

# International investment funds

HSBC Global Asset Management (International)





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## Benefits for international investors

This brochure outlines the range of international investment funds available from HSBC Global Asset Management (International) Limited and how to access these funds through the Freedom Plus platform.

### **We aim to offer you:**

- ▶ broad diversification across a wide range of funds in both developed and emerging markets;
- ▶ access to the HSBC Group's global investment specialists;
- ▶ simplified administration and reporting;
- ▶ opportunity for tax planning, depending on your personal tax status.

The funds in our core ranges are all designed to be used individually, or as simple core building blocks within a broader portfolio. For example, your adviser can help you pick specific funds to complement your existing investments, access a range of both developed and emerging global markets, or manage the balance of your portfolio by investing in assets with varying levels of risks.

This means that you can work with your investment adviser to create the right portfolio of funds for you, whatever your reasons for investing.



**Please refer to the simplified prospectus and full prospectus before making an investment decision. As with any investment where the underlying investments are stocks and shares, the price of shares and any income from them can go down as well as up, is not guaranteed, and you may not get back the amount of your original**

## About HSBC Global Asset Management

### About HSBC Global Asset Management

HSBC Global Asset Management (International) Limited is the international office of HSBC Global Asset Management based in Jersey.

HSBC Global Asset Management is a leading fund management group with US\$366 billion under management (as at end April 2008). We provide a comprehensive range of investment management solutions to a diverse client base and aim to provide consistent investment performance, world-class services and a broad product range to satisfy your investment requirements. Our services make it easy for clients such as yourself to access the latest investment opportunities through your local adviser.

All the funds benefit from:

#### ► Global brand

HSBC is one of the largest banking and financial services organisations in the world. HSBC's international network comprises around 9,500 offices in 86 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

#### ► Global perspective

Our funds can be used to access markets in nearly every corner of the globe, illustrating the breadth of our capabilities. We aim to provide unique insights, investment opportunities and access to investment excellence worldwide.

#### ► Global emerging markets focus

As one of the world's leading emerging markets asset management businesses, we have over 200 dedicated emerging markets investment professionals across 14 local offices and funds that cover almost every part of the emerging markets universe.

#### ► Global quality

The multi-specialist nature of our investment businesses means that the funds within our ranges are each managed by specialist teams, based in key financial centres around the world. Our investment strategies represent capabilities where we believe we have an edge that makes us best in class. Our expert teams are focused on achieving the best possible results in their discipline.



## An easier way to invest

One of the key benefits of investing with us is that your investment funds are held through a nominee service. We call this nominee service 'Freedom Plus'.

### **The benefits of having all your funds grouped together in one holding are:**

- ▶ ease of administration as the nominee carries out many administrative tasks on your behalf;
- ▶ comprehensive reporting with all your holdings information available on one valuation;
- ▶ option for online access and transactions;
- ▶ you can switch between many of the funds we offer, even if they are in different fund ranges; and
- ▶ you could choose to use a selection of funds from different ranges to build a full and comprehensive portfolio.

### **Switch investments as your needs change**

If your needs change, or as market conditions alter, you have the ability to switch between the funds in our ranges quickly, easily and without incurring additional 'switching' costs. (Please see page 6 for further details on charges)

So for example, you could move your fund selection across geographic regions, choose a fund from the Multimanager range where HSBC's specialist Multimanager division select the underlying funds on your behalf, take advantage of the latest themes as new funds are introduced or switch to higher or lower risk strategies.

### **Investments to suit you**

Our expertise and resources allows us to offer you a range of solutions designed to meet your investment objectives - whether as part of a wider portfolio, or as a single fund.

Choose from portfolios depending on your appetite for risk and reward which may be cautious, balanced or adventurous. Each portfolio has different investment objectives and are designed to provide varying levels of risk and potential reward.

For more information on our multimanager capability, which includes MultiAlpha funds and Select portfolios, please refer to the HSBC International Select Fund insert within this brochure pack, or speak to your Financial Adviser.

### **Building your own portfolio**

The funds within our ranges can be used in isolation to provide you with a solid single strategy investment solution.

However the funds within our core ranges can also be blended together to enable you to build up an entire investment portfolio. This would allow you to gain exposure to countries or themes of particular interest to you, without sacrificing the requirement to spread your risk across varying global markets and asset types.

If this feature is of interest to you, please speak to your financial adviser who can help you build your ideal portfolio.

## How to invest

Along with this core brochure, your financial adviser will provide you with fund inserts, which provide more detail on the fund ranges which may be of interest to you.

### Advice and guidance when you need it

Should you need advice, or are unsure of the suitability of an investment, your HSBC Financial Planning Manager or your Financial Adviser will be able to give you any guidance and support you need to ensure that the funds you select are the right choice for you.

If you invest through a Financial Adviser commission will be payable. Your Financial Adviser will supply details of these charges.

If you decide to invest directly, you can complete the Application form and send it to HSBC Funds Nominee (Jersey) Limited, along with your payment or payment instruction. **Please note that if you do this, you must obtain a copy of the Simplified Prospectus, Application Terms and Conditions and Nominee Service Agreement available from [www.offshore.hsbc.com/freedom](http://www.offshore.hsbc.com/freedom). Please note that if you do this you will be investing without receiving any financial planning advice.**

For administration related queries, please call +44 1534 606389. (Monday to Friday exc. UK and Jersey Bank Holidays, 9am to 5pm UK time). To help us continually improve our services and in the interests of security we may monitor and/or record your communications with us.

### Lump sum or Monthly Investment Plan (MIP)?

We offer two ways to invest, a lump sum investment or a Monthly Investment Plan (MIP). The minimum investment amounts for each option will depend on the funds you have selected, and can be found in the relevant fund insert.

**Lump sum:** If you opt for a lump sum investment you can add additional lump sums whenever you like. There is no maximum investment amount and we can accept settlement in any major currency.

**MIP:** Many people find that investing a set amount each month is an attractive way of building up a substantial investment portfolio. Therefore we also offer a Monthly Investment Plan. A standing order will be taken from your chosen bank account on a monthly basis, and you will be required to keep making monthly contributions until you have invested at least the minimum investment amounts.

## Charges

### All information on charges is correct as of April 2009.

The charges vary depending on which fund you choose. The following information is a description of each type of charge; however please refer to the relevant fund insert in this brochure and the relevant prospectus for the exact charges for the funds you have chosen.

### Initial charge

The initial charge is included in the purchase price of your shares. The initial charge is a one-off fee and therefore will not be refunded if you decide to cash in your investment. We do not make a charge when you sell your shares. Should you move to a fund with a higher initial charge the difference will be deducted from your investment as part of the switch.

### Switching charge

You can switch between funds up to six times each year and no switching charge is payable. However, if the new fund has a higher initial charge than your original choice, the difference will be deducted from your investment. Any subsequent switches, after the first six, will incur a 1% fee based on the value of the shares which are being switched.

### Annual management charge

An annual charge is levied on each of the funds. This varies according to the complexity and costs involved in managing the underlying investments of each fund. Some funds may also be subject to a performance fee.

### Total expense ratio (TER)

Costs incurred from the managing and operating of an investment fund such as trading fees, legal fees and auditor fees represent the TER. See individual Simplified Prospectus for more details.

## What happens once you've invested?

There are a number of ways for you to manage your investment.

**By phone:** +44 1534 606389

**By fax:** +44 1534 606358

**Online:**\* [www.offshore.hsbc.com/freedom](http://www.offshore.hsbc.com/freedom)

Through our Internet Banking service you can save time and money when you manage your HSBC Funds. Access your account 24 hours a day, wherever you are in the world. Plus, enjoy the convenience of being able to buy, sell and switch between selected HSBC Funds and view the value and standing of your investments.

\* To manage your investment through the Internet Banking Service you will need an offshore account with HSBC Bank International Limited. To find out more and for full details of the accounts available and the terms and conditions of these accounts please visit the website. Minimum amounts and charges may apply - Please see the website for terms and conditions.

### Prices

You can find indicative prices online or by calling us.

### Regular information

We believe our service differentiates us and is prized by our clients.

- ▶ Monthly fact sheets for each fund providing fund details, investment holdings and performance are available online at [www.offshore.hsbc.com/freedom](http://www.offshore.hsbc.com/freedom)
- ▶ A valuation of your investments will be sent to you twice a year.
- ▶ Annual and half-yearly reports containing the financial accounts for the funds will be available online.

### Sell, switch, buy

You can give us further instructions to buy, sell, switch or top up your investment easily by phone or fax.

### Cashing in your investment

Please remember, these funds should be considered as a medium to long-term commitment, for example at least five years.

However, you can cash in all or part of your investment at any time, and no charge will be made. When you cash in your investment you will receive the bid value of the investment multiplied by the number of shares you hold.

The minimum withdrawal amount is US\$/£/€250. If you only wish to sell some of your shares, you will need to maintain the minimum investment amount.

### Dividends

Depending on your choice of fund, dividends may be paid. Where dividends are declared, they are normally on an annual basis. For certain bond funds interim dividends may also be paid.

If you have invested a lump sum you can choose to have dividends remitted to your nominated bank account, however they must amount to at least US\$/£/€50.

If the above criteria are not met, or you do not choose to have dividends paid, dividends will be used to purchase additional shares in the same fund. We do not make any initial charge for reinvestment of dividends so this can be an efficient and easy way to increase your investment.



## Other things you need to know

### What confirmation will you receive?

A contract note will be sent to you or your financial adviser. This will be within four business days following the date your application is received, depending on the fund. A confirmation of ownership document will then be sent to you or your adviser 21 days after payment and registration details have been received. This is evidence of your investment and we recommend that you keep it in a safe place.

### Prospectus

**If you have a financial adviser:** your financial adviser will supply you with a copy of the prospectus for your chosen fund with this brochure pack.

**No financial adviser:** You must ensure that you obtain a copy of the prospectus before you invest. These can be obtained from HSBC Funds Nominee (Jersey) Limited, HSBC House, Esplanade, St Helier, Jersey JE1 1HS, Channel Islands or by email at [fundsoffshore@hsbc.com](mailto:fundsoffshore@hsbc.com) or on the website [www.offshore.hsbc.com/freedom](http://www.offshore.hsbc.com/freedom)

### Dealing Information

Share prices of the funds are calculated at variable times. For specific dealing times pertaining to your fund choice please see the relevant fund insert in this brochure.

The proceeds from the sale of your shares will be paid to you within five business days following receipt of your written confirmation. Signed instructions are not required if you are using the Internet Banking Service (please refer to [www.offshore.hsbc.com/freedom](http://www.offshore.hsbc.com/freedom) for details of the Internet Banking Service).

Please note, instructions to pay proceeds to a third party will not be accepted.

Remember, the funds must be viewed as a medium to long-term investment. Therefore we recommend you take at least a five year view and have a sufficient cash reserve so you don't have to draw on your investment in an emergency. However, should you need to, you can cash in your investment at any time.

### Cancellation rights

You should be aware that there are no cancellation rights when you purchase shares in any of the funds offered by HSBC Global Asset Management (International) Limited. If we have to cancel

your investment for any reason, we reserve the right to charge you for all the costs incurred.

### Voting rights

While beneficial interest in shares will lie with you, the legal holder of your shares will be HSBC Funds Nominee (Jersey) Limited. This free nominee service provides speedier and more efficient administration of your holdings. The Nominee will forward all documents that are issued to you (with the exception of annual and half-yearly reports which are available online or on request) and pass on your voting wishes to the fund once received, but you will not hold direct voting rights. Full details of the terms of the nominee service can be found in the Application Terms and Conditions.

### Tax

Funds offered via Freedom Plus are based in various locations around the globe. Please see the relevant fund insert and prospectus for more details.

You may be liable to personal taxation on the profits, income and gains realised from, or accruing within, the underlying investments under the domestic tax laws of the country in which you are resident and/or a country in which you are liable to taxation. We therefore recommend that you seek independent tax advice as to the treatment of your investments if you decide to invest through this service.

As with any investment you should ensure that the fund is appropriate not only to your tax position but also to your personal investment needs. Any tax information in this brochure is based on our understanding of current and proposed legislation and practice. The legislation and practice may be subject to change.



## Important information

- ▶ The material contained in this brochure is for information only and does not constitute investment advice or a recommendation to any reader of this material to buy or sell investments.
- ▶ HSBC Global Asset Management (International) Limited has based this brochure on information obtained from sources it believes to be reliable but which it has not independently verified. HSBC Global Asset Management (International) Limited and HSBC Group accept no responsibility as to its accuracy or completeness.
- ▶ This brochure is intended for discussion only and shall not be capable of creating any contractual or other legal obligations on the part of HSBC Global Asset Management (International) Limited or any other HSBC Group company. Care has been taken to ensure the accuracy of this brochure but HSBC Global Asset Management (International) Limited accepts no responsibility for any errors or omissions contained therein.
- ▶ Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Global Asset Management (International) Limited accepts no liability for any failure to meet such forecast, projection or target.
- ▶ The value of investments and any income from them can go down as well as up. Where overseas investments are held the rate of exchange may cause the value of such investments to go down as well as up. Stockmarket investments should be viewed as a medium to long term investment and should be held for at least five years.
- ▶ Any performance information shown refers to the past and should not be seen as an indication of future returns.
- ▶ Markets in some countries are described as 'emerging markets'. Some of these may involve a higher risk than where investment is within a more established market. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered. Emerging markets are generally, but not exclusively, those that are not within the United States, Canada, Switzerland and members of the European Economic area, Japan, Australia and New Zealand.
- ▶ HSBC Global Asset Management (International) Limited is a wholly-owned subsidiary of HSBC Bank International Limited and thereby a wholly-owned, indirectly-held, subsidiary of HSBC Holdings plc and a member of the HSBC Group. HSBC Global Asset Management (International) Limited is also affiliated with HSBC Global Asset Management (UK) Limited. HSBC Global Asset Management (UK) Limited and HSBC Global Asset Management (International) Limited provide information to professional advisers and their clients on the investment products and services of the HSBC Group.
- ▶ Any decision to invest in the funds offered via Freedom Plus should be based on the content of the Terms and Conditions and the relevant prospectus
- ▶ Your contract with HSBC Funds Nominee (Jersey) Limited is governed by the laws of Jersey as are our dealings with you up until the contract is concluded. We are required to tell you that the terms and conditions of the contract are in English and we will communicate with you in English.
- ▶ This offer is not available to residents of the United States of America, Australia, Canada, Hong Kong, Malaysia or New Zealand. Additional restrictions may apply depending on the fund selected. Please refer to the relevant fund insert.
- ▶ UK and Isle of Man investors will not be protected by statutory compensation arrangements if they invest in any of the funds offered via Freedom Plus. Should a fund fail, investors are reminded that they will be excluded from the benefit of the rules and regulations made under the UK Financial Services and Markets Act 2000 including the UK Financial Services Compensation Scheme.
- ▶ If you are unhappy with any aspect of our service please contact the Customer Liaison team on +44 1534 606389 (Monday to Friday exc. UK Bank Holidays 9am to 5pm UK time). We will endeavour to resolve your concerns within a two week period. However, if your complaint is not settled to your satisfaction you can contact the Jersey Financial Services Commission.
- ▶ If you are unhappy in any way with the sale or marketing of this product please contact HSBC Global Asset Management (International) Limited at the address on the back of this brochure.

The above is not a full list of all the risks that apply to the funds within HSBC Global Asset Management (International) Limited's range of funds. Investors and potential investors should read the relevant simplified prospectus or full prospectus for a full list of risk warnings prior to making an investment in a fund.



[www.offshore.hsbc.com](http://www.offshore.hsbc.com)

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We are a member of the HSBC Group, one of the world's largest banking and financial services organisations with around 10,000 offices in 83 countries and territories.

Approved in the UK by HSBC Global Asset Management (UK) Limited. It is registered in England at 8 Canada Square, London E14 5HQ. Authorised and regulated by the Financial Services Authority and entered in on the Financial Services Authority register as number 122335.