



恒生銀行

HANG SENG BANK

Regulatory Capital Instruments Main Features and Full Terms and Conditions

These disclosures are prepared under
the Banking (Disclosure) Rules

30 June 2014

Hang Seng Bank Limited

Regulatory Capital Instruments

30 June 2014

	1) Ordinary shares	2) Subordinated loan due 2020 (USD 775 million)	3) Subordinated loan due 2021 (USD 450 million)	4) Subordinated loan due 2022 (USD 300 million)
1 Issuer	Hang Seng Bank Limited	Hang Seng Bank Limited	Hang Seng Bank Limited	Hang Seng Bank Limited
2 Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	HK001100095	NA	NA	NA
3 Governing law(s) of the instrument	Hong Kong law	Hong Kong law	Hong Kong law	Hong Kong law
<i>Regulatory treatment</i>				
4 Transitional Basel III rules [#]	NA	Tier 2	Tier 2	NA
5 Post-transitional Basel III rules ⁺	Common Equity Tier 1	NA	NA	Tier 2
6 Eligible at solo*/group/group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7 Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Other Tier 2 instruments	Other Tier 2 instruments	Other Tier 2 instruments
8 Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HKD 9,658 million	HKD 4,806 million	HKD 2,790 million	HKD 2,325 million
9 Par value of instrument	NA	USD 775 million	USD 450 million	USD 300 million
10 Accounting classification	Shareholders' equity	Liability - amortized cost	Liability - amortized cost	Liability - amortized cost
11 Original date of issuance	Various	13-Dec-2010	06-Jul-2011	06-Jul-2012
12 Perpetual or dated	Perpetual	Dated	Dated	Dated
13 Original maturity date	No maturity	13-Dec-2020	06-Jul-2021	06-Jul-2022
14 Issuer call subject to prior supervisory approval	NA	No	No	No
15 Optional call date, contingent call dates and redemption amount	NA	NA	NA	NA
16 Subsequent call dates, if applicable	NA	NA	NA	NA
<i>Coupons / dividends</i>				
17 Fixed or floating dividend/coupon	NA	Floating	Floating	Floating
18 Coupon rate and any related index	NA	3-month USD LIBOR + 1.79%	3-month USD LIBOR + 2.05%	3-month USD LIBOR + 4.06%
19 Existence of a dividend stopper	NA	No	No	No
20 Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory	Mandatory	Mandatory
21 Existence of step up or other incentive to redeem	NA	No	No	No
22 Noncumulative or cumulative	Noncumulative	Cumulative	Cumulative	Cumulative
23 Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger (s)	NA	NA	NA	NA
25 If convertible, fully or partially	NA	NA	NA	NA
26 If convertible, conversion rate	NA	NA	NA	NA
27 If convertible, mandatory or optional conversion	NA	NA	NA	NA
28 If convertible, specify instrument type convertible into	NA	NA	NA	NA
29 If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA
30 Write-down feature	No	No	No	Yes
31 If write-down, write-down trigger(s)	NA	NA	NA	As set out in the terms of the contract of the instrument, upon the occurrence of a Non-Viability Event, the Bank shall irrevocably (without the need for the consent of lender) reduce, upon the provision of a Non-Viability Event Notice, the then prevailing principal amount and any accrued but unpaid interest of this Loan to nil. "Non-Viability Event" means the earlier to occur of: (a) a decision that a Write-off in relation to the Loan, without which the Bank would become non-viable, is necessary, as determined and notified to the Bank by the Relevant Authority or, as the case may be, publicly announced by the Relevant Authority; and (b) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined and notified to the Bank by the Relevant Authority or, as the case may be, publicly announced by the Relevant Authority; "Non-Viability Event Notice" means the notice referred to in this document, which shall be given by the Bank not more than two (2) business days after the occurrence of a Non-Viability Event to the lender which shall state with reasonable detail the nature of the relevant Non-Viability Event and the Write-off; and "Relevant Authority" means the Hong Kong Monetary Authority or other governmental authority in the Hong Kong Special Administrative Region having the responsibility of making such decisions relating to the declaration of Authorised Institutions as being non-viable with the effect of triggering loss absorption within subordinated capital instruments.
32 If write-down, full or partial	NA	NA	NA	Full
33 If write-down, permanent or temporary	NA	NA	NA	Permanent
34 If temporary write-down, description of write-up mechanism	NA	NA	NA	NA
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Represents the most subordinated claim in liquidation	Subordinated to the claims of all Senior Creditors	Subordinated to the claims of all Senior Creditors	Subordinated to the claims of all Senior Creditors
36 Non-compliant transitioned features	No	Yes	Yes	No
37 If yes, specify non-compliant features	NA	Without Non-Viability Loss Absorption Clauses	Without Non-Viability Loss Absorption Clauses	NA

Terms and conditions

[Terms and conditions - Ordinary shares](#)

[Terms and conditions - Subordinated loan due 2020](#)

[Terms and conditions - Subordinated loan due 2021](#)

[Terms and conditions - Subordinated loan due 2022](#)

Footnote:

[#] Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

⁺ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

^{*} Include solo-consolidated