HSBC North America Holdings Inc

Capital and Other TLAC-eligible Instruments Main Features 30 June 2020



This document is a disclosure document published to provide a description of the main features of HSBC North America Holdings Inc's regulatory capital instruments and Total Loss Absorbing Capacity ('TLAC') eligible instruments.

The information contained in this document has been compiled in accordance with the final United States (US) TLAC rules, as published in December of 2016 (12 CFR 252, as part of Regulation YY). Assumptions on the regulatory treatment of the capital instruments and eligible liabilities described herein reflect HSBC's interpretation of current rules. These disclosures are made in advance of relevant TLAC reporting requirements coming in to effect in the US. The format of these disclosures have been made in accordance with Template CCA, as per the Basel Committee on Banking Supervision ('BCBS') "Pillar 3 disclosure requirements consolidated and enhanced framework", issued March 2017.

Disclosure in the required format has resulted in simplification and abbreviation of the features of the capital instruments described herein. The information contained in this document is not intended to be a comprehensive description of such capital instruments. No investor or prospective investor in any such capital instruments should rely upon the description contained in this document and HSBC shall not be liable for any inaccuracy or misstatement contained in this document.

All capital instruments issued by HSBC North America Holdings Inc. are held by HSBC Overseas Holdings (UK) Limited. As such no external investors hold an interest in the securities, however the full terms and conditions for all instruments are available on request via Group Investor Relations (investorrelations@hsbc.com).

	nmon Equity Tier 1	HODON (I.A H.I.)
1	Issuer	HSBC North America Holdings Inc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A - Internal issuance
	Governing law(s) of the instrument	Laws of the State of New York
а	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
	Transitional CRR rules	Common Equity Tier 1
	Post-transitional CRR rules	Common Equity Tier 1
3	Eligible at solo/group/solo and group	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
3	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) 1	USD 12,928m
)	Par value of instrument	USD 0m
0	Accounting classification	Shareholder's Equity
11	Original date of issuance	01 Feb 2016
12	Perpetual or dated	Perpetual
13	Original maturity date	-
14	Issuer call subject to prior supervisory approval	-
15	Optional call date, contingent call dates and redemption amount	-
6	Subsequent call dates, if applicable	•
_	Coupons / dividends	
17	Fixed or floating dividend/coupon	•
18	Coupon rate and any related index	-
19	Existence of a dividend stopper	-
20	Fully discretionary, partially discretionary or mandatory	-
21	Existence of step up or other incentive to redeem	-
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	-
25	If convertible, fully or partially	•
26	If convertible, conversion rate	-
27	If convertible, mandatory or optional conversion	-
28	If convertible, specify instrument type convertible into	•
29	If convertible, specify issuer of instrument it converts into	•
30	Write-down features	-
31	If write-down, write-down trigger(s)	•
32	If write-down, full or partial	
3	If write-down, permanent or temporary	
4	If temporary write-down, description of write-up mechanism	
34a	Type of subordination	•
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately subordinate to Additional Tier 1
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	110

¹ Represents the portion of ordinary share capital plus share premium which is held outside of the US Resolution Group.

Add	litional Tier 1		
1	Issuer	HSBC North America Holdings Inc	HSBC North America Holdings Inc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A - Internal issuance	N/A - Internal issuance
		[Series B Preferred Stock]	[Series C Preferred Stock]
3	Governing law(s) of the instrument	Laws of the State of New York	Laws of the State of New York
За	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is	N/A	N/A
	achieved (for other TLAC-eligible instruments governed by foreign law)		
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Additional Tier 1	Additional Tier 1
6	Eligible at solo/group/solo and group	Solo and Group	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Preferred Stock	Preferred Stock
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	USD 400m	USD 1,840m
9	Par value of instrument	USD 400m	USD 1,840m
10	Accounting classification	Shareholder's Equity	Shareholder's Equity
11	Original date of issuance	31 Mar 2011	31 May 2016
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	-	-
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	31 Mar 2016 / Capital event at any time / Par	31 May 2021 / Capital event at any time / Pa
10	Optional can date, contingent can dates and redemption amount	31 Mai 2010 / Capital event at any time / Fai	31 May 2021 / Capital event at any time / Fa
16	Subsequent call dates, if applicable	-	-
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Fixed
18	Coupon rate and any related index	3 month USD LIBOR + 5.00%	6.000%
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary	Fully Discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Convertible	Non-convertible
24	If convertible, conversion trigger(s)	7% CET1: Contractual	-
		Triggers in accordance with the US regulatory	
		rules in force at the date of calculation and as	
		amended for subsequent changes in the US	
		regulatory rules, including inter alia changes	
		in respect of the implementation of the Dodd-	
		Frank Wall Street Reform and Consumer	
		Protection Act and Basel III	
25	If convertible, fully or partially	May convert fully or partially	-
26	If convertible, conversion rate	\$10m per share + unpaid declared dividends	-
27	If convertible, mandatory or optional conversion	Mandatory	-
28	If convertible, specify instrument type convertible into	Common Equity Tier 1	-
29	If convertible, specify issuer of instrument it converts into	HSBC North America Holdings Inc	-
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	-	-
32	If write-down, full or partial	-	-
33	If write-down, permanent or temporary	-	-
34	If temporary write-down, description of write-up mechanism	-	-
34a	Type of subordination	N/A	N/A
	Position in subordination hierarchy in liquidation (specify instrument type immediately	Immediately subordinate to Tier 2 Instruments	•
35	senior to instrument)	,	,
35	,		
35 36 37	Non-compliant transitioned features If yes, specify non-compliant features	No -	No

Tie	· -		
2	Issuer	HSBC North America Holdings Inc	HSBC North America Holdings Inc
	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A - Internal issuance [9402]	N/A - Internal issuance [9403]
	Governing law(s) of the instrument	Laws of the State of New York	Laws of the State of New York
а	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A	N/A
	Transitional CRR rules	Tier 2	Tier 2
	Post-transitional CRR rules	Tier 2	Tier 2
	Eligible at solo/group/solo and group	Solo and Group	Solo and Group
	Instrument type (types to be specified by each jurisdiction)	Loan	Loan
	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	USD 850m	USD 1,000m
	Par value of instrument	USD 850m	USD 1,000m
)	Accounting classification	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost
Г	Original date of issuance	29 Nov 2018	29 Nov 2018
2	Perpetual or dated	Dated	Dated
3	Original maturity date	27 May 2025	21 Dec 2027
1	Issuer call subject to prior supervisory approval	Yes	Yes
5	Optional call date, contingent call dates and redemption amount	27 May 2020 / Tax event at any time / Par	21 Dec 2022 / Tax event at any time / Par
3	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
_	Fixed or floating dividend/coupon	Floating	Floating
3	Coupon rate and any related index	3 month USD LIBOR + 1.45%	6 month USD LIBOR + 1.45%
)	Existence of a dividend stopper	No	No
)	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
	Existence of step up or other incentive to redeem	No	No
2	Non-cumulative or cumulative	Cumulative	Cumulative
3	Convertible or non-convertible	Convertible	Convertible
1	If convertible, conversion trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
5	If convertible, fully or partially	May convert fully or partially	May convert fully or partially
;	If convertible, conversion rate	To be determined at conversion	To be determined at conversion
,	If convertible, mandatory or optional conversion	Mandatory	Mandatory
3	If convertible, specify instrument type convertible into	Common Equity Tier 1	Common Equity Tier 1
)	If convertible, specify issuer of instrument it converts into	HSBC North America Holdings Inc	HSBC North America Holdings Inc
)	Write-down features	Yes	Yes
1	If write-down, write-down trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
2	If write-down, full or partial	May be written down partially	May be written down partially
3	If write-down, permanent or temporary	Permanent	Permanent
ŀ	If temporary write-down, description of write-up mechanism	-	-
1a	Type of subordination	N/A	N/A
5	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately subordinate to senior creditors	Immediately subordinate to senior creditor
3	Non-compliant transitioned features	No	No
7	If yes, specify non-compliant features	_	=

Tier 2		
1 Issu	IPT	HSBC North America Holdings Inc
	ique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A - Internal issuance [9404]
3 Gov	verning law(s) of the instrument	Laws of the State of New York
3a Mea	ans by which enforceability requirement of Section 13 of the TLAC Term Sheet is	N/A
ach	nieved (for other TLAC-eligible instruments governed by foreign law)	
	ransitional CRR rules	Tier 2
_	ost-transitional CRR rules	Tier 2
	ligible at solo/group/solo and group	Solo and Group
	nstrument type (types to be specified by each jurisdiction)	Loan
	ount recognised in regulatory capital (currency in millions, as of most recent	USD 1,000m
	orting date)	
	value of instrument	USD 1,000m
10 Acc	counting classification	Financial liabilities measured at amortised cost
	ginal date of issuance	29 Nov 2018
	rpetual or dated	Dated
	Original maturity date	30 Oct 2025
	uer call subject to prior supervisory approval	Yes
15 O	optional call date, contingent call dates and redemption amount	30 Oct 2020 / Tax event at any time / Par
16 S	ubsequent call dates, if applicable	N/A
	upons / dividends	
	ixed or floating dividend/coupon	Floating
	oupon rate and any related index	6 month USD LIBOR + 1.68%
	kistence of a dividend stopper	No
20 F	ully discretionary, partially discretionary or mandatory	Mandatory
21 E	xistence of step up or other incentive to redeem	No
22 N	lon-cumulative or cumulative	Cumulative
23 Cor	nvertible or non-convertible	Convertible
24 If	convertible, conversion trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
05 16	annuatible fully as partially	May convert fully as postially
	convertible, fully or partially convertible, conversion rate	May convert fully or partially To be determined at conversion
	convertible, conversion rate convertible, mandatory or optional conversion	Nandatory
	convertible, specify instrument type convertible into	Common Equity Tier 1
	convertible, specify instrument type convertible into	HSBC North America Holdings Inc
	ite-down features	Yes
	write-down, write-down trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
	write-down, full or partial	May be written down partially
	write-down, permanent or temporary	Permanent
	If temporary write-down, description of write-up mechanism	•
	ype of subordination	N/A
	sition in subordination hierarchy in liquidation (specify instrument type immediately nior to instrument)	Immediately subordinate to senior creditors
	n-compliant transitioned features	No
37 If ye	es, specify non-compliant features	-

	abilities			
1 Issuer		HSBC North America Holdings Inc	HSBC North America Holdings Inc	HSBC North America Holdings Inc
2 Unique	e identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A - Internal issuance [9396]	N/A - Internal issuance [9406]	N/A - Internal issuance [9408]
3 Govern	rning law(s) of the instrument	Laws of the State of New York	Laws of the State of New York	Laws of the State of New York
	s by which enforceability requirement of Section 13 of the TLAC Term Sheet is ved (for other TLAC-eligible instruments governed by foreign law)	Contractual	Contractual	Contractual
		N/A	N/A	N/A
	nsitional CRR rules		N/A	N/A
	t-transitional CRR rules	N/A	N/A	N/A
	ible at solo/group/solo and group	Solo and Group	Solo and Group	Solo and Group
	rument type (types to be specified by each jurisdiction)	Loan	Loan	Loan
reporti	nt recognised in regulatory capital (currency in millions, as of most recent ing date)	N/A – amount eligible for TLAC only.	N/A – amount eligible for TLAC only.	N/A – amount eligible for TLAC only.
9 Parva	alue of instrument	USD 2,000m	USD 1,000m	USD 2,000
10 Accou	inting classification	Financial liabilities designated at fair value through profit or loss	Financial liabilities measured at amortized cost	Financial liabilities designated at fair value through profit or loss
11 Origina	al date of issuance	16 Nov 2018	06 Dec 2018	06 Dec 2018
	tual or dated	Dated	Dated	Dated
	jinal maturity date	25 May 2023	12 Sep 2027	12 Sep 2027
	call subject to prior supervisory approval	Yes	Yes	Yes
	ional call date, contingent call dates and redemption amount	25 May 2021/ Tax event at any time / Par	12 September 2025/ Tax event at any time / Par	12 September 2025/ Tax event at any time / Par
16 Subs	sequent call dates, if applicable	N/A	N/A	N/A
	ons / dividends	14/73	14/71	14/73
	ed or floating dividend/coupon	Fixed to Floating	Floating	Fixed to Floating
	pon rate and any related index	From 25 May 2021 rate changes from fixed	3 month USD LIBOR + 1.96%	From 12 September 2025 rate changes from
10 Cou	pon rate and any related index	4.115% to 3 month USD LIBOR + 1.038%	3 Horiti OSD EIDOR (* 1.90%)	fixed 4.95% to 3 month USD LIBOR + 1.932
19 Exist	tence of a dividend stopper	No	No	No
20 Fully	y discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
21 Exist	stence of step up or other incentive to redeem	No	No	No
22 Non-	-cumulative or cumulative	Cumulative	Cumulative	Cumulative
23 Conve	ertible or non-convertible	Convertible	Convertible	Convertible
24 If co	onvertible, conversion trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
25 If co	onvertible, fully or partially	May convert fully or partially	May convert fully or partially	May convert fully or partially
	nvertible, conversion rate	To be determined at conversion	To be determined at conversion	To be determined at conversion
	nvertible, mandatory or optional conversion	Mandatory	Mandatory	Mandatory
	onvertible, specify instrument type convertible into	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1
	onvertible, specify issuer of instrument it converts into	HSBC North America Holdings Inc	HSBC North America Holdings Inc	HSBC North America Holdings Inc
	down features	Yes	Yes	Yes
31 If wr	ite-down, write-down trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
				-
	ite-down, full or partial	May be written down partially	May be written down partially	May be written down partially
	rite-down, permanent or temporary	Permanent	Permanent	Permanent
	temporary write-down, description of write-up mechanism	-	-	-
71	e of subordination	Structural	Structural	Structural
	on in subordination hierarchy in liquidation (specify instrument type immediately to instrument)	N/A	N/A	N/A
36 Non-ce	ompliant transitioned features	No	No	No
00 11011 0				

Flic	gible Liabilities		
-	~	LIODO North Associate Heldings Inc.	LIODO North Associate Heldings Inc.
2	Issuer	HSBC North America Holdings Inc	HSBC North America Holdings Inc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A - Internal issuance [9412]	N/A - Internal issuance [9413]
3	Governing law(s) of the instrument	Laws of the State of New York	Laws of the State of New York
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	Contractual	Contractual
4	Transitional CRR rules	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A
6	Eligible at solo/group/solo and group	Solo and Group	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Loan	Loan
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	N/A – amount eligible for TLAC only.	N/A – amount eligible for TLAC only.
9	Par value of instrument	USD 1,500	USD 1,500
10	Accounting classification	Financial liabilities designated at fair value through profit or loss	Financial liabilities designated at fair value through profit or loss
11	Original date of issuance	13 Dec 2018	13 Dec 2018
12	Perpetual or dated	Dated	Dated
13	Original maturity date	08 Mar 2028	08 Mar 2023
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	8 March 2026/ Tax event at any time / Par	8 March 2021/ Tax event at any time / Par
_		,	•
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed to Floating	Fixed to Floating
18	Coupon rate and any related index	From 8 March 2026 rate changes from fixed 4.968% to 3 month USD LIBOR + 2.118%	From 8 March 2021 rate changes from fixed to 4.225% to 3 month USD LIBOR + 1.375%
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
25	If convertible, fully or partially	May convert fully or partially	May convert fully or partially
26	If convertible, conversion rate	To be determined at conversion	To be determined at conversion
27	If convertible, mandatory or optional conversion	Mandatory	Mandatory
20	If convertible, specify instrument type convertible into	Common Equity Tier 1	Common Equity Tier 1
28			
28 29	If convertible, specify issuer of instrument it converts into		
29 30		HSBC North America Holdings Inc Yes	HSBC North America Holdings Inc Yes
29	If convertible, specify issuer of instrument it converts into	HSBC North America Holdings Inc	HSBC North America Holdings Inc
29 30	If convertible, specify issuer of instrument it converts into Write-down features	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance
29 30 31	If convertible, specify issuer of instrument it converts into Write-down features If write-down, write-down trigger(s)	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver
29 30 31 32	If convertible, specify issuer of instrument it converts into Write-down features If write-down, write-down trigger(s) If write-down, full or partial	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially
30 31 32 33	If convertible, specify issuer of instrument it converts into Write-down features If write-down, write-down trigger(s) If write-down, full or partial If write-down, permanent or temporary If temporary write-down, description of write-up mechanism	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially Permanent	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially Permanent
29 30 31 32 33 34	If convertible, specify issuer of instrument it converts into Write-down features If write-down, write-down trigger(s) If write-down, full or partial If write-down, permanent or temporary If temporary write-down, description of write-up mechanism	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially Permanent	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially Permanent -
32 33 34 34a	If convertible, specify issuer of instrument it converts into Write-down features If write-down, write-down trigger(s) If write-down, full or partial If write-down, permanent or temporary If temporary write-down, description of write-up mechanism Type of subordination Position in subordination hierarchy in liquidation (specify instrument type immediately	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially Permanent - Structural	HSBC North America Holdings Inc Yes Triggers to statutory bail-in power under Section 11(d) of the Federal Deposit Insurance Act - FDIC as receiver May be written down partially Permanent - Structural