

## NOTICE-CUM-ADDENDUM

NOTICE is hereby given in respect of changes to be carried out in the Scheme Information Document ('SID') & Key Information Memorandum ('KIM') of HSBC Overnight Fund and HSBC Cash Fund, schemes of HSBC Mutual Fund ('the Fund') and Statement of Additional Information ('SAI') of the Fund.

- I. Introduction of separate plans under HSBC Overnight Fund for deployment of unclaimed **Income Distribution cum Capital Withdrawal ('IDCW') and redemption amounts of the** investors:

In accordance with SEBI Circular no. SEBI/HO/IMD/DF2 /CIR/P/2016/37 dated February 25, 2016 on "Treatment of unclaimed redemption and dividend amounts" read along with SEBI Circular no. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/608 dated July 30, 2021, the Board of Trustees of the Fund, have approved introduction of four separate plans viz. '*Unclaimed IDCW below three years*', '*Unclaimed IDCW above three years*', '*Unclaimed Redemption below three years*' and '*Unclaimed Redemption above three years*' ('the Plans') under HSBC Overnight Fund ('HOF'), an open ended Debt Scheme (Relatively low interest rate risk and relatively low credit risk) of the Fund. These four plans will become operational with effect from July 24, 2022 ('Effective Date').

Unitholders are advised to note that the Plans are being introduced for the limited purpose of deploying the unclaimed redemption and IDCW amounts into HOF. Hence, regular investments by investors / Unitholders or switches from other schemes/plans of the Fund will not be permitted in these Plans.

The investment objective, asset allocation pattern, investment strategy, risk factors and portfolio of the Plans will be same as other existing plans of HOF. Further, the Total Expense Ratio of the Plans will be capped at the TER of Direct Plan of HOF or at 50 bps whichever is lower and there will be no exit load charged, as required under the aforesaid circulars.

The list of names and address of Unitholders in whose folios there are unclaimed amounts is available on our website <http://www.assetmanagement.hsbc.co.in>. The details may be obtained by Unitholders by providing proper credentials (like PAN, date of birth etc.). The information on unclaimed amount and its prevailing value will be separately disclosed in statement of accounts / Consolidated Account Statement. Detailed process of claiming the unclaimed amounts and the necessary forms / documents is also available on our website <http://www.assetmanagement.hsbc.co.in>.

Unitholders can submit a separate request for redemption/switch from any of the aforesaid plans. Investors' request will be treated as 'All units' only and the amount as available in all the aforesaid 4 plans shall be redeemed/switched. No partial redemption/switches will be allowed for investors.

This is to clarify that any unclaimed amount on or after Effective Date will be deployed in the Plans of HOF. The unclaimed amount as on the Effective Date held in the separate plans of HSBC Cash Fund, an open ended Liquid Scheme (Relatively low interest rate risk and relatively low credit risk) of the Fund, will be switched to the Plans of HOF in following manner:

Sr.No.	Switch-out Option of HSBC Cash Fund	Switch-in Option of HSBC Overnight Fund
1	HSBC Cash Fund - Unclaimed Redemption Below three years	HSBC Overnight Fund - Unclaimed Redemption Below three years
2	HSBC Cash Fund - Unclaimed Redemption Above three years	HSBC Overnight Fund - Unclaimed Redemption Above three years
3	HSBC Cash Fund - Unclaimed IDCW Below three years	HSBC Overnight Fund - Unclaimed IDCW Below three years
4	HSBC Cash Fund - Unclaimed IDCW Above three years	HSBC Overnight Fund - Unclaimed IDCW Above three years

It may be noted that the proposed switch would be taxable in the hands of the investor as per the applicable provisions of the Income Tax Act, 1961 (Act). In case of NRI investors, TDS shall be deducted in accordance with the applicable provisions of the Act and for this purpose the required number of units will be redeemed to recover such TDS. In view of individual nature of tax implications, unitholders are advised to consult their tax advisors. For details on Tax implications, please refer to SID of HSBC Cash Fund and Statement of Additional information available on our website <http://www.assetmanagement.hsbc.co.in>.

## II. Discontinuation of separate plans of HSBC Cash Fund

The existing separate plans of HSBC Cash Fund (earlier introduced for deployment of unclaimed amounts) will be discontinued once aforesaid switch transaction is carried out on July 24, 2022.

## III. Changes to SAI

Consequent to the above changes, the provisions relating to 'Unclaimed Redemption / Dividend (*IDCW*) Amount' shall stand updated appropriately in the SAI, from the Effective Date.

All other terms & conditions of the aforesaid schemes and SAI of the Fund will remain unchanged.

This addendum shall form an integral part of the SID, KIM of the aforesaid schemes and SAI of the Fund as amended from time to time.

Applicants/Unit holders may contact our Investor Service Centers/their distributors, for any additional information/clarifications.

For & on behalf of HSBC Asset Management (India) Private Limited  
 (Investment Manager to HSBC Mutual Fund)

Authorized Signatory

Place: Mumbai  
 Date: July 13, 2022

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MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.