

Breakup of Annual Scheme Recurring Expenses

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below. Further, as per clause 10.1.12 (a) of SEBI Master Circular dated June 27, 2024, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits.

As per Regulation 52 (6) (b) of SEBI Regulations, the maximum annual scheme recurring expenses including the investment management fees shall not exceed 1.00 per cent of the daily net assets.

For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

The AMC has estimated the following maximum expenses of the Scheme. Please refer to the table below for indicative details. The AMC reserves the right to vary the expense ratios charged to the Scheme, at such frequencies as the AMC may decide, subject to the maximum SEBI permissible limits. The AMC would update the current expense ratios on the website at least three working days prior to the effective date of the change. This information is available on AMC's website at www.assetmanagement.hsbc.co.in.

Expense Head	% p.a. of daily Net Assets* (Estimated p.a.)
Investment Management and Advisory Fees	Up to 1.00%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Recurring expenses incurred towards storage and handling of gold	
Cost of fund transfer from location to location	
Incentive to Market Makers	
Cost of providing account statements/redemption cheques & warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (5% of total TER charged to the Scheme, subject to maximum of 0.5 bps of AUM).	
#Brokerage & transaction pertaining to distribution of units	
Goods and Service Tax on expenses other than investment and advisory fees	
Goods and Service Tax [@] on brokerage and transaction cost	
Other expenses (including listing and licensing expenses)	
Maximum total expense ratio (TER) permissible under Regulation	

These estimates of Investment Management Fees and Expenses have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se, which may be more or less than estimated above.

[@] GST on brokerage and transaction cost, over and above 12 bps and 5 bps for cash and derivative market transactions charged to the Scheme will be part of Total Expense Ratio limit as defined above.

The AMC may charge the following costs and expenses in addition to the total recurring expense limits as prescribed in the table above:

- #Brokerage and transaction costs (inclusive of GST) which are incurred for the purpose of execution of trades, shall be charged to the scheme as per Regulation 52(6A)(a) of SEBI (Mutual Funds) Regulations, 1996 not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions. With effect from April 1, 2023, to align with Indian Account Standards requirement, transactions cost incurred for the purpose of execution of trades are expensed out (viz. charged to Revenue Account instead of Capitalization (i.e. forming part of cost of investment)). Any payment towards brokerage and transaction cost, over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996;
- GST on investment management and advisory fees.

Illustration – Impact of Expense Ratio on the Returns	
Value of Rs 1 lac on 12% annual returns in 1 year, considering 1% Expense Ratio	
Amount Invested	100,000.00
NAV at the time of Investment	10
No of Units	10,000.00
Gross NAV at end of 1 year (assuming 12% annual return)	11.2000
Expenses (assuming 1% Expense Ratio on average of opening and closing NAV)	0.1100
Actual NAV at end of 1 year post expenses (assuming Expense Ratio as above)	11.0900
Value of Investment at end of 1 year (Before Expenses)	112,000.00
Value of Investment at end of 1 year (After Expenses)	110,900.00

The purpose of the above illustration is to explain the impact of expense ratio of the scheme. Above calculation are bases on assumed NAV and Expenses. The actual NAV, expenses and return on your investment may be more or less.

- TER for last 6 months as well as scheme factsheet shall be made available - TER will be made available post launch of the scheme. TER weblink- https://old.camsonline.com/COL_HSBCDownload.aspx.
- Scheme factsheet weblink – [Factsheet](#)