

HSBC's Life Insurance Products with Product Risk Rating – (July 2018)

This document provides the HSBC Product Risk Rating for all life insurance products (HPRR-LI) distributed by The Hongkong and Shanghai Banking Corporation Limited, India (HSBC India). HPRR-LI is an internal risk score for each life insurance product and its underlying funds (if any) which is arrived at by taking into account risk factors such as Volatility Equity Component in the underlying fund, etc. The list of products (along with underlying funds) distributed by HSBC India, and their respective HPRR-LI is appended below. Internally, the HPRR-LI is mapped to the Customer's Risk Profile (CRP) in an attempt to chart product suitability to each customer's risk profile. The CRP is established when the Risk Profile Questionnaire (RPQ) is completed by the customer. Customers are requested to check product appropriateness (based on HPRR-LI) with their individual risk profile (based on RPQ), as per the classification in the appended table, before purchasing a product. This document is generated on quarterly basis, and we recommend that you refer to the latest HSBC Product Risk Rating (HPRR-LI) document prior to purchasing a policy.

In case you have not yet established your risk profile by completing the RPQ, please contact your HSBC Relationship Manager or visit the nearest branch of HSBC India to do the needful. The RPQ includes questions that provide some indication of the risk tolerance of a typical investor, displaying the investor's personal investment characteristics. It may not match the respective customer's actual attitude toward investment risk, but may indicate the profile that the customer may fit into.

The appended table reflects the HSBC product risk rating matrix, mapping product risk rating to the customer's risk profile. For e.g. if the customer risk profile is "Cautious" then the products risk categories appropriate for the customer are 'P1' and 'P2'. In this case the products 'P3', 'P4' and 'P5' are not appropriate to customer's risk profile. Similarly if a customer is, say, 'Aggressive', then products with risk rating 'P1', 'P2', 'P3' and 'P4' are appropriate while 'P5' is not appropriate.

Customer's Risk Profile – Product Risk Rating matrix

Customer's Risk Profile/Product Risk Rating	P 1	P 2	P 3	P 4	P 5
	The risk matrix demonstrates risk to the customer, where P1 refers low risk and P5 refers to high risk and others are graded in between				
Secure	Not Appropriate				
Very Cautious	Appropriate	Not Appropriate			
Cautious	Appropriate		Not Appropriate		
Balanced	Appropriate			Not Appropriate	
Aggressive	Appropriate				Not Appropriate
Very Aggressive	Appropriate				

Product Risk Rating

Insurance Product Name	Underlying Funds (Fund Level Risk Rating)	Product Level Risk Rating
Grow Smart Plan	Equity II (P4)	NA
Future Smart Plan	Growth Plus (P4) India MultiCap Equity (P4)	
Insure Smart Plan	Balanced Plus (P3) Debt Plus (P2) Liquid (P1)	
Titanium Plus – Regular/Limited/Single Pay	Emerging Leaders Equity (P5) Equity II (P4) Growth Plus (P4) India MultiCap Equity (P4) Balanced Plus (P3) Debt (P2) Liquid (P1)	NA
Smart Future Income Plan	NA	P1
Smart Junior Plan	NA	P1

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2. Insurance Product Risk Rating is an internal HSBC classification and does not represent the insurance company's risk rating of their products or underlying funds.
3. Insurance is the subject matter of solicitation.
4. In unit linked insurance policies, the investment risk in investment portfolio is borne by the policyholder.
5. The insurance products are offered and underwritten by Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, 2nd Floor, Orchid Business Park (Near Subhash Chowk), Sector-48, Sohna Road, Gurgaon- 122018, Haryana, India. (Licenceno.136). The Hongkong and Shanghai Banking Corporation Limited, India, IRDAI registration no. CA00016 having its India Corporate Office at 52/60, M. G. Road, Fort, Mumbai-400001 is the Corporate Agent of Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited and does not underwrite the risk or act as an insurer.
6. For more details on risk factors, please read insurance sales brochure, sales illustration and product Key Features Document (KFD) carefully, before purchasing an insurance policy.

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