
Graduate Loan Scheme with HSBC Bank plc

Updated June 2011



Graduate Loan Scheme

HSBC Bank plc, in partnership with PricewaterhouseCoopers LLP, are pleased to be able to offer you a loan of up to £7,000 which is interest free with repayments spread over a maximum of 48 months. In addition, capital repayments can be deferred for a maximum of 6 months. This only applies to those full time graduate joiners eligible for the scheme as per the terms and conditions attached to your offer letter.

PwC will pay the interest on the Graduate Loan and also any tax charges that are associated with it. If the amount of your Graduate Loan is greater than £5,000, or if the total of all interest-free or low-interest loans that you have through PwC (such as a Season Ticket Loan) is greater than £5,000, then there may be a tax charge on notional interest on these beneficial loans. If you have a Graduate Loan, you will not be liable for the tax charges on any part of your beneficial loans, as PwC have agreed to pay this tax for people with Graduate Loans. PwC pay the tax directly to HMRC and you will not have a taxable loan benefit shown on your P11D and will not need to enter the loan benefit on your tax return.

Please note the loan must be applied for within five months of commencing employment.

The following examples illustrate the monthly repayment options:

1. Loan of £7,000 over 48 months with no repayment holiday
= 48 monthly payments of £145.83
2. Loan of £7,000 over 48 months with 6 month repayment holiday
= 42 monthly payments of £166.67

In order to apply for the loan, you will need the following:

- Confirmation of income and expenditure
- Confirmation of your commencement of employment with PwC. Note that the loan cannot be approved and advanced until you have actually commenced employment at PwC.
- You must hold or open an account with HSBC and must have your PwC salary paid into this account. This constitutes a credit requirement with the bank. You will not be eligible to open this account until you have graduated. Due to recent banking regulation changes, setting up a new account is a much more precise and lengthy process. You are strongly advised to open the account at least a month or six weeks prior to joining. To comply with regulations on opening new accounts, the banks will require formal proof of your identity and address verification.

Should you leave the employment of PwC before the loan is fully repaid, the interest free facility will automatically cease and it would be your responsibility to refinance the outstanding amount with the bank under their standard terms and conditions, applicable at that time.

You will find attached the 'Identification Checklist' needed in order to open a new account with HSBC, an 'Graduate Loan Options' form and 'Customer Declaration' that both need to be fully completed and returned to HSBC at the address listed. If you have any difficulties completing these forms, please refer to your recruitment contact or if you have any queries about the scheme, please feel free to contact the HSBC PwC Graduate Loans Team via:

Telephone: 08455 847610

Email: pwc.graduate.loans@hsbc.com

Address: Private & Confidential Addressee only, PwC Graduate Loans Team, HSBC Bank plc, 60 Queen Victoria Street, London, EC4N 4TR

The PwC Graduate Loans Team at HSBC will be your first port of call for all your financial needs and concerns, offering the best advice and products, tailored to your own personal needs.

Graduate loan identification checklist

To open a new account with HSBC Bank plc, please provide your graduation certificate, bank statements for the last 6 months plus **one** document from **each** of the following lists:

List 1 (one document)

- a) current valid passport; or
- b) national identity card; or
- c) UK Armed Forces identity card; or
- d) student ID card; or
- e) current full UK driving licence / UK provisional driving licence (must show the address given on graduate loan application form)

Plus

List 2 (one document)

- a) utility bill (eg gas, telephone, water, electric. Mobile telephone bills are **not** accepted). This bill must be dated within the last 3 months old and paid up to date; or
- b) bank or building society credit card statement that is dated within last 3 months; or
- c) council tax bill dated within last 12 months; or
- d) recent original mortgage statement dated within last 12 months; or
- e) home or motor insurance certificate dated within last 12 months; or
- f) current full UK driving licence / UK provisional driving licence (must show the address given on graduate loan application form)

Original identification must be taken into a HSBC branch to be certified as true by a member of staff and forwarded onto: Private & Confidential Addressee only, PwC Graduate Loans Team, HSBC Bank plc, 60 Queen Victoria Street, London, EC4N 4TR.

Graduate loan customer declaration

I hereby authorise HSBC Bank plc to disclose all relevant information to PricewaterhouseCoopers LLP in relation to the loan facility made available by HSBC Bank plc under the terms and conditions of the Graduate Loan Scheme.

Please note the following:

1. If you leave the employment of PricewaterhouseCoopers LLP, any outstanding loan made available under the terms and conditions of the Graduate Loan Scheme will become immediately repayable. If HSBC Bank plc are, or become, your main banker, the loan can be restructured to our standard terms and conditions, which are subject to our standard credit procedures.
2. Please note that it is the individual's responsibility to ensure that sufficient funds are available in HSBC Bank plc current account prior to the loan repayment date (7th of every month). Failure to do so will lead to unrefundable charges. It is your responsibility to ensure transfer of funds from other banks / building societies credit your HSBC Bank plc account at least four working days before the loan repayment.
3. The loan made available under the terms of the Graduate Loan Scheme is available for any purpose except for investments.
4. All facilities are repayable on demand.
5. All loan agreement forms will be governed by the Consumer Credit Act 1974.

Your signature:

Date:

If you wish to take forward a loan, please **fully** complete the options form and sign the customer declaration. Please return these documents to:

Private & Confidential Addressee only
PwC Graduate Loans Team
HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

If you do have any queries, please do not hesitate to contact a member of the HSBC Graduate Loans team via :

Telephone: 08455 847610

Email: pwc.graduate.loans@hsbc.com

PLEASE DO NOT TAKE THE LOANS AND CUSTOMER DECLARATION FORMS TO ANY BRANCH OF HSBC BANK PLC. THEY MUST BE RETURNED DIRECTLY TO THE PwC GRADUATE LOANS TEAM AT THE HSBC ADDRESS ABOVE.