

1. **Eligibility: The HSBC Business Direct Banking Current Account** (the “Account”) is available to new and existing small businesses. For the opening of the Account the Bank may require the VAT certificate issued by the VAT department as evidence. Non-HSBC Bank Malta p.l.c. (hereinafter, the “Bank”) customers can also open an Account but would need to present identification and other documentation the Bank may deem appropriate in order for the Bank to consider opening such an Account.
2. **General Terms:** The use of this Account is governed at all times by (i) these Business Direct Current Account Terms and Conditions, (ii) the General Terms and Conditions Accounts (the "General Terms"), in case you are a consumer in terms of the Consumer Affairs Act (Chapter 378 of the Laws of Malta) or a microenterprise as defined in paragraph 3 of the Business Promotion Regulations, 2000; or the General Terms and Conditions (Corporate Opt-Out) - Accounts, in case you are a non-micro-enterprise (i.e. you exceed the conditions for qualification as a micro-enterprise in terms of paragraph 3 of the Business Promotion Regulations, 2000), and (iii) all other terms and conditions governing the relevant accounts, transactions, dealings, services, products, information, goods, benefits or privileges together hereinafter referred to as the "Terms". The terms used in these Business Direct Current Account Terms and Conditions, unless defined herein or the context otherwise requires, shall bear the same meaning assigned to them in the General Terms.
3. **Interest:** Credit interest is calculated daily and is credited to the Account on a yearly basis, i.e. in December. Debit interest will be calculated daily and is debited to the Account on a half-yearly basis, i.e. March and September. Interest will be allowed / charged at a rate and on such terms and conditions as listed in the General Terms. The current rates can be obtained from our website, by telephoning us, by looking at the Bank’s General Tariff or by asking a member of staff at any of the Bank’s branches.
4. **Deposits of local cheques:** We treat other local bank cheques as being cleared for interest calculation purposes 2 working days after they have been deposited into the Account (e.g. on Wednesday if paid in on a Monday). If you withdraw money which is not cleared for interest calculation purposes, you may be charged interest even though your Account shows a credit balance.
5. **Uncleared Effects:** Cheques deposited into the Account are sent for payment to the Bank/branch on which they are drawn. Until such time as these cheques are honoured, they are treated as “uncleared effects” even if deposited in the branch where the drawer’s Account is domiciled. No withdrawals may be made against such “uncleared effects” unless specifically authorised by branch management. We reserve the right to levy a charge when an immediate withdrawal from the account is effected following a deposit of uncleared effects. Deposited cheques, which are subsequently returned unpaid, will be debited to the Account and returned to the account holder to take the necessary action.
6. **NIL balances:** If the Account has a nil balance for more than 90 days the Bank shall have the option to close the account. However, we will give you two months’ written notice of this before we close the Account.
7. **Administration Charges:** We will charge an Administration fee of €10.00 per quarter if the average of the combined balances of an account holder's savings and current accounts does not exceed €200 during the previous quarter. New Customers will be exempt from this charge for 6 months from the date on which they become customers of HSBC Bank Malta p.l.c. When applicable the charge will be applied to the account holder's current or savings account immediately after the end of the previous quarter. If Account is closed within 6 months from the date it was opened an administration charge of €10.00 will be levied. The Bank reserves the right to vary these charges, the method of calculation/application thereof and exemptions granted at its sole discretion
8. **Overdrafts:** May be available on the Account with the prior express agreement of the Bank.
9. **Overrunning:** Overrunning refers to the circumstance when you exceed the available credit balance on your Account without our express consent. We have the right not to honour payments and/or cheques which may cause the Account to be overrun without our prior express agreement. Any such cheques will be returned to the presenter and/or depositor and a fee, to cover our administrative costs, will be levied. Unless specifically agreed by the branch management you should not withdraw, transfer, make payments or issue cheques for, an amount which is not available in the Account. We reserve the right to withdraw, at our sole discretion, any chequebook and any debit or credit card if an overrunning position is not corrected when advised to do so by us.

In instances where, at our sole discretion, the Account is allowed to be overrun, an administrative fee will be charged per month or part thereof. Debit interest will also be charged on the daily debit balance at the rate shown on the statement of account. Details of the administrative fee applicable can be obtained from the Bank’s General Tariff available in our branches, from our website or by contacting us on 2380 8000. For interest calculation purposes, the daily debit balance is the balance on the account net of “uncleared effects”. Interest will be charged on daily debit balances and will be computed on the basis of a year of 360 days. Any changes to the debit interest rate or administrative fee to be applied in case of overrun accounts will be notified as advised in clause 5 to 7 of Part D of Section I of the General Terms.

11. **Account Designated ‘Clients’ Account’.** Where you choose to open the Account in your name but with the designation ‘Clients’ Account’, any funds held in such Account so designated shall be deemed to be yours personally, unless you provide us with a signed written declaration to the effect that the monies held by you in the Account are held under fiduciary obligations in terms of the provisions of the Civil Code (Chapter 16 of the Laws of Malta) and are not therefore subject to the claims or rights of your personal creditors, spouse or heirs at law.
12. **Cheques and Chequebooks:** Cheques should never be signed in blank. The Bank only issues stop payments in respect of cheques which have been declared by the account holder as being lost or stolen. Such a declaration has to be provided in writing. Account holders should not issue post-dated cheques. Should a post-dated cheque be presented at any of the Bank’s branches, the account-holder cannot hold the Bank liable for any damages suffered, whether the cheques are honoured or returned unpaid. Customer has to take reasonable precautions to prevent forgeries of his/her cheques by third parties. Cheques are considered valid for six months. The Bank reserves the right at its discretion not to honour cheques presented for payment after a period of six months. Should a cheque need any alteration, the account holder’s full signature(s) next to the alteration(s) is required. Cheques are transferable by simple endorsement. It is not possible for the drawer to limit the transferability of cheques by crossing cheques as “a/c payee”, “not negotiable”, “only” or employing similar words. Limiting the payment of cheques to the payee shall not stop the endorsement of any such cheque and the Bank will honour payment to any endorsee if an endorsement has been made, and will debit your account accordingly. Additional chequebooks may be ordered via Internet Banking Services; an ATM, Phone Banking service and from any branch. Where more than 25 cheques are presented per month, a charge of €0.25 per presented cheque is charged.
13. **Transactions on the Account:** It is expected that you make full use of our automated services; such as ATMs, Internet and phone banking; EPOS points; etc. Ten free cash withdrawals per month (excluding coins) at branch tellers are offered. Thereafter, cash withdrawals effected at branch tellers will incur a €2.33 charge per transaction, charged monthly.