

Date: \_\_\_\_\_

HSBC Mutual Fund  
 3rd Floor Merchantile Chambers,  
 16 V N Road, Fort,  
 Mumbai - 400 001.

Dear Sir(s),

**Subject: Lien/Pledge/Charge/Hypothecation of Units in favour of \_\_\_\_\_ (Lender’s Name) (“Lender”)**

I / We \_\_\_\_\_, a Unitholder of \_\_\_\_\_ (Scheme, Plan, Option to be specified) have borrowed monies and/or incurred indebtedness from \_\_\_\_\_ (the “Lender”) against security by way of pledge/lien/charge/hypothecation of the units mentioned below of HSBC Mutual Fund (Fund).

Folio No.	Scheme	Units

I / We request you to record the pledge/lien/charge/hypothecation on the said above-mentioned units in favour of the Lender. I / We request you to consider the lien marking request from the lender, as final confirmation of the terms in the agreement between me and the lender.

We hereby instruct you:

- Not to redeem the above-mentioned units or register any transfer/transmission of the above-mentioned units unless the Lender has informed you in writing to lift the lien/pledge/charge/hypothecation on the above-mentioned units.
- To redeem or transfer the above-mentioned units in favour of the Lender on receipt of a letter from the Lender stating that I / We have defaulted on our obligations to the Lender.
- Unless the Lender has informed you in writing to lift the lien/pledge/charge/hypothecation on the above-mentioned units, all amounts payable on redemption of the above-mentioned units should be paid to the Lender. Payments sent to the lender will be treated in the same manner as if they were validly made to me/us.
- All payments for dividends paid out from time to time on the abovementioned units, during the term of the lien/pledge, shall be sent to me/us only. Further, all benefits accruing on the said units in the form of dividend reinvestments, bonus or otherwise shall not be subject to lien/pledge.
- During the period of the lien/pledge, the lender shall have the right to transfer the units mentioned above to itself or sell or redeem the units mentioned above by written notice to the Fund irrespective of any contrary instructions given by me/us and any such transfer, sale or redemption of the Units by the lender shall be valid in the same manner as if such units were transferred or sold or redeemed by me/us and I/we hereby authorise the same. Such payment to the lender by the Mutual Fund will constitute a valid and effectual discharge against any demand made upon the Mutual Fund.
- I / We confirm that there is no prior pledge/charge/lien upon the Units, which has not been registered with the Fund. I / We also confirm that the lien is on the number of units held and not for any particular amount as the value of units is subject to change depending upon the market conditions.
- I / We hereby undertake to indemnify at all times, the Fund, HSBC Asset Management (India) Private Limited, its Registrars & Share Transfer Agents, successors and assigns, from and against all actions, causes of action, suits, proceedings, accounts, claims and demands whatsoever arising out of or on account of or in connection with the said lien/Pledge of the Units and fraudulent redemption of units under lien/pledge whether intentional or accidental.
- I / We confirm to have understood that units in a closed ended scheme with fixed maturity cannot be redeemed / switched out with the fund until the maturity of the scheme.

Further, I/we confirm that pledge/lien/charge/hypothecation on the above-mentioned units is created by the agreement between me/us and the Lender and that HSBC Mutual Fund is only facilitating the operation of the said agreement by marking a lien/pledge of the above-mentioned units without incurring any liabilities to the Lender.

Thanking you,

Yours faithfully,

✘

\_\_\_\_\_  
Signature/s and Name/s of Unit Holder/Holders

Place: \_\_\_\_\_

Date: \_\_\_\_\_

CC: Lender

# Delete the word lien or pledge depending on underlying documentation.

# Letter from Bank / Financial Institution, along with the Lien Marking Request Letter from Investor

Date: \_\_\_\_\_

HSBC Mutual Fund  
3rd Floor Merchantile Chambers,  
16 V N Road, Fort,  
Mumbai - 400 001.

Dear Sir(s),

## Subject: Pledge/lien over the units of HSBC Mutual Fund

We have entered into an Agreement with our customer \_\_\_\_\_ (“Client”) under which he /she has agreed to provide pledge/lien of units of your Mutual Fund scheme held in the name of the ‘Client’; which we have agreed to.

The Client holds the following units of your scheme on which the pledge/lien is to be marked.

Sr. No	Scheme Name	Folio Nos.	Number of Units
1.			

The Client has agreed to place a lien/pledge in our favour on the above mentioned units. (\*Delete as appropriate, depending on whether pledge or lien is created)

The authority letter issued to you by the Client for marking the pledge/lien in our favour is enclosed.

### Lien to be marked in favour of:

Name of the Institution: .....

Address: .....

Contact Person: .....

Email id: .....

Telephone number : .....

The dividends that may accrue towards the units in the event of dividend payout, are to be remitted to the Client while the units mentioned by the Client continue to be pledged in our favour until further instructions in writing. In case of dividend re-investment, the dividend units re-invested, are not subject to pledge/lien and as such are free from encumbrances and can be redeemed by the Client.

We understand that investments in closed ended schemes with fixed maturity cannot be redeemed/switched-out with HSBC Mutual Fund until the maturity of the scheme.

We shall have the right to sell or redeem the units by written notice to you at the time of maturity, irrespective of any contrary instructions given by the Client and any such sale or redemption of the Units by us shall be valid in the same manner as if such units were sold or redeemed by the Client. Such payment to us by you will constitute a valid and effectual discharge against any demand made upon you.

The above pledge/lien shall be valid till a letter discharging the said pledge/lien is issued by us.

Please mark the pledge/lien in our favour and send the confirmation at the earliest. Please note that lien is to be vacated only at our request and not otherwise.

Thanking you,

Yours faithfully,

### Authorised Signatory/ies

# Delete the word lien or pledge depending on underlying documentation

Enclosed:

1. Lien/pledge marking request by Client
2. Authorised Signatory List