HSBC

An important update about your home loan

We're writing to share more information about the upcoming transfer of the servicing and ongoing support of your HSBC home loan to Pepper Money.

As previously advised, subject to regulatory approval, Pepper Money is expected to manage and service these loans from the first half of 2027.

What you need to know

There is no immediate action required from you. For now, your HSBC products and Premier benefits (if applicable) will continue to operate under the existing terms and conditions.

Importantly, the interest rates, fees, discounts and repayments you have with HSBC will transfer across to Pepper Money.

After the transfer, Pepper Money will manage and service these loans.

Please note that any changes to your home loan will be in accordance with your terms and conditions. For example, if you have a variable interest rate, and the official cash rate changes before the transfer, HSBC may change your interest rate.

Managing your home loan account with Pepper Money

We're working closely with Pepper Money to help make the transition as smooth as possible.

Redraw, debit card access, online and mobile account management (including transaction and real-time payments) and an optional offset sub-account will be available to you after the transfer.

We'll provide more important details before the transfer about how these features will work with Pepper Money and what, if anything, you need to action.

More information about offset accounts

If you currently have an offset account with HSBC, you will be given the option to transfer the balance to an offset sub-account with Pepper Money.

Pepper Money offers an offset sub-account that is linked to your loan that works like an offset account. Whilst the structure is different, the interest benefit remains the same - the balance held in the offset sub-account helps reduce the amount of interest charged on your home loan.

All important information will be provided to you in the coming weeks, so you can make an informed decision about the option to transfer your offset balance to an offset sub-account with Pepper Money.

Issued by HSBC Bank Australia Limited ABN 48 006 434 162. AFSL/Australian credit licence 232595.

The table below further explains how this account feature works.

	HSBC Offset Account	Pepper Money Offset Sub-Account
The interest benefit	Your offset account or sub-account balance reduces the total balance of your loan that you pay interest on, lowering your interest costs.	
How can I access my funds?[1]	You can access your funds at any time, subject to account terms. This includes: Debit card linked to the account Online and mobile transactions BPay Direct debits Real-time payments Telephone self-service HSBC branches	You can access your funds at any time, subject to account terms. This includes: Debit card linked to the sub-account (optional) Online and mobile transactions BPay Direct debits Real-time payments Telephone self-service
Are the funds in my offset separate from my loan?	Yes – your offset funds is in a separate HSBC deposit account linked to your home loan.	Yes – your funds sit in a sub-account that is structured as a separate split account within your loan.
What about my tax position?	Your offset account or sub-account balance reduces the total balance of your loan that you pay interest on, lowering your interest costs. The offset sub-account can continue to support customers using the loan for investment and tax purposes with interest deductibility retained. This is factual information and does not constitute financial or tax advice. The tax treatment of your loan (and any interest) will depend on individual circumstances. Customers are advised to seek their own tax advice.	
Important information	*Before the transfer, you'll receive more important information, including the option to transfer your balance to a Pepper Money offset sub-account.* *Access to the offset account and offset sub-account can be changed, suspended or cancelled in line with your home loan terms.*	

For non-resident customers

Your loan will be managed and serviced by Pepper Money after the transfer, who support a broad range of customers, including non-resident customers. We'll provide more information before the transfer if anything specific applies to your loan.

If your loan was arranged through a broker

We're working closely with your broker to help make the transition as straightforward as possible.

We're working closely with Pepper Money to help make the transition as smooth as possible.

If you have a non-Australian dollar home loan, you'll still be able to access and manage your account online after the transfer.

We'll provide more details before the transfer about how these features will work with Pepper Money and what, if anything, you need to action.

What happens next

Over the next few months, we'll keep you updated so you're clear on what's changing, what's staying the same, what it means for you, and whether there's anything you need to do before the transfer.

The most current information about these changes will be available on our HSBC Australia website hsbc.com.au/help/important-notices/, where you can also click through to Pepper Money. There you will find the answers to Frequently Asked Questions.

Customer service and ways to bank with us

Our customer service teams will remain available to support you through this time.

Online: You can continue to self-service through your banking app and online banking.

Branches: Please visit our website to find your closest available branch and the latest branch closure dates.

Phone: You can call us on 1300 308 008 (+61 2 9005 8220 if calling from overseas).

Premier

Phone: You can call us on 1300 301 168 (+61 2 9005 8192 if calling from overseas).

For other ways to contact us please visit hsbc.com.au/help/contact/.

Extra care support

Should you have additional support needs, we can help:

If you're deaf, hard of hearing or have any other communication difficulty, you can contact us through the National Relay Service.

If English isn't your first language, just say "I need an interpreter" when you contact us.

If you have an existing financial hardship arrangement in place, this will remain unchanged.

For more information on how we can offer extra care support when you need it, please visit hsbc.com.au/help/extra-care/

Please note that we will be experiencing higher enquiry volumes in the coming weeks and wait times may be longer than normal. We greatly appreciate your patience and cooperation throughout this process.

We're committed to making this transition as smooth as possible for you and will provide more details in the coming months.

Yours sincerely,

HSBC Bank Australia

Stay alert. Keep your money safe from scams.

Scammers may take this opportunity to contact you pretending to be from HSBC.

- Be highly suspicious if you're unexpectedly asked to move money or take urgent action.
- Always use Call Verify on your HSBC mobile banking app to confirm whether the person you're speaking to is from HSBC. More details on the Call Verify feature can be found at hsbc.com.au/help/security-centre/call-verify/
- Always contact us through official channels listed on our website or through the HSBC mobile banking app.
- Never share your PIN, passwords or security codes with anyone, even if they claim to be from HSBC.

Visit our Fraud and Scam prevention hub hsbc.com.au/help/security-centre/fraud/ for more information.