IN COURT, AND DISCOVERY IS MORE LIMITED. THE ARBITRATOR'S DECISIONS ARE AS ENFORCEABLE AS ANY COURT ORDER AND ARE SUBJECT TO VERY LIMITED REVIEW BY A COURT. EXCEPT AS SET FORTH BELOW, THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING. OTHER RIGHTS YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

IF YOU ARE COVERED BY THE PROTECTIONS OF THE MILITARY LENDING ACT, THIS ARBITRATION PROVISION DOES NOT APPLY TO YOU.

Definitions

In this Arbitration provision, "we," "us" and "our" includes any corporate parents, subsidiaries, affiliates or related persons or entities. "Claim" means any current or future claim, dispute or controversy relating to your Account, your application for an account, this Agreement or the relationship between you and us. If you have signed an Overdraft Protection Loan Agreement linking one or more checking accounts to your Account to provide overdraft protection, "Claim" also includes any current or future claim, dispute or controversy relating to the Overdraft Protection Loan Agreement and related linked checking account transactions. "Claims" include any Claims related to advertising, debt collection or credit reporting and any Claim by or against any of our agents or any third parties. "Claims" include but are not limited to initial claims, cross-claims, counterclaims and third-party claims. "Claims" include but are not limited to Claims based in tort, contract, fraud, common law, equity, statutes and regulations of any kind.

Claims Subject to Arbitration

Either you or we may require that any Claim be submitted to arbitration, except that: (1) only a court may decide any dispute about the validity, enforceability or scope of this Arbitration provision; and (2) we will not require arbitration for any individual Claim you file in small claims court as long as the Claim is an individual Claim pending in that court.

You or we may demand to arbitrate any Claim at any time unless it has been filed in court and trial has begun or final judgment has been entered. Either you or we may delay enforcing or not exercise rights under this Arbitration provision, including the right to arbitrate a Claim, without waiving the right to exercise or enforce those rights.

Limitations on Arbitration

CLAIMS MAY ONLY BE ARBITRATED ON AN INDIVIDUAL BASIS. CLAIMS MAY NOT BE ARBITRATED ON A CLASS ACTION BASIS, ON A REPRESENTATIVE BASIS OR ON BEHALF OF THE GENERAL PUBLIC.

THE ARBITRATOR'S AUTHORITY IS LIMITED TO CLAIMS BY OR AGAINST YOU AND US ALONE. CLAIMS MAY NOT BE JOINED OR CONSOLIDATED UNLESS YOU AND WE AGREE IN WRITING. THE ARBITRATOR MAY NOT AWARD INJUNCTIVE OR OTHER RELIEF THAT IS PRIMARILY FOR THE BENEFIT OF THE GENERAL PUBLIC.

If a court determines that any of these Limitations on Arbitration is unenforceable with respect to a Claim, then this entire Arbitration provision (other than this sentence) will not apply to that Claim.

How to Start an Arbitration

To start an arbitration, contact the American Arbitration Association ("AAA") (1-800-778-7879, adr.org). AAA will administer the arbitration unless you and we agree in writing to use a different arbitration administrator or a different administrator is appointed by a court.

Arbitration Procedures

This Arbitration provision is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (the "FAA"). Virginia law shall apply to the extent state law is relevant under the FAA. The administrator's rules that are in effect when a Claim is filed will apply unless those rules conflict with this Arbitration provision. The arbitrator will apply applicable substantive law, statutes of limitations and privileges. The arbitrator will not apply any federal or state rules of civil procedure or evidence. Subject to the Limitations on Arbitration section above, the arbitrator may award any relief available in court. The arbitration will be confidential, but you may notify any government authority of your claim. If your claim is for \$10,000 or less, you may choose whether the arbitration will be conducted solely based on documents, through a telephonic hearing or by an in-person hearing. At any party's request, the arbitrator will offer a brief written explanation of the award. The arbitrator's award will be final and binding, except for any right of appeal provided by the FAA; however, any party will have 30 days to appeal the award by notifying the arbitration administrator and all parties in writing. The administrator will appoint a three-arbitrator panel to decide anew, by majority vote based on written submissions, any aspect of the decision objected to. Judgment upon any award may be entered in any court with jurisdiction. An arbitration award and any judgment confirming it cannot be used in any case or arbitration except to enforce the award. Arbitration hearings will take place by telephone or in the federal judicial district where you live.

Arbitration Fees and Costs

You will be responsible for paying your share of any arbitration fees (including filing, administrative, hearing or other fees), but only up to the amount of the filing fees you would have incurred if you had brought a claim in court. We will be responsible for any additional Arbitration fees. At your written request, we will consider in good faith making a temporary advance of your share of any arbitration fees.

Instructions for Rejecting Arbitration

You may reject this Arbitration provision. To do so, you must send a written notice to us stating that you reject arbitration. Your rejection notice must be signed by you and include your name, address and Account number. **Your letter notifying us that you reject this Arbitration provision must be postmarked within 60 days of the Account Opening Date. If you do not know your Account Opening Date, please call 1-800-975-4722 or collect 716-841-7212 to obtain the date.**

You must mail your rejection notice to **HSBC Bank USA, N.A., P.O. Box 9, Buffalo, NY 14240**. This is the only way that you can reject this Arbitration provision. If you reject this Arbitration provision, all other parts of the Agreement will continue to apply. Rejecting this Arbitration provision has no effect on any other agreements.

Continuation

This Arbitration provision will survive termination of your Account, voluntary payment of your Account balance, any legal proceeding to collect a debt, any bankruptcy and any sale of your Account. Except as otherwise provided in the Limitations on Arbitration section above, if any portion of this Arbitration provision is deemed invalid or unenforceable, the remaining portions of this Arbitration provision will still apply.

Your Billing Rights: Keep this Document for Future Use**What To Do If You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at:

HSBC Bank USA, N.A.,
PO Box 9, Buffalo, NY 14240
or at the address shown on your billing statement.

In your letter, give us the following information:

- Account information: Your name and account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of problem: If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

What Will Happen After We Receive Your Letter

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen.

1. *If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.
2. *If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as a delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.