

11 April 2024

# HSBC Personal Loan Terms

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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](http://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; or
- you’re likely to be unable to comply with the financial obligations; or
- you could only comply with your financial obligations with substantial financial hardship (for example, by selling your principal place of residence); or
- the regulations 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); or
- ✓ 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) 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](mailto: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.

Please refer to the clause ('Complaints, Disputed Transactions 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 1800 931 678; by email at [info@afca.org.au](mailto:info@afca.org.au); and online at [www.afca.org.au](http://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. WHO'S THIS AGREEMENT BETWEEN?

You	We/Us/Our
You means the person stated as the borrower in the letter of offer.	HSBC Bank Australia Limited ABN 48 006 434 162 GPO Box 5302 Sydney NSW 2000 Australian Credit Licence 232595
You cannot have a personal loan with more than one borrower.	T: 132 152 <a href="http://www.hsbc.com.au">www.hsbc.com.au</a>

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### 2. WHAT FORMS THE AGREEMENT BETWEEN US?

Terms	Where you'll find them
These <b>Personal Loan Terms</b>	Terms specific to your personal loan.
Your <b>letter of offer</b>	Fees, charges and interest rates and other details. As you'll see from your letter of offer, we have told you we can change the information in the letter of offer – this is because we are required by law to tell you this in your letter of offer. Please note, we will only make changes in accordance with clause 11 ('When can we make changes to this agreement') of these Personal Loan Terms.

Terms	Where you'll find them
The <b>Personal Banking Booklet</b>	General terms that apply to our products (including personal loans). The clauses of the Personal Banking Booklet apply to your agreement with us where specified in the Personal Banking Booklet (unless altered as set out in these Personal Loan Terms).

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### 3. WHEN WILL THIS AGREEMENT BEGIN?

This agreement is legally binding on you if and when you accept your letter of offer. However:

- you must accept within 14 days of the date of your letter of offer; and
- 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; and
- we're not bound to lend until you've met all our reasonable conditions.

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### 4. HOW AND WHEN WILL WE FUND YOUR LOAN?

4.1 To fund your loan we'll need:

- ✓ your electronically signed letter of offer; and
- ✓ any information and supporting documents we've requested from you; and
- ✓ to verify your identity.

4.2 We'll pay the loan into the account you've told us in your application. You can't make payments from your loan account any other way.

4.3 We don't have to give the loan 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; or
- 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.

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

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## **5. HOW DO WE WORK OUT AND CHARGE INTEREST?**

5.1 Interest starts to accrue to your loan account balance daily, from the day we give you the funds until all amounts due under the loan are fully repaid.

5.2 Your daily 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).

### **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.

5.3 We'll charge the interest we've calculated on your loan account balance for the repayment period on your repayment date for that month and on the date of your final repayment.

5.4 The total of each days' interest during each repayment period is added and charged on your next repayment date, and on the date of your final repayment.



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

5.6 If you don't make a repayment in full or on time, you'll pay more interest 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.

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## **6. WHEN AND HOW MUST YOU PAY FEES AND CHARGES?**

6.1 We can add a fee or charge to your loan account on the date it becomes payable, or ask that you pay it separately. This is set out in your letter of offer.

6.2 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.

6.3 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 5 ('How do we work out and charge interest?') in these Personal Loan Terms.

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## **7. WHEN WE CAN CHANGE YOUR REPAYMENT AMOUNT?**

7.1 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; or
- you have to pay fees or charges; or
- there is a change to your loan term; or
- we have allowed you, temporarily, to stop or reduce your repayment amount.

7.2 We will notify you if we change your repayment amount in accordance with clause 11 ('When can we make changes to this agreement') of these Personal Loan Terms.

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## **8. WHEN AND HOW MUST YOU REPAY THE LOAN?**

8.1 You must make all repayments to us in Australian dollars.

8.2 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.

8.3 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. Your repayments will be used to repay any unpaid fees and charges that are payable, then any unpaid interest that is payable and principal.

8.4 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).

8.5 We apply your payment when we receive it. We treat your payment as being received when it is processed 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 ('Payments into your account by cheque') of the Personal Banking Booklet). 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 ('Payments into your account by mistake, or fraud') and ('When we can refuse to accept payments into your account') of the Personal Banking Booklet.

8.6 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; and
- (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 13 ('What happens if you're in default under this agreement') in these Personal Loan Terms.

8.7 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.

- 8.8 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.
- 8.9 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 clause ('Direct debits' and '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®).
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## **9. CAN YOU PAY MORE THAN YOUR MONTHLY REPAYMENT?**

- 9.1 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 7 ('When we can change your repayment amount') of these Personal Loan Terms. However, you may repay your loan sooner.
- 9.2 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.
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## 10. COMMUNICATING WITH EACH OTHER

10.1 Below are the details you will need if you want to get in touch with us (e.g. to change your details or to tell us about any difficulties you have making payments) you can:

- ✓ write to us (see our postal address in the Credit Guide at the front of this document); or
- ✓ visit any one of our branches; or
- ✓ call us on 132 152 (from Australia) or +61 2 9005 8511 (from overseas, you may be charged by the telephone provider); or
- ✓ 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) provide 132 152. 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.

10.2 For more information about how to contact us or give us notice, or how we may contact you, see clause ('How do we communicate?') of the Personal Banking Booklet.

10.3 You consent to us giving you documents and other notices that we are required to give you by electronic communication. By giving written consent, we may no longer give paper documents and notices unless required by law. You will need to regularly check your electronic communications, and you acknowledge that you can withdraw your consent at any time by contacting us.

10.4 Depending on your account, the nature of the notice, and other factors, we will choose the most appropriate method of electronic communication. For example, sending a notice by email, making a document available online or sending a document to a secure e-message facility on online banking. You must keep your electronic details up to date. We recommend you regularly check your emails and keep a record of important documents.

## **11. WHEN CAN WE MAKE CHANGES TO THIS AGREEMENT?**

- 11.1 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.
- 11.2 Our reasons for making changes, and any notice period and how we will tell you, are set out in clause ('Changes to your agreement') of the Personal Banking Booklet.
- 11.3 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.
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## **12. ENDING THIS AGREEMENT ON NOTICE**

- 12.1 You can end this agreement at any time by giving us notice – see clause 10 ('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.
- 12.2 We will end this agreement at any time by giving you written notice if you don't owe us any money.
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### 13. WHAT HAPPENS IF YOU'RE IN DEFAULT UNDER THIS AGREEMENT?

If anything in the left column of the below table happens, you'll be in default under this agreement. If you're in default we can 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 you don't fix it, we can do anything in the right hand column.

<b>If any of the following happens:</b>	<b>We can do any of the following:</b>
<p>You haven't made a required payment under this agreement. We reasonably believe you have fraudulently entered into this agreement.</p>	<p>Call up your loan and demand that you pay us all you owe, or</p>
<p>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.</p>	<p>Take any action available to us at law, including ending this agreement, or</p>
<p>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.</p>	<p>Take money in any one or more of your accounts to pay us what we're owed, as permitted under clause ('Combining Accounts and Setting-Off') of the Personal Banking Booklet, or</p>
<p>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.</p>	<p>Charge you any late payment fees and incur and pass on reasonable enforcement expenses.</p>

If anything in the below table happens, you'll be in default under this agreement. We don't have to give you any notice or wait for the expiry of a notice period before we do anything in the right hand column of the table above.

<b>If any of the following happens:</b>
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.
A court authorises us to do so.

Except where you've missed a payment, we'll only act on any of the above events in the tables above 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.

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## **14. 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:

<b>You tell us the following:</b>	<b>And you tell us those things at the following times:</b>	
	<b>Before you enter the agreement</b>	<b>Throughout the agreement</b>
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 tell us the following:	And you tell us those things at the following times:	
	Before you enter the agreement	Throughout the agreement
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.	✓	✓
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 ('Tax') in the Personal Banking Booklet.

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

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## **15. STATEMENTS**

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

15.2 You may request a new statement.

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## **16. OTHER TERMS**

16.1 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; and
- (b) will receive any positive balance in your loan account; and
- (c) can give us instructions through the executor(s).

16.2 What law applies and what courts have jurisdiction?

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

16.3 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. The clause ('Fees and charges') and Part B of the Personal Banking Booklet do not apply to this agreement.

Some of these may change during the course of your loan please see clause 11 ('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](http://www.hsbc.com.au). We'll also provide information on fees and charges on request.

## Taking fees and charges from your account

We'll debit your loan account for:

- all fees and charges that apply (including our reasonable enforcement expenses – see clause ('Recovering costs and expenses from you') in the Personal Banking Booklet); and
- any applicable government fees, costs, taxes and duties on receipts or withdrawals in relation to the account or account documentation (this includes stamp duty where it is applicable).

We'll debit our fees and charges to your loan account when they become payable as set out in your letter of offer.

If we decide not to charge a fee or cost that we're entitled to charge, we don't waive that fee or the right to charge that fee or cost in the future.

### 16.4 Transferring this agreement

We may assign or transfer our rights and obligations under this agreement – see clause ('Transferring your agreement and the security') in the Personal Banking Booklet.

### 16.5 Our rights

See clause ('Our rights') in the Personal Banking Booklet for information about how we may exercise our rights under this agreement.

### 16.6 Commissions

We may pay commissions to third parties – see clause ('Commissions') in the Personal Banking Booklet.

**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 D of the Personal Banking Booklet. Please read it carefully.**

Issued by  
HSBC Bank Australia Limited  
ABN 48 006 434 162  
AFSL/Australian Credit Licence 232595  
GPO Box 5302 Sydney NSW 2001  
T: 132 152  
W: [hsbc.com.au](http://hsbc.com.au)