

Brokerage Structure for Schemes of HSBC Mutual Fund (Applicable from 01 JAN 2020 - 31 MAR 2020)

			Annualized Trail Brokerage			
Details	Scheme name	Exit load Period	Additional Y1 Trail (B30 ONLY)	1st Year Trail Percentage (T30/B30)	Trail Percentage for 2nd & 3rd Year (T30/B30)	Trail Percentage from 4th Year Onwards (T30/B30)
Equity Funds	HSBC Large Cap Equity Fund(HEF)	1 Year	0.50	0.95	0.95	0.95
	HSBC Multi Cap Equity Fund(HIOF)	1 Year	0.50	1.00	1.00	1.00
	HSBC Small Cap Equity Fund(HMEF)	1 Year	0.50	1.00	1.00	1.00
	HSBC Equity Hybrid Fund(HEHF)	1 Year	0.50	1.00	1.00	1.00
	HSBC Large and Mid Cap Equity Fund(HLMEF)	1 Year	0.50	1.00	1.00	1.00
	HSBC Infrastructure Equity Fund(HAIF)	1 Year	0.50	1.00	1.00	1.00
	HSBC Tax Saver Equity Fund(HTSEF)	3 Years Lock in	0.50	1.00	1.00	1.00
	HSBC Global Emerging Markets Fund(HEMF)	1 Year	0.00	0.30	0.30	0.30
	HSBC Brazil Fund(HBF)	1 Year	0.00	0.30	0.30	0.30
	HSBC Asia Pacific (Ex Japan) Dividend Yield Fund(HAPDF)	1 Year	0.00	0.30	0.30	0.30
	HSBC Global Consumer Opportunities Fund(HGCOF)	1 Year	0.00	0.30	0.30	0.30
	HSBC Managed Solutions India Growth Fund(HMSGF)	1 Year	0.00	0.10	0.10	0.10
	HSBC Managed Solutions India Moderate Fund(HMSMF)	1 Year	0.00	0.10	0.10	0.10
	HSBC Managed Solutions India Conservative Fund(HMSCF)	1 Year	0.00	0.10	0.10	0.10
Monthly Income Plan						
	HSBC Regular Savings Fund(HMIPS)	1 Year	0.50	0.95	0.95	0.95
Debt & Liquid Funds	HSBC Flexi Debt Fund(HFDF)	Nil	0.00	0.50	0.50	0.50
	HSBC Debt Fund(HIFIP)	Nil	0.00	0.50	0.50	0.50
	HSBC Short Duration Fund(HIFST)	Nil	0.00	0.50	0.50	0.50
	HSBC Low Duration Fund(HLPF)	Nil	0.00	0.40	0.40	0.40
	HSBC Overnight Fund(HONF)	Nil	0.00	0.05	0.05	0.05
	HSBC Cash Fund (HCF)	Day 7 onwards: Nil	0.00	0.04	0.04	0.04

TERMS & CONDITIONS	
General	1. All annualized brokerage indicated above is on a gross basis and is inclusive of statutory levies and taxes. The same will be paid on a monthly basis. The payment made by MF would be subject to fulfilment of T&C as per the empanelment form and would be net off any clawback, adjustments, refunds, etc. A GST registered distributor is required to issue a tax invoice for such payment amount.
	2. Transaction charges will be applied on the investment amount, if you have Opted-in.
	3. Brokerage pertaining to SIP/STP registrations from 01-Jan-2020 will be computed basis the trade date logic for all the schemes.
	4. The above structure is subject to retrospective change basis the new TER slabs applicable from 1st April 2019. The current trail will also undergo changes basis TER applicability as per fund size.
	5. In case the brokerage payable (trail, additional trail, etc.) to the distributor is insufficient to cover the clawback amount, the clawback will be attempted for three consecutive months, post which a demand notice will be sent to the distributor asking him to refund the clawback amount to the AMC. In case the distributor does not pay the clawback amount within one month from the date of the receipt of the notice, the AMC will approach AMFI for the resolution of the same and/ or initiate required corrective action including legal proceedings, as it may deem fit.
	6. This structure will supersede any existing brokerage structure for the period of January 1, 2020 to March 31, 2020.
	7. Please refer to scheme information document(s) and addendum thereto for details of exit loads charged in schemes.
	8. In case if the brokerage payout mechanism is through physical mode i.e. warrants, then a threshold limit of Rs.500 will apply and the brokerage payout will be released only after reaching the threshold value.
	9. HSBC Asset Management (India) Private Limited (AMC) reserves the right to change the applicable Brokerage Rates as it may deem fit without any prior intimation or notification, in cases of regulatory changes or change in industry practices in respect to payment of brokerage on mutual funds or due to any other circumstances which the AMC may deem fit.
B-30	1. Additional Y1 Trail (for B30 only) will be applicable only to retail investors as defined by SEBI vide its circular dated 22nd Oct 2018 (as amended from time to time) and will be paid as trail only on investment amount. Further as per SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/42 dated March 25 2019, it has been decided that inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor"
	2. For Additional Y1 Trail (for B30 only), full clawback will be applicable if the investment is redeemed/switch out to any other scheme or Direct Plan before the completion of one year from the date of investment.
	3. NRI investments will be considered as T30 investments for the purpose of brokerage payment.
	4. Tagging of a transaction as B30 transaction solely rests with the AMC, including any guidelines issued by AMFI.
Regulatory	1. SEBI notification No. SEBI/LAD-NRO/GN/2018/51 dated December 13, 2018 (SEBI (Mutual Funds) (Fourth Amendment) Regulations, 2018 published in the Gazette of India Extraordinary Part III – Section 4 dated December 13, 2018), has amended Regulation 52, sub-regulation 6 of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 in relation to Total Expense ratio of the schemes which has/shall result in changes in the Total Expense ratio of the schemes w.e.f. April 1, 2019 resulting in consequent changes in the trail commission of few schemes payable for future periods in respect of outstanding assets.
	2. The distributors shall adhere to all applicable SEBI Regulations/ circulars on the Code of Conduct and other guidelines issued by AMFI from time to time for mutual fund distributors and ensure that no rebate is given to investors in any form and there is no splitting of applications for any benefit. AMC reserves the right to withhold and/or forfeit the payment on account of non-adherence to regulatory guidelines, mis-selling and non-adherence to code of conduct, or any other reason that AMC may deem fit. Vide SEBI circular dated November 28th, 2002 and AMFI's subsequent circulars, intermediaries are not entitled to commission/incentive on their own investment.
	3. In terms of SEBI / AMFI circulars / guidelines, the distributors shall submit all account opening and transaction documentation, including Know Your Client, Power of Attorney, Account Opening Form, etc. in respect of investors /transactions to the mutual fund. Payment of commission shall be made depending on the documentation completion status.
	4. In accordance with the clause 4(d) of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, the distributors should disclose all the commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which the scheme is being recommended to the investor. Distributors are advised to ensure compliance of the same.