

PROSPECTUS



HSBC BANK plc

(a company incorporated with limited liability in England with registered number 14259)

as Issuer

DEBT ISSUANCE PROGRAMME

Issue of CNY 2,000,000,000 2.875 per cent. Notes due 30 April 2015 (the "Notes")

This document (which expression shall include all documents incorporated by reference herein) has been prepared for the purpose of providing disclosure information with regard to the Notes and has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom, as a prospectus ("**Prospectus**").

Application will be made to admit the Notes to listing on the Official List of the Financial Services Authority (in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 (the "**UK Listing Authority**")), and to trading on the regulated market of the London Stock Exchange plc (the "**London Stock Exchange**"), which is a regulated market for the purposes of the Markets in Financial Instruments Directive 04/39/EC.

Prior to official listing and acceptance of the Notes to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the date of the transaction.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 5.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes are being offered outside the United States in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold, pledged or otherwise transferred in the United States or to U.S. persons (as defined in Regulation S) except in a transaction that is exempt from the registration requirements of the Securities Act and in compliance with any applicable state securities laws. In addition, Notes issued in reliance on Regulation S during the 40-day period beginning on the date of the completion of the distribution of the Notes will only be issued to a person that is neither a U.S. person nor holding such Notes for the account or benefit of a U.S. person. Terms in the previous sentence have the meaning given to them in Regulation S.

An offer of the Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in Austria, Germany, the Netherlands, Luxembourg and the United Kingdom (the "**Public Offer Jurisdictions**") during the period from 9:00 a.m. (London time) 25 April 2012 until (and including) 10:00 a.m. (London time) 30 April 2012 ("**Offer Period**"); provided, however, that the Offer Period shall not commence until after the FSA has provided the Austrian Financial Market Authority, the Federal Financial Supervisory Authority (Germany), the Commission de Surveillance du Secteur Financier (Luxembourg) and the Netherlands Authority for the Financial Markets (Netherlands) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive and, in respect of Austria only, the requisite filings have been made to the Austrian Control Bank.

Any person (an "**Investor**") intending to acquire or acquiring Notes from any person (an "**Offeror**") should be aware that, in the context of an offer to the public as defined in section 102B of the Financial Services and Markets Act 2000 ("**FSMA**"), the Issuer may be responsible to the Investor for the Prospectus under section 90 of FSMA only if the Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the Investor should check with the Offeror whether anyone is

responsible for this Prospectus for the purposes of section 90 of FSMA in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents, it should take legal advice.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than the Managers) in connection with the offer or sale of the Notes and, accordingly, this Prospectus and the Final Terms will not contain such information and an Investor must obtain such information from the Offeror. **Information in relation to an offer to the public will be made available at the time such sub-offer is made, and such information will also be provided by the relevant Offeror.**

This Prospectus includes details of the long-term and short-term credit ratings assigned to HSBC Bank plc (the "**Issuer**" or the "**Bank**") by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"), Moody's Investors Service Limited ("**Moody's**") and Fitch Ratings Limited ("**Fitch**"). Each of S&P, Moody's and Fitch are established in the European Union and are registered as Credit Rating Agencies under Regulation (EU) No 1060/2009 (the "**CRA Regulation**").

The Notes are in bearer form and are subject to U.S. tax law requirements.

HSBC

**Bank of China
Deutsche Bank
ANZ**

Bank Vontobel AG Zürich

**Barclays
Standard Chartered Bank
TD Securities**

23 April 2012

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The previous paragraph should be read in conjunction with the sixth paragraph of and the first full paragraph of the second page of this Prospectus.

The Issuer does not intend to provide post-issuance information.

The Managers (as defined below) have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Managers.

Neither this Prospectus nor any further information supplied in connection with the Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or as constituting an invitation or offer by the Issuer or the Managers that any recipient of this Prospectus or any other information supplied in connection with the Notes should subscribe for or purchase the Notes. Each investor contemplating subscribing for or purchasing the Notes should make its own independent investigation of the affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer by or on behalf of the Issuer or the Managers to subscribe for or purchase the Notes.

In this Prospectus, characters in the Chinese language in the "*Risk Factors*" section below, are direct and accurate translations of their English equivalents. In the event of any discrepancy, the Chinese language version shall prevail.

Unless otherwise specified, references in this Prospectus to "**RMB**", "**CNY**" and "**Renminbi**" are to the lawful currency of the People's Republic of China (the "**PRC**" or "**China**"), excluding, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan. References to "**\$**", "**dollars**", "**US\$**", "**USD**" and "**US dollars**" are to the lawful currency of the United States of America. References to "**£**", "**pounds**", "**Pounds Sterling**", and "**Sterling**" are to the lawful currency of the United Kingdom.

The distribution of this Prospectus and the offer, distribution or sale of Notes may be restricted by law in certain jurisdictions. Neither the Issuer nor the Managers represent that this document may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, action may be required to be taken to permit a public offering of the Notes or a distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or the Notes come must inform themselves about, and observe, any such restrictions.

CONTENTS

| | Page |
|---|-------------|
| Summary | 1 |
| Risk Factors | 5 |
| Incorporation by Reference | 10 |
| Terms and Conditions of the Notes | 11 |

SUMMARY

This summary (the "Summary") must be read as an introduction to this Prospectus in relation to the Notes and any decision to invest in the Notes should be based on a consideration of this Prospectus, including the documents incorporated by reference herein, and this Summary, as a whole. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area, no civil liability will attach to the Issuer in any such Member State solely on the basis of this Summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.

Words and expressions defined in this Prospectus or in the Base Prospectus incorporated by reference herein have the same meanings in this Summary.

The Issuer

The Issuer is a public limited company registered in England and Wales under registration number 14259. The liability of its members is limited. It has its registered and head office at 8 Canada Square, London, E14 5HQ, United Kingdom; telephone number +44 20 7991 8888. The Issuer was constituted by Deed of Settlement on 15 August 1836, registered under the Companies Act 1862 as an unlimited company and re-registered under the Companies Acts 1948 to 1980 as a public limited company.

The Issuer is a wholly-owned subsidiary of HSBC Holdings plc.

The directors of the Issuer are A A Flockhart (Chairman), B Robertson (Chief Executive), P Antika, P W Boyles, J D Garner, Dame D M Holt, P J C Houzé, J W Leng, Dame M E Marsh, R E S Martin, A R D Monro-Davies, P M Shawyer, A P Simoes and J F Trueman. The members of the Executive Committee are A A Flockhart (Chairman), B Robertson (Chief Executive), J Beunardeau (Alternate to M J Haythorne), P W Boyles, B A Fletcher, J D Garner, R J H Gray, J-L Guerrero, M J Haythorne, B A Howe, A S Ramsay, P J Reid, M D Sheridan and A P Simoes.

The articles of association of HSBC Bank plc are dated 20 October 2010.

The auditors of the Issuer are KPMG Audit Plc Chartered Accountants of 1 Canada Square, London, E14 5AG, United Kingdom.

The Issuer and its subsidiaries form a UK-based group (the "**Group**") providing a comprehensive range of banking and related financial services. The Group divides its activities into four business segments: UK Retail Banking; Continental Europe Retail Banking; Global Banking and Markets; and Private Banking. The Issuer is HSBC Holdings plc's principal operating subsidiary undertaking in Europe.

During 2011 the Group employed, on average, 80,013 persons.

As at 31 December 2011, the Group had total assets of £827,970 million, loans and advances to customers and banks of £332,617 million, total customer accounts and deposits by banks of £387,161 million and total equity of £31,604 million. For the year ended 31 December 2011, the Group's operating profit was £3,112 million on total operating income of £16,205 million. The Issuer had a total capital ratio of 14.4 per cent. and a tier 1 capital ratio of 10.0 per cent. as at 31 December 2011.

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

Risk Factors relating to the Issuer and its business

There are a number of factors which could cause the Issuer's actual results to differ, in some instances materially, from those anticipated. The factors set out below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties which face the Issuer's businesses.

Current economic and market conditions may adversely affect the Issuer's results: The Issuer's earnings are affected by global and local economic and market conditions. Following the global financial crisis in 2007, a difficult economic climate remains with continued pressures on household and corporate finances. These adverse economic conditions continue to create a challenging operating environment for the Issuer.

The Issuer has exposure to the ongoing economic crisis in the eurozone: The sovereign debt crisis that erupted in 2010 extended through 2011. Concern regarding the financial position of several economies which spread from peripheral eurozone countries to include certain core eurozone countries, became increasingly widespread and severe. The Issuer has substantial exposure to financial institutions and central banks in core European countries which may be affected by the ongoing crisis.

Liquidity, or ready access to funds, is essential to the Issuer's business: The Issuer's ability to borrow on a secured or unsecured basis and the cost of so doing can be affected by a number of factors. If the Issuer is unable to raise funds its liquidity position could be adversely affected and the Issuer might be unable to meet deposit withdrawals or obligations under committed financing facilities, to fund new investments and to repay borrowings as they mature.

The Issuer is subject to political and economic risks in the countries in which it operates: The Issuer operates through an international network of subsidiaries and is subject to the risk of loss from unfavourable political developments, currency fluctuations, social instability and changes in government policies.

The Issuer has significant exposure to counterparty risk both within the financial sector and to other risk concentrations: The Issuer's ability to engage in routine transactions to fund its operations and manage its risks could be adversely affected by the actions and commercial soundness of other financial institutions. Financial institutions are necessarily interdependent because of trading, clearing, counterparty or other relationships.

The Issuer is subject to legal and compliance risks, which may have an adverse effect on the Issuer: Legal and compliance risks arise from a variety of sources and require the Issuer to deal appropriately with potential conflicts of interest, legal and regulatory requirements, ethical issues, anti-money laundering laws or regulations, privacy laws, information security policies, sales and trading practices and the conduct of its associated companies.

Operational risks are inherent in the Issuer's business: The Issuer is exposed to many types of operational risks, including fraudulent or other criminal activities, breakdowns in processes or procedures, systems failure or non-availability and disruption of its business arising from events that are wholly or partially beyond its control. Notwithstanding the above, the Issuer believes that its financial systems are sufficient to ensure compliance with the requirements of the UKLA's Disclosure and Transparency Rules as a listed entity.

The Issuer is subject to tax-related risks in the countries in which it operates, which could have an adverse effect on its operating results: The Issuer is subject to the substance and interpretation of tax laws in all countries in which it operates, the risk associated with changes in tax law or in the interpretation of tax law, the risk of changes in tax rates and the risk of consequences arising from failure to comply with procedures required by tax authorities.

The Issuer's operations are highly dependent on its information technology systems: The reliability and security of the Issuer's information and technology infrastructure and the Issuer's customer databases are crucial to maintaining the service availability of banking applications and processes and to protecting the HSBC brand. Critical system failure, prolonged loss of service or a material breach of security could cause long-term damage to the Issuer's business and brand.

The Issuer faces a number of challenges in regulation and supervision: The Issuer is subject to ongoing regulation and associated regulatory risks. In addition there are a number of regulatory changes which are likely to have an effect on the activities of the Group; including those proposed under Basel III and/or the Capital Requirements Directive IV and those proposed by the UK Independent Commission on Banking ("ICB"). The proposals relating to capital and liquidity will result in increased capital and liquidity requirements and could have a material effect on the Group's future financial condition or results of its operations. The ICB proposals may affect the manner in which the Group conducts its activities and

structures itself, with the potential to both increase the costs of doing business and curtail the types of business carried out, with the risk of decreased profitability as a result.

Information relating to the Notes

The Notes, which will be in bearer form and constitute Series number 3285, are to be issued on 30 April 2012 (the "**Issue Date**"). The aggregate principal amount of Notes issued will be RMB 2,000,000,000 in denominations of RMB 10,000. The Issue Price of the Notes is 100.519 per cent. of their principal amount. The Notes will be redeemed on 30 April 2015 (subject to adjustment in accordance with the modified following business day convention) (the "**Maturity Date**") at 100 per cent. of their principal amount. The Principal Paying Agent in relation to the Notes is HSBC Bank plc. The Notes will be offered to the public in Austria, Germany, Luxembourg, the Netherlands, and the United Kingdom subject to compliance with the requirements of the Prospectus Directive. Application will be made to admit the Notes to listing on the Official List of the UK Listing Authority and to trading on the regulated market of the London Stock Exchange.

The offer period for the Notes will be from 25 April 2012 to 30 April 2012 save that in any EEA jurisdiction any offer to the public may only be made in compliance with the Prospectus Directive as implemented in the relevant jurisdiction. The net proceeds of the issue will be CNY 1,990,380,000. The net proceeds of the Notes will be used in the conduct of the business of the Issuer. The estimated expenses of the issue are GBP 2,700.

Interest on the Notes accrues at a rate of 2.875 per cent. per annum, payable semi-annually on 30 April and 30 October in each year (in each case subject to adjustment in accordance with the modified following business day convention) during the period from the Issue Date to the Maturity Date.

Payments under the Notes will be made without withholding or deduction for or on account of United Kingdom taxes, except as may be required by law, in which case additional amounts will be paid, subject as mentioned in the terms and conditions of the Notes.

Notwithstanding the above, it is recommended that prospective investors check their individual tax position and consult with their independent tax advisers.

The Notes are being offered outside the United States in accordance with Regulation S under the Securities Act, and may not be offered, sold, pledged or otherwise transferred in the United States or to U.S. persons (as defined in Regulation S) except in a transaction that is exempt from the registration requirements of the Securities Act and in compliance with any applicable state securities laws. There are also other restrictions on the sale of Notes and the distribution of offering material relating to them in a number of other jurisdictions including the United Kingdom.

The terms and conditions applicable to the Notes will be those incorporated by reference into this Prospectus, as amended and supplemented by the Final Terms, and the section in this Prospectus entitled "*Terms and Conditions of the Notes*". The Notes, the Trust Deed by which they are constituted and the Agency Agreement to which they are subject are governed by English law.

Certain documents relating to the Issuer's Debt Issuance Programme and the Notes may be inspected during normal business hours at the registered office of the Issuer.

Risk Factors relating to the Notes

The Notes are denominated in Renminbi and are subject to the following risks:

- Renminbi is not freely convertible and there are significant restrictions on the remittance of Renminbi into and outside the People's Republic of China (the "**PRC**"). In addition, events could occur making it impossible to transfer Renminbi inside and/or outside the PRC or making the general Renminbi exchange market in Hong Kong illiquid. There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and the Issuer's ability to source Renminbi outside the PRC to service the Notes. If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal in Renminbi as a result of these potential issues, the terms and conditions entitle the Issuer to make payments of interest and/or principal in US dollars.

- The liberalisation of controls on interest rates by the PRC government may increase interest rate volatility, which may affect the trading price of the Notes. If holders of the Notes propose to sell their Notes before their maturity, they may receive an offer lower than the amount they have invested.
- The value of the Renminbi against other currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and other factors.
- All payments to holders in respect of the Notes will be made by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).
- There is some uncertainty as to whether gains on the transfer of the Notes would be treated as income derived from sources within the PRC and be subject to PRC tax.

The Notes will be redeemable at par at the option of the Issuer prior to their stated maturity for taxation reasons. Early redemption may reduce the return on investment provided by a Note compared to the return that would have been achieved had the Note been redeemed at maturity. Investment in the Notes is subject to exchange rate risk, currency risk and interest rate risk.

The Notes will be unsecured. The events of default applicable to the Notes are limited to non-payment (subject to a grace period) of principal or interest and winding-up of the Issuer. The Notes will not have the benefit of a negative pledge or cross-default provisions.

The Notes permit the substitution of an affiliate of the Issuer as principal debtor in respect of the Notes, subject to a guarantee of the Issuer. Modifications to the terms and conditions of the Notes may be made by resolution of Noteholders. Accordingly, modifications may be made to which not all Noteholders agree.

RISK FACTORS

Prospective investors in the Notes should read the entire Prospectus, including all information incorporated by reference herein. This section describes the most significant risks which the Issuer, as of the date of this Prospectus, considers to be the material/principal risks of investing in the Notes. Words and expressions defined in the "Terms and Conditions of the Notes" incorporated by reference in this Prospectus or elsewhere in this Prospectus (including in the information incorporated by reference herein) have the same meanings in this section.

Investing in the Notes involves certain risks. Prospective investors should consider the following:

Risk Factors Relating to the Issuer

The risk factors set out under the sections entitled "*Challenges and uncertainties*" on pages 27 to 30 and "*Regulation and supervision*" on pages 30 to 32 of the annual report and accounts of the Bank and its subsidiary undertakings for the year ended 2011 are incorporated herein by reference.

Risk Factors Relating to the Notes

The risk factors set out under the heading "*Risk Factors*" on pages 13 to 18 of the Base Prospectus (as defined in "*Incorporation by Reference*" below) are incorporated herein by reference. In addition, investors should read the following risk factors.

Renminbi is not freely convertible; there are significant restrictions on the remittance of Renminbi into and outside the PRC

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC Government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in August 2011 to cover the whole nation and to make Renminbi trade and other current account item settlement available in all countries worldwide.

On 7 April 2011, the State Administration of Foreign Exchange of the PRC (國家外匯管理局) ("**SAFE**") promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (國家外匯管理局綜合司關於規範跨境人民幣資本項目業務操作有關問題的通知) (the "**SAFE Circular**"), which became effective on 1 May 2011. According to the SAFE Circular, in the event that foreign investors intend to use cross-border Renminbi (including offshore Renminbi and onshore Renminbi held in the capital accounts of non-PRC residents) to make a contribution to an onshore enterprise or make a payment for the transfer of an equity interest of an onshore enterprise by a PRC resident, such onshore enterprise shall be required to submit the relevant prior written consent from the Ministry of Commerce of the PRC (商務部) ("**MOFCOM**") to the relevant local branches of SAFE of such onshore enterprise and register for a foreign invested enterprise status. Further, the SAFE Circular clarifies that the foreign debts borrowed, and the external guarantee provided, by an onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 12 October 2011, MOFCOM promulgated the Circular concerning Certain Issues on Direct Investment involving Cross-border Renminbi (《商務部關於跨境人民幣直接投資有關問題的通知》) (the "**MOFCOM Circular**"). In accordance with the MOFCOM Circular, MOFCOM and its local counterparts are authorised to approve Renminbi foreign direct investments ("**FDI**") in accordance with existing PRC laws and regulations regarding foreign investment, with the following exceptions which require the preliminary approval by the provincial counterpart of MOFCOM and the consent of MOFCOM: (i) FDI with a capital contribution in Renminbi of RMB300 million or more; (ii) FDI in financing guarantee, financing lease, micro financing or auction industries; (iii) FDI in foreign invested investment companies, venture capital or equity investment enterprises; or (iv) FDI in the cement, iron and steel, electrolytic aluminium, shipbuilding or other policy sensitive sectors. In addition, FDI in the real estate sector is allowed pursuant to the existing rules and regulations relating to foreign investment in real estate, although Renminbi foreign debt remains unavailable to foreign invested real estate enterprises.

The MOFCOM Circular also states that the proceeds of FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement under the PRC strategic investment regime.

On 13 October 2011, the People's Bank of China, the central bank of the PRC (中國人民銀行) (the "PBoC") promulgated the Administrative Measures on Renminbi Settlement in Foreign Direct Investment (《外商直接投資人民幣結算業務管理辦法》) (the "PBoC FDI Measures"), pursuant to which, PBoC special approval for FDI and shareholder loans which was previously required is no longer necessary. The PBoC FDI Measures provide that, among others, foreign invested enterprises are required to conduct registrations with the local branch of PBoC within ten working days after obtaining the business licences for the purpose of Renminbi settlement, a foreign investor is allowed to open a Renminbi expense account (人民幣前期費用專用存款賬戶) to reimburse some expenses before the establishment of a foreign invested enterprise and the balance in such an account can be transferred to the Renminbi capital account (人民幣資本金專用存款賬戶) of such foreign invested enterprise when it is established, commercial banks can remit a foreign investor's Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries out of the PRC after reviewing certain requisite documents, if a foreign investor intends to use its Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries, the foreign investor may open a Renminbi re-investment account (人民幣再投資專用賬戶) to pool the Renminbi proceeds, and the PRC parties selling stake in domestic enterprises to foreign investors can open Renminbi accounts and receive the purchase price in Renminbi paid by foreign investors. The PBoC FDI Measures also state that the foreign debt quota of a foreign invested enterprise constitutes its Renminbi debt and foreign currency debt from its offshore shareholders, offshore affiliates and offshore financial institutions, and a foreign invested enterprise may open a Renminbi account (人民幣一般存款賬戶) to receive its Renminbi proceeds borrowed offshore by submitting the Renminbi loan contract to the commercial bank and make repayments of principal of and interest on such debt in Renminbi by submitting certain documents as required to the commercial bank.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and the Issuer's ability to source Renminbi outside the PRC to service the Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. Since February 2004, in accordance with arrangements between the PRC central government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and designated business customers. The PBoC has also established a Renminbi clearing and settlement mechanism for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of Renminbi Business (the "**Settlement Agreement**") between the PBoC and the Bank of China (Hong Kong) Limited as the Renminbi clearing bank (the "**Renminbi Clearing Bank**") to further expand the scope of Renminbi business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open Renminbi accounts in Hong Kong, there is no longer any limit on the ability of corporations to convert Renminbi and there is no longer any restriction on the transfer of Renminbi funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. According to statistics published by the Hong Kong Monetary Authority (the "HKMA"), as of 31 January 2012, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately RMB575,960 million.¹ In addition, participating authorised institutions are also required by the HKMA to maintain a total amount of Renminbi (in the form of cash, its settlement account balance and/or fiduciary account balance with the Renminbi Clearing Bank) of no less than 25 per cent. of their Renminbi deposits, which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC. They are only allowed to square their open positions with the Renminbi Clearing Bank after consolidating the Renminbi trade position of banks outside Hong Kong that are in the same bank group of the

¹ The information contained in the sentence to which this is a footnote has been accurately reproduced from information published by the HKMA and as far as the Issuer is aware and is able to ascertain from information published by the HKMA no facts have been omitted which would render the reproduced information inaccurate or misleading.

participating banks concerned with their own trade position, and the Renminbi Clearing Bank only has access to onshore liquidity support from the PBoC only for the purpose of squaring open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement, for individual customers of up to RMB20,000 per person per day and for the designated business customers relating to the Renminbi received in providing their services. The Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that no new PRC regulations will be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service the Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in the Notes is subject to exchange rate risks

The value of Renminbi against the Hong Kong dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The Issuer will make all payments of interest and principal with respect to the Notes in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the Hong Kong dollar or other foreign currencies, the value of the investment made by a holder of the Notes in Hong Kong dollars or any other foreign currency terms will decline.

Investment in the Notes is subject to currency risk

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each, as defined in the Conditions), the Issuer shall be entitled, on giving not less than five or more than 30 calendar days' irrevocable notice to the investors prior to the due date for payment, to settle any such payment in US dollars on the due date at the US Dollar Equivalent (as defined in the Conditions) of any such interest or principal, as the case may be.

Investment in the Notes is subject to interest rate risks

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. The Notes will carry a fixed interest rate. Consequently, the trading price of the Notes will vary with the fluctuations in the Renminbi interest rates. If holders of the Notes propose to sell their Notes before their maturity, they may receive an offer lower than the amount they have invested.

Payments with respect to the Notes may be made only in the manner designated in the Notes

All payments to investors in respect of the Notes will be made solely (i) for so long as the Notes are represented by a Temporary Global Note or a Permanent Global Note held with the common safekeeper for Clearsteam Banking *société anonyme* and Euroclear Bank SA/NV or any alternative clearing system by transfer to a Renminbi bank account maintained in Hong Kong, or (ii) for so long as the Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Gains on the transfer of the Notes may become subject to income taxes under PRC tax laws

Under the PRC Enterprise Income Tax Law and its implementation rules which took effect on 1 January 2008, any gain realised on the transfer of Notes by non-resident enterprise Holders may be subject to enterprise income tax if such gain is regarded as income derived from sources within the PRC. However, there remains uncertainty as to whether the gain realised from the transfer of the Notes would be treated as income derived from sources within the PRC and be subject to PRC tax. This will depend on how the

PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law and its implementation rules. According to the arrangement between the PRC and Hong Kong, residents of Hong Kong, including enterprise holders and individual holders, will not be subject to PRC tax on any capital gains derived from a sale or exchange of the Notes.

Therefore, if non-resident enterprise Holders are required to pay PRC income tax on gains on the transfer of the Notes (such enterprise income tax is currently levied at the rate of 10 per cent. of the gross proceeds, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-resident enterprise holders of Notes reside that reduces or exempts the relevant tax), the value of their investment in the Notes may be materially and adversely affected.

Remittance of proceeds into or outside of the PRC in Renminbi

In the event that the Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from and registration with the relevant PRC government authorities. However, there is no assurance that the necessary approvals from and registration with the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There is no assurance that the PRC Government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds outside the PRC in Renminbi, it will need to source Renminbi offshore to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

PRC Currency Controls

Current Account Items

Under PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Prior to July 2009, all current account items were required to be settled in foreign currencies. In July 2009, the PRC commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC Government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (Yin Fa (2010) No. 186) (關於擴大跨境貿易人民幣結算試點有關問題的通知) (the "**Circular**"), pursuant to which (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts were expanded to cover 20 provinces and cities, and (iii) the restriction on designated offshore districts has been uplifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle imports and exports of goods and services and other current account items between them. Renminbi remittance for exports of goods from the PRC may only be effected by approved pilot enterprises in designated pilot districts in the PRC. In August 2011, the PRC Government further expanded Renminbi cross-border trade settlement nationwide.

As a new regulation, the Circular will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Circular and impose conditions for settlement of current account items.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of the relevant PRC authorities.

Settlements for capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or relevant PRC parties are also generally required to make capital item payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency. That said, the relevant PRC authorities may grant approval for a foreign entity to make a capital contribution or a shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may be required to complete a registration and verification process with the relevant PRC authorities before such Renminbi remittances.

The SAFE Circular, the MOFCOM Circular and the PBoC FDI Measures, which are new regulations, have been promulgated to control the remittance of Renminbi for payment of transactions categorised as capital account items and such new regulations will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

INCORPORATION BY REFERENCE

Terms used herein but not otherwise defined shall have the meanings given to them in the base prospectus relating to the Issuer's Debt Issuance Programme (the "**Programme**") dated 27 May 2011 (as supplemented from time to time) (the "**Base Prospectus**") and filed with the FSA pursuant to Article 11 of the Prospectus Directive.

The following information contained in the Base Prospectus shall be deemed to be incorporated into and form part of this Prospectus. Page references are to pages in the Base Prospectus.

| <u>The section entitled:</u> | <u>Page Reference</u> |
|--|-----------------------|
| Risk Factors | 13 to 18 |
| Forms of Notes; Summary of provisions relating to the Notes while in Global Form | 20 to 29 |
| Clearing and Settlement | 30 to 33 |
| Terms and Conditions of the Notes | 57 to 92 |
| United Kingdom Taxation | 94 to 97 |
| United States Taxation | 98 to 110 |
| Subscription and Sale | 113 to 117 |
| General Information | 118 to 119 |

In addition, the following documents shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) the registration document relating to the Issuer dated 27 May 2011 and filed with the FSA pursuant to Article 11 of the Prospectus Directive (the "**Registration Document**");
- (b) the base prospectus supplements relating to the Programme dated 13 June 2011 (regarding information in respect of certain litigation), 15 August 2011 (and to disclose the Issuer's interim financial report for the six months ended 30 June 2011) and 14 December 2011 (regarding changes in relation to the credit ratings assigned to the Issuer), each filed with the FSA pursuant to Article 11 of the Prospectus Directive (the "**Supplements**");
- (c) the Annual Reports and Accounts of the Issuer and its subsidiary undertakings for the years ended 31 December 2010 and 31 December 2011 (including the auditors' reports thereon) submitted to and filed with the FSA (the "**Financial Statements**"),

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein expressly or impliedly modifies or supersedes such earlier statement. Any documents incorporated by reference in the Base Prospectus, the Supplements thereto, the Registration Document and the Financial Statements does not form part of this Prospectus.

To the extent that only certain parts of the above documents are specified to be incorporated by reference herein, the non-incorporated parts of such documents are either not relevant for investors or covered elsewhere in this Prospectus.

There has been no significant change in the financial or trading position nor any material adverse change in the prospects of the Issuer and its subsidiary undertakings, taken as a whole, since 31 December 2011.

The Issuer will, at its registered office and at the specified offices of the Paying Agents, make available for inspection during normal business hours and free of charge, upon oral or written request, a copy of this Prospectus and any document incorporated by reference in this Prospectus. Written or oral requests for inspection of such documents should be directed to the specified office of any Paying Agent.

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes shall consist of the "*Terms and Conditions*" of the Notes set out in the Base Prospectus as amended or supplemented by (i) the terms set out in this section "*Terms and Conditions of the Notes*" and (ii) the Final Terms (the "**Final Terms**") set out below (terms used in such provisions being deemed to be defined as such for the purposes of the Base Prospectus). Any references to "this document" in the Final Terms section of this Prospectus shall be deemed to refer to the Final Terms.

The Notes will be fully paid-up and delivered on the Issue Date (specified below).

The following shall be added as paragraph (d) of Condition 8 (*Payments*):

"(d) *Payment of US Dollar Equivalent*

Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi in Hong Kong, the Issuer may, on giving not less than five or more than 30 calendar days' irrevocable notice to the Holders prior to the due date for payment, settle any such payment in US dollars on the due date at the US Dollar Equivalent of any such Renminbi-denominated amount.

For the purposes of these Conditions, "**US Dollar Equivalent**" means the Renminbi amount converted into US dollars using the Spot Rate for the relevant Determination Date.

For this purpose:

"**Calculation Agent**" means HSBC Bank plc;

"**CNY**" means the lawful currency of the PRC;

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and in New York City;

"**Determination Date**" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions;

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Illiquidity**" means where the general Renminbi exchange market in Hong Kong becomes illiquid and, as a result of which, the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation (if practicable) with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 18 April 2012 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after

18 April 2012 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**PRC**" means the People's Republic of China which, for the purpose of these Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Renminbi**" means the lawful currency of the PRC;

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong; and

"**Spot Rate**" means the spot CNY/US dollar exchange rate for the purchase of US dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent will determine the Spot Rate at or around 11 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/US dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8(d) (*Payments*) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Paying Agents and all Holders."

FINAL TERMS

Final Terms dated 23 April 2012

Series No.: 3285

Tranche No.: 1

1. (i) Issuer: HSBC Bank plc
- (ii) Arranger(s): HSBC Bank plc
2. (i) Series number: 3285
- (ii) Tranche number: 1
3. Specified currency or currencies:
 - (i) of denomination: Renminbi ("CNY")
 - (ii) of payment: CNY
4. Aggregate Principal Amount
 - (i) Series: CNY 2,000,000,000
 - (ii) Tranche: CNY 2,000,000,000
5. (i) Issue Price: 100.519 per cent. of the Aggregate Principal Amount
- (ii) Commission payable: 1.00 per cent. of the Aggregate Principal Amount consisting of:
 - (i) a management and underwriting commission of 0.125 per cent. of the Aggregate Principal Amount; and
 - (ii) a selling commission of 0.875 per cent. of the Aggregate Principal Amount.
- (iii) Selling concession: None
6. (i) Specified Denomination(s) (*Condition 1(f)*): CNY 10,000
7. (ii) Calculation Amount: CNY 10,000
- (i) Issue Date: 30 April 2012
- (ii) Interest Commencement Date: Issue Date
8. Maturity Date: 30 April 2015, subject to adjustment in accordance with the Modified Following Business Day Convention (*Condition 6(a)*)
9. Interest basis: 2.875 per cent. Fixed Rate (*Conditions 3 to 5*) (further particulars specified below)
10. Redemption basis: Redemption at par (*Condition 6*)
11. Change of interest or redemption: Not applicable

basis:

- | | | |
|-----|---|------------------------|
| 12. | Put/Call options: | Not applicable |
| 13. | (i) Status of the Notes: (<i>Condition 2</i>) | Not Subordinated Notes |
| | (iii) Date approval for issuance of Notes obtained: | Not applicable |
| 14. | Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- | | | |
|-----|--|--|
| 15. | Fixed Rate Note provisions: (<i>Condition 3</i>) | Applicable |
| | (i) Rate of Interest: | 2.875 per cent. per annum payable semi-annually in arrear |
| | (ii) Fixed Interest Payment Date(s): | 30 April and 30 October in each year commencing on 30 October 2012 and ending on 30 April 2015, in each case subject to adjustment in accordance with the Modified Following Business Day Convention. |
| | (iii) Day Count Fraction: | Actual/365 (Fixed) |
| 16. | Floating Rate Note provisions: (<i>Condition 4</i>) | Not applicable |
| 17. | Variable Coupon Amount Note provisions: (<i>Condition 5</i>) | Not applicable |
| 18. | Zero Coupon Note provisions: (<i>Condition 5</i>) | Not applicable |
| 19. | Index-Linked Interest Note/other variable-linked interest Note Provisions: | Not applicable |
| 20. | Dual Currency Note provisions: | Not applicable |

PROVISIONS RELATING TO REDEMPTION

- | | | |
|-----|--|--|
| 21. | Issuer's optional redemption (Call): (<i>Condition 6(d)</i>) | No |
| 22. | Noteholder's optional redemption (Put): (<i>Condition 6(e)</i>) | No |
| 23. | Final redemption amount of each Note: (<i>Condition 6(a)</i>) | 100.00 per cent. of the Calculation Amount |
| 24. | Redemption for Capital Disqualification Event (<i>Condition 6(c)</i>): | Not applicable |
| 25. | Final redemption amount of each Note in cases where the final | Not applicable |

| | | |
|-----|--|----------------|
| | redemption amount is Index-Linked or other variable-linked: | |
| 26. | Instalment Notes: (<i>Condition 6(a)</i>) | Not applicable |
| 27. | Early redemption amount: | Yes |
| | (i) Early redemption amount (upon redemption for taxation reasons): (<i>Condition 6(b)</i>) | Par |
| | (ii) Early redemption amount upon enforcement: (<i>Condition 10</i>) | Par |
| | (iii) Other redemption provisions: (<i>Condition 6(i)</i>) | Not applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

| | | |
|-----|---|--|
| 28. | Form of Notes: (<i>Condition 1(a)</i>) | |
| | (i) Form of Notes: | Bearer |
| | (ii) Bearer Notes exchangeable for Registered Notes: | No |
| 29. | New Global Note: | Yes |
| 30. | If issued in bearer form: | |
| | (i) Initially represented by a Temporary Global Note or Permanent Global Note: | Temporary Global Note |
| | (ii) Temporary Global Note exchangeable for Permanent Global Note and/or Definitive Notes and/or Registered Notes: (<i>Condition 1(a)</i>) | Yes. Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note |
| | (iii) Permanent Global Note exchangeable at the option of the bearer for Definitive Notes and/or Registered Notes: | No |
| | (iv) Coupons to be attached to Definitive Notes: | Yes |

| | | | |
|-----|--------|--|---|
| | (v) | Talons for future Coupons to be attached to Definitive Notes: | Not applicable |
| | (vi) | (a) Definitive Notes to be security printed: | Yes |
| | | (b) if the answer to (a) is yes, whether steel engraved plates will be used: | Yes |
| | (vii) | Definitive Notes to be in ICMA or successor's format: | Yes |
| | (viii) | Issuer or Noteholder to pay costs of security printing: | Issuer |
| 31. | | If issued in registered form: | |
| | (i) | Rule 144A Global Registered Note exchangeable for U.S. Definitive Registered Notes: | Not applicable |
| | (ii) | Restricted Global Registered Note exchangeable for U.S. Definitive Registered Notes: | Not applicable |
| 32. | | Exchange Date for exchange of Temporary Global Note: | Not earlier than 40 days following the Issue Date |
| 33. | | Payments: (Condition 8) | |
| | (i) | Method of payment: | Condition 8 shall apply, save that no payments by cheque will be made and payments shall be made by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations, subject also as provided in the Temporary Global Note or, as the case may be, the Permanent Global Note. |
| | (ii) | Relevant Financial Centre Day: | Hong Kong and London |
| 34. | | Partly Paid Notes: (Condition 1) | No |
| 35. | | Redenomination: (Condition 9) | |
| | (i) | Redenomination: | Not applicable |
| | (ii) | Exchange: | Not applicable |

36. Other final terms: Not applicable

DISTRIBUTION

37. (i) If syndicated, name address and underwriting commitment of Relevant Dealer/Lead Manager: HSBC Bank plc
8 Canada Square, London E14 5HQ
(the "**Lead Manager**")

Underwriting commitment: see paragraph 37(ii) below.
- (ii) If syndicated, names, addresses and underwriting commitments of other Dealers/Managers (if any): Bank of China Limited, London Branch
Bank Vontobel AG Zürich
Barclays Bank PLC
Deutsche Bank AG, Hong Kong Branch
Standard Chartered Bank

(the "**Senior Co-Lead Managers**")

Australia & New Zealand Banking Group Limited
The Toronto-Dominion Bank

(the "**Co-Lead Managers**")

(the Senior Co-Lead Managers, the Co-Lead Managers, and the Lead Manager, the "**Managers**")

The addresses of the Managers are set out at the rear of the Prospectus.

Underwriting commitment: The Managers have jointly and severally agreed to subscribe for the Notes on the Issue Date at the Issue Price, subject to and in accordance with the terms of a Subscription Agreement dated as specified below (the "**Subscription Agreement**").
- (iii) Date of Subscription Agreement: 23 April 2012
- (iv) Stabilising Manager (if any): HSBC Bank plc
38. If non-syndicated, name and address of Relevant Dealer: Not applicable
39. Total commission and concession: 1.00 per cent. of the Aggregate Principal Amount consisting of:
- (i) a management and underwriting commission of 0.125 per cent. of the Aggregate Principal Amount; and
- (ii) a selling commission of 0.875 per cent. of the Aggregate Principal Amount.
40. Selling restrictions:

U.S. Selling Restrictions: TEFRA D; Category 2
41. Other: People's Republic of China

Each of the Managers has represented, warranted and agreed

that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China ("**PRC**") (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the PRC.

Hong Kong

Each of the Managers has represented, warranted and agreed that (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "**prospectus**" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "**professional investors**" as defined in the SFO and any rules made under that Ordinance.

Singapore

Each of the Managers has represented, warranted and agreed that the Prospectus and the Base Prospectus relating to the Notes has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Cap. 289 of Singapore (the "**SFA**") and accordingly, the Notes may not be offered or sold, nor may the Notes be the subject of an invitation for subscription or purchase, nor may the Prospectus and the Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are acquired by persons who are relevant persons specified in Section 276 of the SFA, namely:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals,

each of whom is an accredited investor; or

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor (under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets and further for corporations, in accordance with the conditions specified in Section 275(1A) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA.

Japan

Each of the Managers has represented, warranted and agreed that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") and, accordingly, each Manager has undertaken that it will not offer or sell any of the Notes directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Non-Exempt Offer

An offer of the Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in Austria, Germany, the Netherlands, Luxembourg and the United Kingdom (the "**Public Offer Jurisdictions**") during the period from 9:00 a.m. (London time) 25 April 2012 until (and including) 10:00 a.m. (London time) 30 April 2012 ("**Offer Period**"); provided, however, that the Offer Period shall not commence until after the United Kingdom

Financial Services Authority ("FSA") has provided the Austrian Financial Market Authority, the Federal Financial Supervisory Authority (Germany), the Commission de Surveillance du Secteur Financier (Luxembourg) and the Netherlands Authority for the Financial Markets (Netherlands) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive and in respect of Austria only, the requisite filings have been made to the Austrian Control Bank.

42. Stabilisation:

In connection with the issue of the Notes, the Manager or Managers (if any) named as the Stabilising Manager (or persons acting on behalf of any Stabilising Manager) in the relevant Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Debt Issuance Programme of HSBC Bank plc.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

**CONFIRMED
HSBC BANK PLC**

By:
Authorised Signatory

Date:

PART B - OTHER INFORMATION

1. LISTING

- (i) Listing: London. Application will be made for the Notes to be listed on the Official List of the Financial Services Authority on or around the Issue Date. No assurance can be given as to whether or not, or when, such application will be granted.
- (ii) Admission to trading: Application will be made for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from the Issue Date. No assurance can be given as to whether or not, or when, such application will be granted.

2. RATINGS

- Ratings: The long-term senior debt of HSBC Bank plc has been rated:
- Standard & Poor's Credit Market Services Europe Limited ("**S&P**"): AA-
- Moody's Investors Service Limited ("**Moody's**"): Aa2
- Fitch Ratings Limited ("**Fitch**"): AA
- Each of S&P, Moody's and Fitch, is established in the European Union and registered under Regulation (EU) No 1060/2009.
- The Notes are expected to be specifically rated by S&P, Moody's and Fitch on the Issue Date.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for the Managers to whom a management and underwriting commission and a selling commission will be payable, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the issue.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: See "*Use of Proceeds*" wording in the Base Prospectus.
- (ii) Estimated net proceeds: CNY 1,990,380,000
- (iii) Estimated total expenses: GBP 2,700

5. YIELD

- (i) Indication of yield: 2.693 per cent. per annum.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. TERMS AND CONDITIONS OF THE OFFER

- (i) Offer Price: Not applicable

| | | |
|--------|--|--|
| (ii) | Conditions to which the offer is subject: | Offers of the Notes are conditional on their issue. |
| (iii) | Description of the application process: | Not applicable |
| (iv) | Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: | Not applicable |
| (v) | Details of the minimum and/or maximum amount of application: | Not applicable |
| (vi) | Details of the method and time limits for paying up and delivering the Notes: | Not applicable |
| (vii) | Manner and date in which results of the offer are to be made public: | Not applicable |
| (viii) | Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | Not applicable |
| (ix) | Categories of potential investors to which Notes are offered and whether tranche(s) reserved for certain countries: | Offers of the Notes in the United Kingdom, Austria, the Netherlands, Luxembourg and Germany to any person resident in the relevant country to whom the offer can lawfully be directed pursuant to and in accordance with any applicable legal or regulatory requirements including, without limitation, the Prospectus Directive as implemented in such countries. In other EEA countries, offers may only be made pursuant to an exemption under the Prospectus Directive as implemented in such countries. |

No Notes may be offered or sold, directly or indirectly, and no advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

- | | | |
|-------|---|----------------|
| (x) | Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: | Not applicable |
| (xi) | Amount of any expenses and taxes specifically charged to the subscriber or purchaser: | Not applicable |
| (xii) | Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: | Not applicable |

OPERATIONAL INFORMATION

- | | | |
|-----|--|--|
| 7. | ISIN Code: | XS0773551972 |
| 8. | Common Code: | 077355197 |
| 9. | SEDOL Code: | B79JQ20 |
| 10. | New Global Note or Classic Global Note: | New Global Note |
| 11. | New Global Note intended to be held in a manner which would allow Eurosystem eligibility: | No |
| 12. | Registered Global Notes intended to be held in a manner which would allow Eurosystem eligibility: | Not applicable |
| 13. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | None |
| 14. | Delivery: | Delivery free of payment |
| 15. | Settlement procedures: | Medium Term Note |
| 16. | Name and address of Initial Paying Agents: | HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom |
| 17. | Name and address of Additional Paying Agent(s) (if any): | None |
| 18. | Common Depositary: | Not applicable |

- | | | |
|-----|--|--|
| 19. | Common Safekeeper: | HSBC Bank plc |
| 20. | Common Service Provider: | HSBC Bank plc |
| 21. | Agent Bank/Calculation Agent: | HSBC Bank plc |
| | — is Agent Bank to make calculations? | Yes |
| | — if not, identify calculation agent: | Not applicable |
| 22. | Transfer Agent: | Not applicable |
| 23. | Notices: (<i>Condition 14</i>) | Condition 14 applies |
| 24. | City in which specified office of Registrar to be maintained: (<i>Condition 12</i>) | Not applicable |
| 25. | Tradeable Amount: | Not applicable |
| 26. | Other relevant Terms and Conditions: | The terms set out in the section entitled " <i>Terms and Conditions of the Notes</i> " on pages 11 and 12 of the Prospectus. |
| 27. | Other Final Terms: | None |
| 28. | Post issuance information: | The Issuer does not intend to publish post-issuance information. |

HEAD AND REGISTERED OFFICE OF THE ISSUER

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom
(Tel: +44 20 7991 8888)

TRUSTEE

The Law Debenture Trust Corporation p.l.c.

Fifth Floor
100 Wood Street
London EC2V 7EX
United Kingdom

PRINCIPAL PAYING AGENT

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

ARRANGER AND LEAD MANAGER

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

SENIOR CO-LEAD MANAGERS

**Bank of China Limited, London
Branch**
1 Lothbury
London EC2R 7DB
United Kingdom

Bank Vontobel AG Zürich
Gotthardstrasse 43
CH-8001
Zürich
Switzerland

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Deutsche Bank AG, Hong Kong Branch
Level 52, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Standard Chartered Bank
One Basinghall Avenue
London EC2V 5DD
United Kingdom

CO-LEAD MANAGERS

**Australia & New Zealand
Banking Group Limited**
40 Bank Street
Canary Wharf
London E14 5EJ
United Kingdom

The Toronto-Dominion Bank
60 Threadneedle Street
London EC2R 8AP
United Kingdom

LEGAL ADVISERS TO THE ISSUER

as to English law

Clifford Chance LLP

10 Upper Bank Street
London E14 5JJ
United Kingdom

AUDITORS TO THE ISSUER

KPMG Audit Plc

15 Canada Square
London E14 5GL
United Kingdom