HSBC

HSBC Bank Canada
3.5 Year Fixed Rate Deposit Notes

FINAL TERM SHEET

Issuer:	HSBC Bank Canada (the "Bank")
Issue:	Fixed Rate Deposit Notes (the “Notes”)
Credit Rating:	AA (stable) / AA- (stable) (DBRS / S&P)
Principal Amount:	Cdn $ 1 Billion
Nominal Terms:	3.5 year
Pricing Date:	May 17, 2012
Settlement Date:	May 23, 2012
Maturity Date:	November 23, 2015
Fixed Coupon:	2.572 %
Yield:	2.572%
Issue Price:	Cdn $100 (par)
Issue Spread:	+119 bps vs. GoC Curve, +118.8 bps vs. GoC Benchmark
GoC Curve:	Interpolation between Government of Canada 2.5% 1 June 2015 and 3% 1 December 2015
GoC Benchmark:	Government of Canada 3% 1 December 2015
Benchmark Price & Yield:	$105.54 / 1.384%
Interest Payment Dates:	Interest will be paid semi-annually in arrears on the 23rd day of November and May so long as the Notes remains outstanding. If the Interest Payment Date is not a Toronto Business Day, interest shall be paid on the next business day (actual/actual). The first Interest Payment Date will be November 23, 2012.
Interest Payment Calculation:	Interest shall be calculated and accrued using the Bank of Canada (even coupon) convention, with 182.5 days of accrued interest paid on each coupon date.
Toronto Business Day:	Any day, other than a Saturday or a Sunday or a day on which commercial banks in Toronto are required or authorized by law to remain closed.
Rank:	The Notes shall constitute deposit liabilities of the Issuer, ranking equally with all other deposit liabilities of the Issuer outstanding from time to time (except as otherwise prescribed by law), without any preference among themselves.
Redemption:	The Notes will not be redeemable prior to maturity
CUSIP:	40427HSP9
Agent:	HSBC Securities (Canada) Inc.