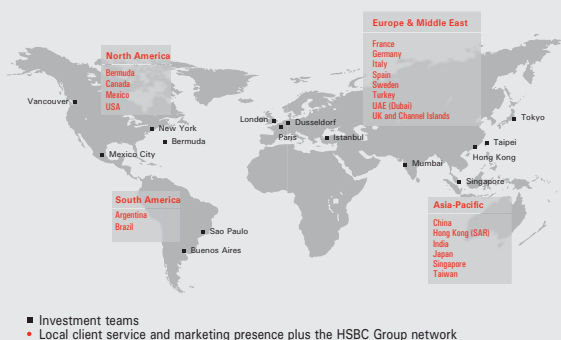


HSBC Investments



HSBC Mutual Fund

Key Information Memorandum and Application Form

HSBC Fixed Term Series 52 (HFTS 52)

A close-ended Income Scheme

New Fund Offer Opens on April 24, 2008
New Fund Offer Closes on May 5, 2008

The Trustees / AMC reserve the right to extend the closing date of the New Fund Offer Period, subject to the condition that the subscription to the New Fund Offer shall not be kept open for more than 45 days.

Issue of Units of Rs.10/- per unit during the New Fund Offer

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the Scheme / Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, Risk Factors, Penalties & Pending Litigations, Associate Transactions etc. investors should, before investment, refer to the Offer Document available free of cost at any of the Investor Service Centres or distributors or from the website of the AMC, www.hsbcinvestments.co.in.

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended till date and filed with Securities and Exchange Board of India (SEBI). The Units being offered for public subscription have not been approved or disapproved by SEBI nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated April 5, 2008.

Sponsor:
HSBC Securities and Capital Markets (India) Private Limited
Regd. Office: 52/60, Mahatma Gandhi Road, Fort, Mumbai 400 001.

Trustee:
Board of Trustees
Office: 314 D. N. Road, Fort, Mumbai 400 001.

Asset Management Company:
HSBC Asset Management (India) Private Limited
Corp. & Regd. Office: 314 D. N. Road, Fort, Mumbai 400 001.

▶ E mail id: hsbcmf@hsbc.co.in
▶ Visit us at : www.hsbcinvestments.co.in

HSBC  Mutual Fund

Investment Objective

To seek generation of returns by investing in a portfolio of fixed income instruments normally maturing in line with the time profile of the Plan.

Asset Allocation Pattern

Type of Security	Normal Allocation (% of Corpus)	Risk Profile
Money market instruments (including CBLO & reverse repo)	Up to 100%	Low to Medium
Short term and medium term debt instruments and securitised debt	Up to 100%	Low to Medium

If the Scheme decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not normally exceed 50% of the corpus of the Scheme / Plan(s). No investments shall be made in foreign Securitised debt.

The net notional exposure to derivatives in HFTS 52 shall not be more than 50% of the net assets. Investments in derivatives would be in accordance with the SEBI Regulations.

Under normal circumstances, the scheme shall not have an exposure of more than 50% of its net assets in foreign securities. However, the AMC with a view to protecting the interests of the investors, may increase exposure in foreign securities as deemed fit from time to time.

The Scheme may review the above pattern of investments based on views on the debt markets and asset liability management needs and the portfolio shall be reviewed and rebalanced on a regular basis. However, at all times the portfolio will adhere to the overall investment objective of the Scheme.

Risk Profile

Mutual Fund investments are subject to market risks. Please read the Offer Document carefully for details and risk factors before investment.

Plans, Options & Sub-Options

HSBC Fixed Term Series 52.

Regular & Institutional Option(s) and sub-options of Dividend (reinvestment) & Growth.

Maturity of the Plan

HSBC Fixed Term Series 52 will be for fixed term of 1 year from the date of allotment.

On-going Subscriptions

Subscription to the units of the Plan will be permissible only during the New Fund Offer period. The Plan will not be open for ongoing subscriptions / switch ins. However, units can be redeemed / switched out on every Business Day at NAV based prices, subject to provisions of exit load, if any.

Minimum Application Amount and Minimum Redemption Amount

Option	Purchase	Redemption
Regular	Rs. 10,000 and in multiples of Re. 1 thereafter	Rs. 1,000 and in multiples of Re. 1 thereafter
Institutional	Rs. 1,00,00,000 and in multiples of Re. 1 thereafter	Rs. 1,000 and in multiples of Re. 1 thereafter

Applicable NAV (for redemptions)

Redemptions / Switch outs

- In respect of valid redemption / Switch outs requests received upto 3 p.m. by the Mutual Fund, the closing NAV of the day on which the request is received shall be applicable.
- In respect of valid redemption / Switch outs requests received after 3 p.m. by the Mutual Fund, the closing NAV of the next Business Day shall be applicable.
- HFTS 52 will not be open for ongoing Switch in.

All applications for switch in to HSBC Fixed Term Series 52 from other Schemes of HSBC Mutual Fund received during the New Fund Offer will be time stamped in accordance with SEBI Regulations. The applicable NAV for the switch out scheme in such cases will be as applicable to all switch outs from that relevant scheme. In the HSBC Fixed Term Series 52, units will be allotted at Rs. 10 per unit during the NFO.

Despatch of Repurchase (Redemption) Request

Within 10 working days of the receipt of the redemption request at the Official Points of Acceptance of Transactions of the Registrar and the AMC. The Fund would endeavour to despatch redemption proceeds within 1 Business Day from the date of receiving the valid redemption request under normal circumstances.

Benchmark Index

CRISIL Liquid Fund Index

Dividend Policy

Declaration of dividend and its frequency will inter alia depend upon the availability of distributable surplus. Dividend may be declared from time to time at the discretion of the Trustees. There is no assurance or guarantee to unitholders as to the rate of dividend distribution nor that dividend will be regularly paid.

Name of the Fund Managers

Alok Sahoo and Suyash Choudhary

Niren Parekh will be the dedicated Fund Manager for making overseas investments as permitted under the Regulations, guidelines and circulars issued from time to time.

Name of the Trustee Company

The Sponsor has appointed a Board of Individual Trustees (the Trustees) to be the Trustees of HSBC Mutual Fund.

Presently Mr. N. P. Gidwani, Dr. Rudolf Apenbrink, Mr. Nasser Munjee, Mr. Mehli Mistri, Mr. Dilip J. Thakkar and Mr. Manu Tandon are the Trustees of HSBC Mutual Fund.

Performance* of similar Schemes (Income) launched by HSBC Mutual Fund (As on March 31, 2008)

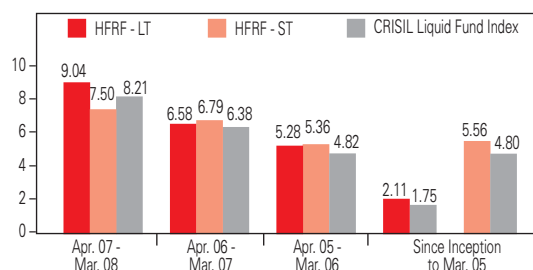
1. HSBC Floating Rate Fund (HFRF)

Compounded Annualised Returns [^]	Long Term Plan	Short Term Plan
Return for last 1 year	9.04%	8.21%
Benchmark returns for last 1 year	7.50%	7.50%
Return for last 2 years	7.79%	7.50%
Benchmark returns for last 2 years	6.95%	6.95%
Return for last 3 years	6.95%	6.78%
Benchmark returns for last 3 years	6.25%	6.25%
Returns since Inception	6.77%	6.65%
Benchmark returns since Inception	6.09%	6.08%
Date of Inception	16 November, 2004	

* Past performance may or may not be sustained in future. Calculations are based on Growth Option NAVs.

Crisil Liquid Fund Index

^ Returns for 1 year & above are Compounded Annualised.



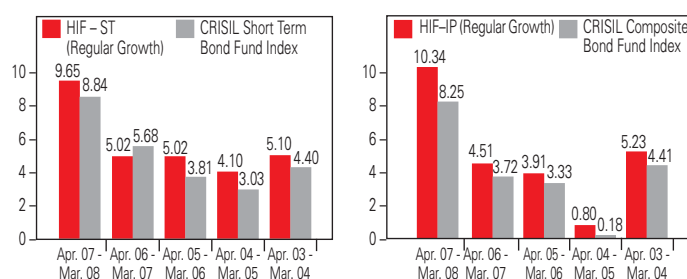
2. HSBC Income Fund (HIF)

Compounded Annualised Returns [^]	Short Term Plan	Investment Plan
Return for last 1 year	9.65%	10.34%
Benchmark returns for last 1 year	8.84%	8.25%
Return for last 2 years	7.30%	7.38%
Benchmark returns for last 2 years	7.24%	5.95%
Return for last 3 years	6.53%	6.21%
Benchmark returns for last 3 years	6.09%	5.08%
Returns since inception	5.94%	5.98%
Benchmark returns since inception	5.32%	4.77%
Date of Inception	ST : 10 December, 2002 IP : 19 December, 2002	

* Past performance may or may not be sustained in future. Calculations are based on Growth Option NAVs.

ST : Crisil Short Term Bond Fund Index IP : Crisil Composite Bond Fund Index

^ Returns for 1 year & above are Compounded Annualised.



3. HSBC Fixed Term Series - 22 (HFTS-22)

Compounded Annualised Returns [^]	Returns (%)	Benchmark Returns (%) - CRISIL Short Term Bond Fund Index
Return for last 1 year	10.16%	8.84%
Returns since inception	8.93%	7.91%
Date of Inception	23 January, 2007	

4. HSBC Fixed Term Series - 24 (HFTS-24)

Compounded Annualised Returns [^]	Returns (%)	Benchmark Returns (%) - CRISIL Short Term Bond Fund Index
Return for last 1 year	11.11%	8.84%
Returns since inception	11.15%	8.73%
Date of Inception	16 March, 2007	

5. HSBC Fixed Term Series - 25 (HFTS-25)

Compounded Annualised Returns [^]	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Return for last 1 year	10.24%	7.54%
Returns since inception	10.28%	7.58
Date of Inception	23 March, 2007	

6. HSBC Fixed Term Series - 28 (HFTS-28)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	8.84%	5.77%
Date of Inception	22 May, 2007	

7. HSBC Fixed Term Series - 30 (HFTS-30)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Short Term Bond Fund Index
Since inception	9.31%	6.52%
Date of Inception	11 June, 2007	

8. HSBC Fixed Term Series - 32 (HFTS-32)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	6.78%	4.66%
Date of Inception	6 July, 2007	

9. HSBC Fixed Term Series - 33 (HFTS-33)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	5.04%	3.94%
Date of Inception	4 September, 2007	

10. HSBC Fixed Term Series - 34 (HFTS-34)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	4.06%	3.47%
Date of Inception	27 September, 2007	

11. HSBC Fixed Term Series - 35 (HFTS-35)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	4.88%	3.76%
Date of Inception	14 September, 2007	

12. HSBC Fixed Term Series - 36 (HFTS-36)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	4.29%	3.28%
Date of Inception	4 October, 2007	

13. HSBC Fixed Term Series - 37 (HFTS-37)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	3.52%	3.01%
Date of Inception	18 October, 2007	

14. HSBC Fixed Term Series - 41 (HFTS-41)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	2.51%	1.98%
Date of Inception	20 December, 2007	

15. HSBC Fixed Term Series - 42 (HFTS-42)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.92%	1.02%
Date of Inception	20 December, 2007	

16. HSBC Fixed Term Series - 45 (HFTS-45)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.29%	0.09%
Date of Inception	28 March, 2008	

17. HSBC Fixed Term Series - 46 (HFTS-46)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.01%	0.09%
Date of Inception	28 March, 2008	

18. HSBC Fixed Term Series - 47 (HFTS-47)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.17%	0.18%
Date of Inception	26 March, 2008	

19. HSBC Fixed Term Series - 49 (HFTS-49)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.10%	0.09%
Date of Inception	28 March, 2008	

20. HSBC Fixed Term Series - 44 (HFTS-44)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.44%	0.35%
Date of Inception	19 March, 2008	

21. HSBC Interval Fund - Plan I (HINF I)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.98%	2.55%
Date of Inception	22 November, 2007	

22. HSBC Interval Fund - Plan II (HINF II)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	2.78%	2.17%
Date of Inception	11 December, 2007	

23. HSBC Interval Fund - Plan III (HINF III)

Absolute Returns ^{^^}	Returns (%)	Benchmark Returns (%) - CRISIL Liquid Fund Index
Since inception	0.35%	0.35%
Date of Inception	19 March, 2008	

* Past performance may or may not be sustained in future. Calculations are based on Growth Option NAVs.

^ Returns for 1 year & above are Compounded Annualised.

^^ Returns below 1 year are Absolute.

Load Structure and Expenses of the Scheme**Load Structure**

- **Entry Load (Sales Load) :** Nil.
- **Repurchase / Redemption Load (Exit Load) :** 2% if exited before maturity
No Exit Load on redemption / switch out of Units on the maturity date.
- **Switchover Fee :** As per the prevailing load structure of the Scheme.

No entry load shall be charged in case of direct applications received by the AMC i.e. application received through internet, submitted to AMC or Collection Centre / Investor Service Centre and are not routed through any distributor / agent / broker. It shall also be applicable in case of switch-in to the Scheme from other Schemes if such a transaction is done directly by the investor. Investors are required to note that where the application is routed through a distributor/agent/broker, they shall mention the broker code on the application form or transaction slip, as the case may be, and where the application is not so routed, they shall mark the field for distributor/agent/broker code as 'Direct'. In other words, investors shall ensure that the field for broker code is not left blank; if the field is left blank, the application will be treated as 'Direct'. Investors, who intend to invest directly by using an application form/ transaction slip with a pre-printed distributor/agent/broker code, shall either strike off the code or replace the code with 'Direct', so that in both the cases their application is treated as 'Direct'.

The entry / exit load set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively. Where an investor seeks to move between the dividend and growth alternatives within an option of the same Scheme/ Plan, this will not be construed as a switch. Consequently no load will apply to such movements. Further, no entry / exit load shall be charged for unit allotted under dividend reinvestment option. The said change will be effective from April 1, 2008 and shall also be applicable for redemptions by existing unitholders.

Issue Expenses :

In accordance with the SEBI circular no. SEBI/IMD/CIR No. 11/ 115723 /08 dated 31 January 2008, all the mutual fund schemes shall meet the sales, marketing and other such expenses connected with sales and distribution of the scheme from the entry load, if any. As there will be no entry load in HSBC Fixed Term Series 52, the NFO expenses shall be borne by the AMC.

Recurring Expenses

Maximum Recurring Expenses (as a percentage of average weekly net assets) as per SEBI Regulations:

First Rs. 100 crores	Next Rs. 300 crores	Next Rs. 300 crores	Over Rs. 700 crores
2.25%	2.00%	1.75%	1.50%

Subject to Regulations and this Offer Document, expenses over and above the prescribed ceiling will be borne by the AMC, Trustees or the Sponsor.

Tax treatment for the Investors (Unitholders)

As per the taxation laws in force as amended by the Finance Act, 2007 ("the FA") the tax benefits that are available to the investors investing in the Units of the Schemes are stated herein below. The information so stated is based on the Mutual Fund's understanding of such tax laws in force as of the date of this Offer Document, which have been vetted by the tax consultants.

The following information is provided for only general information purposes. In view of the individual nature of tax benefits, each investor is advised to consult with his or her own tax consultant with respect to the specific tax implications arising out of their participation in the scheme.

The following benefits may accrue to the Unitholders with effect from the financial year commencing from April 1, 2007 (unless otherwise stated).

A. INCOME TAX**1. EXEMPTION U/S. 10(35):**

Under the provisions of Section 10(35) of the Act income received in respect of the units of a mutual fund specified u/s. 10(23D) will be exempt from income tax in the hands of all

unitholders. In view of this position, no tax needs to be deducted at source from such distribution by the fund. However, by virtue of the proviso to section 10(35), this exemption does not apply to income arising on "transfer" of units of a mutual fund.

2. LONG TERM CAPITAL GAINS

i. On units of equity oriented funds:

Section 10(38) exempts long term capital gains arising from the transfer of units of an equity oriented fund provided the transaction of sale is entered into on or after the date on which the securities transaction tax is made applicable and such transaction is chargeable to the securities transaction tax.

However such long term capital gains arising to a company shall be taken into account in computing the book profit and income tax payable under section 115JB.

ii. On units of funds other than the equity oriented funds:

For Individuals and Hindu Undivided Families ("HUFs"): Long-term capital gains in respect of units held for a period of more than 12 months will be chargeable u/s.112 at the rate of 20% (plus surcharge), as applicable. Capital gains would be computed after reducing the aggregate of cost of acquisition (as adjusted by cost inflation index notified by the Central Government) and expenditure incurred wholly and exclusively in connection with transfer.

An assessee will have an option to apply concessional rate of tax of 10% (plus surcharge) provided the long term capital gains are computed without substituting indexed cost in place of cost of acquisition.

Further, in the case of Individuals and HUFs, being resident, where taxable income as reduced by long-term capital gains, is below the basic exemption limit, the long-term capital gains will be reduced to the extent of the shortfall and only the balance long-term capital gains will be subjected to income tax at 20% (plus surcharge) or 10% (plus surcharge) as the case may be.

For Partnership firms, Indian Companies and other residents: Long term capital gains will be subjected to the income tax at the rate of 20% (plus surcharge) or 10% (plus surcharge) as the case may be.

For Non-residents and foreign companies: Long-term capital gains will be subjected to the income tax at the rate of 20% (plus surcharge). However, no benefit of Cost Inflation Indexation is available.

For Non-resident Indians: Under section 115E of the Act for non-resident Indians, income by way of long-term capital gains in respect of Units is chargeable at the rate of 10% (plus surcharge). However, no benefit of Cost Inflation Indexation is available.

Non-resident Indians may opt for computation of long-term capital gains as per section 112, if it is more beneficial.

For Overseas Financial Organizations, including Overseas Corporate Bodies fulfilling conditions laid down under section 115AB (Offshore Funds): Under section 115AB of the Act, long term capital gains in respect of units held for a period of more than 12 months will be chargeable at the rate of 10% (plus surcharge). Such gains would be calculated without indexation of cost of acquisition.

For Foreign Institutional Investors ("FIIs"): Under section 115AD of the Act, long term capital gains in respect of units held for more than 12 months would be taxed at the rate of 10% plus surcharge. Such gains would be calculated without indexation of cost of acquisition.

Tax on long term capital gains in all the above cases will be further increased by the Education Cess ("EC") calculated @ 2% on tax plus surcharge and Secondary and Higher Secondary Cess calculated @ 1% on tax plus surcharge as per the FA.

3. SHORT TERM CAPITAL GAINS

i. On units of equity oriented funds:

Section 111A provides that the short term capital gains arising from the transfer of units of an equity oriented fund will be taxed at 10% (plus applicable surcharge) provided the transaction of sale is entered into on or after the date on which the securities transaction tax is made applicable and such transaction is chargeable to the securities transaction tax.

ii. On units of funds other than equity oriented funds:

Short Term Capital Gains in respect of Units held for a period of not more than 12 months is added to the total income. Total income including short-term capital gains is chargeable to tax as per the relevant slab rates. The maximum tax rates applicable to different categories of assesses are as follows:

Resident Individuals and HUF	30% plus surcharge, as applicable
Partnership Firms	30% plus surcharge
Indian companies	30% plus surcharge
Non Resident Indians	30% plus surcharge
Foreign Companies	40% plus surcharge
Overseas Financial Organisations	30% plus surcharge
FIIs	30% plus surcharge

Tax on short term capital gains in all the above cases will be further increased by the EC calculated @ 2% on tax plus surcharge and Secondary and Higher Secondary Cess calculated @ 1% on tax plus surcharge as per the FA.

4. CAPITAL LOSS

Section 94(7) disallows any capital loss, arising to a unitholder if he acquires units of a mutual fund within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers such units within a period of nine months from such record date, to the extent of dividend or income received or receivable on such units.

Section 94(8) provides that if a person buys or acquires units ("the original units") of a mutual fund within a period of three months prior to the record date fixed for allotment of bonus units and sells the original units within nine months from the date of allotment of bonus units then the loss arising on such sale or transfer shall be ignored. Further, such loss shall be deemed to be the cost of acquisition or purchase of the bonus units.

5. TAX DEDUCTION AT SOURCE ON CAPITAL GAINS

- (i) No tax is required to be deducted at source on capital gains arising to any resident unit holder.
- (ii) Under section 195 of Act, tax shall be deducted at source in respect of capital gains as under:
 - a. In case of a non-resident other than a company -

• Long term capital gains on units of equity oriented funds	Nil
• Long term capital gains on units of funds other than equity oriented funds	20% plus surcharge
• Short term capital gains on units of equity oriented funds	10% plus surcharge
• Short term capital gains on units of funds other than equity oriented funds	30% plus surcharge
 - b. In case of a foreign company -

• Long term capital gains on units of equity oriented funds	Nil
• Long term capital gains on units of funds other than equity oriented funds	20% plus surcharge
• Short term capital gains on units of equity oriented funds	10% plus surcharge
• Short term capital gains on units of funds other than equity oriented funds	40% plus surcharge

Tax Deducted At Source on short term and long term capital gains in all the above cases will be further increased by the EC calculated @ 2% on tax plus surcharge and Secondary and Higher Secondary Cess calculated @ 1% on tax plus surcharge as per the FA.

- (iii) Under section 196B of the Act tax at 10% plus surcharge and EC calculated @ 2% on tax plus surcharge and Secondary and Higher Secondary Cess calculated @ 1% on tax plus surcharge as per the FA shall be deducted at source from long term capital gains on units other than the units of equity-oriented mutual funds earned by Overseas Financial Organisation.
- (iv) Under Section 196D of the Act, no deduction shall be made from any income by way of capital gains, in respect of transfer of securities referred to in Section 115AD of the Act.

As per circular no. 728 dated October 1995 by CBDT, in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee.

In order for the unitholder to obtain the benefit of a lower rate under the DTAA, the unitholder would be required to provide the fund with a certificate obtained from his Assessing Officer stating his eligibility for the lower rate.

6. INVESTMENTS BY CHARITABLE AND RELIGIOUS TRUSTS

Units of Mutual Fund Schemes referred to in clause 23D of section 10 of the Act constitute an eligible avenue for investment by charitable or religious trusts per rule 17C of the Income Tax Rules, 1962, read with clause (xii) of sub-section (5) of section 11 of the Income Tax Act, 1961.

B. WEALTH TAX

Units held under the Schemes of Mutual Fund are not treated as assets within the meaning of section 2(ea) of the Wealth Tax Act, 1957 and are, therefore, not liable to Wealth-Tax

C. GIFT TAX

If units of Mutual Fund Scheme are gifted, no gift tax shall be payable either by the donor or the donee as the Gift Tax has been abolished.

Notes:

- (i) All tax benefits will be available to the Sole Unitholder or the first named holder in case the Units are held in the names of more than one person, as the case may be.
- (ii) HSBC AMC also confirms that the Income Tax / Wealth Tax / Capital Gains Tax and investment by NRIs / FIIs / OCBs are subject to relevant requirements under the Income Tax, FEMA and RBI Directions.
- (iii) As per Section 54ED capital gains arising before April 1, 2006 from a transfer of a long term capital asset being listed securities or units of UTI / mutual funds, shall be exempt from tax, if such capital gains are invested in equity shares by way of a public issue. The section provides for a lock-in period of one year and if the newly acquired shares are sold or transferred during the period, the capital gains earlier claimed exempt, would become taxable in the year of sale of the newly acquired shares.
- (iv) With effect from June 1, 2006 an investor who sells units of an equity oriented fund to the mutual fund will have to pay 0.25% of the sale price of the units as securities transaction tax which tax would be collected by the prescribed person in case of every mutual fund.
- (v) Section 88E provides that where the total income of a person includes income chargeable under the head "Profits and gains of business or profession" arising from sale of units of equity oriented funds, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.
- (vi) Section 80C provides that an individual or HUF shall get deduction, in respect of contribution to any units of any Mutual Funds notified under clause 10(23D) of section 10 or from the Administrator or the specified company under any plan formulated in accordance with such scheme as the Central Government may, by notification in the Official gazette, specify in this behalf and in respect of contribution by an individual to any pension fund

set up by the Mutual Fund notified under clause (23D) of section 10 or by the Administrator or the specified company, as the Central Government may, by notification in the Official Gazette, specify in this behalf, out of his income chargeable to tax provided the aggregate sum does not exceed one lakh rupees.

- (vii) In terms of Section 115R of the Act, as amended from time to time, applicable dividend distribution tax (DDT) will be applied at the time of dividend distribution in eligible schemes. Investors may please note that distribution tax shall be paid by the scheme at the rates applicable to an income scheme (under the Income-tax Act), as this scheme is classified as an income scheme under the SEBI Regulations. In case the scheme has to bear higher distribution tax as applicable to liquid funds, the additional distribution tax shall be paid by the scheme / recovered from the investors.

Daily Net Asset Value (NAV) Publication

The AMC will calculate and disclose the first NAVs not later than 30 days from the closure of the New Fund Offer Period. Subsequently NAVs will be calculated and published for every Business Day. NAV of the Plan / Option(s) shall be made available at all Investor Service Centres of the AMC. The AMC shall have the NAV published in two daily newspapers and updated on AMC's website www.hsbcinvestments.co.in and www.amfindia.com.

For Investor Grievances

Please contact :

Registrars

Computer Age Management Services Private Limited (CAMS)
HSBC Mutual Fund Unit, Rayala Towers, 3rd Floor, 158, Anna Salai, Chennai 600 002.

Mutual Fund

Mr. K. Sriram
Vice President & Head of Finance & Customer Service
HSBC Asset Management (India) Private Limited, 314, D. N. Road, Fort, Mumbai 400 001.
Tel.: 66668819. Fax : 40029600 E-mail : hsbcmf@hsbc.co.in

Unitholders' Information

Account Statement (on transactions) and Annual Financial Results shall be provided to investors by post or by such other means as permitted from time to time. Half Yearly Results and Portfolio disclosure shall be provided to investors by post / published in certain newspapers in line with the requirements of the SEBI (Mutual Funds) Regulations, 1996.

Who can apply

The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of mutual funds being permitted and duly authorised under their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions etc.):

- Indian resident adult individuals either singly or jointly.
- Minor through parent / lawful guardian.
- Companies, bodies corporate, public sector undertakings, association of persons (AoPs),

bodies of individuals (Bols), societies registered under the Societies Registration Act, 1860, mutual fund schemes (so long as the purchase of units is permitted under the respective constitutions).

- Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds.
- Partnership Firms.
- Karta of Hindu Undivided Family (HUF).
- Banks (including Co-operative Banks and Regional Rural Banks) & Financial Institutions.
- Non-Resident Indians (NRIs) / Persons of Indian Origin on full repatriation basis (subject to RBI approval, if required) or on non-repatriation basis.
- Foreign Institutional Investors (FIIs) registered with SEBI on full repatriation basis (subject to RBI approval, if required).
- Army, Air Force, Navy and other para-military funds and eligible institutions.
- Scientific and Industrial Research Organisations.
- Provident / Pension / Gratuity and such other Funds as and when permitted to invest.
- International Multilateral Agencies approved by the Government of India / RBI.
- Other Schemes of HSBC Mutual Fund subject to the conditions and limits prescribed in SEBI Regulations.
- Trustees, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws), may subscribe to the Units under the Scheme.
- There is no restriction on a foreign national from acquiring Indian securities provided such foreign national meets the residency tests laid down by Foreign Exchange Management Act, 1999.
- Sale proceeds of securities acquired by a foreign national may be remitted by him outside India without approval of RBI if: (a) such proceeds are remitted by a foreign national on his retirement from an employment in India and (b) such proceeds are not in excess of US \$ 1 million in any calendar year. If either (a) and (b) above is not met, approval of RBI will be necessary for the remittance. These requirements originate from the FEMA Remittance of Assets Regulations, 2000 which restrict a person, whether resident in India or not, from making a remittance of any asset ("remittance of asset" includes remittance outside India of funds representing, amongst others, sale proceeds of shares/securities) held by him or by any other person except with the approval of RBI or in certain specific cases listed in Regulation 4. One such case is the remittance of upto US \$ 1 million by a foreign national on his retiring from employment in India.

Note :

Subscriptions from residents in the United States of America and Canada shall not be accepted by the Schemes of HSBC Mutual Fund.

The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.

Please refer to the Offer Document of the Scheme for details and full Risk Factors before investing.

INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM

1 – General Information

- The Application Form should be completed in ENGLISH in BLOCK LETTERS only. Please Tick (✓) in the appropriate box (), where boxes have been provided.
- Please refer the section on "Who can invest?" for a list of eligible investors in this Document.
- Please refer to the Offer Document and the Key Information Memorandum carefully before filling the Application Form.
- All applicants are deemed to have accepted the terms subject to which this offer is being made and bind themselves to the terms upon signing the Application Form and tendering the payment.
- Applications under Power of Attorney / Body Corporate / Registered Society / Trust / Partnership**

The original Power of Attorney or a duly notarised copy of the Power of Attorney shall be required to be submitted where applications are made under a Power of Attorney.

A company, body corporate, eligible institutions, registered society, trusts, partnership or other eligible non-individuals who apply in the scheme should furnish a certified copy of resolution or authority to make the application as the case may be and a certified copy of the Memorandum and Articles of Association and / or bye-laws and / or Trust Deed and / or Partnership Deed and certificate of registration or any other document as the case may be. In case of a Trust / Fund, it shall submit a certified true copy of the resolution from the Trustee(s) authorising such purchases. The officials should sign the application under their official designation and furnish a list of authorised signatories. All communications and payments shall be made to the First Applicant only.

2 – Applicant Information

Applicants must provide all the details under point 2 of the Application Form.

- Name and address must be given in full (P.O. Box Address alone is not sufficient). In case of NRIs / FIIs, 'Overseas Address' should also be provided.
- Please provide the name of the Contact Person in case of investments by a Company / Body Corporate / Partnership Firm / Trust / Society / FIIs / Association of Persons / Body of Individuals.
- PAN Details (PAN Mandatory for all investments) :**

As per Securities and Exchange Board of India (SEBI) Circular dated 27 April 2007 and letter dated 25 June 2007, Permanent Account Number (PAN) has been made the sole identification number for all participants investing in the securities market, irrespective of the amount of investment.

With effect from 1 January 2008, for all applicable transactions, investors will need to submit a photocopy of their PAN card, which shall have been either verified with the original or verified/ attested by AMFI registered distributors, bank managers or judicial authorities. The PAN requirements will be applicable to all joint applicants as well as the Guardian, in case of applications

by a Minor. As per SEBI circular no. MRD/DoP/MF Cir - 08/2008 dated April 3, 2008 investors residing in the state of Sikkim are exempted from the mandatory requirement of PAN for their investments in Mutual Funds. However, this would be subject to verification of the veracity of the claim of the investors that they are residents of Sikkim, by collecting sufficient documentary evidence.

Accordingly, submission of Form 49A and/ or declaration in Form 60/61 will not be accepted. Hence, all applicable transactions not accompanied by a duly verified/ attested copy of PAN card are liable to be rejected.

d) Know Your Customer (KYC) :

KYC is mandatory under the Prevention of Money Laundering Act, 2002 for all applications for subscriptions of Rs. 50,000 and above. This will be applicable for investments from individual investors including joint holding / institutional customers / other non-institutional investors / investments through power of attorney holders / investments of minor through guardian.

The KYC requirements can be completed by filling up the prescribed form and submitting the same along with the other requisite details / proof (attested true copies of supporting documents relating to proof of identity and address or verification with the original) to a designated Point of Service (PoS) of CDSL Ventures Limited (CVL). Any subsequent change to Address, Pin Code, Country, Nationality, Occupation, Income details, Date of Birth, Proof of Identity need to be communicated to CVL ONLY. For details of the process and list of PoS, please visit our website <http://www.hsbcinvestments.co.in> In case investor has completed the KYC Compliance process, without submitting a copy of PAN Card, he/she must forthwith provide a copy PAN Card alongwith the copy of KYC compliance acknowledgment to CVL.

In view of this, with effect from February 01, 2008 each investor (including joint unit holder) who wishes to invest an amount of Rs.50,000/- or more need to submit a copy of the acknowledgement of KYC/ printout of KYC status (status can be downloaded from CVL website (www.cvlindia.com) using the PAN number) along with the application form for investing in the schemes of Mutual Fund.

- Applicants who request for a Personal Identification Number (PIN) by ticking the appropriate box, will be sent a Form together with terms and conditions. PIN will be allotted only subject to the Application Form being complete in all respects.
- Investor has an option to receive communication through email. The investor always has a right to demand a physical copy of any or all the documents in respect of the services provided by the Fund.

3 – Bank Account Details

Applicants should provide the name of the bank, branch address, account type and account number of the Sole / First Applicant. Please note that as per SEBI guidelines, **it is mandatory for investors to mention their bank account details in the Application Form. Applications without this information will be rejected.**

4 – Investment Details

- a) Applicants should indicate the Plan / Option for which the application is made, by indicating the change in the appropriate box provided for this purpose in the Application Form. In case Applicants wish to opt for both the Plans / Options, separate Application Forms will have to be filled.
- b) If no indication is given for the investment the default option will be as follows :

Indication not made	Default
Dividend / Growth Option	Growth Sub-Option
Regular / Institutional Option	If the amount of subscription is more than Rs. 1 crore - Institutional otherwise Regular
Mode of holding (in cases where there are more than one applicant)	Joint

5 – Payment Details

- a) The application amounts can be tendered by cheque / demand drafts payable locally at any of the designated collection centres. Application Forms accompanied with outstation cheques / stockinvests / postal orders / money orders / cash will not be accepted. All cheques and bank drafts must be drawn in the name of the Scheme / Plan or their abbreviation e.g. "HSBC Fixed Term Series 52" or "HFTS 52" and crossed "Account Payee only". A separate cheque or bank draft must accompany each Application. **Kindly note that post dated cheques are not allowed.**
- b) Bank charges for demand drafts will be borne by the AMC and will be limited to the bank charges as per table below. The AMC will not entertain any request for refund of demand draft charges. Outstation cheques / outstation demands draft will not be accepted.

Amount	DD Charges
Upto Rs.10,000	At actuals, subject to a maximum of Rs. 65.
Above Rs.10,000	At Rs. 3.50 per Rs. 1000. Minimum Rs 65 and Maximum Rs 12,500.

However, such Demand Draft charges would be reimbursed only when the investor is not residing in any of the locations where the AMC or CAMS have official points of acceptance.

c) NRIs, Persons of Indian Origin, FIIs

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (the "FEMA Regulations") permit a NRI / POI to purchase on repatriation or non-repatriation basis, without limit, units of domestic mutual funds. Payment for such units must be made either by cheque or demand draft by means of: (i) inward remittance through normal banking channels; or (ii) out of funds held in the NRE / FCNR account, in the case of purchases on a repatriation basis or out of funds held in the NRE / FCNR / NRO account, in the case of purchases on a non-repatriation basis.

Investments by NRIs / FIIs shall be in accordance with the prevailing laws governing such investments.

Payment by the FII must be made either by inward remittance through normal banking channels or out of funds held in foreign currency account or non resident rupee account maintained by the FII with a designated branch of an authorised dealer in terms of paragraph 2 of Schedule 2 to the FEMA Regulations.

6 – Nomination Details

Applicants applying for Units singly / jointly can make the nomination at the time of initial investment.

- a) The nomination can be made only by individuals applying for / holding units on their own behalf singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. If the units are held jointly, all joint holders will sign the nomination form.
- b) The investors/Unitholders are requested to note that a maximum of three nominees can be registered for a Folio . In case of multiple nominees, the 'Share / Ratio' of nomination has to be clearly specified in the nomination form/ request letter. If the 'Share / Ratio' of nomination is not explicitly stated, then the nomination shall be treated as 'Equal Share/Ratio'.
- c) A minor can be nominated and in that event, the name, address and PAN of the Guardian of the minor nominee (in case the minor does not have PAN) shall be provided by the Unitholder.
- d) The Nominee shall not be a trust, (other than a religious or charitable trust) society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time. Nomination can also be made in favour of the Central Government, State Government, Local Authority, any person designated by virtue of his office or a religious or charitable trust.
- e) Nomination in respect of the Units stands rescinded upon the transmission of Units.
- f) Transmission of Units in favour of a Nominee shall be valid discharge by the AMC / Mutual Fund / Trustees against the legal heir.
- g) The cancellation of nomination can be made only by those individuals who hold Units on their own behalf singly or jointly and who made the original nomination.
- h) On cancellation of the nomination, the nomination shall stand rescinded and the AMC / Mutual Fund / Trustees shall not be under any obligation to transmit the Units in favour of the Nominee.

7 – Declaration and Signatures

- a) Signatures can be in English or in any Indian language. Thumb impressions must be attested by a Magistrate / Notary Public under his / her official seal. In case of HUF, the Karta will sign on behalf of the HUF.
- b) Applications on behalf of minors should be signed by their Guardian.

HSBC Mutual Fund / AMC, reserves the right to reject any application inter alia in the absence of fulfilment of regulatory requirements, fulfilment of requirements of the Offer Document and furnishing necessary information to the satisfaction of the Mutual Fund / AMC.

INVESTOR SERVICE CENTRES AND OFFICIAL POINTS OF ACCEPTANCE FOR TRANSACTIONS

HSBC MUTUAL FUND CENTRES (Available for Subscription and Switching during NFO)

Ahmedabad : Mardia Plaza, C.G. Road, Ahmedabad 380 006. **Bangaluru** : No. 7, HSBC Centre, M.G. Road, Bangaluru 560 001. **Chandigarh** : SCO - 1, Sector-9D, Madhya Marg, Chandigarh 160 017 **Chennai** : 96, Radhakrishnan Salai, 2nd Floor, Mylapore, Chennai 600 004. **Coimbatore** : 108, "Srivari Gokul Towers", Race Course Road, Coimbatore 641 018 **Hyderabad** : 6-3-1107 & 1108, Raj Bhavan Road, Somajiguda, Hyderabad 500 082. **Indore** : Darshan Mall, 15 / 2, Race Course Road, Indore 452 001. **Jaipur** : Vasanti, 61 - A, Sardar Patel Marg, C-Scheme, Jaipur 302 001. **Kochi** : HSBC, II Floor, Pulikkal Estate, Pallimukku, M. G. Road, Kochi 682 016. **Kolkata** : Jasmine Tower, 1st Floor, 31, Shakespeare Sarani, Kolkata 700 017. **Lucknow** : C / o Business Bridge, 2nd Floor, Saran Chambers - 2, 5, Park Road, Lucknow 226 001 **Mumbai** : 314 D. N. Road, Fort, Mumbai 400 001. **New Delhi** : 3rd Floor, East Tower, Birla Tower, 25, Barakhamba Road, New Delhi 110 001. **Pune** : Amar Avinash Corporate City, Bund Garden Road, Pune 411 001. **Vadodara** : Sheel Building, 1/2 Kalpana Society, Inox Multiplex Road, Race Course Circle, Vadodara 390 007.

CAMS INVESTOR SERVICE CENTRES AND CAMS TRANSACTION POINTS : TEL.: 1-800-425-2267 (Available Post NFO)

CAMS (Investor Service Centres) : Ahmedabad ● Bangaluru ● Bhubaneswar ● Chandigarh ● Chennai ● Cochin ● Coimbatore ● Durgapur ● Indore ● Jaipur ● Kanpur ● Kolkata ● Lucknow ● Ludhiana ● Madurai ● Mangalore ● Mumbai ● Nagpur ● New Delhi ● Panaji ● Patna ● Pune ● Secunderabad ● Surat ● Vadodara ● Vijayawada ● Visakhapatnam

CAMS (Transaction Points) : Agra ● Ahmednagar ● Ajmer ● Akola ● Allahabad ● Aligarh ● Alwar ● Amaravati ● Amritsar ● Anand ● Ankleshwar ● Asansol ● Aurangabad ● Balasore ● Bareilly ● Belgaum ● Berhampur ● Bhagalpur ● Bhatinda ● Bhavnagar ● Bhilwara ● Bhilai ● Bhopal ● Bhuj ● Bokaro ● Burdwan ● Calicut ● Cuttack ● Davangere ● Dehradun ● Deoghar ● Dhanbad ● Dhule ● Erode ● Faridabad ● Gazhiabad ● Gorakhpur ● Guntur ● Gurgaon ● Guwahati ● Gwalior ● Hosur ● Hubli ● Jabalpur ● Jalandhar ● Jalgaon ● Jamnagar ● Jamshedpur ● Jammu ● Jhansi ● Jodhpur ● Junagadh ● Kadapa ● Kalyani ● Karimnagar ● Kestopor ● Kolhapur ● Kollam ● Kota ● Kottayam ● Manipal ● Mathura ● Meerut ● Moradabad ● Muzzafarpur ● Mysore ● Nasik ● Navsari ● Nellore ● Panaji ● Panipat ● Patiala ● Pondicherry ● Porbander ● Raipur ● Rajahmundry ● Rajkot ● Ranchi ● Ratlam ● Rohtak ● Rourkela ● Sagar ● Salem ● Sambalpur ● Satara ● Secunderabad ● Shimla ● Siliguri ● Solapur ● Surendranagar ● Tirunelveli ● Tirupati ● Thiruppur ● Trichur ● Trichy ● Trivandrum ● Udaipur ● Valsad ● Varanasi ● Vashi ● Vellore ● Yamuna Nagar ● Warangal

HSBC Asset Management (India) Private Limited

Registered Office

314, D. N. Road, Fort, Mumbai 400 001.

Tel.: (91) (22) 66668819. Fax : (91) (22) 40029600

E-mail : hsbcmf@hsbc.co.in Website : www.hsbcinvestments.co.in

HSBC  Mutual Fund

3 BANK ACCOUNT DETAILS (MANDATORY as per SEBI Guidelines)

A/c. No. A/c. Type (please Resident : Current Savings Non-Resident : NRO NRE

Bank Name

Branch Address

City

MICR Code (9 digit number next to your Cheque No.) IFSC Code

4 INVESTMENT DETAILS

(ref. instruction 4)

Scheme Name **H S B C F I X E D T E R M S E R I E S 5 2**

Option () Regular Institutional** Sub-Option () Growth* Dividend Reinvestment

* Default Sub-Option / Facility, if not ticked. ** If the amount of subscription is more than Rs. 1 crore, default Option will be Institutional.

5 PAYMENT OPTIONS (Please ensure there is only one Cheque / DD per Application Form)

(ref. instruction 5)

Investment Amount (Rs.) DD charges (Rs.) Net Amount (Cheque / DD amount) (Rs.)

Mode of Payment Cheque / DD / Fund Transfer /

Cheque / DD* No. Dated A/c. No.

Drawn on Bank

Branch

City For NRI Investors Only (please) NRO NRE

* Please mention the Application No. on the reverse of the Cheque / DD.

Cheque/DD must be drawn in favour of the Name of Scheme / Plan or their abbreviation e.g. **HSBC Fixed Term Series 52** or **HFTS 52** and crossed 'account payee only'.The details of the bank account provided above pertain to my / our own bank account in my / our name Yes No. If No, my relationship with the bank account holder is Spouse Child Parent Relative Sibling Friend Others. **Application Form without this information is liable to be rejected.****6 NOMINATION DETAILS (To be filled in by Individual(s) applying singly or jointly)**

(ref. instruction 6)

I/We _____ and _____ (strike out which is not applicable) do hereby nominate the undermentioned nominee(s) to receive the units allotted to my / our credit in my Folio in the event of my / our death.

*Name and Address of Nominee(s) / Guardian (in case Nominee is a Minor)

	First Nominee	Second Nominee	Third Nominee
Name			
Address			
Allocation %			
Date of Birth (in case nominee is a minor)			

7 DECLARATION AND SIGNATURES

The Trustees, HSBC Mutual Fund

Having read and understood the contents of the Offer Document of the Scheme, I / We hereby apply to the Trustees of HSBC Mutual Fund for units of the Scheme / Plan / Option as indicated above and agree to abide by the terms, conditions, rules and regulations of the Scheme. I / We have understood the details of the Scheme and I / We have not received nor been induced by any rebate or gifts, directly or indirectly, in making this investment. I / We hereby authorise HSBC Mutual Fund, its Investment Manager and its Agents to disclose details of my / our investment to my/our bank(s) / HSBC Mutual Fund's Bank(s) and / or Distributor / Broker / Investment Advisor and to verify my / our bank details provided by me / us. *I/We confirm that I am/we are Non-Residents of Indian Nationality / Origin and that the funds are remitted from abroad through approved banking channels or from my / our NRE / NRO / FCNR Account. I / We confirm that the details provided by me / us are true and correct. I / We hereby declare that the amount being invested by me/us in the Scheme(s) of HSBC Mutual Fund is derived through legitimate sources and is not held or designed for the purpose of contravention of any Act, Rules, Regulations or any statute or legislation or any other applicable laws or any Notifications, Directions issued by any governmental or statutory authority from time to time.

*Applicable to NRI

Date:

SIGNATURES

Sole / First Applicant / Guardian

POA Holder

Second Applicant

POA Holder

Third Applicant

POA Holder

Applications from investors resident in USA or Canada shall be rejected.**CALL US AT****HSBC MUTUAL FUND INVESTOR SERVICE CENTRES :**

• Ahmedabad : Tel: 9898377319 / 21 • Bangalore : Tel: 080 41186519 / 21 • Chandigarh : Tel: 0172 5008119 / 21 • Chennai : Tel: 044 42008719 / 21 • Coimbatore : Tel: 9894477319 / 21 • Hyderabad : Tel: 040 66674719 / 21 • Indore : Tel: 9893477319 / 21 • Jaipur : Tel: 9928037319 / 21 • Kochi : Tel: 9895477319 / 21 • Kolkata : Tel: 033 22139919 / 21 • Lucknow : Tel: 9936797319 / 9935097321 • Mumbai : Tel: 022 66668819 / 21 • New Delhi : Tel: 011 41490719 / 21 • Pune : Tel: 020 - 26001119 / 21, 26134283 • Vadodara : Tel: 9898377319 / 21

CAMS CENTRES: Tel: 1-800-425-2267

▶ Contact us at hsbcmf@hsbc.co.in▶ Visit us at www.hsbcinvestments.co.in