

HSBC Personal Loan Terms

Effective 28 February 2025

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Part A: Our Credit Guide

Credit Guide – HSBC Bank Australia Limited

What's this document and what does it apply to?

This credit guide belongs to HSBC Bank Australia Limited ABN 48 006 434 162 ("we", "our" or "us") Australian Credit Licence 232595, and provides important information that applies to our personal loan product.

If you have questions about this credit guide or our personal loan product, you can contact us:

✉ GPO Box 5302 Sydney NSW 2001

☎ 132 152

🌐 www.hsbc.com.au

What if the credit is unsuitable?

Then by law we're not allowed to enter into a credit contract if the credit is 'unsuitable'.

When will credit be unsuitable?

The credit contract will be unsuitable if:

- it doesn't meet your requirements and objectives;
- you're likely to be unable to comply with the financial obligations;
- you could only comply with your financial obligations with substantial financial hardship (for example, by selling your principal place of residence);
or
- the regulations that apply to consumer credit contracts which we have to comply with deem the credit contract or credit limit increase to be unsuitable.

How do we assess if the credit will be unsuitable?

We must make reasonable inquiries about your requirements and objectives in relation to the credit contract, and your financial situation, and take reasonable steps to verify your financial situation. We must make an assessment about whether a credit contract, or the credit limit increase, will be unsuitable for you.

What if we approve your credit?

Then you may request a free written copy of your assessment up to seven (7) years after the agreement date or credit limit increase.

When do we have to give you the written assessment?

If you request a copy of the written assessment:	Then we'll give it to you:
Before you enter into the contract or	Before you enter into the contract
Within 2 years of you entering into the contract	Within 7 Business Days
After 2 years of you entering into the contract	Within 21 Business Days

When don't we have to give you the written assessment?

We don't have to give you a copy of the written assessment if we decline your application, or we don't proceed with lending to you or increasing your limit.

What if you've got a complaint?

Please let us know and we'll do our best to resolve your complaint efficiently, honestly and fairly to your satisfaction.

You can contact us:

- ✓ through a branch; or
 - ✓ By calling 1300 308 188 (toll free) or +61 2 9005 8181 (from overseas, you may be charged by the telephone provider).
 - ✓ If you are d/Deaf, hard of hearing or have a speech communication difficulty you can contact HSBC Australia through the National Relay Service (NRS) and provide 1300 308 188. More information about the NRS and their services can be found at <https://www.accesshub.gov.au>.
- Please note, you will need to be an Australian resident and have registered with NRS prior to using the service. International call charges will apply if you are calling NRS from overseas.
- ✓ by emailing our Customer Relations Team at customerrelationsaustralia@hsbc.com.au or by mail at HSBC Bank Australia Limited, Level 36, Tower 1 International Towers Sydney, 100 Barangaroo Avenue, Sydney NSW 2000 Australia.

We aim to resolve most issues within 5 days of receiving your complaint. If we're unable to resolve your complaint within 30 days or in some cases 21 days (depending on what the complaint is about) of receiving it, we'll write to you and inform you of the reasons for the delay. Please refer to clause 55 ("Complaints and investigations") of the Personal Banking Booklet for further details.

If you're unsatisfied with our resolution or our complaints process, you may contact the Australian Financial Complaints Authority (AFCA). This is a free service established to provide you with an independent mechanism to resolve specific complaints. AFCA can be contacted by mail: GPO Box 3 MELBOURNE VIC 3001; by phone at 1800 931 678; by email at info@afca.org.au; and online at www.afca.org.au

Part B: Personal Loan Terms

HSBC Bank Australia Limited ABN 48 006 434 162
GPO Box 5302 Sydney NSW 2001
Australian Credit Licence 232595

At HSBC we’re committed to delivering the best service outcomes to all our valued customers. You must read these terms carefully.

1. What are the Product Terms?

The table below lists the documents that make up the “Product Terms” and form part of your agreement with us for the purpose of your personal loan. Please refer to the Personal Banking Booklet for what constitutes the “agreement”.

Document	Type of information
These Personal Loan Terms	Terms specific to your personal loan.
Your letter of offer	Important precontractual information about fees, charges, interest rates and other details.

If your personal loan is regulated under the National Credit Code, we are required to provide you with an important information statement. This is in Part C of these Personal Loan Terms. Please read it carefully.

2. Can there be more than one borrower?

You cannot have a personal loan with more than one borrower.

3. When will this agreement begin?

This agreement will start when you accept your letter of offer. However, this agreement is subject to the following:

- you providing us with any information and supporting documents we've requested from you;
- you accepting the letter of offer within 14 days of the date of your letter of offer and providing us with an electronically signed copy; and
- us verifying your identity.

You may change your mind about borrowing the loan amount any time up to the date we send funds to you by giving us written notice or by contacting us. We are not bound to lend until you've met all our reasonable conditions.

4. How and when will we fund your loan?

We'll only pay the loan amount into the account you've told us in your application.

We don't have to give the loan amount to you if:

- we reasonably suspect or discover that anything you have told us is materially untrue, or any of the promises you have made under this agreement are materially untrue, and the truth makes it commercially undesirable or potentially harmful to lend, or continue to lend you;
- we reasonably consider that lending, or lending further may cause harm, or place you in a financial hardship position; or
- another event occurs, and acting reasonably, we take the view that it is likely to be detrimental to either party to proceed.

You must only use the loan for the purpose in your application.

5. When and how must you repay the loan?

You must make all repayments to us in Australian dollars.

You'll need to pay us back all you owe by the end of your loan term, or a later date we agree in writing.

You must pay us back by making monthly repayments. You must pay each monthly repayment so that we receive it by the repayment date set out in your letter of offer, and in full, without setoff. If a repayment date is:

- a non-Business Day, you must instead make the repayment so that we receive it by the next Business Day; or
- a date that doesn't fall in a month (e.g. 29th, 30th or 31st), you'll need to make it so that we receive it by the last day of that month (or the next Business Day if the last day is not a Business Day).

To meet your repayment dates, you may need to make early repayments to allow for processing time, for example slower processing on non-Business Days. If your payment is dishonoured or is not received by the repayment date, you may be charged a late payment fee. See also clauses 7 ("Incorrect, unauthorised and mistaken internet payments") and 10 ("When we will and won't act") of the Personal Banking Booklet.

Failure to repay

If you don't repay any amount that you're required to pay on time and in full (for example, if you miss a repayment), the amount you didn't pay will be overdue until you pay that amount in full and:

- (a) you will be in default of your payment obligations under this agreement until you have paid all overdue amounts;
- (b) you'll need to pay the missed amount immediately; and
- (c) we may take any action available to us under this agreement, or at law. See clause 14 ("What happens if you're in default under this agreement?") in these Personal Loan Terms.

Early repayment

If you pay off your loan account balance before your final repayment date, interest may also be charged to your loan account the month after you make that repayment. This is to collect any interest which has accrued but has not been charged to your loan account but is interest you still owe us.

Paying more than all you owe

If you repay more than all you owe (including the termination fee, if applicable – see your letter of offer), we'll close the loan account and return the amount you overpaid.

We may refund the credit balance on your account by transferring it to another account you hold with us within 30 days of your account being closed or another financial institution that you tell us to. In these circumstances, we may also remit the credit to the Government's unclaimed money account to comply with the law. We will generally only do this if we are unable to contact you or receive appropriate information to transfer the credit to an account nominated by you.

Payment options

You can give us a signed direct debit request and authority or another authorisation we accept, and authorise us to debit each repayment, and any other amounts that are due or overdue, on each repayment date until your loan is repaid in full. See clauses 14 ("Direct debits") and 15 ("Payments into your account by cheque") in the Personal Banking Booklet. We may also allow you to make repayments, check your balance and change your personal information from online banking if you have registered for this service. Please see your statement for the payment methods that we accept from time to time (for example, BPAY®).

6. How and when do we apply payments?

We apply your payment when we receive it. We treat your payment as being paid when it is cleared except if you pay us by cheque, we will treat it as being paid on the day we receive it, not the date that the cheque clears – see clause 15 ("Payments into your account by cheque") of the Personal Banking Booklet.

We apply your repayments to first repay any unpaid fees and charges, then any unpaid interest and principal.

7. How do we work out and charge interest?

Interest starts to accrue to your loan account balance from the day we give you the funds until you pay all you owe.

Your interest rate is calculated by dividing your annual interest rate applicable at the time by 365. Your interest rate is applied daily on the loan account balance at the end of each day (which includes any unpaid fees and charges).

We'll charge the sum of the daily accrued interest for the repayment period on your repayment date for that month and on the date of your final repayment.

If the repayment date is a non-Business Day, the charge will instead be made on the next Business Day after the repayment date. Clause 11 ("Making payments on Business Days") of the Personal Banking Booklet sets out what is a 'Business Day'.

If you don't make a repayment in full or on time, you'll pay more interest overall as you won't be paying down the loan as much. This is because you'll accrue interest on the missed repayment amount until you pay it.

8. When and how must you pay fees and charges?

We will add any fees and charges to your loan account so that they form part of all you owe. Once added to your loan account, the fee or charge is payable. Further detail about when a fee will be added to your loan account is set out in your letter of offer.

Where your letter of offer says that a fee or charge is due on a certain date, that means that you must pay it to us by that date or we will attempt to recover it on that date.

Fees and charges that have been added to your loan account will form part of your loan account balance and will accrue interest from the day we add it to your loan account in accordance with clause 7 ("How do we work out and charge interest?") in these Personal Loan Terms. The sooner you pay this amount, the less interest you will pay on all you owe.

All you owe

This is everything you owe us including your loan, charges, fees and interest and any other amount we are entitled to charge you.

9. When can we change your repayment amount?

We may need to adjust your repayment amount during your loan term so that all you owe is paid off by the end of your loan term. This may occur, for example, if:

- you are late making a payment or only pay part of it;
- you have to pay fees or charges;
- there is a change to your loan term; or
- we have allowed you, temporarily, to stop or reduce your repayment amount.

We will notify you if we change your repayment amount in accordance with clause 12 (“When can we make changes to this agreement?”) of these Personal Loan Terms.

10. Can you pay more than your monthly repayment?

You can pay more than your monthly repayment. If you do, your future repayments will stay the same (as they are fixed amounts) unless we change them in accordance with clause 9 (“When can we change your repayment amount?”) of these Personal Loan Terms. However, you may repay your loan sooner.

If you repay part or all of your fixed rate loan early, then we may charge you an early termination fee. This fee is described in your letter of offer.

11. Communicating with each other

We will communicate with you in accordance with clause 40 (“How do we communicate?”) of the Personal Banking Booklet.

If you are experiencing hardship

You should contact us as soon as possible if you are experiencing financial difficulty. The sooner you contact us; the sooner we can help. If your credit is regulated under the National Credit Code, you have a right to apply for hardship

relief. For more information about financial hardship, please see [hsbc.com.au/help/money-worries](https://www.hsbc.com.au/help/money-worries).

12. When can we make changes to this agreement?

Acting reasonably, we may make changes to this agreement, but we will not change your interest rate or the early termination fee. These are fixed for the loan term.

Our reasons for making changes, and any notice period and how we will tell you, are set out in the section “Changes to your agreement” of the Personal Banking Booklet.

If you do not wish to accept a change or variation that we make, you may repay your loan in accordance with the early repayment provisions in this agreement. An early termination fee may apply.

13. Ending this agreement on notice

You can end this agreement at any time by giving us notice – see clause 11 (“Communicating with each other”) of these Personal Loan Terms. You don’t have to tell us why. This agreement will only end once you repay all you owe us under the loan, which includes for example; the amount borrowed, interest and relevant fees such as the early termination fee.

We will end this agreement at any time by giving you written notice if you don’t owe us any money.

14. What happens if you’re in default under this agreement?

Events of default

You’ll be in default under this agreement while any of the following things occur or continue to occur:

- You haven’t made a required payment under this agreement.
- We reasonably believe you have fraudulently entered into this agreement.

- You are insolvent, are unable to meet your debts as they fall due, are subject to another insolvency process or arrangement, or no longer have legal capacity.
- We have a reasonable belief that you haven't complied with the law or a government requirement which potentially materially affects us.
- It becomes unlawful for you or us to continue under this agreement.
- You use the loan for a purpose materially different from what we've approved.
- You give us information or make a representation or warranty to us which is materially incorrect or misleading, including where you've omitted to tell us something, and we've relied on this to our detriment.
- There's a material change to your financial situation which we reasonably believe will affect your ability to meet your obligations under this agreement, such as your death, incapacity, insolvency, or enforcement action by a creditor.

Consequences of default

We will generally write to you to tell you that you're in default under this agreement, what you need to do to fix it and what will happen if you don't fix it within 30 days.

If after 30 days from the date of the notice you have not fixed the default, we can do any of the following:

- Call up your loan and require you to pay all you owe immediately and on demand.
- Take any action available to us at law, including ending this agreement.
- Take money in any one or more of your accounts to pay us what we're owed, as permitted under clause 38 ("Combining Accounts and Setting Off") of the Personal Banking Booklet.
- Charge you any late payment fees and incur and pass on reasonable enforcement expenses.

However, we don't have to give you any notice or wait for the expiry of a notice period if:

- we reasonably believe that we were induced by fraud by you to enter into this agreement;
- we have failed, after making reasonable attempts, to locate you; or
- a court authorises us to begin enforcement proceedings.

Except where you've missed a payment, we'll only act on any of the above events of default if it's material, or we reasonably consider the event has had, or is likely to have, a material impact on your ability to meet your financial obligations to us, or in some cases, our legal or reputational risk.

15. What you tell us by entering into this agreement?

By entering into this agreement you're telling us the following statements of fact at the following times:

You tell us the following:	And you tell us those things at the following times:	
	Before you enter the agreement	Throughout the agreement
That all information you've given us is true and complete, and isn't materially misleading – information could be materially misleading as a result of something you haven't told us, or as a result of another action you've taken.	✓	✓
You'll always use the loan for the approved purpose.	✓	✓
You have notified us in a reasonable time of any threatened, pending or actual litigation or anything else we tell you we reasonably require notice of.	✓	✓

You tell us the following:	And you tell us those things at the following times:	
	Before you enter the agreement	Throughout the agreement
If you're a resident, or become a resident during the course of your loan, of a country other than Australia, the benefit of your loan won't be brought into, used to support a business in, or be used to buy income producing assets in, that country, unless permitted by law*.	✓	✓
If you're a resident, or become a resident during the course of your loan, of a country other than Australia, any interest payable won't be claimed as a deduction (or other relief) against any income tax that you need to pay in any country other than Australia, and any interest payments won't come from income derived by you in that country, or be sent by you from that country, unless permitted by law*.	✓	✓

* You're responsible for obtaining your own tax advice – for more information, see the clause 49 ("Tax") in the Personal Banking Booklet.

See also clause 42 ("Information we need from you and when we can disclose information about you") in the Personal Banking Booklet.

16. Statements

We'll provide monthly statements - see clause 22 ("Statements and other information we'll give you") of the Personal Banking Booklet for how we send statements.

You may request a new statement.

17. Other terms

What happens if you become bankrupt or die?

If you become bankrupt, your estate will be accountable to the same extent as you were.

If you die, your estate:

- (a) must repay any amount you owe us;
- (b) will receive any positive balance in your loan account; and
- (c) can give us instructions through the executor(s).

What law applies and what courts have jurisdiction?

See clause 57 ("What country's courts and laws apply to this agreement and our dealings") in the Personal Banking Booklet.

Fees and charges

Important Information about our Fees and Charges

All fees and charges shown are in Australian dollars (AUD) unless otherwise stated.

You can find information about our fees and charges in your letter of offer and clauses 27 ("Important information about our fees and charges"), 29 ("Collecting fees and charges") and 30 ("Interest calculations and interest rates") of the Personal Banking Booklet.

Some of these may change during the course of your loan please see clause 12 ("When can we make changes to this agreement?") of these Personal Loan Terms. Details of our current fees and charges can be found online at www.hsbc.com.au.

We'll also provide information on fees and charges on request.

Part C: National Credit Code Information Statement

IMPORTANT: If you have a credit card, home loan or personal loan that is regulated under the National Credit Code, we are required to provide you with the following information statement. This information is for your benefit and you should ensure you take the time to read it.

Form 5 – Information statement

- paragraph 16(1)(b) of the Code
- regulation 70 of the Regulations

Things you should know about your proposed credit contract

This statement tells you about some of the rights and obligations of yourself and your credit provider. It does not state the terms and conditions of your contract.

If you have any concerns about your contract, contact the credit provider and, if you still have concerns, the AFCA scheme, or get legal advice.

The Contract

1. How can I get details of my proposed credit contract?

Your credit provider must give you a pre-contractual statement containing certain information about your contract. The pre-contractual statement, and this document, must be given to you before:

- your contract is entered into; or
- you make an offer to enter into the contract; whichever happens first.

2. How can I get a copy of the final contract?

If the contract document is to be signed by you and returned to your credit provider, you must be given a copy to keep. Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however, apply if the credit provider has previously given you a copy of the contract document to keep.

If you want another copy of your contract, write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy:

- within 14 days of your written request if the original contract came into existence 1 year or less before your request; or
- otherwise within 30 days of your written request.

3. Can I terminate the contract?

Yes. You can terminate the contract by writing to the credit provider so long as:

- you have not obtained any credit under the contract; or
- a card or other means of obtaining credit given to you by your credit provider has not been used to acquire goods or services for which credit is to be provided under the contract.

However, you will still have to pay any fees or charges incurred before you terminated the contract.

4. Can I pay my credit contract out early?

Yes. Pay your credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

5. How can I find out the pay out figure?

You can write to your credit provider at any time and ask for a statement of the payout figure as at any date you specify. You can also ask for details of how the amount is made up.

Your credit provider must give you the statement within 7 days after you give your request to the credit provider. You may be charged a fee for the statement.

6. Will I pay less interest if I pay out my contract early?

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits your credit provider to charge one) and other fees.

7. Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

8. Will I be told in advance if my credit provider is going to make change in the contract?

That depends on the type of change. For example:

- you get at least same day notice for a change to an annual percentage rate. That notice may be a written notice to you or a notice published by your credit provider.
- you get 20 days advance written notice for:
 - a change in the way in which interest is calculated; or
 - a change in credit fees and charges; or
 - any other changes by your credit provider;

except where the change reduces what you have to pay or the change happens automatically under the contract.

9. Is there anything I can do if I think that my contract is unjust?

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement.

If that is not successful, you may contact the AFCA scheme. The AFCA scheme is a free service established to provide you with an independent mechanism to resolve specific complaints. The AFCA scheme can be contacted at 1800 931 678, info@afca.org.au, www.afca.org.au or GPO Box 3 MELBOURNE VIC 3001.

Alternatively, you can go to court. You may wish to get legal advice, for example from your community legal centre or Legal Aid.

You can also contact ASIC, the regulator, for information on 1300 300 630 or through ASIC's website at www.asic.gov.au

General

10. What do I do if I cannot make a repayment?

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider to change your contract in a number of ways:

- to extend the term of your contract and reduce payments; or
- to extend the term of your contract and delay payments for a set time; or
- to delay payments for a set time.

11. What if my credit provider and I cannot agree on a suitable arrangement?

If the credit provider refuses your request to change the repayments, you can ask the credit provider to review this decision if you think it is wrong.

If the credit provider still refuses your request you can complain to the AFCA scheme. Further details about this scheme are set out below in question 13.

12. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the AFCA scheme or ASIC, or get legal advice.

13. Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also read your contract carefully.

If you have any complaints about your credit contract, or want more information, contact your credit provider. You must attempt to resolve your complaint with your credit provider before contacting the AFCA Scheme. If you have a complaint which remains unresolved after speaking to your credit provider, you can contact the AFCA Scheme or get legal advice.

The AFCA Scheme is a free service established to provide you with an independent mechanism to resolve specific complaints. The AFCA Scheme can be contacted:

- By phone on 1800 931 678; or
- Website at afca.org.au or
- By email at info@afca.org.au; or
- By mailing to GPO Box 3 Melbourne VIC 3001

Please keep this information statement. You may want some information from it at a later date.

Issued by
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