



What will change and what stays the same with your loan

We would like to share some more information about the transfer of your loan to Pepper Money in the first half of 2027, subject to regulatory approval.

Please read on as we cover how your loan will continue to be serviced and outline the consumer protections available to you now and after transfer.

A reminder that you don't need to do anything now. We'll contact you before the transfer with the exact timing, what you need to do, and how any linked or offset arrangements will work.

We'll provide detailed instructions on what you need to do in upcoming communications about your offset account, as well as other important information you need when considering whether to provide your consent to transfer the money in your HSBC offset account to an offset sub-account with Pepper Money, and what your other options are.

Your interest rate, fees and repayments

The interest rate, fees, discounts and repayments you have with HSBC will transfer across to Pepper Money.

Pepper Money has advised that the transfer will not result in your loan being moved to one of Pepper Money's existing loan products or switched to Pepper Money's advertised interest rates.

Once your loan is transferred by HSBC, Pepper Money will manage the loan and any changes after the transfer will be made in accordance with the terms of your agreement.

Your consumer protections

Both HSBC and Pepper Money are licensed credit providers, regulated under the National Credit Code and overseen by ASIC, **which means broadly similar levels of protections in relation to responsible lending, hardship assistance and dispute resolution.**

The main difference is that HSBC is a bank, supervised by APRA as an Authorised Deposit-taking Institution (ADI), with eligible deposits covered by the Government's Financial Claims Scheme (FCS).

Pepper Money isn't a bank and doesn't take deposits. They're not supervised by APRA and therefore the FCS doesn't apply.

FCS protection for funds in an offset account

If you have a home loan with an offset account with HSBC, the FCS will apply to the funds in your offset account if the bank were to fail. This protection covers up to a maximum of AUD250,000 across all of your accounts held with HSBC.

After your loan transfers to Pepper Money, the position is different. If a non-bank lender were to fail, any money you hold in the offset sub-account would reduce (be set off against) your home loan balance. Pepper Money's home loan accounts, including the offset sub-account, aren't deposit accounts so aren't designed to hold funds above the amount outstanding on your home loan, so there are no additional funds that would need protection.

What to do if you're experiencing hardship

If you're experiencing financial difficulty, you'll continue to have access to hardship assistance after the transfer, in line with Australian consumer credit laws. Furthermore, Pepper Money will continue to honour any existing arrangements you have with us at transfer.

About the different Industry Codes

HSBC follows the Banking Code of Practice (BCOP), which is independently monitored by the Banking Code Compliance Committee. Once your loan transfers, Pepper Money's equivalent is the AFIA Finance Industry Code of Practice (AFIA Code), which is independently monitored by the Australian Finance Industry Association Code Compliance Committee. **Both provide similar standards for customer treatment, clear communications and support.**

The main difference is that the BCOP has been formally approved by ASIC and the customer protections under BCOP are legally binding on HSBC. HSBC has also affirmed its commitment to these protections through the terms of its customer contracts. While the AFIA Code is not contractually enforceable in the same way as BCOP, its protections are reflected in Pepper Money's contracts. This means that after the transfer, you'll receive the protections under the AFIA Code and Pepper Money's terms, instead of BCOP.

How to deal with unauthorised transactions, mistaken payments, scams and fraud

If you notice an unauthorised transaction, a mistaken payment, or believe you've been the victim of a scam or fraud relating to your account, you should contact us straight away.

This is covered under the ePayments Code, which HSBC subscribes to, and HSBC's terms and processes reflect these requirements. Pepper Money isn't an ePayments Code subscriber. While not identical to the ePayments code, you'll still have protections under Pepper Money's terms and conditions, including a formal process to investigate and resolve issues (including for unauthorised and mistaken payments). Visa chargeback may also be available.

Continued protection of your personal information

Your personal information will continue to be protected under the Privacy Act and will be handled in line with Pepper Money's privacy policy once the transfer takes effect.

More information

For more information about your home loan, consumer protections and what to expect during the transfer, visit the Important Notices page on the HSBC Australia website: [hsbc.com.au/help/important-notices/](https://www.hsbc.com.au/help/important-notices/)

We're here to help

Our customer service team remains available to support you until the transfer. You can continue to use the HSBC Mobile Banking app, online banking or your local branch.

Phone: 1300 308 008 (+61 2 9005 8220 from overseas).

Premier customers: 1300 301 168 (+61 2 9005 8192 from overseas).

If English isn't your first language, just say "I need an interpreter" when you contact us. 如果英语不是您的第一语言, 当您联系我们时, 只需用英文说 "I need an interpreter" (意思为“我需要一名口译员”), 即可获得口译服务。您也可以通过汇丰澳大利亚网站的“重要通知”(Important Notices) 页面获取最新信息。

For more information on how we can offer extra care support when you need it, please visit the Extra Care page found on our HSBC Australia website.

Stay alert: protect yourself from scams

Scammers may use the transfer as an opportunity to pretend to be from HSBC or Pepper Money.

- Be suspicious if you are unexpectedly asked to move money or act urgently.
- If you receive a call claiming to be from HSBC, use Call Verify in the HSBC Mobile Banking app.
- Contact HSBC only through official channels listed on its website or in the app.
- Never share your PIN, passwords or security codes, even if the caller says they are from HSBC or Pepper Money.