

FINAL TERMS FOR THE WARRANTS

Warrants issued pursuant to these Final Terms are securities to be listed under Listing Rule 19.

Final Terms dated 9 September 2011
Series No.: AWP0651
Tranche No.: 1

HSBC Bank plc

Warrant and Certificate Programme (the "Programme")

**Issue of
1,500,000 Warrants linked to
the ordinary shares of Tulip Telecom Ltd**

PART A - CONTRACTUAL TERMS

This document constitutes the Final Terms relating to the issue of the Tranche of Warrants described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 17 January 2011 in relation to the above Programme, and the supplemental prospectuses dated 4 March 2011, 16 May 2011, 10 June 2011, 13 June 2011 and 15 August 2011 (the "**Supplements**"), each of which has been approved by and filed with the United Kingdom Financial Services Authority, which together constitute a base prospectus ("**Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Warrants described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing at HSBC Bank plc, 8 Canada Square, London E14 5HQ and copies may be obtained from HSBC Bank plc, 8 Canada Square, London E14 5HQ.

The Warrants reflect the risks of a direct investment in Indian equity, by a Foreign Institutional Investor ("**FII**") who is subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as apply to the Issuer and/or its Affiliates had the Issuer and/or its Affiliates held the Securities. The effect of such risks on the Warrants will always be calculated in the sole and absolute discretion of the Calculation Agent. Investors should conduct their own investigation of the risks involved in a direct investment in Indian equity by an FII and investment in Indian Rupee and form their own view based on such investigations. In certain circumstances, the Warrantholders' entire investment may be at risk and the Warrants may become valueless.

The Warrants offered hereby 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. Accordingly, they may be offered and sold (i) in the United States, pursuant to Rule 144A under the Securities Act ("**Rule 144A**"), only to "qualified institutional buyers" (as defined in Rule 144A); or (ii) outside the United States, in accordance with Regulation S under the Securities Act ("**Regulation S**"), in each case to investors that have executed and delivered to the Issuer a letter of representations substantially in the form set out in Exhibit 1 hereto and a side letter substantially in the form set out in Exhibit 2 hereto, in each case, subject to such amendments as may be agreed between the Issuer and the relevant investor and in compliance with any applicable securities laws. Prospective investors in the United States are hereby notified that, with respect to any sales of Warrants in the United States, the Manager will be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. Investors should also be aware that the Warrants may not be re-offered, re-sold, pledged or otherwise transferred within the United States (within the meaning of 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. See "Transfer Restrictions".

The Issuer accepts responsibility for the information set out in the Schedule hereto (which forms part of these Final Terms) concerning Tulip Telecom Ltd (the "**Information**"), which is derived from publicly available information and is intended as a summary only of the information from which it is derived. The Issuer confirms that the Information has been accurately reproduced from information available from the information source specified herein and that, so far as the Issuer is aware and is able to ascertain from the Information available from such source, no facts have been omitted which would render the reproduced Information inaccurate or misleading. The Issuer accepts responsibility for having correctly extracted the Information from such publicly available information.

The Information is of limited scope. In deciding whether or not to purchase Warrants, investors should conduct their own investigations of Tulip Telecom Ltd and form their own view of the merits of Tulip Telecom Ltd based upon such investigations and not in reliance upon the Information.

IMPORTANT NOTICES

THE WARRANTS ARE SOLD OR TRANSFERRED SUBJECT TO THE LAWS AND REGULATIONS FROM TIME TO TIME IN FORCE IN INDIA, INCLUDING WITHOUT LIMITATION, THOSE THAT PROHIBIT THEIR ACQUISITION BY INDIAN INVESTORS/NON-RESIDENT INDIANS/PERSONS OR ENTITIES WHO ARE NOT REGULATED ENTITIES. SEE "TRANSFER RESTRICTIONS".

THE WARRANTS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE STATE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. ACCORDINGLY, THE WARRANTS ARE BEING OFFERED AND SOLD (A) IN THE UNITED STATES ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**")) AND (B) TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S) IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF WARRANTS PURSUANT TO CLAUSE (A) ABOVE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B ("RSA 421-B") OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with resales of the Warrants, the Issuer will promptly furnish, upon request of a holder of a Warrant, to such holder and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) if, at the time of such request, the Issuer is neither a reporting company under Section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

Investing in the Warrants involves substantial risks. As a consequence, prospective investors should be aware that the Warrants are only intended for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks of an investment in the Warrants. In purchasing any Warrants, an investor will be deemed to represent that it is such an investor and has such knowledge and experience. Prospective investors should consider the risk factors set forth under "Risk Factors" in the Prospectus and the risks described herein.

The Hongkong and Shanghai Banking Corporation Limited

9 September 2011

1.	Issuer:	HSBC Bank plc
2.	Principal Warrant Agent:	HSBC Bank plc
3.	Calculation Agent:	HSBC Bank plc
4.	Warrant Agent:	HSBC Bank plc
5.	(i) Series number:	AWP0651
	(ii) Tranche number:	1.
	<i>(If fungible with an existing Series, details of that Series, including the date on which the Warrants become fungible.)</i>	
	(iii) Whether issue is of Warrants or Certificates:	Warrants (if the issue is of Certificates, all references in this Final Terms and in the Prospectus to Warrants shall be deemed to be "Certificates" for the purposes of this issue)
6.	Specified Currency or Currencies:	United States Dollars ("USD").
	(i) Reference Currency:	The currency in which the relevant Security trades on the Exchange.
	(ii) Reference Jurisdiction:	The jurisdiction in which the Exchange is located.
7.	Aggregate Number of Warrants in the:	
	(i) Series:	1,500,000
	(ii) Tranche:	1,500,000
8.	Issue Date:	9 September 2011
9.	Issue Price:	USD3.00 per Warrant
10.	Strike Price:	USD 0.000001.
11.	Settlement Price:	Not Applicable.
12.	Reference Price:	Not Applicable.
13.	Listing of Warrants:	Application has been made for the Warrants to be admitted to the Official List of the UK Listing Authority and admitted to trading on the Regulated Market of the London Stock Exchange on or after the Issue Date.
14.	Date of Board approval for the issuance of Warrants obtained:	Not Applicable.

15. Type of Warrants: Equity-Linked Low Exercise Price Options
16. Series represented by: Combined Global Registered Warrant. Warrants in definitive form will not be issued.
17. Form of Warrants: Registered Warrants
18. Style of Warrants: The Warrants are *American* Style Call Warrants. Condition 3(a) is applicable.
19. (i) Expiry Date: 2 September 2021 (or if not an Exchange Business Day, the immediately following Exchange Business Day).
- (ii) Exercise Procedure: Condition 4 is applicable
- (iii) Automatic Exercise: Applicable
- (iv) Exercise Period: The period beginning from (and including) 9 September 2011 and ending on (and including) the Expiry Date.
- (v) Potential Exercise Date(s): Not Applicable.
- (vi) Knock-in Event: Not Applicable.
- (a) Knock-in Event: Not Applicable.
- (b) Knock-in Period Beginning Date (if other than as specified in the definition thereof in Condition 17): Not Applicable.
- (c) Knock-in Period Ending Date (if other than as specified in the definition thereof in Condition 17): Not Applicable.
- (d) Knock-in Price: Not Applicable.
- (e) Knock-in Valuation Time (if other than as specified in the definition thereof in Condition 17): Not Applicable.
- (vii) Knock-out Event: Not Applicable.
- (a) Knock-out Event: Not Applicable.
- (b) Knock-out Period: Not Applicable.

Beginning Date (if other than as specified in the definition thereof in Condition 17):

- (c) Knock-out Period Ending Date (if other than as specified in the definition thereof in Condition 17): Not Applicable.
- (d) Knock-out Price: Not Applicable.
- (e) Knock-out Valuation Time (if other than as specified in the definition thereof in Condition 17): Not Applicable.

- 20. (i) Minimum Exercise Number: Not Applicable.
- (ii) Permitted Multiple: Not Applicable.

21. Cash Settlement: Applicable. The Warrants are Cash Settlement Warrants. Condition 3(d) (*Cash Settlement*) applies.

- (i) Settlement Currency: USD.
- (ii) Cash Settlement Amount:

In respect of each Warrant exercised an amount in USD calculated in accordance with the following formula:

$$\frac{\text{Realisable Sale Price}}{\text{Weighted Average Exchange Rate}} \times (1 - \text{Fee})$$

Where:

"**Fee**" represents the fee to be retained by the Manager or any of its Affiliates as separately notified to the Warrantholder, which is calculated as a percentage of the gross consideration payable for the purchase of the Warrants.

"**Underlying Hedge Transaction**" means any holding (whether direct or synthetic) by the Issuer or its Affiliates of Securities and/or financial instruments (of any kind) which the Issuer consider necessary for the purposes of hedging, funding or otherwise performing the Issuer's obligations in respect of one Warrant. For the avoidance of doubt, the Issuer is not obliged to hold any Underlying Hedge Transaction.

In the event that the Issuer and/or its Affiliates have not entered into any Underlying Hedge

Transaction(s) or have entered into one or more Underlying Hedge Transaction(s) in respect of some only of the Warrants, the Realisable Sale Price shall be the aggregate price at which the Notional Holder, being the holder of Securities underlying one Warrant would have been able to dispose of such Securities through the Exchange(s) on the Averaging Dates, less any costs, as determined by the Calculation Agent in its sole and absolute discretion.

"Weighted Average Exchange Rate" means the weighted average of the rates of exchange for the conversion of Indian Rupee ("INR") into USD, expressed as a number of INR per one USD, less any costs incurred or would have been incurred by the Issuer and/or its Affiliates in connection with such conversion (the **"Underlying FX Rate"**) at the time each Underlying Hedge Transaction as determined by the Calculation Agent in its sole and absolute discretion.

The Issuer is at no time obliged to hold Securities, nor any other positions, for such purposes.

"Realisable Sale Price" means the weighted average of the prices at which the Underlying Hedge Transaction(s) are unwound on each Averaging Date, less all Costs, all as determined by the Calculation Agent in its sole and absolute discretion.

Where (i) the amount of Costs or the basis on which it is to be determined is not confirmed before the applicable Valuation Date and/or is subject to change in the future (such amount of Costs being **"Unpaid Costs"**) and (ii) the Unpaid Costs were not deducted from the calculation of the Cash Settlement Amount, each Warrantholder will be required to pay to the Issuer an amount equal to such Unpaid Costs upon notification from the Issuer. Any holder's obligation to pay such Unpaid Costs shall survive the expiration of the Warrants and any transfers made by any such holder prior to such date.

(iii) Cash Settlement Payment Date:

The fifth calendar day (other than a Saturday or Sunday) following the final Averaging Date or if such day is not an Exchange Business Day, then the immediately following Exchange Business Day.

22. Physical Settlement:

Not Applicable.

(i) Strike Price Payment Date:

Not Applicable.

(ii) Settlement Date:

Not Applicable.

23.	Index Warrant or Index Basket Warrant:	Not Applicable.
	(i) Index/Indices:	Not Applicable
	(ii) Basket:	Not Applicable
	(iii) Index Sponsor(s):	Not Applicable
	(iv) Exchange(s):	Not Applicable
	(v) Related Exchange(s):	Not Applicable
	(vi) Valuation Time:	Not Applicable
	(vii) Valuation Date:	Not Applicable
	(viii) Averaging Dates:	Not Applicable
	(ix) Settlement Level:	Not Applicable
	(x) Reference Level:	Not Applicable
	(xi) Additional Disruption Event:	Not Applicable
	(xii) Other Information:	Not Applicable
24.	Security Warrant or Security Basket Warrant:	Applicable. The Warrants are Security Warrants.
	(i) Securities:	Ordinary shares of Tulip Telecom Ltd and "Security" means any one of them.
	(ii) Basket:	Not Applicable
	(iii) Exchange(s):	Each of Mumbai Stock Exchange and National Stock Exchange (or any successor exchange or quotation system).
	(iv) Related Exchange:	All Exchanges.
	(v) Valuation Time:	Not Applicable.
	(vi) Valuation Date:	Exercise Date.
	(vii) Averaging Dates:	Applicable Each of the 20 consecutive Scheduled Trading Days immediately following the Exercise Date, subject to adjustment.
	(viii) Clearing System:	Euroclear and Clearstream, Luxembourg.
	(ix) Additional Disruption Event:	The following Additional Disruption Events apply:

		Change in Law Hedging Disruption Insolvency Filing Increased Cost of Hedging Currency Event
	(x) Securities Transfer Amount:	Not Applicable.
25.	Additional Payments:	Condition 17(b) (<i>Additional Payment</i>) applies
	(i) Additional Payment Date:	Such date as soon as practicable after each Distribution Receipt Date.
	(ii) Additional Payment Period:	The period from (but excluding) the Trade Date to (and including) the first Averaging Date in respect of an Exercise Date.
	(iii) Costs:	The definition in the Terms and Conditions applies.
26.	Averaging Date Market Disruption:	Postponement
27.	Business Day:	London, New York City and Mumbai.
28.	Determination Date:	Not Applicable.
29.	Trade Date:	2 September 2011
30.	Selling Restrictions:	In addition to selling restrictions listed in "Purchase and Sale of the Warrants" contained in the Base Prospectus:
		India
		"(A) By the purchase of any Warrants, on the date of purchase and on each day the Warrants are being held, each Warrantholder will be deemed to represent and warrant that its purchase of the Warrants is in full compliance with the following selling restrictions and it undertakes and agrees to the selling restrictions below:
		1. The Warrants shall not be offered, sold or transferred to (i) a "person resident in India" (as such term is defined in the Foreign Exchange Management Act, 1999, as may be amended or supplemented from time to time), or, (ii) a "non-resident Indian" (as such term is defined in the Foreign Exchange Management (Deposit) Regulations, 2000 as may be amended or supplemented from time to time),

(each a "**Restricted Entity**");

2. The Warrants shall not be offered, sold or transferred to any person/entity whose controller is a Restricted Entity.

For the purposes of this representation, a "**controller**" means any person or group of persons (acting pursuant to any agreement or understanding (whether formal or informal, written or otherwise)) who:

- (a) is/are entitled to exercise, or control the exercise of a majority or more of the voting power of an entity, or
- (b) holds or is otherwise entitled to a majority or more of the economic interest in an entity, or
- (c) who in fact exercises control over an entity.

For the purposes of this representation, "**control**" means the ability to appoint a majority or more of the directors of an entity, or the capacity to control decision-making, directly or indirectly, in relation to the financial, investment and/or operating policies of an entity in any manner.

Notwithstanding the foregoing definition, in the case only where an entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such entity's controller for the purposes of this representation by reason only of it being able to control decision-making in relation to the entity's financial, investment and /or operating policies;

3. The Warrants shall only be purchased by a principal for its own account and not as an agent, nominee, trustee or representative of any other person and no agreement for the issuance of a back-to-back offshore derivatives instrument ("**ODI**") (as such term is defined for the purposes of the Securities and Exchange Board of India

(Foreign Institutional Investors) Regulation 1995 and notifications, circulars, rules and guidelines of the Securities and Exchange Board of India issued from time to time) (collectively referred to as the "**FII Regulations**") can be entered into against the Warrants;

4. The Warrants shall only be offered to a "person regulated by an appropriate foreign regulatory authority" (as such term and/or requirements relating thereto are defined or otherwise interpreted for the purposes of Regulation 15A of the FII Regulations) (a "**Regulated Entity**");
5. The Warrants shall not be purchased with the intent of circumventing or otherwise avoiding any requirements applicable under the FII Regulations (including, without limitation, any restrictions applying to foreign institutional investors in relation to their issuances and/or other dealings in the Warrants with, Restricted Entities and persons/entities who are not Regulated Entities); and
6. The Warrants cannot be sold, transferred, assigned or novated or otherwise disposed of and no back-to-back ODIs may be entered into and no agreement with respect to any of the foregoing may be entered into by the Warrantholder nominees, associates or affiliates (each, a "**Transfer**") with, an entity which is a Restricted Entity or an entity which is not a Regulated Entity.

For the purpose of this sub-paragraphs (A)3. and (A)6. above and sub-paragraph (B)1. below, a "back-to-back ODI" shall not include the issue of any ODI issued by a party who has disclosed the terms and parties to such back-to-back ODI in the form and manner prescribed by the Securities and Exchange Board of India pursuant to the FII Regulations (in particular, under Regulation 20A of the FII Regulations).

- (B) Further, by the purchase of any Warrants, each purchaser of the Warrants is deemed to

have agreed and undertaken as follows (and for the avoidance of doubt, such agreements and undertakings shall survive the maturity or expiration date of such Warrants):

1. It will, in the case where it or its nominees, associates or affiliates sell, transfer, assign, novate or otherwise dispose of the Warrants to, or enter into any back-to-back ODIs or enter into an agreement with respect to any of the foregoing with any party:
 - (i) provide notice of these "Indian Selling Restrictions" to any person to whom a Transfer was made (the "**Transferee**"); and
 - (ii) issue a written notice to the Issuer in such form as the Issuer may determine within two (2) Hong Kong business days after the Transfer.
2. The Issuer and its associates/affiliates are authorised to provide information in their possession regarding it, any Transferee, each of the nominees or associates/affiliates of it and/or the Transferee, the Warrants and any breach of these representations, warranties, agreements and undertaking to any Indian governmental or regulatory authorities (each an "**Authority**") as the Issuer or its associates/affiliates reasonably deems necessary or appropriate in order to comply with regulations or requests of such Authority from time to time, including but not limited to disclosures in periodic reportings made by the Issuer or its associates/affiliates to any Authority;
3. It will and shall procure its nominees or associates/affiliates to, provide the Issuer or its associates/affiliates (as the case may be) promptly with such additional information that the Issuer or its associates/affiliates (as the case may be) reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time;

4. It acknowledges that non-compliance with, or breach, violation or contravention of, the obligations under these representations, warranties, agreements and undertakings that (including, without limitation, any restrictions with respect to a Transfer) ("**ODI Holder Obligations**") may result in non-compliance with, or breach, violation or contravention of, applicable laws, regulations, governmental orders or directions, regulatory sanctions against the Issuer and/or its associates/affiliates and cause irreparable harm to the Issuer and/or its associates/affiliates. Accordingly, it further acknowledges that, in the event of any non-compliance with, or breach, violation or contravention of the ODI Holder Obligations by it, the Issuer and/or its associates/affiliates may notify the Authority of the breach, violation or contravention and exercise any rights and take any measures available to the Issuer and/or its associates/affiliates under the terms of the Warrants including these "Indian Selling Restrictions", or any other measures to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention, including but not limited to termination or compulsory redemption of the Warrants by the Issuer or its associates/affiliates; and
5. It will promptly notify the Issuer or its associates/affiliates should any of the representations, warranties, agreements and undertakings given by it changes or no longer holds true."

31. Eligibility for sale in the United States within the meaning of Rule 144A to "qualified institutional buyers" (N.B. Only Warrants linked to "securities" (as defined in the Securities Act) may be so eligible):

The Warrants are not eligible for sale into the United States or to U.S. persons except to certain qualified institutional buyers pursuant to Rule 144A under the Securities Act.

Warrants eligible for sale in the United States pursuant to Rule 144A to qualified institutional buyers and to non-U.S. persons in reliance on Regulation S will be represented by the Combined Global Registered Warrant and will be subject to the transfer restrictions set forth on the Combined Global

Registered Warrant.

- (a) The Combined Global Registered Warrant will be deposited with HSBC Bank plc as common depositary for Euroclear and Clearstream, Luxembourg;
- (b) the Warrants may be issued concurrently outside the United States to non-U.S. persons;
- (c) the Warrants may be transferred to qualified institutional buyers;
- (d) the Warrants may be transferred to non-U.S. persons.

32. ERISA Eligibility:

The Warrants are eligible for sale to Plans. Each purchaser or transferee by its purchase of any offered Warrant (or any interest therein) will be deemed to represent, on each day from the date on which the purchaser or transferee acquires an offered Warrant through and including the date on which the purchaser or transferee disposes of its interest in such offered Warrant, either that (a) it is not a Plan or a Similar Law Plan, including any entity whose underlying assets include the assets of any Plan or Similar Law Plan the inclusion of which for purposes of ERISA or any Similar Law, as the case may be, would result in such entity being deemed a Plan or a Similar Law Plan; or (b) its purchase, holding and disposition of such Warrant (or any interest therein) will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law. The capitalised terms in this paragraph are as defined in the section headed "*Certain ERISA Considerations*" of the Base Prospectus dated 17 January 2011.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Warrants described herein pursuant to HSBC Bank plc's Warrant and Certificate Programme.

TRANSFER RESTRICTIONS

Each prospective purchaser of Warrants, by accepting delivery of these Final Terms and the accompanying Base Prospectus, will be deemed to have represented and agreed with respect to such Warrants as follows:

- (I) THE WARRANTS ARE NOT BEING PURCHASED BY A "**RESTRICTED ENTITY**", MEANING THAT IT IS NOT A "PERSON RESIDENT IN INDIA" (AS SUCH TERM IS DEFINED IN THE FOREIGN EXCHANGE MANAGEMENT ACT, 1999, AS MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME), OR, (II), A "NON-RESIDENT

INDIAN" (AS SUCH TERM IS DEFINED IN THE FOREIGN EXCHANGE MANAGEMENT (DEPOSIT) REGULATIONS, 2000, AS MAY BE AMENDED FROM TIME TO TIME);

- (II) THE WARRANTS ARE NOT BEING PURCHASED BY A PERSON/ENTITY WHOSE CONTROLLER(S) IS/ARE A RESTRICTED ENTITY, WHERE (A) "**CONTROLLER**" MEANS ANY PERSON OR GROUP OF PERSONS (ACTING PURSUANT TO ANY AGREEMENT OR UNDERSTANDING (WHETHER FORMAL OR INFORMAL, WRITTEN OR OTHERWISE)) WHO IS/ARE ENTITLED TO EXERCISE OR CONTROL THE EXERCISE OF A MAJORITY OR MORE OF THE VOTING POWER OF AN ENTITY OR WHO HOLDS OR IS OTHERWISE ENTITLED TO A MAJORITY OR MORE OF THE ECONOMIC INTEREST IN SUCH ENTITY OR WHO IN FACT EXERCISES CONTROL OVER SUCH ENTITY; AND (B) "**CONTROL**" MEANS THE ABILITY TO APPOINT A MAJORITY OR MORE OF THE DIRECTORS OF AN ENTITY, OR THE CAPACITY TO CONTROL DECISION-MAKING, DIRECTLY OR INDIRECTLY, IN RELATION TO THE FINANCIAL, INVESTMENT AND/OR OPERATING POLICIES OF AN ENTITY IN ANY MANNER, PROVIDED THAT, IN THE CASE ONLY WHERE AN ENTITY'S INVESTMENTS ARE BEING MANAGED ON A DISCRETIONARY BASIS BY AN INVESTMENT MANAGER, SUCH INVESTMENT MANAGER SHALL NOT BE DEEMED TO BE SUCH ENTITY'S CONTROLLER FOR THE PURPOSES OF THE ABOVE BY REASON ONLY OF IT BEING ABLE TO CONTROL DECISION-MAKING IN RELATION TO THE ENTITY'S FINANCIAL, INVESTMENT AND /OR OPERATING POLICIES;
- (III) THE WARRANTS ARE NOT BEING PURCHASED WITH THE INTENT OF CIRCUMVENTING OR OTHERWISE AVOIDING ANY REQUIREMENTS APPLICABLE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (FOREIGN INSTITUTIONAL INVESTORS) REGULATIONS, 1995, AS MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, AND NOTIFICATIONS, CIRCULARS, RULES AND GUIDELINES OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (COLLECTIVELY REFERRED TO AS THE "**FII REGULATIONS**") (INCLUDING, WITHOUT LIMITATION, ANY RESTRICTIONS APPLYING TO FOREIGN INSTITUTIONAL INVESTORS IN RELATION TO THEIR ISSUANCES AND/OR OTHER DEALINGS OF OFFSHORE DERIVATIVE INSTRUMENTS (AS SUCH TERM IS DEFINED FOR THE PURPOSES OF REGULATION 15A OF THE FII REGULATIONS) WITH, RESTRICTED ENTITIES OR UNREGULATED ENTITIES (AS HEREINAFTER DEFINED));
- (IV) THE HOLDER IS A "PERSON REGULATED BY AN APPROPRIATE FOREIGN REGULATORY AUTHORITY" (AS SUCH TERM AND/OR REQUIREMENTS RELATING THERETO ARE DEFINED OR OTHERWISE INTERPRETED FOR THE PURPOSES OF THE FII REGULATIONS (A "**REGULATED ENTITY**"));
- (V) THAT THE WARRANTS ARE BEING PURCHASED BY THE HOLDER AS A PRINCIPAL FOR ITS OWN ACCOUNT AND NOT AS AN AGENT, NOMINEE, TRUSTEE OR REPRESENTATIVE OF ANY OTHER PERSON AND THE HOLDER HAS NOT ENTERED INTO ANY AGREEMENT FOR THE ISSUANCE OF A BACK-TO-BACK ODI¹ AGAINST THE WARRANTS;
- (VI) THAT THE WARRANTS SHALL NOT BE, DIRECTLY OR INDIRECTLY, SOLD, TRANSFERRED, ASSIGNED, NOVATED OR OTHERWISE DISPOSED OF TO NOR ANY BACK-TO-BACK ODIS² OR AGREEMENT WITH RESPECT TO ANY OF THE FOREGOING ENTERED INTO WITH AN ENTITY WHICH IS A RESTRICTED ENTITY;

¹ For the purposes of this paragraph V, a "back-to-back ODI" shall not include the issue of any ODI to be issued by a holder who has disclosed the terms and parties to such back-to-back ODI in the form and manner prescribed by the Securities and Exchange Board of India pursuant to the FII Regulations (in particular under Regulation 20A of the FII Regulations).

² For the purposes of paragraphs VI and VII, a "back-to-back ODI" shall not include the issue of any ODI to be issued by a holder who makes monthly or periodic disclosure of ODI transactions to the Securities and Exchange Board of India and will disclose the terms and parties to such back-to-back ODI in the form and manner prescribed by the Securities and Exchange Board of India pursuant to the FII Regulations (in particular under Regulation 20A of the FII Regulations).

- (VII) THAT THE WARRANTS SHALL NOT BE, DIRECTLY OR INDIRECTLY, SOLD, TRANSFERRED, ASSIGNED, NOVATED OR OTHERWISE DISPOSED OF TO NOR ANY BACK-TO-BACK ODIS² OR AGREEMENT WITH RESPECT TO ANY OF THE FOREGOING ENTERED INTO WITH AN ENTITY WHICH IS NOT A REGULATED ENTITY (AN "**UNREGULATED ENTITY**");
- (VIII) THE ISSUER AND ITS ASSOCIATES/AFFILIATES ARE AUTHORISED TO PROVIDE INFORMATION IN THEIR POSSESSION REGARDING THE HOLDER, THE PROPOSED TRANSFEREE, THE NOMINEES OR ASSOCIATES/AFFILIATES OF THE HOLDER AND/OR THE PROPOSED TRANSFEREE, THE WARRANTS AND ANY BREACH OF THESE LEGENDS TO ANY INDIAN GOVERNMENTAL OR REGULATORY AUTHORITY (EACH AN "**AUTHORITY**") AS THE ISSUER OR ITS ASSOCIATES/AFFILIATES REASONABLY DEEMS NECESSARY OR APPROPRIATE IN ORDER TO COMPLY WITH REGULATIONS OR REQUESTS OF SUCH AUTHORITY FROM TIME TO TIME, INCLUDING BUT NOT LIMITED TO DISCLOSURES IN PERIODIC REPORTINGS MADE BY THE ISSUER OR ASSOCIATES/AFFILIATES OF THE ISSUER TO ANY AUTHORITY;
- (IX) THE HOLDER WILL, AND SHALL PROCURE THAT THE NOMINEES OR ASSOCIATES/AFFILIATES OF THE HOLDER TO, AT THE SOLE OPTION OF THE ISSUER OR ITS ASSOCIATES/AFFILIATES, EITHER (A) PROVIDE THE ISSUER OR ITS ASSOCIATES/AFFILIATES PROMPTLY WITH SUCH ADDITIONAL INFORMATION THAT THE ISSUER OR ITS ASSOCIATES/AFFILIATES REASONABLY DEEMS NECESSARY OR APPROPRIATE IN ORDER TO COMPLY WITH REGULATIONS OR REQUESTS OF ANY AUTHORITY FROM TIME TO TIME (SUCH INFORMATION, THE "**ADDITIONAL INFORMATION**"), OR (B) SUBJECT TO SUCH AUTHORITY ACCEPTING SUCH DIRECT PROVISION, PROMPTLY PROVIDE SUCH ADDITIONAL INFORMATION DIRECTLY TO SUCH AUTHORITY AND PROMPTLY CONFIRM IN WRITING TO THE ISSUER THAT IT HAS DONE SO; AND
- (X) NON-COMPLIANCE WITH, OR BREACH, VIOLATION OR CONTRAVENTION OF, THE OBLIGATIONS UNDER HEREIN (INCLUDING, WITHOUT LIMITATION, ANY RESTRICTIONS WITH RESPECT TO A TRANSFER ("**ODI HOLDER OBLIGATIONS**") MAY RESULT IN NON-COMPLIANCE WITH, OR BREACH, VIOLATION OR CONTRAVENTION OF, APPLICABLE LAWS, REGULATIONS, GOVERNMENTAL ORDERS OR DIRECTIONS, REGULATORY SANCTIONS AGAINST THE ISSUER AND/OR ITS ASSOCIATES/AFFILIATES AND CAUSE IRREPARABLE HARM TO THE ISSUER AND/OR ITS ASSOCIATES/AFFILIATES. ACCORDINGLY, THE HOLDER FURTHER ACKNOWLEDGES THAT, IN THE EVENT OF ANY NON-COMPLIANCE WITH, OR BREACH, VIOLATION OR CONTRAVENTION OF THE ODI HOLDER OBLIGATIONS BY THE HOLDER, THE ISSUER AND/OR ITS ASSOCIATES/AFFILIATES MAY NOTIFY THE AUTHORITY OF THE BREACH, VIOLATION OR CONTRAVENTION AND EXERCISE ANY RIGHTS AND TAKE ANY MEASURES AVAILABLE TO IT UNDER THE TERMS OF THE WARRANTS, OR ANY OTHER MEASURES TO PREVENT, AVOID, MITIGATE, REMEDY OR CURE SUCH NON-COMPLIANCE, BREACH, VIOLATION OR CONTRAVENTION, INCLUDING BUT NOT LIMITED TO EARLY REDEMPTION OF THE WARRANTS BY THE ISSUER OR ITS ASSOCIATES/AFFILIATES AND COMPELLING THE TRANSFEREE TO REDEEM ANY WARRANTS HELD BY SUCH TRANSFEREE .

Because of the following restrictions, purchasers of Warrants offered in the United States in reliance on Rule 144A are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such Warrants.

Each prospective purchaser of Warrants offered in reliance on Rule 144A (a "**144A Offeree**"), by accepting delivery of these Final Terms and the accompanying Base Prospectus, will be deemed to have represented and agreed with respect to such Warrants as follows:

- (a) such 144A Offeree acknowledges that these Final Terms and the accompanying Base Prospectus are personal to such 144A Offeree and do not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Warrants other than pursuant to Rule 144A or in offshore transactions in accordance with Regulation S. Distribution of these Final Terms and the accompanying Base Prospectus, or disclosure of any of its contents, to any person other than such 144A Offeree and those persons, if any, retained to advise such 144A Offeree with respect thereto and other persons meeting the requirements of Rule 144A or Regulation S is unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited; and
- (b) such 144A Offeree agrees to make no photocopies of these Final Terms and the accompanying Base Prospectus or any documents referred to herein.

Each purchaser of Warrants represented by a Restricted Global Registered Warrant or a Combined Global Registered Warrant will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S are used herein as defined therein):

- (1) That either: (a) in the case of the issue or transfer of a Warrant to or for a person who takes delivery in the form of Warrants represented by a Restricted Global Registered Warrant, (A) the purchaser is a qualified institutional buyer within the meaning of Rule 144A, (B) it is acquiring the Warrant for its own account or for the account of a qualified institutional buyer, and (C) each beneficial owner of such Warrant is aware that the sale of the Warrant to it is being made in reliance on Rule 144A, or (b) in the case of the issue or transfer of a Warrant to or for a person who takes delivery in the form of Warrants represented by a Combined Global Registered Warrant, either (A)(i) the purchaser is a qualified institutional buyer within the meaning of Rule 144A, (ii) it is acquiring the Warrant for its own account or for the account of a qualified institutional buyer, and (iii) each beneficial owner of such Warrant is aware that the sale of the Warrant to it is being made in reliance on Rule 144A, or (B) the purchaser is outside the United States, is not a U.S. person and is aware that the sale of the Warrant is being made in reliance on Regulation S.
- (2) The purchaser understands that the Restricted Global Registered Warrants and Combined Global Registered Warrants are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, and the Warrants offered hereby have not been and will not be registered under the Securities Act and may not be reoffered, resold, pledged or otherwise transferred except in accordance with the legend set forth below.
- (3) The purchaser understands that certificates representing Restricted Global Registered Warrants or Combined Global Registered Warrants will bear a legend to the following effect, unless the Issuer determines otherwise in accordance with applicable law:

"THIS WARRANT HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE STATE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. EACH PURCHASER OF THIS WARRANT IS HEREBY NOTIFIED THAT THE SELLER OF THIS WARRANT MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR THE RESALE OF WARRANTS REPRESENTED BY THIS WARRANT.

THE HOLDER HEREOF, BY PURCHASING THIS WARRANT, AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS WARRANT MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT

AND OTHER APPLICABLE LAWS AND ONLY (A) IN THE UNITED STATES ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**")), (B) TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 (IF AVAILABLE) OR (D) TO THE ISSUER OR ITS AFFILIATES. THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS WARRANT FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE.

EACH PURCHASER OR TRANSFEREE OF THIS WARRANT (OR ANY INTEREST HEREIN) WILL BE DEEMED BY ITS ACQUISITION AND HOLDING OF THIS WARRANT TO HAVE REPRESENTED AND AGREED EITHER THAT (I) IT IS NOT (A) AN "EMPLOYEE BENEFIT PLAN" AS DESCRIBED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO TITLE I OF ERISA, (B) A "PLAN" AS DESCRIBED IN SECTION 4975(E)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") TO WHICH SECTION 4975 OF THE CODE APPLIES, (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (ANY OF THE FOREGOING, A "**BENEFIT PLAN INVESTOR**") OR (D) ANY EMPLOYEE BENEFIT PLAN SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (A "**SIMILAR LAW PLAN**"), OR (II) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS WARRANT (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW. ANY PURPORTED PURCHASE OR TRANSFER OF THIS WARRANT THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID AB INITIO.

ANY EXERCISE OF THIS WARRANT WILL BE CONDITIONED ON (1) THE DELIVERY OF A DULY EXECUTED EXERCISE NOTICE BY THE HOLDER HEREOF AND (2) WITH RESPECT TO EXERCISE BY ANY U.S. PERSON, THE UNDERLYING SECURITIES BEING (A) REGISTERED UNDER THE SECURITIES ACT OR (B) SUBJECT TO AN EXEMPTION FROM REGISTRATION THEREUNDER AT THE TIME OF SUCH EXERCISE."

- (4) Each purchaser of Restricted Global Registered Warrants or Combined Global Registered Warrants acknowledges that the Issuer, the Registrar, the Managers and their Affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Global Registered Warrants or Combined Global Registered Warrants for the account of one or more qualified institutional buyers it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- (5) Each purchaser or transferee by its purchase of any Warrant (or any interest therein) will be deemed to represent, on each day from the date on which the purchaser or transferee acquires a Warrant through and including the date on which the purchaser or transferee disposes of its interest in such offered Warrant, either that (a) it is not a Plan or a Similar Law Plan, including any entity whose underlying assets include the assets of any Plan or Similar Law Plan for purposes of ERISA or any Similar Law, respectively or (b) its purchase, holding and disposition of such Warrant (or any interest therein) will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law. The capitalised terms in this paragraph are as defined in section headed "*Certain ERISA Considerations*" of the Base Prospectus dated 17 January 2011.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The information relating to Tulip Telecom Ltd has been extracted from Bloomberg page: TTSL IS. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by Bloomberg Financial Markets Information Service, no facts have been omitted which would render the reproduced inaccurate or misleading.

CONFIRMED

HSBC BANK PLC



Paul Friend.

By: -----

Authorised Signatory

Date: -----

Details of past and further performance and volatility of the Security are obtainable from the following display pages on Bloomberg page and such information does not form part of this document:

TTSL IS

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

OPERATIONAL INFORMATION

6.	ISIN Code:	GB00B557SG23
7.	Common Code:	067504976
8.	CUSIP:	Not Applicable.
9.	Valoren Number:	Not Applicable.
10.	SEDOL:	Not Applicable.
11.	Any clearing system(s) other than DTC, Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	None.
12.	Delivery:	Delivery against payment
13.	Additional Warrant Agent(s) (if any):	None
14.	Common Depository:	HSBC Bank plc.
15.	Notices: (<i>Condition 10</i>)	Not Applicable.
16.	City in which specified office of Registrar to be maintained:	New York.
17.	Other relevant Terms and Conditions:	The definition of "Exchange Business Day" shall be amended to include the following wording at the end of the sentence: "and on which the INR/USD exchange markets are open for business in Mumbai.
18.	Other Final Terms:	Not Applicable.
19.	ERISA Considerations:	See paragraph 32 above.

TERMS AND CONDITIONS OF THE OFFER

20.	Offer Price:	Issue Price
21.	Conditions to which the offer is subject:	Not Applicable.

- | | | |
|-----|--|-----------------|
| 22. | Description of the application process: | Not Applicable. |
| 23. | Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | Not Applicable. |
| 24. | Details of the minimum and/or maximum amount of application: | Not Applicable. |
| 25. | Details of the method and time limits for paying up and delivering the Warrants: | Not Applicable. |
| 26. | Manner in and date on which results of the offer are to be made public: | Not Applicable. |
| 27. | Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | Not Applicable. |
| 28. | Categories of potential investors to which the Warrants are offered and whether tranche(s) have been reserved for certain countries: | Not Applicable. |
| 29. | Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: | Not Applicable. |
| 30. | Amount of any expenses and taxes specifically charged to the subscriber or purchaser: | Not Applicable. |
| 31. | 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. |

ANNEX I

INFORMATION ABOUT THE SHARES

The information set out in this Annex I relating to Tulip Telecom Ltd (the "**Underlying Company**") (Bloomberg: TTSL IS; ISIN Code: INE122H01027) has been accurately reproduced from information available from Bloomberg Financial Markets Information Service. So far as the Issuer is aware and is able to ascertain from information available from such source, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility only for the accurate reproduction of the information contained in the Annex reproduced from such source and accordingly makes no representation, warranty, or undertaking, express or implied, as to the accuracy or completeness of the information relating to the Underlying Company.

The Issuer does not intend to provide post issuance information.

1. General

The Underlying Company is incorporated in India.

The registered office of the Underlying Company is C-160, Okhla Industrial Area Phase 1, New Delhi, 110020, India.

The Underlying Company operates as a data communication infrastructure and connectivity provider. The Underlying Company provides intra-city and inter-city connectivity, network integration services, designing, supply and installation of the networking equipment.

2. Securities

The Securities are listed on the National Stock Exchange of India and the Mumbai Stock Exchange.

EXHIBIT 1

Form of Investor Letter of Representation

INVESTOR LETTER OF REPRESENTATIONS (LOW EXERCISE PRICE OPTIONS)

[Date]

To: HSBC Bank plc

The Hongkong and Shanghai Banking Corporation Limited

Ladies and Gentlemen:

The undersigned hereby acknowledges receipt of the Base Prospectus dated 17 January 2011 (as amended and supplemented from time to time, the "**Base Prospectus**") describing a warrant and certificate programme (the "**Programme**") pursuant to which Low Exercise Price Options ("**LEPOs**" or "**Warrants**" or "**Certificates**") may be issued from time to time by HSBC Bank plc, a company incorporated with limited liability in England with registered number 14259 (together with its successors and assigns, the "**Issuer**"). The terms and conditions of each issue of LEPOs shall be contained in a prospectus (the "**Prospectus**") which shall be prepared by, or on behalf of, the Issuer for the purposes of such LEPOs. Where the relevant series of LEPOs are to be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, the Prospectus shall comprise the Base Prospectus (including, for the avoidance of doubt, any documents incorporated by reference therein), any supplements to the Base Prospectus and Final Terms dated on or around the issue date of such LEPOs. The Prospectus for each issue of LEPOs shall be provided to the undersigned on or as soon as practicable following the relevant issue date, or if applicable, the date on which such Prospectus is approved by the relevant listing authority, stock exchange and/or quotation system, whichever is the later date. Capitalised terms used but not defined in this Investor Letter of Representations (the "**Letter**") shall have the meanings ascribed to them in the relevant Prospectus. Where the LEPOs are issued in the form of certificates, all references to "Warrants" in this Letter shall be deemed to be "Certificates" for the purposes of such issue.

The undersigned also acknowledges that (i) from time to time, upon the request of the undersigned the Issuer may sell through either HSBC Bank plc or The Hongkong and Shanghai Banking Corporation Limited, each in its capacity as a manager under the Programme (together with its successors and assigns, the "**Manager**") in accordance with the terms and conditions set forth in the relevant Prospectus, one or more Series of LEPOs and (ii) the undersigned will purchase such LEPOs from the Manager, in each case solely for its own account or for one or more principals or funds who has/have been approved by the Issuer or its associates/Affiliates (acting in its sole and absolute discretion) as a permitted holder of LEPOs (which may include but is not limited to any unit trust, fund or investment scheme (howsoever described) under the undersigned's management, including, but not limited to, the entities whose details are set out in the List of Principals/Funds in this Letter (each an "**Approved Entity**") and for which it has full power and is duly authorised to make the acknowledgments, representations, warranties and agreements set forth in the Annex attached hereto.

The undersigned also acknowledges that the LEPOs will only be offered and sold (1) to "qualified institutional buyers" ("**QIBs**") (as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Act**")) or (2) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the Act ("**Regulation S**") to investors that, in each case, have entered into an investor letter of representations with the Issuer, the Arranger and the Manager identical to this Letter (each such person, an "**Eligible Investor**").

Now, therefore, in view of the foregoing, in order to establish its eligibility to acquire any LEPOs that from time to time the undersigned may request the Issuer to sell through the Manager to it pursuant to a Prospectus, the undersigned hereby represents, warrants, certifies, acknowledges and agrees, to, with and for the benefit of the Issuer, the Arranger and the Manager, as of the date hereof and as of each date on which it acquires (whether through purchase, exchange or other transfer), redeems or exercises any of the LEPOs (each, a "**Representation Date**"), as to itself and as to each Approved Entity for which it acquires any such LEPOs on the relevant Representation Date, in the form of the Annex attached hereto.

The undersigned hereby acknowledges that the Issuer, the Arranger and the Manager will rely upon the representations, warranties, acknowledgments and agreements of the undersigned set forth in the Annex attached hereto in connection with offering and sales, from time to time, of LEPOs to the undersigned, and, therefore, it agrees to notify the Issuer, the Arranger and the Manager in writing as soon as any of the representations, warranties, acknowledgments or agreements set forth in the Annex attached hereto ceases to be accurate and complete, and, under all circumstances, prior to any contemplated acquisition of LEPOs.

All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the undersigned shall be given to it at the address set forth next to its signature. Notices to the Issuer, the Arranger and the Manager shall be given to:

c/o The Hongkong and Shanghai Banking Corporation Limited
[Level 18, HSBC Main Building
1 Queen's Road Central
Hong Kong SAR]
Attention: []

This Letter may be signed in counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument. This Letter may not be amended or waived, except if such an amendment or waiver is in writing and agreed by the undersigned, the Issuer, the Arranger and the Manager, or, in the case of a waiver, by the party against whom the waiver is to be effective.

This Letter shall be governed by and construed in accordance with the laws of England and the provisions hereof shall be binding upon the successors and assigns of the undersigned. The undersigned hereby submits to the jurisdiction of the courts of England with respect to any litigation relating to this Letter.

The undersigned hereby confirms its agreement to be bound by the terms of the foregoing Letter by having it executed by one or more of its authorised officers as of the date first above written.

ANNEX

1. It has all requisite power and authority to enter into this Letter and this Letter has been duly authorised, validly executed and delivered by it and constitutes its valid and legally binding agreement; such entrance into this Letter and its acquisition of and payment for any Warrants do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
2. it either (i) is a "qualified institutional buyer" (as defined in Rule 144A, a "**QIB**") acquiring (whether through purchase, exchange or other transfer), redeeming or exercising LEPOs pursuant to, and in compliance with, the requirements of Rule 144A or (ii) is acquiring (whether through purchase, exchange or other transfer), redeeming or exercising LEPOs in an offshore transaction pursuant to, and in compliance with, the requirements of Regulation S;
3. with respect to purchases of any particular Series of LEPOs purchased pursuant to the provisions of Rule 144A, it will hold not less than U.S.\$100,000 aggregate purchase price of the LEPOs of that particular Series; for the avoidance of doubt the foregoing minimum aggregate purchase price applies to each account for which it is acquiring any LEPOs;
4. it will provide notice of all applicable transfer restrictions to any subsequent transferees of the LEPOs;
5. it is not purchasing any LEPOs with a view toward resale, distribution or other disposition thereof in violation of the United States Securities Act of 1933, as amended (the "**Act**"). It shall not acquire any LEPOs, unless it acquires such LEPOs solely for its own account or for the account of one or more Approved Entities (each of which, in the case of LEPOs acquired pursuant to Rule 144A, must be a QIB), and in each case as to each of which it exercises at such time sole investment discretion and for each of which it has at such time full power and is duly authorised to make the acknowledgments, representations, warranties and agreements set forth herein, based upon its own judgment and upon advice of such business, financial, investment, legal, regulatory, accounting, tax or other advisers as it deems necessary. It acknowledges that none of the Issuer, the Arranger, the Manager or any of their respective Affiliates, representatives or agents is acting as a fiduciary for or an adviser to it with respect to the acquisition of any LEPOs or with respect to the Prospectus relating to such Series of LEPOs, or has recommended or otherwise will recommend to it the investment in any LEPOs. It shall not acquire any LEPOs, unless it has not relied upon any communication (written or oral) of the Issuer, the Arranger or the Manager, or any of their respective Affiliates, representatives or agents with respect to the business, financial, investment, legal, regulatory, accounting, tax or other implications of the investment in such LEPOs, and unless it has conducted its own analysis of the business, financial, investment, legal, regulatory, accounting, tax and other implications of such an investment (it being understood that information contained in the relevant Prospectus shall not be considered investment advice or a recommendation to acquire such LEPOs);
6. it shall not acquire any LEPOs, unless it acquires such LEPOs with its own funds or the funds of the Approved Entities and not with the funds of any other person and unless, upon the acquisition by it of such LEPOs, no other person (other than the Approved Entities) has any interest, beneficial or otherwise, in such LEPOs;
7. it understands and acknowledges that (i) none of the LEPOs have been or will be registered under the Act or state securities laws and that the offer and sale to it of the LEPOs will only be made in reliance upon the exemption from the registration requirements of the Act that is provided by Rule 144A or Regulation S of the Act and in reliance upon relevant exemptions from state securities laws and (ii) none of the LEPOs acquired by it or any interest therein may ever be offered, sold,

pledged, assigned, delivered or otherwise transferred or exercised or redeemed by it, directly or indirectly, (including, without limitation, through a conditional contract to sell, or through a grant of an option to purchase, or through any other hedge of its long position in any of the LEPOs), except (x) to the Issuer or the Manager or (y) in accordance with applicable securities laws of any state of the United States and in accordance with Rule 144A or Regulation S, as applicable, exclusively through the Issuer to persons reasonably believed by the transferor to be Eligible Investors at the time of the transfer;

8. it understands that the LEPOs will bear the legend substantially to the following effect, as well as any legend that may be contained in each of the Appendices, as appended below, as applicable:

"THIS WARRANT AND THE SECURITIES TO BE DELIVERED UPON EXERCISE HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE STATE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. EACH PURCHASER OF THIS WARRANT IS HEREBY NOTIFIED THAT THE SELLER OF THIS WARRANT MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR THE RESALE OF WARRANTS REPRESENTED BY THIS WARRANT.

THE HOLDER HEREOF, BY PURCHASING THIS WARRANT, AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS WARRANT MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (A) IN THE UNITED STATES ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**")), (B) TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 (IF AVAILABLE) OR (D) TO THE ISSUER OR ITS AFFILIATES. THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS WARRANT FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE.

ANY EXERCISE OF THIS WARRANT WILL BE CONDITIONED ON (1) THE DELIVERY OF A DULY EXECUTED EXERCISE NOTICE BY THE HOLDER HEREOF AND (2) WITH RESPECT TO EXERCISE BY ANY U.S. PERSON, THE UNDERLYING SECURITIES BEING (A) REGISTERED UNDER THE SECURITIES ACT OR (B) SUBJECT TO AN EXEMPTION FROM REGISTRATION THEREUNDER AT THE TIME OF SUCH EXERCISE. "

9. it understands and acknowledges that the Issuer has the right, at its option, (x) to compel any legal or beneficial owner of LEPOs that has acquired such LEPOs in violation of the legends thereon or this Letter at the time it acquired such LEPOs to redeem the LEPOs held by such legal or beneficial owner or (y) to void the transfer of any such LEPOs to such legal or beneficial owner, including by compelling a sale by such legal or beneficial owner, or selling such LEPOs on behalf of such legal or beneficial owner, to a purchaser acceptable to the Issuer;
10. it understands and acknowledges that the Issuer may receive a list of participants holding positions in the LEPOs from one or more book-entry depositories;
11. it (i) has provided to the Manager financial and other information concerning its investment objectives and risk tolerance that has not been rendered misleading or obsolete; (ii) understands that the investment in the LEPOs is subject to a very high degree of complex risks which may arise

without warning, may at times be volatile, and that losses may occur quickly and in unanticipated magnitude and that LEPOs are highly speculative and may result in a loss of the entire investment; (iii) shall not acquire any LEPOs, unless it concludes at the time that the investment by it in such LEPOs is suitable in light of its own investment objectives, financial capabilities and expertise; and (iv) has not been solicited by the Issuer, the Arranger, the Manager or any of their Affiliates to purchase any LEPOs, but rather on its own initiative has requested the Issuer to structure and sell such LEPOs to it through the Manager;

12. it shall not acquire any LEPOs, unless it has a valid business purpose for acquiring such LEPOs and unless its investment in such LEPOs is consistent with its overall investment strategy at such time;
13. it shall not acquire any LEPOs, unless it has such knowledge and experience in financial and business matters (including with respect to investments in unregistered equity securities of issuer(s) similarly situated as the issuer(s) of the Reference Asset(s) or the constituents comprising the Reference Asset(s) underlying such LEPOs (each a "**Reference Asset**" and together, the "**Reference Assets**")) as to enable it to evaluate the merits and risk of its investment in such LEPOs (as well as in the Reference Asset(s)) and unless at such time it is able to bear the economic risk of investing in and holding such LEPOs;
14. it acknowledges that it shall not acquire any such LEPOs without an independent investigation by it of the Reference Asset(s) to which the return on such LEPOs is linked and of the issuer(s), owner(s), guarantor(s) or sponsor(s) of such Reference Asset(s) or the constituents comprising the Reference Asset(s) (each, an "**Underlying Company**") because the investment in such LEPOs may be viewed as economically equivalent to an investment in the underlying Reference Asset(s);
15. it has read and understands the information contained in the relevant Prospectus, as amended and supplemented at such time;
16. it acknowledges, in connection with any acquisition by it of any LEPOs, that the information, if any, about the Reference Asset(s) to which such LEPOs will be linked that will be contained in the relevant Prospectus will not have been prepared by, or on behalf of, and will not have been verified by, or on behalf of, the Issuer, the Arranger, the Manager or any of their Affiliates, and the Issuer, the Arranger and the Manager will have disclaimed any responsibility for such information, and that an independent investigation of the relevant Reference Asset(s) and each relevant Underlying Company will be required for such purpose. In connection with any acquisition by it of any LEPOs, it will not have relied on any representations or other information purported to be given by or on behalf of the Issuer, the Arranger or the Manager, except as expressly set forth in the relevant Prospectus, as amended and supplemented at such time;
17. it acknowledges, in connection with any acquisition by it of any LEPOs, that the Issuer, the Arranger, the Manager and their Affiliates will not be responsible for determining the legality or suitability of an investment by it in such LEPOs and that none of the Issuer, the Arranger, the Manager and their Affiliates will be acting at any time during an offering of any LEPOs as an underwriter, distributor or other similar agent for the issuer(s), owner(s), guarantor(s) or sponsor(s) of the relevant Reference Asset(s) or the constituents comprising the Reference Asset(s) in connection with the acquisition by the undersigned of such LEPOs;
18. it shall not acquire any LEPOs, unless it shall have all the information that it then believes is necessary or appropriate in connection with its purchase of such LEPOs (including, without limitation, all the information in respect of any underlying Reference Asset(s), any relevant Underlying Company and such LEPOs);
19. it is aware and acknowledges that the Issuer, the Arranger, the Manager and their Affiliates may from time to time have a direct or indirect investment in, or a banking or other business relationship

with, any relevant Underlying Company, and, in the course of such, relationships, the Issuer or any of their Affiliates may come into possession of material, non-public information regarding the relevant Underlying Company; it further understands and acknowledges that none of the Issuer, the Arranger, the Manager and their Affiliates has been acting at any time during an offering of such LEPOs as an underwriter, distributor or other similar agent for any Underlying Company in connection with the acquisition by the undersigned of such LEPOs or is under any obligation to inform prospective purchasers or legal or beneficial owners either of the nature of or the fact that they were in possession of such information. It is aware that from time to time, the Issuer or any of its Affiliates may provide or make available to the undersigned, as well as to others, research, opinions and other information in regard to securities (including LEPOs of any particular Series), commodities, other financial assets, and market participants or events which include the Reference Asset(s) or any Underlying Company in respect of such Series of LEPOs; it acknowledges that if such information is provided to the undersigned, it is so provided without regard to the undersigned's personal financial situation or other circumstances and that the provision by the Issuer or such Affiliate of such information to it, whether sent directly or made readily accessible, and whether in writing, in electronic form or the subject of a taping, broadcast or narrowcast, does not imply that an investment in the LEPOs linked to such Reference Asset(s) is suitable in light of its particular circumstances. It agrees that if such information is received by it, it will not be the basis of any investment decision by the undersigned. While all information produced by the Issuer or any of its Affiliates is based on sources believed to be reliable, it acknowledges that the Issuer and its Affiliates do not guarantee or warrant the accuracy, reliability or timeliness of such information, and further, all information and opinions are current only as of the time provided, and are subject to rapid change without prior notice. It also acknowledges that the Issuer or any of its Affiliates may execute transactions for others or for their own account in financial instruments consisting of or linked to Reference Asset(s) including LEPOs of any particular Series and such transactions may have an adverse effect on the price of the Reference Asset(s) or the constituents comprising the Reference Asset(s) and/or LEPOs linked to such Reference Asset(s); it agrees that it requested the Issuer to structure and sell LEPOs of any particular Series to it through the Manager on its own initiative without reference to any of the foregoing activities by the Issuer or any of its Affiliates with any Underlying Company or Reference Asset(s) to which such LEPOs are linked;

20. it does not have, at the time it purchases LEPOs of any Series and at the time it exercises LEPOs prior to or on their Expiry Date, any material, non-public information regarding any relevant Underlying Company;
21. it understands and acknowledges that the purpose of the acquisition of such LEPOs is to secure a profit or minimise a loss by reference to fluctuations in the price of the relevant Reference Asset(s) or the constituents comprising the Reference Asset(s), and accordingly, it agrees that it is an express term of such LEPOs that (i) the undersigned does not acquire any interest in or right to acquire any relevant Reference Asset(s) or the constituents comprising the Reference Asset(s) by virtue of holding any LEPO; (ii) none of the undersigned, the Issuer or any entity acting for the Issuer is obliged to sell, purchase, hold, deliver, pledge, transfer or receive any relevant Reference Asset(s) or constituent comprising the Reference Asset(s); (iii) the primary right of the undersigned and the primary obligation of the Issuer for any LEPOs is to receive or make the respective payments referred to in the relevant Prospectus; and (iv) it will not in any way have any rights with respect to any underlying Reference Asset(s) or any constituent comprising the Reference Asset(s) including, but not limited to, voting rights;
22. (i) it is not and will not be a benefit plan investor (as defined in section 3(42) of ERISA), or a governmental plan, church plan (for which no election has been made under Section 410(d) of the Code) or non-U.S. plan which, in either case, is subject to any U.S. federal, state, local or non-U.S. laws which are substantially similar to Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**") or (ii) the purchase and holding of the warrants do not and will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or violate any

Similar Law. Any purported transfer of this warrant that does not comply with these requirements shall be null and void *ab initio*;

23. it is not a country, territory, individual or entity named on any publicly available list of known or suspected terrorists, terrorist organisations or other sanctioned persons or entities, or an individual or entity that resides or has a place of business in a country or territory named on such lists, issued by the U.S. government, including those lists administered by the Office of Foreign Assets Control and the undersigned has established procedures to identify clients on such lists;
24. it is not a "Foreign Shell Bank" as defined in the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**USA PATRIOT Act**"), a foreign bank operating under an "Offshore Banking License" as defined in the USA PATRIOT Act, a foreign bank operating in a non-cooperative Financial Action Task Force jurisdiction (as defined in the USA PATRIOT Act), or a foreign bank operating in an industry or jurisdiction designated as of primary money laundering concern by the U.S. Secretary of the Treasury;
25. it understands and acknowledges that it, its employees, representatives or other agents may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the offering of LEPOs pursuant to the relevant Prospectus and all materials of any kind (including any opinions or other tax analyses provided) relating to such U.S. federal income tax treatment and tax structure;
26. it agrees to, and it authorises the Manager, Issuer or any of their respective Affiliates, to provide, upon request of any regulatory authority in respect of any LEPO transaction, or where any such party is being compelled by law or by any governmental department or agency, or by an order of a court of competent authority to so provide, with any information requested with respect to such LEPO transaction;
27. it will make the representations contained in each of the country-specific Appendices, as appended hereto (if any) and in each of the separate side letters between the undersigned and the Manager, the Issuer or any of their respective Affiliates (if any), as applicable;
28. it will indemnify and hold harmless the Issuer and its Affiliates against any and all liabilities, claims and damages which may be incurred by the Issuer and its Affiliates directly or indirectly as a result of it having breached any of its obligations, warranties, undertakings or representations herein (and in any country-specific Appendices or side letters, as applicable) or against any liability or claims directly or indirectly arising from the transfer of the LEPOs to any person or persons; and
29. it represents and agrees, as a condition of acquiring or holding any LEPOs: (i) that the Issuer is authorised to provide information regarding the holder and the Warrants to any governmental or regulatory authority, or if applicable, to any Affiliate for onward transmission to any such governmental or regulatory authority, if required under applicable regulations in connection with an acquisition of underlying securities in any relevant jurisdictions (the "**Relevant Jurisdictions**") as determined by the Issuer in its sole and absolute discretion; (ii) that such holder will provide the Issuer with such additional information that the Issuer and/or the Affiliate deems necessary or appropriate in order to comply with the regulations of any governmental or regulatory authority in the Relevant Jurisdictions from time to time; and (iii) that such holder is not currently the subject of any investigation or enquiry by any governmental or regulatory authority in the Relevant Jurisdictions in connection with a failure to disclose information relating to such holder or to an offshore transaction linked to underlying securities.

EXHIBIT 2

FORM OF INDIAN SIDE LETTER

To: HSBC Bank plc
The Hongkong and Shanghai Banking Corporation Limited

[Date]

Notice Regarding Derivative Products Linked to Indian Securities or Indices

This notice is directed to the undersigned (hereinafter referred to as "you" and the terms "your" and "yourself" are to be construed accordingly) and the holder of the ODI in connection with and in consideration of all transactions which you may enter into or have entered into, from time to time, with HSBC Bank plc, The Hongkong and Shanghai Banking Corporation Limited or any of their affiliates or subsidiaries or any other entity within the HSBC Group (each an "**Issuer**") in offshore derivative instruments ("**ODIs**"), as such term is defined for the purposes of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, and notifications, circulars, rules and guidelines of the Securities and Exchange Board of India issued from time to time (collectively referred to as the "**FII Regulations**"), including but not limited to swaps, contracts for difference, options, forwards, participatory notes, equity linked notes, warrants or any other such instruments, by whatever name they are called.

The term "**holder**" shall mean (i) you, where you are the holder of, or the counterparty to, the ODIs; or (ii) a person who has been approved by the Issuer or its associates/affiliates (acting in its sole and absolute discretion) as a permitted holder of, or counterparty to, ODIs (which may include but is not limited to any unit trust, fund or investment scheme (howsoever described) under your management which transacts or proposes to transact with the Issuer or its associates/affiliates in respect of the ODIs, including but not limited to the entities whose details are set out in Annexure A (which Annexure may be amended or supplemented from time to time by the Issuer) (each an "**Approved Entity**"³), where such Approved Entity is the holder of the ODI.

Notwithstanding any agreements between the Issuer and/or its associates/affiliates and you or any regulatory rules applicable to the Issuer or the Issuer's associates/affiliates or you, in respect of ODIs held by you or an Approved Entity as at or after the date of this notice, you represent, warrant, agree and/or undertake that on each date on which an ODI has been issued, entered into, purchased or agreed to be purchased and at all times until the maturity or termination of the ODI or such other time as may be specified herein, for (i) yourself, where you are the holder of the ODI; or (ii) yourself and on behalf of every Approved Entity which holds or enters into the ODI:

1. That the holder is not (i) a "person resident in India" (as such term is defined in the Foreign Exchange Management Act, 1999 as may be amended or supplemented from time to time), or, (ii) a "non-resident Indian" (as such term is defined in the Foreign Exchange Management (Deposit) Regulations, 2000 as may be amended from time to time), (each a "**Restricted Entity**");
2. That the holder is not a person/entity whose controller is a Restricted Entity.

³ "Approved Entity" is a term used to facilitate the concept of permitted transfers among Approved Entities in paragraph 7 below and does not imply that such entity has satisfied any other relevant approval process imposed by the Issuer or its associates/Affiliates, provided that an Approved Entity which is subsequently found to have gained that approval based on any fraud, forgery or misrepresentation shall lose its Approved Entity status.

For the purposes of this representation, a "controller" means any person or group of persons (acting pursuant to any agreement or understanding (whether formal or informal, written or otherwise)) who:

- (a) is/are entitled to exercise, or control the exercise of a majority or more of the voting power of an entity, or
- (b) holds or is otherwise entitled to a majority or more of the economic interest in an entity, or
- (c) who in fact exercises control over an entity.

For the purposes of this representation, "control" means the ability to appoint a majority or more of the directors of an entity, or the capacity to control decision-making, directly or indirectly, in relation to the financial, investment and/or operating policies of an entity in any manner.

Notwithstanding the foregoing definition, in the case only where an entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such entity's controller for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies;

3. That the ODI has been purchased or entered into and is being held by the holder as a principal for its own account and not as an agent, nominee, trustee or representative of any other person and that the holder has not entered into any agreement for the issuance of a back-to-back ODI against the ODI⁴;
4. That the holder has not entered into the ODI transaction with the intent of circumventing or otherwise avoiding any requirements applicable under the FII Regulations (including, without limitation, any restrictions applying to foreign institutional investors in relation to their issuances and/or other dealings of ODIs with, "**Restricted Entities**" and "**Unregulated Entities**" (as hereinafter defined));
5. That the holder is a "person regulated by an appropriate foreign regulatory authority" (as such term and/or requirements relating thereto are defined or otherwise interpreted for the purposes of Regulation 15A of the FII Regulations) (a "**Regulated Entity**");
6. That the holder shall not, and shall ensure that none of its nominees, associates or affiliates shall sell, transfer, assign, novate or otherwise dispose of the ODIs to, or enter into any back-to-back ODIs⁵ or enter into an agreement with respect to any of the foregoing (each, a "**Transfer**") with, an entity which is a Restricted Entity or an entity which is not a Regulated Entity (an "Unregulated Entity"). Save for any Transfer(s) to an Approved Entity or Pre-Approved Transferee (as defined below) pursuant to paragraph 7 below, prior to any Transfer being undertaken in respect of the ODIs:
 - (a) the holder shall issue a written notice ("**Transfer Notice**") to the Issuer in such form as the Issuer may determine for the purpose of obtaining the prior written consent of the Issuer or the Issuer's associates/affiliates, which consent may be provided or withheld by the Issuer or the Issuer's associates/affiliates acting in its sole and absolute discretion under this paragraph 6;

⁴ For the purposes of this paragraph 3, a "back-to-back ODI" shall not include the issue of any ODI issued by a holder who has disclosed the terms and parties to such back-to-back ODI in the form and manner prescribed by the Securities and Exchange Board of India pursuant to the FII Regulations (in particular under Regulation 20A of the FII Regulations).

⁵ For the purposes of paragraphs 6 and 7, a "back-to-back ODI" shall not include the issue of any ODI to be issued by a holder who makes monthly or periodic disclosure of ODI transactions to the Securities and Exchange Board of India and will disclose the terms and parties to such back-to-back ODI in the form and manner prescribed by the Securities and Exchange Board of India pursuant to the FII Regulations (in particular under Regulation 20A of the FII Regulations).

- (b) upon receipt of the Transfer Notice, the Issuer, its associates and affiliates shall have the right to require the person to whom the Transfer is proposed to be made ("**Proposed Transferee**") to provide, and the holder shall procure that the Proposed Transferee promptly provides the Issuer or the Issuer's associates/affiliates (as the case may be) with, all such information that the Issuer or the Issuer's associates/affiliates (as the case may be) may require under its client on-boarding programme, anti-money laundering programme or other such programme (as the case may be) (collectively, "**Client Identification Programme**"); and
- (c) the Proposed Transferee shall issue a written undertaking ("**Transferee Undertaking**") to the Issuer in such form as the Issuer may determine.

For avoidance of doubt it is clarified that this paragraph 6 shall not apply: (i) in the event the Transfer is pursuant to a buy-back of the ODIs by the Issuer or its associates/affiliates, or (ii) to the registration on behalf of the holder of any ODI in the name of any custodian, sub-custodian or nominee. Further, a Proposed Transferee who has obtained the written consent of the Issuer or its associates/affiliates in respect of a Transfer pursuant to this paragraph 6 shall for the purposes hereof constitute a "**Pre-Approved Transferee**";

- 7. That the holder shall, in the case where it or its nominees, associates or affiliates sell, transfer, assign, novate or otherwise dispose of the ODIs to, or enter into any back-to-back ODIs⁵ or enter into an agreement with respect to any of the foregoing with, an Approved Entity or a Pre-Approved Transferee (each, an "**Approved Entity/Pre-Approved Transferee Transfer**") issue a written notice to the Issuer in such form as the Issuer may determine within two (2) Hong Kong business days after the Approved Entity/Pre-Approved Transferee Transfer;
- 8. That the Issuer and its associates/affiliates are authorised to provide information in their possession regarding the holder, the Proposed Transferee, the nominees or associates/affiliates of the holder and/or the Proposed Transferee, the ODI transaction and any breach of this notice to any Indian governmental or regulatory authorities (each an "**Authority**") as the Issuer or its associates/affiliates reasonably deems necessary or appropriate in order to comply with regulations or requests of such Authority from time to time, including but not limited to disclosures in periodic reportings made by the Issuer or its associates/affiliates to any Authority;
- 9. That the holder will and shall procure the nominees or associates/affiliates of the holder to, provide the Issuer or its associates/affiliates (as the case may be) promptly with such additional information that the Issuer or its associates/affiliates (as the case may be) reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time;
- 10. That the holder acknowledges that non-compliance with, or breach, violation or contravention of, the obligations under this notice (including, without limitation, any restrictions with respect to a Transfer) ("**ODI Holder Obligations**") may result in non-compliance with, or breach, violation or contravention of, applicable laws, regulations, governmental orders or directions, regulatory sanctions against the Issuer and/or its associates/affiliates and cause irreparable harm to the Issuer and/or its associates/affiliates. Accordingly, the holder further acknowledges that, in the event of any non-compliance with, or breach, violation or contravention of the ODI Holder Obligations by the holder, the Issuer and/or its associates/affiliates may notify the Authority of the breach, violation or contravention and exercise any rights and take any measures available to it under the terms of the ODIs or this notice, or any other measures to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention, including but not limited to termination of the ODI transactions by the Issuer or its associates/affiliates;
- 11. That the Issuer and/or its associates/affiliates may, to the extent required to comply with applicable laws, regulations, notifications, circulars, rules, guidelines, clarifications, directions, orders and/or

decrees issued by a governmental or regulatory authority, issue a written notice to the holder amending the terms of this notice and such written notice shall be effective and deemed agreed and accepted by the holder when issued;

12. That the holder shall promptly notify the Issuer or its associates/affiliates should any of the representations, warranties, agreements and undertakings given by it change or no longer holds true after the date of this letter;
13. This notice shall be governed by, and construed in accordance with, English law without regard to applicable conflicts of laws principles. You hereby submit to the jurisdiction of the courts of England with respect to any litigation relating to this notice. This notice does not create any right under the Contracts (Rights of Third Parties) Act 1999 which is enforceable by any person who is not a party to it other than the Issuers and the Issuers' associates/affiliates;
14. That the provisions of paragraphs (7) – (13) shall survive the termination of the ODIs which are the subject matter of this notice; and
15. In the event the holder is an Approved Entity, you are duly authorised to provide the representations, warranties, agreements and undertakings in paragraphs (1) – (14) on behalf of the Approved Entity and the representations, warranties, agreements and undertakings in this notice shall be binding and enforceable against the Approved Entity.

In the event you wish further clarification or information on any issue addressed in this notice or if you have any concerns regarding the agreements, representations, warranties or undertakings set out herein, please immediately contact the sales person who is responsible for Indian ODI transactions between each Issuer and you.

Please sign below and return to [] at The Hongkong and Shanghai Banking Corporation Limited[, 18/F, HSBC Main Building, 1 Queen's Road Central, Central, Hong Kong] to confirm your review and acceptance of the provisions herein.

ACCEPTANCE

We hereby confirm that we have read, understood, agreed and accepted the terms of the above notice.

Entity: [●]⁶
or
[●], for itself and on behalf of every Approved Entity

Name:
Title: Authorised Signatory
Date:

⁶ Name of the investment manager and each fund to be set out in full.

Annexure A

List of Approved Entities

Details of Approved Entity for or Otherwise on Whose Behalf ODI may be Purchased

Full Legal Entity Name and Address	OG Alert code (if applicable)	Place of Establishment	Name of the Regulator with whom the Approved Entity is Regulated	Type of Approved Entity (e.g. Hedge funds, corporate, individual pension fund, trust etc.)	Date of Addition / Removal from Annexure A	Whether the Entity is a Sovereign Wealth Fund (SWF) or Foreign Government Body ⁷
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Definitions

- (a) **"Non-resident Indian"** as such term is defined in Section 2(vi) of the 2000 Regulations as notified by the Reserve Bank of India means a Person Resident Outside India who is a citizen of India or is a Person of Indian Origin.
- (b) **"Person of Indian Origin"** as such term is defined in Section 2(xii) of the 2000 Regulations as notified by the Reserve Bank of India means a citizen of any country other than Bangladesh or Pakistan, if:
- (i) he at any time held an Indian passport; or
 - (ii) he or either of his parents or any of his grand-parents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or
 - (iii) the person is a spouse of an Indian citizen or a person referred to in sub-clause (i) or (ii).
- (c) **"Person"** as the term is defined in Section 2(u) of the Foreign Exchange Management Act, 1999 includes:
- (i) an individual;
 - (ii) a Hindu Undivided Family;
 - (iii) a company;
 - (iv) a firm;
 - (v) an association of persons or a body of individuals, whether incorporated or not;

⁷ Includes "Government owned special purpose investment vehicles to hold manage or administer government and public assets" (for example State investment vehicles, Central Banks, National and State Governments, Government bodies responsible for public/state funds, State pension funds and public pension funds, SWF listed under <http://www.swfinstitute.org/>).

- (vi) every artificial juridical person, not falling within any of the preceding sub-clauses, and
 - (vii) any agency, office or branch owned or controlled by such person.
- (d) **"Person Resident in India"** as the term is defined in Section 2(v) of the Foreign Exchange Management Act, 1999 means:
- (i) a Person residing in India for more than one hundred and eighty two (182) days during the course of the preceding financial year but does not include:
 - (A) a Person who has gone out of India or who stays outside India in either case:
 1. for on taking up employment outside India;
 2. for carrying on outside India a business or vocation outside India; or
 3. for any other purpose, in such circumstances as would indicate his intention to stay outside India for an uncertain period; or
 - (B) a Person who has come to or stays in India, in either case, otherwise than:
 1. for or on taking up employment in India;
 2. for carrying on in India a business or vocation in India; or
 3. for any other purpose, in such circumstances as would indicate his intention to stay in India for an uncertain period;
 - (ii) any Person or body corporate registered or incorporated in India;
 - (iii) an office, branch or agency in India owned or controlled by a Person Resident Outside India; or
 - (iv) an office, branch or agency outside India owned or controlled by a person resident in India.
- (e) **"Person Resident outside India"** as the term is defined in Section 2(w) of the Foreign Exchange Management Act, 1999 means a person who is not resident in India.
- (f) **"Person regulated by an appropriate foreign regulatory authority"** as the term is defined under Explanation II to Regulation 15A of the FII Regulations means:
- (i) any person that is regulated/supervised and licensed/registered by a foreign central bank;
 - (ii) any person that is registered and regulated by a securities or futures regulator in any foreign country or state;
 - (iii) any broad based fund or portfolio incorporated or established outside India or proprietary fund of a registered foreign institutional investor or university fund, endowment, foundation, charitable trust or charitable society whose investments are managed by a person covered by clauses (i), or (ii) above.
- (g) **"Broad based fund"** as the term is defined in the Explanation to Regulation 6 of the FII Regulations means a fund, established or incorporated outside India, which has at least twenty investors, with no single individual investor holding more than forty nine per cent of the shares or units of the fund. Provided that if the broad based fund has institutional investor(s) it shall not be necessary for the fund to have twenty investors. Further, if the broad based fund has an institutional investor who

holds more than forty nine percent of the shares or units in the fund, then the institutional investor must itself be a broad based fund.