

HSBC Private Bank (UK) Limited

Private Banking Supplier and Counterparty Guide

We're changing the way we're structured in the UK. We're proposing to transfer the business of HSBC Private Bank (UK) Limited to HSBC UK Bank plc (**HSBC UK**). This means that the counterparty to your supplier, distribution, referral or other commercial agreements (the **Agreements**) in the future will be HSBC UK and not HSBC Private Bank (UK) Limited.

We're using a legal scheme called a "Banking Business Transfer Scheme" under Part VII of the Financial Services and Markets Act 2000 (the **Scheme**).

This guide is to help you understand the proposed transfer of the business of HSBC Private Bank (UK) Limited to HSBC UK, what is happening, and how the changes might affect you. If having read the guide you have any questions, please contact the Interim Chief Operating Officer, Andy Moloney on +44 20 7024 1048 or email us at hsbcprivatebanking_uk@hsbcpb.com.

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Part A – Overview

1. What are the key dates?

We need the approval of the High Court before we can transfer the business of HSBC Private Bank (UK) Limited to HSBC UK. The key stages in getting the Court's approval are:

- ◆ 7 August 2019 - a Directions Hearing was held at the High Court to seek approval for our application for the court process to begin;
- ◆ 9 December 2019 - a Sanction Hearing for the High Court to consider the terms of the transfer and any concerns, and decide whether to approve the transfer; and
- ◆ 1 January 2020 - the currently scheduled date of the transfer, if the transfer is approved.

If there are any changes to the Court dates or Scheme effective date, we will post details on the website at www.hsbcprivatebank.com. This information will be accessible by following the link to the Scheme.

2. Where is the Court Hearing?

The Court Hearing to decide whether to approve the transfer is due to take place on 9 December 2019 at the Rolls Building, 7 Rolls Buildings, Fetter Lane, London, EC4 1NL in the Business and Property Courts of England and Wales (Chancery Division).

3. Can I opt out of the Scheme?

No, you cannot opt out of the Scheme.

4. Do I need to do anything?

We recommend that you read this guide and the statement summarising the terms of the Scheme enclosed with it to help you to understand if the transfer may adversely affect you and, if so, the further steps you may wish to take.

5. What should I do if I have any questions, concerns or wish to find out more?

As always, we are here to support you and help answer any questions you may have.

If you have any questions or concerns after reading this guide, the statement summarising the terms of the Scheme and visiting our website, please either:

- ◆ email us at hsbcprivatebanking_uk@hsbcpcb.com; or
- ◆ call the Interim Chief Operating Officer, Andy Moloney, on +44 20 7024 1048 to discuss any questions that you may have.

If you would like a printed copy of any of the key scheme documents on our website, please contact us using the details above and we will be happy to send these to you free of charge.

If you would like to make your views known, please see Part D of this guide (Making your views known).

Part B – HSBC UK

6. What is HSBC UK?

HSBC UK is a ring-fenced bank of the HSBC Group that consists of retail and commercial banking customers and the immediate parent company of HSBC Private Bank (UK) Limited.

HSBC UK is authorised by the Prudential Regulation Authority (the **PRA**) and regulated by the PRA and Financial Conduct Authority (the **FCA**) in the UK. For further information about the HSBC Group please visit www.hsbc.com.

7. What is the credit rating of HSBC UK?

The long-term credit rating of HSBC UK is AA- for Fitch Ratings Inc. and AA- for Standard & Poor's Financial Services LLC.

Part C – The impact on your Agreements

8. Will all of our Agreements transfer?

Yes, all supplier, distribution, referral and other commercial agreements with HSBC Private Bank (UK) Limited will transfer to HSBC UK.

9. Does the Scheme change how we deal with HSBC Private Bank (UK) Limited?

The Scheme does not change the way that your relationship or Agreements are managed.

10. Will we still speak to our Procurement or Business contact?

The way that you deal with your Procurement or Business contact is unchanged.

11. Will there be any changes to our existing Agreements and services that we provide to HSBC?

Your existing services provided to us under our existing Agreements will remain unchanged by the transfer.

12. What other additional steps will I need to take?

You may need to take additional steps, for example, to on-board HSBC UK as a counterparty. Please speak to your usual Procurement or Business contact to discuss any additional information you may require.

13. If we have a pending invoice who will make the payment after the transfer?

HSBC UK will be responsible for any invoice/payment after the transfer. You will continue to receive any payment invoiced to us in accordance with the terms of your agreement.

14. What happens if we are involved in a complaint or litigation with HSBC Private Bank (UK) Limited in relation to an Agreement that is transferring?

HSBC UK will take over the complaint or litigation from HSBC Private Bank (UK) Limited in relation to your Agreement. This will happen automatically and you don't need to take any action in respect of the transfer.

15. Will we receive an additional letter in relation to the transfer of our Agreements?

For Agreements which are not governed by UK law, we may need to contact you separately to ensure that these arrangements transfer. This will vary depending on the jurisdiction.

Part D – Making your views known

16. How can I make my views known?

If you still have any questions or concerns after visiting our website, please:

- ◆ email us at hsbcprivatebanking_uk@hsbcpcb.com; or
- ◆ contact the Interim Chief Operating Officer, Andy Moloney, HSBC Private Bank (UK) Limited, 8 Cork Street, London, W1S 3LJ.

The Court Hearing to decide whether to approve the transfer is due to take place on 9 December 2019 at the Rolls Building, 7 Rolls Buildings, Fetter Lane, London, EC4 1NL in the Business and Property Courts of England and Wales (Chancery Division).

If you believe that you may be adversely affected by the transfer, you have the right to object to the Scheme and to attend the Court Hearing for approval of the transfer. You can write to us even if you are not going to appear at the hearing, and we will ensure that your objections are provided to the Court. When considering whether to approve the Scheme, the Court will take into account whether the Scheme adversely affects you or anyone else.

If you intend to object to the transfer, it would be helpful, but not obligatory, if you would provide us with details of your objection or details of your intention to attend or be represented at the Court Hearing. Please provide these details, preferably at least five business days before 9 December 2019, in writing to HSBC Private Bank (UK) Limited's dedicated email address at hsbcprivatebanking_uk@hsbcpcb.com or by post to the following address:

Chief Executive Officer, HSBC Private Bank (UK) Limited, 8 Cork Street, London, W1S 3LJ

HSBC Private Bank (UK) Limited will acknowledge and reply in writing to all objections we receive. HSBC Private Bank (UK) Limited will also submit details of all objections received to the Court for consideration as part of their decision on the transfer, as well as to the PRA and FCA.



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