

2015 Supplementary Listing Particulars of HSBC Bank Middle East Limited

In fulfilment of its obligations, HSBC Bank Middle East Limited (the “Company”) hereby releases the Supplementary Listing Particulars of the Debt Issuance Programme.

The document is now available on the Company's website, <http://www.hsbc.com/investor-relations/fixed-income-securities/issuance-programmes>

A copy of the above document has been submitted to the UK Listing Authority and will shortly be available for inspection at the UK Listing Authority's Document Viewing Facility via the National Storage Mechanism which is located at <http://www.hemscott.com/nsm.do>

The full text of the document follows.

SUPPLEMENTARY LISTING PARTICULARS



HSBC Bank Middle East Limited

*(a public company incorporated with limited liability in Jersey with registered number 85600)
as Issuer*

U.S.\$ 7,000,000,000 DEBT ISSUANCE PROGRAMME

This supplement (the "**Supplement**") to the information memorandum prepared by HSBC Bank Middle East Limited, as issuer (the "**Issuer**") relating to its U.S.\$ 7,000,000,000 Debt Issuance Programme (the "**Programme**") as approved on 15 July 2015 and supplement thereto dated 6 August 2015 (the "**Information Memorandum**", which constitutes listing particulars for the purposes of listing on the Official List of the Irish Stock Exchange ("**Listing**") and trading on the Global Exchange Market of the Irish Stock Exchange and, for the avoidance of doubt, which does not constitute (i) a prospectus for the purposes of Part VI of the Financial Services and Markets Act (as amended) or (ii) a base prospectus for the purposes of Directive 2003/71/EC (as amended)) constitutes supplementary listing particulars (pursuant to rule 3.10 of the Global Exchange Market Listing and Admission to Trading – Rules) for the purposes of Listing.

Terms defined in the Information Memorandum have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Information Memorandum.

Application has been made for this Supplement to be approved by the Irish Stock Exchange for the purposes of Listing.

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

The purpose of this Supplement is to:

- disclose that on 3 August 2015, the Issuer published its unaudited consolidated interim report for the six month period ended 30 June 2015 (the "**Unaudited Consolidated Interim Report**"). The Unaudited Consolidated Interim Report is available at <http://www.hsbc.com/~media/hsbc-com/investorrelationsassets/financialresults/2015/20150804-hbme-interim-financial-statements-2015.pdf>. The Unaudited Consolidated Interim Report, other than information incorporated by reference therein, is hereby incorporated by reference into the Information Memorandum;
- disclose that pursuant to a resolution of the Board of Directors of the Issuer passed on 17 September 2015 the Issuer, an indirect wholly-owned subsidiary of HSBC Holdings plc, has confirmed that, subject to regulatory and all other applicable approvals, it intends to move its place of incorporation (its "**domicile**") and head office from Jersey to the Dubai International Financial Centre ("**DIFC**"). Following the re-domiciliation, the Issuer will be lead regulated by the Dubai Financial Services Authority. This transfer of domicile and head office, which is expected to complete during 2016, will have no impact on any of the Issuer's local regulatory relationships or its business in the countries in which it operates. It is anticipated that, with effect from the effective date of transfer of its domicile and head office (the "**Migration Date**") the Issuer will be a company limited by shares incorporated under the DIFC Companies Law (DIFC Law No.2 of 2009). The primary purpose of the change to the domicile and head office of the Issuer is that after the Migration Date the Issuer's head office and lead regulator will be in the region where the Issuer carries on most of its business. In addition, the Issuer's head office will be located in a jurisdiction (the DIFC) where its regional head of business is located. This practice is consistent with international regulatory best practice and the principle that a bank and a banking group should structure itself in a way that enables effective supervision and regulatory oversight;

- update certain of the risk factors relating to the notes to be issued under the Programme (the "**Notes**") in the Information Memorandum with the risk factors set out in Annex 1 hereto;
- disclose that, following the review undertaken at the direction of the Jersey Financial Services Commission (the "**Commission**") into the Issuer's adherence to Jersey anti-money laundering requirements and international sanctions legislation, no penalty was imposed on the Issuer. Corresponding amendments have been made to certain risk factors in the Information Memorandum, as set out in Annex 1 hereto;
- disclose that on 1 October 2015, the Issuer transferred its shareholding in HSBC Bank Oman S.A.O.G. to HSBC Middle East Holdings BV as part of an internal restructuring within the HSBC Group. As a result HSBC Bank Oman S.A.O.G remains a subsidiary of the HSBC Group, but is no longer a subsidiary of the Issuer. Corresponding amendments have been made to certain information in the Information Relating to the Issuer section in the Information Memorandum, as set out in Annex 2 hereto;
- disclose that, with effect from the date of this Supplement, the trust deed dated 15 July 2015 relating to the Programme (the "**Trust Deed**") and certain of the terms and conditions relating to the Notes (the "**Conditions**") have been amended, namely:
 - the covenant of the Issuer in sub-clause (B)(xiii) of Clause 13 (*Covenant of the Issuer*) of the Trust Deed, which prohibits the Issuer from being domiciled or resident (for taxation purposes) in a jurisdiction other than Jersey, has been deleted;
 - the Conditions have been amended so that from the Migration Date, (i) certain references to Jersey are replaced with references to DIFC and (ii) certain references to the Issuer being *en désastre* (a Jersey insolvency procedure) are replaced with references to winding-up in DIFC, as set out in Annex 3 hereto;
 - corresponding consequential amendments have been made to the Trust Deed so that from the Migration Date certain references to Jersey are replaced with references to DIFC;
- update certain information in the Forms of Notes; Summary of provisions relating to the Notes while in Global Form section in the Information Memorandum, as set out in Annex 4 hereto;
- update certain information in the Taxation section in the Information Memorandum, as set out in Annex 5 hereto; and
- update certain information in the General Information section of the Information Memorandum, as set out in Annex 6 hereto.

Full details of the amendments to the Information Memorandum and the Conditions are set out in the Annexes to this Supplement.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Information Memorandum prior to the date of this Supplement, the statement in this Supplement will prevail.

Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since the publication of the Information Memorandum.

20 October 2015

ANNEX 1
AMENDMENTS TO THE "RISK FACTORS" SECTION IN THE INFORMATION MEMORANDUM

1. In the risk factor entitled "*Failure of the Issuer's parent company or any of the Issuer's affiliates to implement its obligations under deferred prosecution agreements could materially adversely affect the Issuer*" on page 5 of the Information Memorandum, the final paragraph beginning with the words "*The review undertaken at the direction ...*" and ending with the words "*... the outcome of the enquiry at this time.*" on page 6 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"The review undertaken at the direction of the Jersey Financial Services Commission (the "Commission") into the Issuer's adherence to Jersey anti-money laundering requirements and international sanctions legislation has concluded. The Commission issued a public statement in September 2015 outlining the key findings of the review; no penalty was imposed."

2. The risk factor entitled "*Subordinated Notes*" on page 13 of the Information Memorandum shall be deleted in its entirety and shall be replaced with the following:

"Subordinated Notes

Subordinated Notes are unsecured and subordinated obligations of the Issuer. In the event that a particular Tranche of Notes is specified as subordinated in the relevant Pricing Supplement and the Issuer is declared insolvent and a winding up is initiated, the Issuer will be required to pay the holders of senior debt and meet its obligations to all its other creditors (including unsecured creditors but excluding any obligations in respect of subordinated debt) in full before it can make any payments on the relevant Notes. If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due under the relevant Subordinated Notes.

Any obligation of the Issuer to pay interest on Subordinated Notes may be suspended in certain circumstances.

Where any Subordinated Notes form part of the regulatory capital of the Issuer, no repayment of such Notes will be made without the prior consent of the Jersey Financial Services Commission (so long as the Issuer is incorporated in Jersey) or the Dubai Financial Services Authority (so long as the Issuer is incorporated in the Dubai International Financial Centre (the "**DIFC**")) and, if required in respect of its supervision of the HSBC Group, the United Kingdom Prudential Regulation Authority (or any successor authority/ies in its/their function as the supervisor of authorised institutions). "

3. The risk factor entitled "*The Notes may be redeemed prior to maturity*" on page 15 of the Information Memorandum shall be deleted in its entirety and shall be replaced with the following:

"The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the relevant Pricing Supplement specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Tranche of Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Jersey, the DIFC or the United Arab Emirates or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes of such Tranche in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the relevant Pricing Supplement specify that the Notes are redeemable at the Issuer's option in other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low or when its cost of borrowing is lower than the interest rate on the Notes. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

The Issuer shall have the right to terminate its obligations under the Notes in case of illegality and force majeure as set out in the Conditions and the Notes may also be terminated in other circumstances as specified in the relevant Pricing Supplement.

An optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period."

4. The following risk factor shall be inserted after the risk factor entitled "*Risks relating to enforcement proceedings in the United Arab Emirates*" and immediately preceding the risk factor entitled "*United Nations Sanctions*" on page 17 of the Information Memorandum:

"Investors may experience difficulty enforcing foreign judgments in the DIFC

The payments under the Notes are dependent upon the Issuer making payments to the investors in the manner contemplated under the Notes. If the Issuer fails to do so, it may be necessary to bring an action against the Issuer to enforce its obligations and/or to claim damages, as appropriate, which may be costly and time consuming. Subject to regulatory approvals, the Issuer intends to move its place of incorporation and head office to the Dubai International Financial Centre (the "**DIFC**") and a substantial portion of the assets of the Issuer are located in the United Arab Emirates ("**UAE**") and a number of other jurisdictions outside the United Kingdom.

Each of the Agency Agreement, the Trust Deed, the Dealer Agreement and the Notes (as defined herein) are governed by English law (the "**English Law Documents**") and the Issuer has agreed to submit to the jurisdiction of the courts of England in respect of any unresolved dispute arising out of or in connection with the English Law Documents.

The DIFC courts have jurisdiction to enforce an English court judgment obtained in actions against the Issuer. Article 24 of the DIFC Law No. 10 of 2004 (*DIFC Court Law*) (the "**DIFC Court Law**") provides that, pursuant to Article 7(4) of Dubai Law No. 12 of 2004 (as amended) (*Law of the Judicial Authority at the DIFC*) (the "**Judicial Authority Law**"), the DIFC Court of First Instance has jurisdiction to ratify any judgment, order or award of any recognised: (i) foreign court; (ii) Dubai or UAE court; (iii) UAE or foreign arbitral award; or (iv) orders for the purposes of any subsequent application for enforcement in the Dubai courts in the manner prescribed in DIFC law. Article 42(1) of the DIFC Court Law provides that judgments, orders or awards issued or ratified by the DIFC courts may be enforced within the DIFC in the manner prescribed in the DIFC Rules of Court and Article 42(2) of the DIFC Court Law provides that judgments, orders or awards issued or ratified by the DIFC courts may be enforced outside the DIFC in accordance with the Judicial Authority Law. In the recent decision of CFI 043/2014 *DNB Bank ASA v (1) Gulf Eyadah Corporation (2) Gulf Navigation Holding PJSC* (which is subject to appeal) the DIFC Court confirmed it had jurisdiction to recognise and enforce an English court judgment. In theory, therefore, an English court judgment could be enforced within the DIFC against the contract counterparty. Each case will, however, need to be examined on its facts but it is helpful that the DIFC Court has recently exercised its jurisdiction in this respect. It is also important to note that this recent judgment is subject to appeal, and it may be that subsequent jurisprudence will be developed which imposes additional hurdles that will need to be satisfied before the DIFC courts will ratify and enforce a foreign judgment. Further and importantly, the recent judgment clarified that it is not possible to utilise the mechanism in the Judicial Authority Law to enforce the recognised foreign judgment on-shore in Dubai – the enforcement reach of the DIFC Courts ends at the borders of the DIFC (although it may be possible to sue on the order of the DIFC Court which recognises the foreign judgment, and then enforce that decision on-shore in Dubai – but the prospect of this strategy would need to be determined on a case by case basis). With respect to on-shore enforcement, there is no treaty in effect between the United Kingdom and the UAE providing for the enforcement of judgments of English courts in civil and commercial matters which means the prospects of direct enforcement of an English court judgment onshore in the UAE is remote at best. It is possible that some remedies available under the laws of the United Kingdom may not be upheld in the DIFC courts on the basis that such remedies may amount to a penalty.

Further, the Judicial Authority Law provides that the DIFC Court of First Instance will have exclusive jurisdiction over, amongst other things, any civil or commercial claims and actions to which a DIFC

incorporated entity is a party. However, pursuant to Article 13 of DIFC Law No.10 of 2005 (as amended and restated) (*Law relating to the application of DIFC Laws (Amended and Restated)*) (the "**Application Law**"), the parties' express submission to the jurisdiction of the English courts should be effective, subject to the DIFC court's interpretation of Article 5A(1) and 5A(2) of the Judicial Authority Law. Notwithstanding Article 13 of the Application Law, it is not free from doubt that the DIFC courts would not re-examine the merits of a case. In the event that the DIFC courts accept jurisdiction over a claim, the DIFC courts, in accordance with the Judicial Authority Law, the Application Law and DIFC Law No.3 of 2004 (*Law on Application of Civil and Commercial Laws in the DIFC*), will apply the governing law chosen by the parties in determining disputes. However, the DIFC courts may not observe the parties' choice of English law as the governing law of the English Law Documents or the Notes in certain circumstances described in such laws, for example, if there is regulatory content or if it is deemed to conflict with public morals and public policy in the UAE.

Accordingly, whilst it has been helpful that the DIFC Court has recently exercised its jurisdiction to recognise and enforce an English Court judgment, each case will, however, need to be examined on its facts and the possibility that the DIFC courts would not enforce a foreign judgment against the Issuer in relation to the English Law Documents or the Notes exists."

5. The following risk factor shall be inserted immediately after the risk factor entitled "*Intergovernmental Agreement between Jersey and the United Kingdom*" and before the risk factor entitled "*Other international agreements to improve tax compliance*" on page 19 of the Information Memorandum:

"The United States has enacted rules, commonly referred to as "FATCA", that generally impose a new reporting and withholding regime including a withholding tax with respect to certain payments made after 31 December 2016 (at the earliest) by non-U.S. entities that are classified as financial institutions under FATCA. The United States has entered into, in substance, an intergovernmental agreement regarding the implementation of FATCA with the United Arab Emirates (the "**IGA**"). Under the IGA, as currently drafted, the Issuer does not expect payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA."

6. The risk factor entitled "*Other international agreements to improve tax compliance*" on page 19 of the Information Memorandum shall be deleted in its entirety and shall be replaced with the following risk factor:

"Other international agreements to improve tax compliance

The Organization for Economic Co-operation and Development (the "**OECD**") has been actively engaged in working towards exchange of information on a global scale and has published a global Common Reporting Standard for multilateral exchange of information pursuant to which many governments have now signed multilateral agreements. A group of those governments, including Jersey, have committed to a common implementation timetable which will see the first exchange of information in 2017 in respect of accounts open at and from the end of 2015, with further countries committed to implement the new global standard by 2018. So long as the Issuer is incorporated in Jersey, the Issuer may need to comply with the aforementioned exchange of information requirements as they progress and develop. Investors must satisfy any requests for information pursuant to such requirements."

ANNEX 2
AMENDMENTS TO THE "INFORMATION RELATING TO THE ISSUER" SECTION IN THE
INFORMATION MEMORANDUM

In the section entitled "*Information Relating to the Issuer*" on pages 35 to 41 of the Information Memorandum:

1. In the section entitled "*HSBC Group Operations in the Middle East and North Africa*", in the third paragraph beginning with the words "*The Issuer provides a range ...*" and ending with the words "*... Algeria, Oman and the UAE.*" on page 37 of the Information Memorandum, the word "*Oman*" shall be deleted.
2. The Section entitled "*Organisational Structure*" on page 37 of the Information Memorandum shall be amended as follows:
 - a. in the table under the sixth paragraph beginning with the words "*As at the date of this document ...*", the last row beginning with the words "*HSBC Bank Oman*" shall be deleted in its entirety.
 - b. the seventh paragraph beginning with the words "*The countries of operation ...*" and ending with the words "*... countries of incorporation.*" shall be deleted in its entirety and replaced with the following:

"The countries of operation are the same as the countries of incorporation, and none of the shares of any of the Issuer's subsidiary undertakings are listed on any stock exchange."
 - c. the eighth paragraph beginning with the words "*HSBC Bank Oman SAOG ...*" and ending with the words "*... subsidiaries are unlisted*" shall be deleted in its entirety.

ANNEX 3
AMENDMENTS TO THE "TERMS AND CONDITIONS OF THE SECURITIES" SECTION IN THE
INFORMATION MEMORANDUM

In the section entitled "*Terms and Conditions of the Securities*" on pages 44 to 72 of the Information Memorandum:

1. In Condition 6(b) (*Redemption for Taxation Reasons*) on pages 51 to 52 of the Information Memorandum, the third paragraph beginning with "Subject only to the obligation of the Issuer..." and ending with "... such circumstances would exist." on page 52 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"Subject only to the obligation of the Issuer to use such endeavours as aforesaid, it shall be sufficient, to establish the circumstances required to be established pursuant to this Condition 6(b), if the Issuer shall deliver to the Trustee a certificate of an independent legal adviser or accountant satisfactory to the Trustee to the effect either that such circumstances do exist or that, upon a change in or amendment to the laws (including any regulations pursuant thereto), or in the interpretation or administration thereof, of Jersey, the Dubai International Financial Centre ("**DIFC**") or the United Arab Emirates (as the case may be), which at the date of such certificate is proposed and in the opinion of such legal adviser or accountant is reasonably expected to become effective on or prior to the date on which the relevant payment of principal or interest in respect of the Notes would otherwise be made, becoming so effective, such circumstances would exist."

2. Condition 7 (*Taxation*) on pages 54 to 55 of the Information Memorandum shall be amended as follows:

- a. the first paragraph beginning with "Except as otherwise set out in the relevant Pricing Supplement..." and ending with "... duties, assessments or governmental charges." on page 54 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"Except as otherwise set out in the relevant Pricing Supplement, all payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of Jersey (so long as the Issuer is incorporated in Jersey), DIFC (so long as the Issuer is incorporated in DIFC) or the United Arab Emirates (or any authority or political subdivision therein or thereof having power to tax) unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges."

- b. sub-paragraph (a) beginning with "to, or to a third party on behalf of..." and ending with "...holding of such Note or Coupon; or" on page 54 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"(a) to, or to a third party on behalf of, a Holder of a Note or Coupon who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with Jersey, DIFC or the United Arab Emirates (as the case may be) other than the mere holding of such Note or Coupon; or

3. Condition 10(b) on pages 60 to 61 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"(b) In the case of any Series of Subordinated Notes:

- (i) if default is made for a period of 7 days or more in the repayment of any principal due on the Notes of such Series or any of them or for a period of 14 days or more in the payment of any interest due in respect of the Notes of such Series or any of them, then the Trustee may, in order to enforce payment, at its discretion and without

further notice, in the case of a Series of Subordinated Notes, institute proceedings for the declaration of the property of the Issuer "*en désastre*" in Jersey (so long as the Issuer is incorporated in Jersey) or for its winding-up in DIFC (so long as the Issuer is incorporated in DIFC),

Provided that it shall not be such a default to withhold or refuse any such payment (1) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment or (2) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time during the said period of 7 or 14 days, as the case may be, by independent legal advisers acceptable to the Trustee as to such validity or applicability;

- (ii) the Trustee may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit and may, subject as hereinafter provided, institute proceedings for the declaration of the property of the Issuer "*en désastre*" in Jersey (so long as the Issuer is incorporated in Jersey) or for its winding-up in DIFC (so long as the Issuer is incorporated in DIFC) to enforce any obligation, condition or provision binding on the Issuer under the Trust Deed in relation to such Series of Subordinated Notes or under such Notes or the Coupons appertaining thereto (other than any obligation for the payment of any principal or interest in respect of such Notes or Coupons or any other payment obligation in respect thereof) provided that the Issuer shall not by virtue of the institution of any such proceedings other than proceedings for the declaration of the property of the Issuer "*en désastre*" (so long as the Issuer is incorporated in Jersey) or for its winding-up in DIFC (so long as the Issuer is incorporated in DIFC) be obliged to pay any sum or sums (whether in respect of principal or interest or other sums in respect of the relevant Notes or the Coupons appertaining thereto or by way of damages in respect of any breach of any such obligation, condition or provision or otherwise howsoever). The Trustee may only institute proceedings for the declaration of the property of the Issuer "*en désastre*" (so long as the Issuer is incorporated in Jersey) or for its winding-up in DIFC (so long as the Issuer is incorporated in DIFC) to enforce the obligations above referred to in this paragraph if a default by the Issuer thereunder is not remedied to the satisfaction of the Trustee within 60 days (or such longer period as the Trustee may permit) after notice of such default has been given to the Issuer by the Trustee requiring such default to be remedied.

NB: The restriction on the payment of damages would have the effect of limiting the remedies available to the Trustee in the event of a breach of certain covenants by the Issuer."

4. Condition 10(c) on page 61 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"(c) In the case of any Series of Notes, in the event of an order being made or an effective resolution being passed for the winding up of the Issuer in Jersey or the declaration of the property of the Issuer "*en désastre*" in Jersey or an effective resolution being passed or an order being made for the winding-up of the Issuer in DIFC (otherwise than in connection with a scheme of reconstruction or amalgamation the terms of which shall previously have been approved in writing by the Trustee or by an Extraordinary Resolution of the Holders of the relevant Series of Notes) the Trustee may declare the Notes of the relevant Series to be due and redeemable immediately (and such Notes shall thereby become so due and redeemable) at their principal amount together with accrued interest as provided in the Trust Deed and the relevant

Pricing Supplement or at such other amount, or at such amount calculated in accordance with such other formula, as is set out in the relevant Pricing Supplement."

ANNEX 4
AMENDMENTS TO THE "FORMS OF NOTES; SUMMARY OF PROVISIONS RELATING TO NOTES WHILE IN GLOBAL FORM" SECTION IN THE INFORMATION MEMORANDUM

In the section entitled "*Forms of Notes; Summary of provisions relating to the Notes while in Global Form*" on pages 264 to 267 of the Information Memorandum:

1. The second paragraph beginning with the words "*Beneficial interests in a Global Registered Note...*" and ending with the words "*...were in definitive form.*" on page 265 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"Beneficial interests in a Global Registered Note will be exchangeable, in whole but not in part, for Definitive Registered Notes: (i) if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or (ii) if an Enforcement Event occurs as set out in Condition 10; or (iii) if so specified in the relevant Pricing Supplement, if the holder of the relevant Global Registered Note requests that such interest be exchanged for Definitive Registered Notes; or (iv) at the option of the Issuer, if the Issuer, any Paying Agent or the relevant Registrar, by reason of any change in, or amendment to, the laws of Jersey (so long as the Issuer is incorporated in Jersey), DIFC (so long as the Issuer is incorporated in DIFC) or the United Arab Emirates, is or will be required to make any deduction or withholding from any payment under the Notes which would not be required if such Notes were in definitive form."

2. The final paragraph beginning with the words "*Interests in any Permanent Global Note...*" and ending with the words "*...were in definitive form.*" on page 265 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"Interests in any Permanent Global Note will be exchangeable, in whole but not in part, for Definitive Bearer Notes, against presentation and (in the case of final exchange) surrender of such Permanent Global Note at the specified office from time to time of the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent (i) if the relevant Clearing System(s) or any other clearing system by which the Notes have been accepted for clearing is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently, (ii) if an Enforcement Event occurs as set out in Condition 10, (iii) if so specified in the relevant Pricing Supplement, upon the bearer's request or (iv) if the Issuer or any Paying Agent, by reason of any change in, or amendment to, the laws of Jersey (so long as the Issuer is incorporated in Jersey), DIFC (so long as the Issuer is incorporated in DIFC) or the United Arab Emirates, is or will be required to make any deduction or withholding from any payment under the Notes which would not be required if such Notes were in definitive form."

ANNEX 5
AMENDMENTS TO THE "TAXATION" SECTION IN THE INFORMATION MEMORANDUM

In the section entitled "*Taxation*" on pages 292 to 294 of the Information Memorandum:

1. The first paragraph beginning with the words "*The following is a general description of certain tax considerations relating to the Notes.*" and ending with the words "...and is subject to any change in law that may take effect after such date." on page 292 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of Notes should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Jersey (so long as the Issuer is incorporated in Jersey), DIFC (so long as the Issuer is incorporated in DIFC) and the United Arab Emirates of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the laws as in effect on the date of this Information Memorandum and is subject to any change in law that may take effect after such date."

2. The section entitled "*European Union Directive on the Taxation of Savings Income*" on page 292 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"European Union Directive on the Taxation of Savings Income

So long as the Issuer is incorporated in Jersey it will be subject to the European Union Directive on the Taxation of Savings Income. From 1 January 2015, paying agents established in Jersey must report to the Jersey Comptroller of Taxes details of all payments of interest, or other similar income, made to an individual beneficial owner resident in a member state of the European Union (each a Member State and together, the Member States). The Jersey Comptroller of Taxes will be required to provide to the tax authorities of the Member State in which such a beneficial owner is resident, details of such payments made to such beneficial owner.

This exchange of information system in Jersey is implemented by means of bilateral agreements with each of the Member States and the Taxation (Agreements with European Union Member States) (Jersey) Regulations 2005, as amended with reference to Guidance Notes issued by the Chief Minister's Department of the States of Jersey. Based on these provisions and what is understood to be the current practice of the Jersey tax authorities, the Issuer would not be obliged under those provisions to report to the Jersey Comptroller of Taxes payments of interest, or other similar income, made by it to a paying agent established outside Jersey.

Jersey, along with other dependent and associated territories, will consider the effect of the EC Council Directive amending the EU directive on the taxation of savings income in the context of existing bilateral agreements and domestic law. It is not expected that this will result in changes to the treatment of payments by the Issuer."

3. To include a new section entitled "*Dubai International Financial Centre Taxation*" following the section entitled "*The proposed financial transactions tax ("FTT")*" and immediately preceding the section entitled "*United Arab Emirates Taxation*" on page 293 of the Information Memorandum:

"Pursuant to Article 14 of Law No. (9) of 2004 in respect of the Dubai International Financial Centre (the "**DIFC Law**"), entities licensed, registered or otherwise authorised to carry on financial services in the Dubai International Financial Centre and their employees shall be subject to a zero rate of tax for a period of 50 years from 13 September 2004. This zero rate of tax applies to income, corporation and

capital gains tax. In addition, this zero rate of tax will also extend to repatriation of capital and to transfers of assets or profits or salaries to any party outside the Dubai International Financial Centre. Article 14 of the DIFC Law also provides that it is possible to renew the 50 year period to a similar period upon issuance of a resolution by the Ruler of Dubai. As a result no payments by the Issuer under the Notes are subject to any tax in the Dubai International Financial Centre, whether by withholding or otherwise."

ANNEX 6
AMENDMENTS TO THE "GENERAL INFORMATION" SECTION IN THE INFORMATION
MEMORANDUM

In the section entitled "*General Information*" on pages 302 to 303 of the Information Memorandum:

1. Paragraph 6 on page 302 of the Information Memorandum shall be deleted in its entirety and replaced with the following:

"6. Where any Subordinated Notes form part of the regulatory capital of the Issuer, no repayment of such Notes will be made without the prior consent of or indication from each of the Jersey Financial Services Commission (so long as the Issuer is incorporated in Jersey), the Dubai Financial Services Authority (so long as the Issuer is incorporated in the DIFC) and, if required in respect of its supervision of the HSBC Group, the United Kingdom Prudential Regulation Authority (or any successor authority/ies in its/their function as the supervisor of authorised institutions) that it does not object."