

Final Terms dated May 11, 2020



HSBC BANK CANADA
(a Canadian chartered bank)

Issue of USD 1,000,000,000 CBL4 0.950% Covered Bonds due May 14, 2023
under the

CAD 6,000,000,000

Legislative Global Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments by
HSBC CANADIAN COVERED BOND (LEGISLATIVE) GUARANTOR
LIMITED PARTNERSHIP
(a limited partnership formed under the laws of Ontario)

THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION (“CMHC”) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THESE FINAL TERMS. THE COVERED BONDS ARE NOT INSURED OR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.

THE COVERED BONDS DESCRIBED IN THESE FINAL TERMS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, THE COVERED BONDS MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT THAT THE COVERED BONDS MAY BE OFFERED OR SOLD TO QUALIFIED INSTITUTIONAL BUYERS IN RELIANCE UPON RULE 144A UNDER THE SECURITIES ACT.

The Guarantor is not now and, immediately after giving effect to any offer and sale of Covered Bonds and application of proceeds thereof, will not be, a “covered fund” for purposes of regulations codified under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the “Volcker Rule.” In reaching this conclusion, although other statutory or regulatory exemptions or exclusions may be available, the Guarantor has relied on the exemption from registration set forth in Section 3(c)(5) of the Investment Company Act. See “*Certain Volcker Rule Considerations*” in the Offering Memorandum dated May 1, 2020.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 (THE “PROSPECTUS REGULATION”) FOR THIS ISSUE OF COVERED BONDS. THE COVERED BONDS ARE NOT COMPLIANT WITH THE PROSPECTUS REGULATION AS IMPLEMENTED IN THE UNITED KINGDOM AND THE UK FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED THE INFORMATION CONTAINED IN THESE FINAL TERMS.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS.

The Covered Bonds are not intended to be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”) or in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

No underwriter, dealer or agent will effect any offers or sales of any Covered Bonds in the United States unless it is through one or more U.S. registered broker-dealers as permitted by the regulations of the Financial Industry Regulatory Authority, Inc.

PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Memorandum dated May 1, 2020 (as such document may be supplemented or amended, the “Offering Memorandum”). This document constitutes the Final Terms of the Covered Bonds described herein and must be read in conjunction with the Offering Memorandum. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Offering Memorandum. The Offering Memorandum, together with these Final Terms and all documents incorporated by reference therein, are available for viewing at, and copies may be obtained from, the specified offices of the Issuer and the Issuing and Paying Agent, as set out at the end of the Offering Memorandum.

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| 1. | (i) Issuer: | HSBC Bank Canada |
| | Branch: | Toronto branch |
| | (ii) Guarantor: | HSBC Canadian Covered Bond (Legislative) Guarantor Limited Partnership |
| 2. | (i) Series Number: | CBL4 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Covered Bonds become fungible: | Not Applicable. |
| 3. | Specified Currency or Currencies: | U.S. Dollar (USD) |
| | (Condition 1.04) | |
| 4. | Aggregate Principal Amount: | |

- (i) Series: USD 1,000,000,000
- (ii) Tranche: USD 1,000,000,000
5. Issue Price: 99.894% of the Aggregate Principal Amount
6. (i) Specified Denominations: Minimum denomination of USD 200,000 and integral multiples of USD 1,000 in excess thereof
- (Condition 1.03)
- (ii) Calculation Amount: USD 1,000
7. (i) Issue Date: May 14, 2020
- (ii) Interest Commencement Date: Issue Date
8. (i) Final Maturity Date: Interest Payment Date falling on or nearest to May 14, 2023
- (ii) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: Interest Payment Date falling on or nearest to May 14, 2024
9. Interest Basis: 0.950 per cent. per annum Fixed Rate from (and including) the Interest Commencement Date to (but excluding) the Final Maturity Date
- If applicable, 0.950 per cent. per annum Fixed Rate from (and including) the Final Maturity Date to (but excluding) the Extended Due for Payment Date
- (further particulars specified in item 14 below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. Date of Board approval for issuance of Covered Bonds obtained: Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Covered Bond Provisions: Applicable from (and including) the Interest Commencement Date to (but excluding) the Extended Due for Payment Date
- (Condition 5.02)
- (i) Rate of Interest: 0.950 per cent. per annum payable semi-annually in arrears during the period from (and including) the Interest

	Commencement Date to (but excluding) the Final Maturity Date
	If applicable, 0.950 per cent. per annum payable monthly in arrears during the period from (and including) the Final Maturity Date to (but excluding) the Extended Due for Payment Date
(ii) Interest Payment Date(s):	May 14 and November 14 in each year up to and including the Final Maturity Date, commencing on November 14, 2020, subject to paragraph 14(iii) below
	If applicable, the 14th day of each month from (but excluding) the Final Maturity Date up to (and including) the earlier of (i) the date on which the Covered Bonds are redeemed in full and (ii) the Extended Due for Payment, subject to paragraph 14(iii) below
(iii) Business Day Convention:	Following Business Day Convention (unadjusted)
(iv) Fixed Coupon Amount:	Not Applicable
(v) Broken Amount(s):	Not Applicable
(vi) Day Count Fraction:	30/360
(vii) Determination Dates:	Not Applicable
15. Floating Rate Covered Bond Provisions:	Not Applicable
(Condition 5.03)	
16. Zero Coupon Covered Bond Provisions:	Not Applicable
(Condition 5.11)	

PROVISIONS RELATING TO REDEMPTION

17. Call Option	Not Applicable
(Condition 6.03)	
18. Put Option	Not Applicable
(Condition 6.06)	
19. Final Redemption Amount of each Covered Bond	USD 1,000 per Calculation Amount
20. Early Redemption Amount:	
Early Redemption Amount(s) payable on redemption for taxation reasons or illegality or upon acceleration following an Issuer Event of Default or Guarantor Event	USD 1,000 per Calculation Amount

of Default and/or the method of calculating
the same:
(Conditions 6.02, 6.12 or 7)

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

21. Form of the Covered Bonds: Registered Covered Bonds:
Regulation S Global Covered Bond registered in the name of
a nominee for DTC and exchangeable only after an Exchange
Event
Rule 144A Global Covered Bond registered in the name of a
nominee for DTC and exchangeable only after an Exchange
Event
22. Financial Centre(s) or other special New York, Toronto
provisions relating to payment dates:

THIRD PARTY INFORMATION

Not Applicable.

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Signed on behalf of the Issuer:

Signed on behalf of the Managing GP for and on behalf of the Guarantor:

By: “Gerhardt J. Samwell”
Duly authorized

By: “Derek C. Lee”
Duly authorized

By: “Derek C. Lee”
Duly authorized

By: “Blake Hinton”
Duly authorized

PART B—OTHER INFORMATION

1. RATINGS

The Covered Bonds to be issued are expected to be rated:

Moody's: Aaa

Fitch: AAA

A credit rating is not a recommendation to buy, sell or hold securities, and it may be subject to revision or withdrawal at any time by the assigning rating organization.

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

Save as discussed in “*Subscription and Sale and Transfer and Selling Restrictions*”, so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates.

3. FIXED RATE COVERED BONDS ONLY – YIELD

Indication of yield based on the Issue Price: 0.986 per cent. per annum in respect of the period from (and including) the Issue Date to (but excluding) the Final Maturity Date

The yield is calculated at the Issue Date for the period to the Final Maturity Date on the basis of the Issue Price. It is not an indication of future yield

4. DISTRIBUTION

(i) US Selling Restrictions: Regulation S compliance Category 2; Rule 144A eligible

(ii) Additional Selling Restrictions: Covered Bonds may only be offered, sold or distributed by the Managers to accredited investors (as defined in applicable securities laws) on such basis and in such provinces of Canada as, in each case, are agreed with the Issuer and in compliance with any applicable securities laws of Canada or any province, to the extent applicable

(iii) Prohibition of Sales to EEA and UK Retail Investors: Applicable

5. OPERATIONAL INFORMATION

(i) ISIN Code: Reg S: USC4R461AC74

144A: US40427HTL77

(ii) Common Code: Reg S: 217620503

144A: 217620619

(iii) CFI: See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the

- (iv) FISN: responsible National Numbering Agency that assigned the ISIN
See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (v) CUSIP: Reg S: C4R461AC7
144A: 40427HTL7
- (vi) Any clearing system(s) other than DTC or CDS, their addresses and the relevant identification number(s): Not Applicable
- (vii) Delivery: Delivery free of payment
- (viii) Name(s) and address(es) of initial Paying Agent(s), Registrars, Exchange Agent and Transfer Agents: U.S. Registrar, Transfer Agent and Exchange Agent:
HSBC Bank USA, National Association
452 Fifth Avenue, 3rd Floor
New York, New York
10018-2706
- (ix) Name(s) and address(es) of additional or substitute Paying Agent(s) or Transfer Agent(s): Not Applicable

6. UNITED STATES TAX CONSIDERATIONS

For U.S. federal income tax purposes, the Issuer intends to treat the Covered Bonds as fixed-rate debt.