



Leaving the Scheme – DC options



For members who worked for the HSBC Group in Jersey who have a DC pension pot in the HSBC Bank (UK) Pension Scheme



Helping you decide

As you're leaving HSBC, you need to think about what to do with your DC pension pot. To help you decide what's right for you we've provided this leaflet.

Before making your decision, you should read the information provided and if you have any questions you can contact the HSBC Administration Team – see contact details on page 5.

If you're not sure about your choices, we recommend that you talk to a Financial Adviser; see page 4 for more details of how to find a local Financial Adviser.

If you're leaving the Scheme with fewer than thirty days' qualifying service, you can either:

- Get back the value of any money you've put into your DC pension pot (less tax at 20%); or
- Transfer the total value of your DC pension pot in this Scheme (including the value of your employer's contributions) to another approved Jersey pension scheme or approved drawdown contract. Where you are not resident in Jersey you may be able to transfer your DC pension pot to an equivalent scheme (one which has similar characteristics to an approved Jersey scheme) outside of Jersey where the approval of the Jersey Comptroller of Revenue has been obtained.

If you're leaving the Scheme with thirty days' or more qualifying service, you can either:

- Transfer the total value of your DC pension pot in the Scheme (including the value of your employer's contributions) to an approved Jersey pension scheme or an approved drawdown contract. Where you are not resident in Jersey you may be able to transfer your DC pension pot to an equivalent scheme (one which has similar characteristics to a Jersey approved scheme) outside of Jersey if the approval of the Jersey Comptroller of Revenue has been obtained; or
- Leave your money invested in the Scheme until you decide to take it from the Scheme at any time after age 55 - this means you will be a deferred member.

Your options explained

Receive a payment

For members with fewer than 30 days' qualifying service only

You can get back the value of any money you've put into your DC pension pot. Any payments made are subject to tax at 20%.

If you'd like to take a payment, you'll need to complete the **Payment request form**. The payment will be processed within three months of the HSBC Administration Team receiving your completed form.

Taking your DC pension savings

If you're aged 55 or over and thinking of taking your DC pension pot directly from the Scheme, please contact the HSBC Administration Team for a quotation and more information.

Transfer the value of your DC pension pot

You can transfer the total value of your DC pension pot in the Scheme (including the value of your employer's contributions) to an approved Jersey pension scheme or an approved drawdown contract. Where you are not resident in Jersey you may be able to transfer your DC pension pot to an equivalent scheme (one which has similar characteristics to an approved Jersey scheme) outside of Jersey where the approval of the Jersey Comptroller of Revenue has been obtained.

Please note:

Whatever your length of qualifying service, if you choose this option you need to complete and return the **Transfer-out request form**. A transfer can take up to three months (and occasionally longer) to be completed. If you do transfer, no further benefits will be paid to you from the Scheme.

Once the **Transfer-out request form** has been received and processed by the HSBC Administration Team, you'll be sent a transfer value quotation. This will give you all the information you need to progress your transfer.

Things to consider...

- The transfer value provided in your statement represents the value of your DC pension pot at the date of calculation and is not guaranteed.
- Before you progress your transfer-out request, please make sure that the receiving plan will accept the transfer.
- Transfers can only take place if the receiving plan is legal and compliant with the Jersey Comptroller of Revenue and HM Revenue and Customs requirements (as applicable).
- It's recommended that you talk to a Financial Adviser before you choose to transfer any benefits out of the Scheme.



Leave your DC pension pot in the Scheme

For members with at least 30 days' qualifying service

You can leave your DC pension pot in the Scheme, where it will continue to be invested in your chosen funds (instead of taking a transfer).

If you choose this option you'll need to let us know if you change your address and/or email address so that we can keep you updated with Scheme news and contact you when you get close to your target retirement age. For further details about how to keep your personal details up-to-date, see page 5.

Review and change your investments and target retirement age

You can change how your money is invested and change the age you want to target to take your DC pension pot (set at 65 unless you tell us a different age) by logging on to **My Pension**.

You're able to make up to 12 free investment switches per year – if you make any more, there may be a charge.

Whatever decision you make regarding your investments isn't a one-off. It's something you should review regularly especially as you get closer to the age when you want to take your DC pension pot, or if your personal circumstances change.

The guide 'Investment guide for your Defined Contribution (DC) pension pot' gives you an overview of the current options for investing your DC pension pot and provides further information about investments. You can find the guide on <https://futurefocus.staff.hsbc.co.uk>

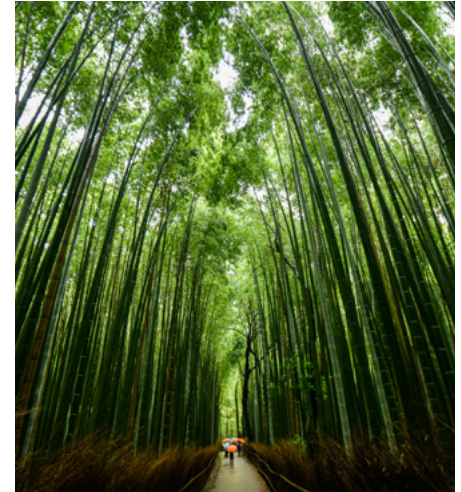
How you could use your DC pension pot

You can take your DC pension pot directly from the Scheme any time from age 55 to 75. What you do will depend on your personal circumstances. At the date of this leaflet, you can:

- Take up to 25% of your DC pension pot tax free. Your remaining DC pension pot must be used to buy a regular income (called an annuity) which can be arranged by a local Jersey broker.
- Take all of your DC pension pot as a cash lump sum from the Scheme if the value of your DC pension pot is £10,000 or less and the aggregate amount of lump sums you have previously commuted does not exceed £50,000. This will be taxed at 20%.
- Use some or all of your DC pension pot to buy an income (called an annuity) which can be arranged by a local Jersey broker. You'll know how much you're getting, and when it's being paid to you.
- Transfer the full value of the DC pension pot to another pension approved arrangement to access other options which may be available. For example, you may be able to take a transfer out to another arrangement which offers different options, including: taking your benefits from age 50, a higher proportion of tax-free cash, drawdown or greater flexibility regarding the size of DC pension pot which may be taken as a cash lump sum.

If you're interested in knowing more about these options, your member guide 'Knowing your DC pension pot' tells you more. You can find the guide on

<https://futurefocus.staff.hsbc.co.uk>



HSBC pays most of the fees

HSBC pays the administration and investment management fees for all the investment options available. Because of that, you can get the most out of your DC pension pot.

Depending on the fund you choose, there may be other investment charges which are included in the price of the fund.

'Cash lump sums' and 'drawdown income' **DO NOT** give you a guaranteed, regular income.



Other considerations

Benefits if you die

If you die as a deferred member before you retire, the total value of your DC pension pot (including the value of your employer's contributions) will usually be paid as a lump sum at the Trustee's discretion. (See 'Keep in Touch' on page 5 for details about keeping the Trustee informed).

AVCs

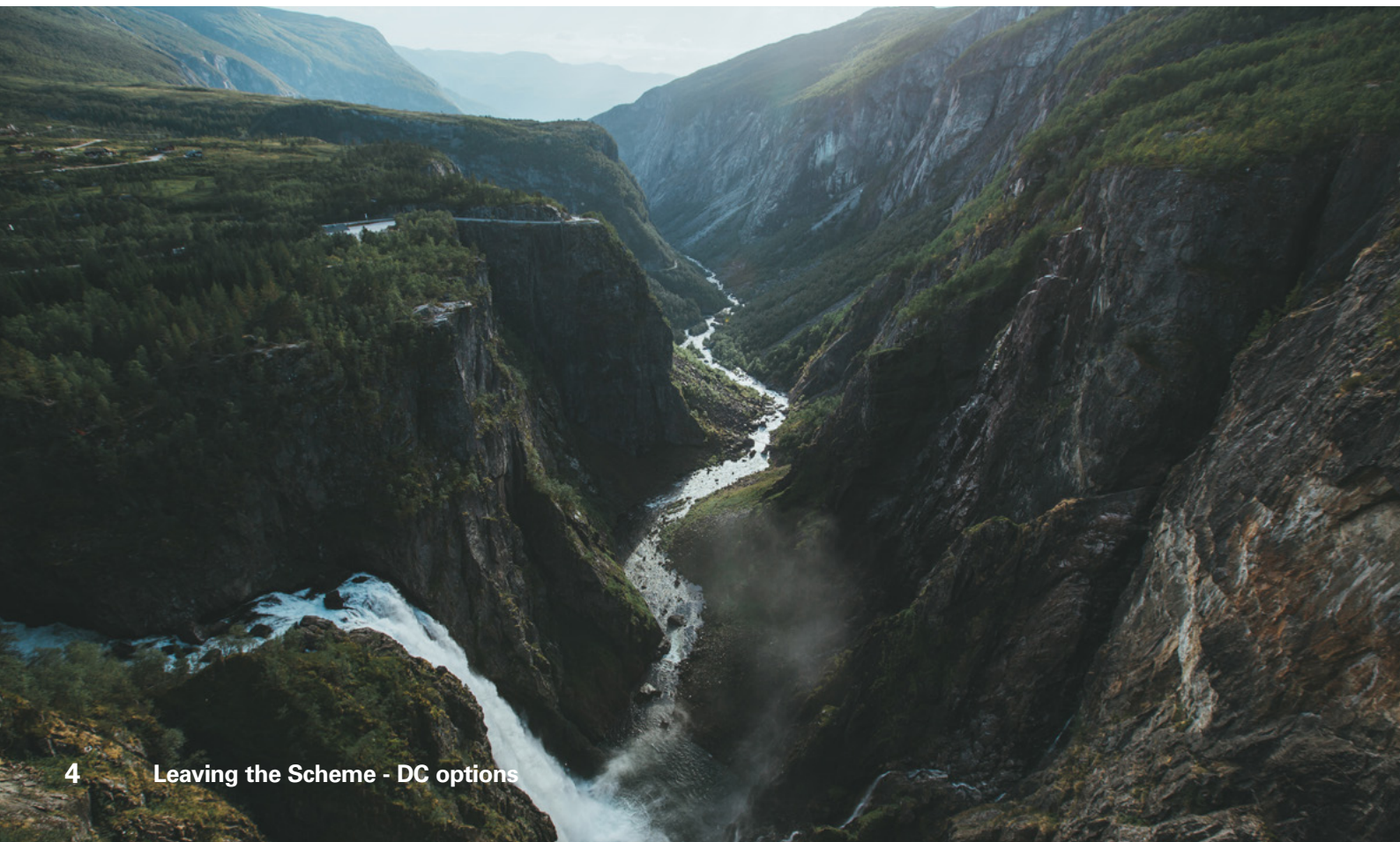
If you've paid Additional Voluntary Contributions (AVCs), the value of these will be included in the total value of your DC pension pot.

If you're not sure, you can get help.

Get financial advice

The Trustee and your employer can't give you any financial or investment advice. If you're not sure what to do, you should speak to a Financial Adviser. To get help finding one, visit the Jersey Financial Services Commission at <https://www.jerseyfsc.org>

This Guide assumes that you are subject to the Jersey tax regime whilst building up benefits in the Scheme and when you take your benefits. It also assumes that you have only ever worked in Jersey whilst you have been a Scheme member. If for example, you have also worked in the UK or another Crown Dependency or you move to the UK or another Crown Dependency before taking benefits, this Guide may not apply to you. Please contact the HSBC Administration Team for further guidance (see page 5).





Help and information

Keeping in touch

It's essential that the Trustee has up-to-date information about you and your dependants.

If any of the personal details in your statement are wrong, or if your personal circumstances change; for example, if you get married or register a civil partnership, have children, get divorced or move house, you need to let us know.

You should also check that your death benefit nominations are up-to-date so that we know who you would like us to pay any benefits to if you die.

You can make your changes by logging on to **My Pension**.

Getting online to My Pension

Log on to **My Pension** anytime, from anywhere. Go to the HSBC pension website: <https://futurefocus.staff.hsbc.co.uk> and click Login to **My Pension**. You'll need your user ID and password. Your user ID is HSBC followed by your employee ID number (this must be 8 digits) and your year of birth.

Example: If your employee ID is 00001234 and year of birth 1986, your user ID = HSBC000012341986. If you've forgotten your password follow the instructions for 'forgotten password' on screen.

Using your Scheme mobile app

Our mobile apps give you hassle-free, real time access to your Scheme benefit information when you're on the move.

You can download the **My Pension** app called 'Track My Pension' from the Apple App Store or the Google Play Store. You can also use the QR codes below for the iOS or Android apps.

Track My Pension

Apple App Store:



Google Play Store:



HSBC Administration Team WTW

If you've got any general questions about the Scheme, please contact the HSBC Administration Team at:

The HSBC Administration Team
WTW, PO Box 652, Redhill, Surrey RH1 9AL

Phone: 01737 227575

Email: HSBCpension@willistowerswatson.com

The Trustee wants to keep you up-to-date with Scheme news. Tell us your email address and we'll be able to do this quickly and easily – if you are a DC member go on to **My Pension** to let us know what it is.

This Guide takes account of the Trustee's understanding of the UK and Jersey tax and social security legislation in force as at July 2024. This Guide is for members resident in Jersey for the purposes of the Jersey tax legislation whilst they were building up benefits in the Scheme and who remain tax resident in Jersey when taking their benefits from the Scheme. If there are differences between this Guide and the Trust Deed and Rules, the latter will always override.

Issued by the HSBC Bank (UK) Pension Scheme (the Scheme)

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