

**THIS FIRST AMENDING AGREEMENT TO DEALERSHIP AGREEMENT** (this “**Agreement**”) is made as of the 16<sup>th</sup> day of August, 2019.

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**AMONG**

- (1) HSBC Bank Canada (in its capacity as issuer of Covered Bonds, the “**Issuer**”; in its capacity as seller of Loans and their Related Security, the “**Seller**”; or “**HSBC**”);
- (2) HSBC Canadian Covered Bond (Legislative) Guarantor Limited Partnership (a limited partnership formed under the laws of Ontario) (acting in its capacity as a guarantor as to payments of interest and principal under the Covered Bonds, the “**Guarantor**”) by its managing general partner, HSBC Canadian Covered Bond (Legislative) GP Inc.;
- (3) HSBC Securities (USA) Inc. (a “**Dealer**”, and the term “**Dealers**” shall include any institution(s) appointed as a Dealer in accordance with subsection 9.01(b) of the Dealership Agreement (as defined below), and save as specified herein, exclude any institution(s) whose appointment as a Dealer has been terminated in accordance with subsection 9.01(a) of the Dealership Agreement, provided that where any such institution has been appointed as Dealer in relation to a particular Tranche (as defined below) the expression “**Dealer**” or “**Dealers**” shall only mean or include such institution in relation to such Tranche); and
- (4) HSBC Securities (USA) Inc. (the “**Arranger**”).

**WHEREAS**

- (A) The parties entered into a dealership agreement made as of August 10, 2018 (the “**Dealership Agreement**”).
- (B) The parties hereto have agreed to amend the Dealership Agreement pursuant to the terms of this Agreement in accordance with Section 17 of the Dealership Agreement.

**IT IS AGREED** as follows:

**ARTICLE 1 – AMENDMENTS**

**Section 1. Amendments**

- (a) All references to “CAD \$3,500,000,000” are deleted in their entirety and replaced with “CAD \$6,000,000,000”.
- (b) The schedule attached to the Dealership Agreement as Schedule 1 – Selling and Transfer Restrictions is deleted in its entirety and replaced with Schedule A attached hereto.

(c) The schedule attached to the Dealership Agreement as Schedule 6 – Pro Forma Final Terms is deleted in its entirety and replaced with Schedule B attached hereto.

## ARTICLE 2– MISCELLANEOUS

### Section 2. Further Assurances

Each of the parties hereto will from time to time execute and deliver all such further documents and instruments and do all acts and things as any of the other parties may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

### 2.01 Other Amendments

Except as expressly amended, modified and supplemented hereby, the provisions of the Dealership Agreement are and shall remain in full force and effect and shall be read with this Agreement, *mutatis mutandis*. Where the terms of this Agreement are inconsistent with the terms of the Dealership Agreement (prior to its amendment hereby), the terms of this Agreement shall govern to the extent of such inconsistency.

### 2.02 Governing Law

This Agreement is governed by and will be construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein.

### 2.03 Interpretation

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Dealership Agreement (prior to its amendments hereby).

### 2.04 Counterparts and Electronic Execution

This Agreement hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same agreement and any party to this Agreement may enter into the same by executing and delivering a counterpart. Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by such party.

[SIGNATURE PAGES FOLLOW].

**IN WITNESS** whereof this Agreement has been entered into as of the day and year first above written.

**SIGNATURES**

**HSBC BANK CANADA**

By: “Gerhardt J. Samwell”  
Name: Gerhardt J. Samwell  
Title: Chief Financial Officer

By: “Derek C. Lee”  
Name: Derek C. Lee  
Title: Vice President, Asset  
Liability and Capital Management

**HSBC CANADIAN COVERED BOND (LEGISLATIVE) GUARANTOR LIMITED PARTNERSHIP**, by its managing general partner **HSBC CANADIAN COVERED BOND (LEGISLATIVE) GP INC.**

By: “Paul Keirstead”  
Name: Paul Keirstead  
Title: Vice-President

By: “Blake Hinton”  
Name: Blake Hinton  
Title: Director

*The Dealer*

**HSBC SECURITIES (USA) INC.**

By: *“Diane Kenna”*

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Name: Diane Kenna  
Title: Managing Director

*The Arranger*

**HSBC SECURITIES (USA) INC.**

By: *“Diane Kenna”*

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Name: Diane Kenna  
Title: Managing Director

## **SCHEDULE A**

### **SCHEDULE 1**

#### **Selling and Transfer Restrictions**

##### **Canada:**

Each Dealer acknowledges and agrees that Covered Bonds have not been and will not be qualified for sale under the securities laws of any province or territory of Canada.

Each Dealer represents and agrees, and each further Dealer appointed pursuant to Section 9.01(b) will be required to represent and agree, that it has not offered, sold, distributed or delivered, and that it will not offer, sell, distribute or deliver, any Covered Bonds, directly or indirectly, in Canada or to, or for the benefit of any resident thereof (A) in contravention of the securities laws of Canada or any province or territory thereof and (B) without the consent of the Issuer.

If the applicable Final Terms provide that Covered Bonds may be offered, sold, or distributed in Canada, the issue of the Covered Bonds will be subject to such additional selling restrictions as the Issuer and the Relevant Dealer may agree, as specified in the applicable Final Terms. Each Dealer represents and agrees that it has offered, sold, or distributed, and that it will offer, sell and distribute such Covered Bonds only in compliance with such additional Canadian selling restrictions.

Each Dealer agrees, and each further Dealer appointed pursuant to Section 9.01(b) will be required to agree, not to distribute or deliver the Offering Memorandum or any other offering material relating to the Covered Bonds, in Canada in contravention of the securities laws of Canada or any province or territory thereof.

##### **United States of America:**

##### ***Selling Restrictions***

Regulation S, Category 2. Sales to QIBs in reliance upon Rule 144A under the Securities Act will be permitted if so specified in the applicable Final Terms.

Each Dealer will acknowledge, and each further Dealer appointed under the Dealership Agreement will be required to acknowledge, that the Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act or under any state securities laws and may not be offered or sold or delivered, directly or indirectly, within the United States, its territories or possessions or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In connection with any Regulation S Covered Bonds, each Dealer has represented, warranted, undertaken and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, undertake and agree, that it will not offer, sell or deliver such Regulations

S Covered Bonds (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Tranche of Covered Bonds of which such Covered Bonds are a part, as determined and certified by the Relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Regulation S Covered Bonds during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Covered Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the completion of the distribution of the Tranche of Covered Bonds of which such Covered Bonds are a part, an offer or sale of Covered Bonds within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under Rule 144A under the Securities Act.

With respect to the issuance of Rule 144A Covered Bonds, the Dealership Agreement provides that selected Dealers, through their selling agents which are registered broker dealers in the United States, may resell Covered Bonds in the United States to QIBs pursuant to the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act.

With respect to the issuance of Rule 144A Covered Bonds, Dealers may arrange for the resale of Covered Bonds to QIBs pursuant to Rule 144A and each such purchaser of Covered Bonds is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Covered Bonds which may be purchased by a QIB pursuant to Rule 144A will be specified in the applicable Final Terms in U.S. dollars (or the approximate equivalent in another Specified Currency).

Each Dealer appointed under the Dealership Agreement will be required to represent and agree in respect of transactions under Rule 144A that it has not (and will not), nor has (nor will) any person acting on its behalf, (a) made offers or sales of any security, or solicited officers to buy, or otherwise negotiated in respect of, any security, under circumstances that would require the registration of the Covered Bonds under the Securities Act; or (b) engaged in any form of general solicitation or general advertising (within the meaning of Rule 502(c) of Regulation D under the Securities Act) in connection with any offer or sale of Covered Bonds in the United States. To the extent that the Issuer and the Guarantor are not subject to or do not comply with the reporting requirements of Sections 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer and the Guarantor have agreed to furnish to holders of Covered Bonds and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

### ***Transfer Restrictions***

Each purchaser of Registered Covered Bonds (other than a person purchasing an interest in a Registered Global Covered Bond with a view to holding it in the form of an interest in the same Global Covered Bond) or person wishing to transfer an interest from one Registered Global Covered Bond to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (a) that either: (i) it is a QIB, purchasing (or holding) the Covered Bonds for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A, or (ii) it is outside the United States and is not a U.S. person and it is not purchasing (or holding) the Covered Bonds for the account or benefit of a U.S. person;
- (b) that the Covered Bonds are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act or any applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth in this section;
- (c) it agrees that neither the Issuer nor the Guarantor has any obligation to register the Covered Bonds or the Covered Bond Guarantee under the Securities Act;
- (d) that, unless it holds an interest in a Regulation S Global Covered Bond, if in the future it decides to resell, pledge or otherwise transfer the Covered Bonds or any beneficial interests in the Covered Bonds, it will do so prior to the date that is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Covered Bonds, only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws;
- (e) it will, and will require each subsequent holder to, notify any purchaser of the Covered Bonds from it of the resale restrictions referred to in paragraph (d) above, if then applicable;
- (f) that Covered Bonds initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Covered Bonds and that Covered Bonds offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Covered Bonds;



- (g) that either (a) it is not, and for so long as it holds a Covered Bond (or any interest therein) will not be (i) an “employee benefit plan” as defined 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, (ii) a “plan” as defined in and subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), (iii) an entity whose underlying assets include the assets of any such employee benefit plan subject to ERISA or other plan subject to Section 4975 of the Code (each of the foregoing, a “**Benefit Plan Investor**”), or (iv) a governmental, church or non-U.S. plan which is subject to any U.S. federal, state, local or non-U.S. law or regulation that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (“**Similar Law**”), or (b) its acquisition, holding and disposition of the Covered Bonds (or any interest therein) will not (i) in the case of a Benefit Plan Investor, constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code for which an exemption is not available or (ii) in the case of a governmental, church or non-U.S. plan, constitute or result in a violation of any Similar Law;
- (h) that the Covered Bonds (other than the Regulation S Global Covered Bonds) will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY AND ANY GUARANTEE IN RESPECT THEREOF HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITY EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT IN RESPECT OF THIS SECURITY (THE “AGENCY AGREEMENT”) AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITY, OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER

JURISDICTION; AND (C) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDER OF SUCH SECURITY SENT TO ITS REGISTERED ADDRESS, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

BY ITS ACQUISITION AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT BE (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED 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, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN SUBJECT TO ERISA OR OTHER PLAN SUBJECT TO SECTION 4975 OF THE CODE (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT (I) IN THE CASE OF A BENEFIT PLAN INVESTOR, CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE FOR WHICH AN EXEMPTION IS NOT AVAILABLE OR (II) IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW.

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A";

- (i) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Covered Bonds prior to the expiration of the distribution compliance period (defined as 40 days after the completion of the distribution of the Tranche of Covered Bonds of which such Covered Bonds are a part, as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue), it will do so only (a)(i) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (ii) to a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Covered Bonds represented by a Regulation S Global Covered Bond and Definitive Regulation S Covered Bonds will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY AND ANY GUARANTEE IN RESPECT THEREOF HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT IN RESPECT OF THIS SECURITY (THE “AGENCY AGREEMENT”) AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. UNTIL THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE TRANCHE OF WHICH THIS SECURITY FORMS PART, SALES MAY NOT BE MADE IN THE UNITED STATES OR TO U.S. PERSONS UNLESS MADE (I) PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (II) TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN, AND IN TRANSACTIONS PURSUANT TO, RULE 144A UNDER THE SECURITIES ACT.

BY ITS ACQUISITION AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT BE (I) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED 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, (II) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN SUBJECT TO ERISA OR OTHER PLAN SUBJECT TO SECTION 4975 OF THE CODE (EACH OF THE FOREGOING, A “BENEFIT PLAN INVESTOR”), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”), OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT (I) IN THE CASE OF A BENEFIT PLAN INVESTOR, CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406

OF ERISA OR SECTION 4975 OF THE CODE FOR WHICH AN EXEMPTION IS NOT AVAILABLE OR (II) IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW.”;

and

- (j) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Covered Bonds as a fiduciary or agent for one or more accounts 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.

No sales of Legended Covered Bonds in the United States to any one purchaser will be for less than the minimum purchase price set forth in the applicable Final Terms in respect of the relevant Legended Covered Bonds. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least an amount equal to the applicable minimum purchase price set forth in the applicable Final Terms in respect of the relevant Legended Covered Bonds.

#### **Prohibition of Sales to EEA Retail Investors:**

All references to the “**European Economic Area**” or “**EEA**” are to the Member States together with Iceland, Norway and Liechtenstein.

All references to “**Member States**” are to countries united under and party to the treaties of the European Union as at the date hereof and to which the Prospectus Regulation applies (and each individually, a “**Member State**”).

Unless the Final Terms in respect of the Covered Bonds specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available, any Covered Bonds which are the subject of the offering contemplated by the Offering Memorandum as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
- (b) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (c) not a qualified investor as defined in the Prospectus Regulation.

If the Final Terms in respect of any Covered Bonds specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, then in relation to each Member State, each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by the Offering Memorandum as completed by the applicable Final Terms in relation thereto to the public in that Member State except that it may make an offer of Covered Bonds to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors, as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or of a supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of these provisions, the expression an “**offer**” in relation to any Covered Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.

#### **United Kingdom:**

Each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a)
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Covered Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manager or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Covered Bonds would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

**Hong Kong:**

Each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that the Offering Memorandum has not been approved by the Securities and Futures Commission in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**") and, accordingly:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Covered Bonds other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CO**") or which do not constitute an offer to the public within the meaning of the CO; and
- (b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purpose of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Covered Bonds which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Covered Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

## France:

Each of the Dealers represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that the Offering Memorandum is not being distributed in the context of an offer to the public of financial securities in France within the meaning of Article L.411-1 of the *Code monétaire et financier*, and has therefore not been submitted to the *Autorité des marchés financiers* for prior approval and clearance procedure and, accordingly it has not offered or sold and will not offer or sell, directly or indirectly, Covered Bonds to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Offering Memorandum, the relevant Final Terms or any other offering material relating to the Covered Bonds, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, articles L.411-1, L.411-2, and D.411-1 of the *Code monétaire et financier*.

## Italy:

Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that the offering of the Covered Bonds has not been registered with CONSOB - *Commissione Nazionale per le Società e la Borsa* (the Italian Companies and Exchange Commission) pursuant to Italian securities legislation and, accordingly, the Covered Bonds may not be offered, sold or delivered, nor may copies of the Offering Memorandum or of any other document relating to the Covered Bonds be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”), and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (“**Regulation No. 11971**”); or
- (ii) in other circumstances which are exempted from the rules on offerings to the public pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Furthermore, each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer, sale or delivery of the Covered Bonds or distribution of copies of the Offering Memorandum or any other document relating to the Covered Bonds in the Republic of Italy under (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”); and

- (b) comply with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, (as amended from time to time) pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; or
- (c) comply with any other applicable laws and regulations, or requirement imposed by CONSOB or any other Italian authority.

The following applies to Exempt Covered Bonds with a Specified Denomination of less than €100,000 (or equivalent):

*Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (i) and (ii) above, the subsequent distribution of the Covered Bonds on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Covered Bonds being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.*

#### **The Netherlands:**

Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell the Covered Bonds in the Netherlands other than to Qualified Investors (as defined in the Prospectus Regulation), unless such offer is made in accordance with the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

#### **Japan:**

The Covered Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “FIEA”). Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell any Covered Bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

#### **Singapore:**

Each Dealer acknowledges, and each further Dealer appointed under the Programme will be required to acknowledge, that the Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore and that the Covered Bonds will be offered pursuant to an exemption under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”). Accordingly, each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent,



warrant and agree, that the Covered Bonds may not be offered or sold or made the subject of an invitation for subscription or purchase and that it will not offer or sell any Covered Bonds or cause the Covered Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Offering Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase, of the Covered Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Covered Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Covered Bonds pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 of Singapore.

### **Belgium:**

Each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that an offering of Covered Bonds may not be advertised to any individual in Belgium qualifying as a consumer within the meaning

of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a “**Belgian Consumer**”) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Covered Bonds, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Covered Bonds, directly or indirectly, to any Belgian Consumer.

**General:**

Each Dealer acknowledges that no action has been or will be taken in any country or jurisdiction by the Issuer, the Guarantor, the Dealers or the Bond Trustee that would permit a public offering of Covered Bonds, or possession or distribution of any offering material in relation thereto, in such country or jurisdiction where action for that purpose is required. Persons into whose hands the Offering Memorandum or any Final Terms comes are required by the Issuer, the Guarantor, the Dealers and the Bond Trustee to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Covered Bonds or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealers will not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions will, as a result of change(s) or change(s) in official interpretation, after the date hereof, in applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “General” above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer.

**SCHEDULE B**

**Schedule 6  
Pro Forma Final Terms**

-Attached-

## PRO FORMA FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Covered Bonds issued under this Offering Memorandum. This *pro forma* Final Terms is subject to completion and amendment to set out the terms upon which each Tranche or Series of Covered Bonds is to be issued.

Final Terms dated [       ]



### HSBC BANK CANADA

*(a Canadian chartered bank)*

Issue of [Aggregate Principal Amount of Tranche] [Title of Covered Bonds]  
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 U.S. 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 following the issuance of the Covered Bonds pursuant to the Trust Deed will not be, a “covered fund” for purposes of regulations adopted 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 under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”), and under the Volcker Rule and its related regulations 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 August 16, 2019.

**[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 (AS AMENDED, 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 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”). 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] [Directive 2014/65/EU (as amended, “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 Regulation (EU) 2017/1129, as amended (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 has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA 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.

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (the “SFA”) –** In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the “**CMP Regulations 2018**”), the Issuer has determined the classification of the Covered Bonds to be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Singapore Monetary Authority (the “**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).<sup>1</sup>

**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 August 16, 2019 (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 this Offering Memorandum.

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<sup>1</sup> Legend to be included on front of the Final Terms if the Covered Bonds: (a) are being sold into Singapore; and (b) do not constitute capital markets products other than prescribed capital markets products as defined under the CMP Regulations 2018.

1. (i) Issuer: HSBC Bank Canada  
Branch: [Head office of the Bank in Vancouver] [Toronto branch]
- (ii) Guarantor: HSBC Canadian Covered Bond (Legislative) Guarantor Limited Partnership
2. (i) Series Number: [ ]
- (ii) Tranche Number: [ ]
- (iii) Date on which the Covered Bonds become fungible: [Not Applicable/The Covered Bonds shall be consolidated, form a single series and be interchangeable with [ ] on [ ]/[the Issue Date]].
3. Specified Currency or Currencies: [ ]  
(Condition 1.04)
4. Aggregate Principal Amount: [ ]
- (i) Series: [ ]
- (ii) Tranche: [ ]
5. Issue Price: [ ]% of the Aggregate Principal Amount [plus accrued interest from [insert date] (if applicable)]
6. (i) Specified Denominations: [[ ] [and integral multiples of [ ] in excess thereof up to and including [ ]]. No Covered Bonds in definitive form will be issued with a denomination above [ ].]
- (Condition 1.03)
- (ii) Calculation Amount: [ ]
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [ ]/[Issue Date] [Not Applicable]
8. (i) Final Maturity Date: [ ]/[Interest Payment Date falling in or nearest to [ ]]
- (ii) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: [ ]/ Interest Payment Date falling in or nearest to[ ]
9. Interest Basis: [[ ] percent Fixed Rate]  
[[ ] +/- [ ] percent Floating Rate]  
[Zero Coupon]  
(further particulars specified in item 15 below)

10. Redemption/Payment Basis: [Redemption at par] [Hard Bullet Covered Bond]
11. Change of Interest Basis: [ ]/[Applicable if and only to the extent that item 15 below applies to the Covered Bonds.]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Not Applicable]  
[(further particulars specified in items 17 and 18 below)]
13. Date of [Board] approval for issuance of Covered Bonds obtained: [[ ] [and [ ]], respectively]/[Not Applicable]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Covered Bond Provisions: [Applicable/Not Applicable]  
(Condition 5.02)
- (i) Rate[(s)] of Interest: [ ] percent per annum [payable [annually/semi-annually/quarterly/monthly/[ ]]] in arrears on each Interest Payment Date [commencing [ ]]
- (ii) Interest Payment Date(s): [ ] in each year [subject to adjustment in accordance with the Business Day Convention specified in 14(iii) below/not adjusted] up to and including the [Final Maturity Date] [Extended Due for Payment Date, if applicable] (provided however that after the Extension Determination Date, the Interest Payment Date shall be monthly)
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Modified Business Day Convention/ Preceding Business Day Convention/ FRN Convention]/[Not Applicable]/[other (*specify*)]
- (iv) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount
- (v) Broken Amount(s) [ ] per Calculation Amount, payable on the Interest Payment Date falling [on/or] [ ]/[Not Applicable]
- (vi) Day Count Fraction: [Actual/Actual *or* Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/360  
Actual/Actual (Canadian Compound Method)  
30/360 *or* 360/360 *or* Bond Basis  
30E/360 (ISDA)  
Actual/Actual (ICMA) *or* Act/Act (ICMA)  
Other (*specify*)]
- (vii) Determination Dates: [[ ] in each year]/[Not Applicable]

15. Floating Rate Covered Bond Provisions: [Applicable [from and including the Final Maturity Date to but excluding the Extended Due for Payment Date to the extent payment of the Final Redemption Amount is deferred until the Extended Due for Payment Date]/Not Applicable]
- (Condition 5.03)
- (i) Interest Period(s): [[ ] [subject to adjustment in accordance with the Business Day Convention specified in 15(iii) below, not adjusted]/[Not Applicable]]
- (ii) Specified Interest Payment Dates: [[ ] [subject to adjustment in accordance with the Business Day Convention specified in 15(iii) below/not adjusted] [(provided however that after the Extension Determination Date, the Specified Interest Payment Date shall be monthly)]/[Not Applicable]]
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Modified Business Day Convention/ Preceding Business Day Convention/ FRN Convention]/[Not Applicable]/[other (*specify*)]
- (iv) Financial Centre(s): [London]/[Vancouver]/[Toronto]/[New York]/[Not Applicable] /[other (*specify*)]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]): [ ]
- (vii) Screen Rate Determination: [Applicable]/[Not Applicable]/[ ]
- Reference Rate: [ ] month [LIBOR] /[other (*specify*)]
- Interest Determination Date(s) [Second London Business Day prior to the start of each Interest Period] [first day of each Interest Period] [ ] [days prior to start of each Interest Period]
- Relevant Screen Page [Reuters LIBOR01] [ ]
- Relevant Time: [ ]
- Reference Banks: [ ]/[Not Applicable]
- (viii) ISDA Determination: [Issuer is [Fixed Rate/Fixed Amount/Floating Rate/Floating Amount] Payer]/[Not Applicable]
- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]



- (ix) Margin(s): [ +/- ] [ ] percent per annum
- (x) Linear Interpolation (Condition 5.10) [Not Applicable]/[Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (xi) Minimum Interest Rate: (Condition 5.05) [ ] percent per annum/[Not Applicable]
- (xii) Maximum Interest Rate: (Condition 5.05) [ ] percent per annum/[Not Applicable]
- (xiii) Day Count Fraction: [Actual/Actual *or* Actual/Actual (ISDA) Actual/365 (Fixed) Actual/360 Actual/Actual (Canadian Compound Method) 30/360 *or* 360/360 *or* Bond Basis 30E/360 (ISDA) Actual/Actual (ICMA) *or* Act/Act (ICMA)]
- 16. Zero Coupon Covered Bond Provisions:** (Condition 5.11) [Applicable/Not Applicable]
- (i) Amortization Yield: [[ ] percent per annum]
- (ii) Reference Price: [ ]
- (iii) Day Count Fraction: [30/360 Actual/360 Actual/365]

**PROVISIONS RELATING TO REDEMPTION**

- 17. Call Option** (Condition 6.03) [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s): [ ] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [ ] per Calculation Amount
- (b) Maximum Redemption Amount: [ ] per Calculation Amount
- (iv) Notice Period [ ]

18. Put Option [Applicable/Not Applicable]

(Condition 6.06)

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s) of [ ] per Calculation Amount  
each Covered Bond and method, if  
any, of calculation of such amount(s):

(iii) Notice period [ ]

19. Final Redemption Amount of each Covered Bond [[ ] per Calculation Amount]

20. Early Redemption Amount:

Early Redemption Amount(s) payable on [ ] per Calculation Amount  
redemption for taxation reasons or  
illegality or upon acceleration following an  
Issuer Event of Default or Guarantor Event  
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 (U.S.\$[ ] nominal amount) registered in the name of a nominee for [DTC/CDS] and exchangeable on [ ] days' notice/at any time/only after an Exchange Event/Rule 144A Global Covered Bond (U.S.\$[ ] nominal amount) registered in the name of a nominee for [DTC/CDS] and exchangeable on [ ] days' notice/at any time/only after an Exchange Event.]

22. Financial Centre(s) or other special [ ]/[Not Applicable]  
provisions relating to payment dates:

**THIRD PARTY INFORMATION**

[[ ] has been extracted from [ ]. The Issuer and the Guarantor confirm that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]/[Not Applicable]

Signed on behalf of the Issuer:

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

By: \_\_\_\_\_  
Duly authorized

By: \_\_\_\_\_  
Duly authorized

By: \_\_\_\_\_  
Duly authorized

By: \_\_\_\_\_  
Duly authorized

## PART B—OTHER INFORMATION

1. **RATINGS** The Covered Bonds to be issued are expected to be rated:  
[Moody's: Aaa]  
[Fitch: AAA]
2. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]**  
[[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/Dealers] and their affiliates have engaged, and may in future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer [and the Guarantor] and [its/their] affiliates.]/[Not Applicable]]
3. **[FIXED RATE COVERED BONDS ONLY – YIELD]**  
Indication of yield based on the Issue Price: [ ]
4. **DISTRIBUTION**
- (i) US Selling Restrictions: [Regulation S compliance Category 2;] [[Not] Rule 144A eligible]
- (ii) Additional Selling Restrictions: [Not Applicable]/[The Covered Bonds may not be offered, sold or distributed, directly or indirectly, in Canada or to or for the benefit of, any resident in Canada]/[Covered Bonds may only be offered, sold or distributed by the Managers 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]
5. **OPERATIONAL INFORMATION**
- (i) ISIN Code: [ ]
- (ii) Common Code: [ ]
- (iii) [CFI:] [[See/[ ]], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]]
- (iv) [FISN:] [[See/[ ]], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]
- (v) [insert here any other relevant codes such as CUSIP and CINS codes] [ ]

(vi) Any clearing system(s) other than DTC or CDS, their addresses and the relevant identification number(s): [Not Applicable]/[ ]

(vii) Delivery: Delivery [against/free of] payment

(viii) Name(s) and address(es) of initial Paying Agent(s), Registrars, Exchange Agent and Transfer Agents: [ ]

(ix) Name(s) and address(es) of additional or substitute Paying Agent(s) or Transfer Agent(s): [ ]

(x) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

## 6. UNITED STATES TAX CONSIDERATIONS

[Not applicable]/[[*For Covered Bonds issued in compliance with Rule 144A:*][For U.S. federal income tax purposes, the Issuer intends to treat the Covered Bonds as [original issue discount Covered Bonds/fixed-rate debt/fixed-rate debt issued with original issue discount/contingent payment debt instruments, [for which purpose, the comparable yield relating to the Covered Bonds will be [●] percent compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Covered Bond consists of the following payments: [●]/for which purpose, the comparable yield and the projected payment schedule are available by contacting [●] at [●]]/variable rate debt instruments/variable rate debt instruments issued with original issue discount/foreign currency Covered Bonds/foreign currency Covered Bonds issued with original issue discount/foreign currency contingent payment debt instruments, [for which purpose, the comparable yield relating to the Covered Bonds will be [●] percent compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Covered Bond consists of the following payments: [●]/for which purpose, the comparable yield and the projected payment schedule are available by contacting [●] at [●]]/short-term Covered Bonds.]]]

[*For a Qualified Reopening of Covered Bonds issued in compliance with Rule 144A:*][Qualified Reopening. The issuance of the Covered Bonds should be treated as a “qualified reopening” of the Covered Bonds issued on [●] within the meaning of the Treasury regulations governing original issue discount on debt instruments (the “**OID Regulations**”). Therefore, for purposes of the OID Regulations, the Covered Bonds issued in this offering should be treated as having the same issue date and the same issue price as the Covered Bonds issued on [●] and should [not] be considered to have been issued with original issue discount for U.S. federal income tax purposes.]