



DIRECT CERTIFICATE OF DEPOSIT

The following information was correct as of 01/11/2019

TERMS & CHARGES DISCLOSURE¹

Have questions or need current rate information?

Call us at 888.404.4050

Applicable to accounts opened online only.

It's important that you understand exactly how your Direct Certificate of Deposit (CD) account works. We've created this summary to explain the fees and some key terms of your account.

ELIGIBILITY	Direct Certificate of Deposit accounts are available to all consumers, subject to \$1,000 minimum deposit requirement.
--------------------	--

TERM AND RATE INFORMATION (For more details, see HOW INTEREST AND APY WORK section)	Term	Minimum Balance To Open Account	Interest Rate*	Annual Percentage Yield (APY)*
	6 Month	\$1,000	.75%	.75%
	9 Month	\$1,000	.01%	.01%
	12 Month	\$1,000	.95%	.95%
	18 Month	\$1,000	.05%	.05%
	24 Month	\$1,000	1.29%	1.30%
	36 Month	\$1,000	.10%	.10%
	48 Month	\$1,000	.15%	.15%

* The interest rates and Annual Percentage Yields (APYs) above may change at any time in the Bank's discretion without prior notice, before any CD is opened. The interest rate and APY is fixed once your account is opened. CDs cannot be opened before the application process is finalized and funded.

There is a maximum deposit of \$350,000 when funding the account with an electronic transfer from another financial institution, and a \$2,000,000 maximum deposit when funding the account by check. Customers with an existing HSBC checking or savings account may fund the Direct Certificate of Deposit account electronically from their HSBC account with a maximum deposit of \$2,000,000. There is a maximum of \$350,000 when making an additional deposit/withdrawal during the grace period with an electronic transfer from/to another financial institution.

The total amount you can have on deposit in any Direct Certificate of Deposit account is \$2,000,000, excluding interest. The Bank reserves the right, with notice, to transfer to any other HSBC deposit product you have, all or part of the amount of any transaction, excluding interest that causes your Direct Certificate of Deposit account to exceed the balance of \$2,000,000. The Bank in its sole discretion also reserves the right to return such amount to you in an official cashier's check.

CDs are opened online on Business Days only. If the application process is finalized on a Saturday, Sunday or Bank Holiday or on a Business Day after 10pm ET, your account will be opened on the following Business Day. If this occurs, your account will receive the interest rate and APY in effect on the day it is opened.

DIRECT CERTIFICATE OF DEPOSIT ACCOUNTS REQUIRE USE OF AUTOMATED TELEPHONE BANKING, E-STATEMENTS, AND PERSONAL INTERNET BANKING.

DIRECT CERTIFICATE OF DEPOSIT

TERMS & CHARGES DISCLOSURE¹

Applicable to accounts opened online only.

ACCOUNT RENEWAL	<p>If your account is renewed, the balance on the maturity date less any withdrawal or plus any deposit, will be reinvested as of the first day of the renewal term. If your account is set up to automatically renew, it will renew at the interest rate and APY in effect at maturity either based on the most recent renewal instructions provided to the bank, or for the same term at which the account was opened, unless you tell us otherwise before the end of the grace period. If your account is to be automatically renewed, we will send you a renewal notice at the end of the grace period disclosing your renewal information.</p> <p>If we are unable to complete any of the renewal instructions for any reason, your account will not renew. If your account is not renewed for any reason, and we do not receive new instructions, your account will cease to earn interest.</p> <p>Any renewal instructions you provide to the bank will remain in effect for any future automatic renewals until you advise the bank to change them.</p>
------------------------	---

ACCOUNT RECEIPT	<p>The Account Receipt will disclose the maturity date, interest rate, APY, compounding period and crediting period relating to your account at the time of account opening and funding. In the event the interest rate and APY on the Terms and Charges Disclosure are different from the Account Receipt, the interest rate and APY on the Account Receipt will govern.</p> <p>We will issue an Account Receipt when an account is opened and funded. We will not send you a new Account Receipt after each renewal, but if your account is automatically renewed, we will send you a renewal notice showing the new rate and terms. THE ACCOUNT IS NON-NEGOTIABLE AND IS TRANSFERABLE ONLY ON OUR BOOKS, AND THE ACCOUNT RECEIPT IS NOT REDEEMABLE.</p>
------------------------	---

EARLY WITHDRAWAL PENALTY	If any of the principal is withdrawn before the maturity date, the penalty shown below may be imposed:	
	Term	Early Withdrawal Penalty
	Terms up to 369 Days	30 Days Simple Interest
	Terms from 370-733 Days	90 Days Simple Interest
	Terms 734 Days and greater	180 Days Simple Interest
The penalty may reduce principal, if there is insufficient interest available. There is no penalty for a withdrawal made during the grace period.		

HOW INTEREST AND APY WORK	Accrued Interest	Interest begins to accrue on the Business Day you deposit noncash items (e.g., checks).
	Balance Computation	We use the "Daily Balance" method to calculate interest on your account. This method applies a daily periodic rate to the principal in the account each day.
	Annual Percentage Yield	Is based on principal and interest left on deposit for a full 365 day year with interest compounded at the same interest rate. Withdrawal of interest prior to maturity will result in a lower Annual Percentage Yield than stated.
	Frequency of Rate Change	The interest rate, as disclosed on your Account Receipt, will be paid until the maturity date.
	Compounding and Crediting	Your Account Receipt will indicate, at time of account opening, what is applicable to your account. Interest compounding depends upon product options available at account opening. Depending on the term and other features of the account, interest may be credited and paid monthly, quarterly, semi-annually, annually, or if the account term is one year or less, at maturity. If periodic interest payments are available, you may choose to have the interest credited to another HSBC deposit account. Even if periodic interest payments are not available, you may withdraw any earned interest on or before the maturity date with no early withdrawal penalty.

DIRECT CERTIFICATE OF DEPOSIT

TERMS & CHARGES DISCLOSURE¹

Applicable to accounts opened online only.

GRACE PERIOD	The period of time following the maturity of an automatically renewing term account during which you may perform a one-time deposit or withdrawal of funds without being assessed an early withdrawal penalty. The grace period will terminate on the day you provide an instruction to change the term or perform a transaction. Any withdrawal made during the grace period is treated as withdrawn on the date the account renewed and will not earn interest. Any deposit made during the grace period is included in the amount renewed and will earn interest from the renewal issue date.	
	Renewal Term	Grace Period
	Terms of 28 Days or Greater	Ten (10) calendar days including maturity date
MATURITY	We will send you a notice before the maturity date: a. If you have an automatic renewal account and the term is 28 days or greater; or b. If you do not have an automatic renewal account and the term is 28 days or greater.	
eSTATEMENTS	Are provided at least quarterly and may be more frequent depending on the type of transactions and/or an agreement made at the time of account opening.	

1 - BANK RULES -This document is part of the Rules For Consumer Deposit Accounts (the "Rules"). In case of inconsistency between this document and the Rules, this document governs.

WANT MORE INFO? SEE THE [RULES FOR CONSUMER DEPOSIT ACCOUNTS](#)