

HSBC's Life Insurance Products with Product Risk Rating – (January 2019)

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, incorporated in Hong Kong SAR with limited liability and having its India corporate office at 52/60 Mahatma Gandhi Road, Fort, Mumbai - 400 001 (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 several risk factors including but not limited to volatility equity component in the underlying fund. The list of products distributed by HSBC India, (along with underlying funds, if any)), and their respective HPRR-LI is appended below.

Internally, the HPRR-LI is mapped to the customer's risk profile in an attempt to chart product suitability to each customer's risk profile. The customer's risk profile 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 life insurance product. This document is updated on a regular basis and is made available on the website of HSBC India, www.hsbc.co.in. It is recommended that each customer refers to the latest HSBC Product Risk Rating (HPRR-LI) document prior to purchasing any life insurance policy distributed by HSBC India.

Any customer who has not yet established their risk profile by completing the RPQ may contact their 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 customer, displaying the customer'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 HPRR-LI matrix, mapping the HPRR-LI 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				

HSBC Product Risk Rating for Life Insurance Products

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)	
Smart Future Income Plan	NA	P1
Smart Junior Plan	NA	P1
Smart Suraksha	NA	NA
Smart Immediate Income Plan	NA	NA

Disclaimers:

1. This document is for information purposes only and should not be regarded as an offer to sell, or a solicitation of an offer to purchase or subscribe for any product.
2. HPRR-LI is an internal classification by HSBC India 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 customer/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 - 122 018, Haryana, India. (Licence no.136). HSBC India, IRDAI registration no. CA0016, 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.

This publication has been issued by The Hongkong and Shanghai Banking Corporation Limited, India (HSBC India), incorporated in Hong Kong SAR with limited liability for the information of its customers only. Investment linked insurance products or life insurance products are not bank deposits or obligations of or guaranteed by HSBC India or any of its affiliates or subsidiaries, are not insured by any governmental agency and are subject to investment risks, including the possible loss of the principal amount invested. This publication does not constitute investment advice or an offer to sell, or a solicitation of an offer to purchase or subscribe to any product. Purchase of any life insurance products by a customer is purely voluntary and is not linked to availment of any other facility from HSBC India. The information herein is derived from sources believed to be reliable. Whilst every care has been taken in compiling the information, HSBC India or the concerned information provider(s) makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness and shall not be liable for damages arising out of the customer's reliance upon this information. Neither HSBC India nor any other person shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in this material. HSBC India affiliates, and/or their officers, directors or employees may have positions in securities of any companies mentioned herein (or in any related investments) and may from time to time add to or dispose of any such securities (or investments). Moreover, HSBC India and its affiliates may perform or seek to perform investment banking or underwriting services for or relating to such companies and may also be represented in the supervisory board or any other committee of these companies. This document is for circulation in India only. HSBC India makes no representations that the products mentioned in this document are available to persons of any other country or are necessarily suitable for any particular customer or appropriate in accordance with their local laws or regulations. Amongst other things, this means that the disclosures set forth in this document may not conform to rules of the regulatory bodies of any other country and investment in the products laid down herein may not afford the protection offered by the local regulatory regime in any other country. The document is intended to be distributed in its entirety. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise.

© The Hongkong and Shanghai Banking Corporation Limited 2017, All Rights Reserved.