

SUMMARY

This summary (the "Summary Note") must be read as an introduction to the Base Prospectus dated 19 June 2012 (as from time to time supplemented, the "Base Prospectus") relating to a Programme for the issuance of securities (the "Notes") and warrants (the "Warrants") established by HSBC Bank plc (the "Bank" or the "Issuer"). Any decision to invest in the Notes should be based on a consideration of the Base Prospectus, including any documents incorporated by reference, and this Summary Note as a whole. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area no civil liability will attach to the Issuer in any such Member State solely on the basis of this Summary Note, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in the "Terms and Conditions of the Notes" and "Terms and Conditions of the Warrants" or elsewhere in the Base Prospectus have the same meanings in this Summary Note.

The Issuer is a public limited company registered in England and Wales under registration number 14259. The liability of its members is limited. It has its registered and head office at 8 Canada Square, London, E14 5HQ, United Kingdom; telephone number +44 20 7991 8888. The Issuer was constituted by Deed of Settlement on 15 August 1836, registered under the Companies Act 1862 as an unlimited company and re-registered under the Companies Acts 1948 to 1980 as a public limited company.

The Issuer is a wholly owned subsidiary of HSBC Holdings plc.

The directors of the Issuer are B Robertson (Chief Executive), P Antika, Dame Denise Holt, S W Leathes, J W Leng, Dame Mary Marsh, R E S Martin, A R D Monro-Davies, T B Moulounguet, P M Shawyer, A P Simoes and J F Trueman. The members of the Executive Committee are B Robertson (Chairman), J P Armstrong, J Beunardeau (Alternate to M J Haythorne), B A Fletcher, R J H Gray, T de Roux, M J Haythorne, N Hinshelwood, F Morra, A S Ramsay, P J Reid, M D Sheridan and A P Simoes.

The articles of association of HSBC Bank plc are dated 20 October 2010.

The auditors of the Issuer are KPMG Audit Plc Chartered Accountants of 15 Canada Square, London, E14 5GL, United Kingdom.

The Bank and its subsidiaries form a UK-based group (the "**Group**") providing a comprehensive range of banking and related financial services. The Group divides its activities into four business segments: UK Retail Banking; Continental Europe Retail Banking; Global Banking and Markets and Private Banking. The Issuer is HSBC Holdings plc's principal operating subsidiary undertaking in Europe.

During 2011 the Group employed, on average, 80,013 persons.

As at 30 June 2012, the Group had total assets of £878,205 million, loans and advances to customers and banks of £339,031 million, total customer accounts and deposits by banks of £413,072 million and total equity of £32,854 million. For the six months ended 30 June 2012, the Group's operating profit was £761 million on total operating income of £8,186 million. The Issuer had a total capital ratio of 15.3 per cent. and a tier 1 capital ratio of 10.8 per cent. as at 30 June 2012.

The articles of association of the Bank, as well as its historical financial information, reports and other documents are available for inspection at the registered office of the Bank.

There has been no material adverse change in the prospects of the Issuer since 31 December 2011.

Summary of risk factors

There are a number of factors which could cause the Bank's actual results to differ, in some instances materially, from those anticipated. The factors set out below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties which face the Bank's businesses.

Current economic and market conditions may adversely affect the Bank's results: The Bank's earnings are affected by global and local economic and market conditions. Following the global financial crisis in 2007, a difficult economic climate remains with continued pressures on household and corporate finances. These adverse economic conditions continue to create a challenging operating environment for the Bank.

The Bank has exposure to the ongoing economic crisis in the eurozone: The sovereign debt crisis that erupted in 2010 extended through 2011. Concern regarding the financial position of several economies which spread from peripheral eurozone countries to include certain core eurozone countries, became increasingly widespread and severe. The Bank has substantial exposure to financial institutions and central banks in core European countries which may be affected by the ongoing crisis.

Liquidity, or ready access to funds, is essential to the Bank's business: The Bank's ability to borrow on a secured or unsecured basis and the cost of so doing can be affected by a number of factors. If the Bank is unable to raise funds its liquidity position could be adversely affected and the Bank might be unable to meet deposit withdrawals or obligations under committed financing facilities, to fund new investments and to repay borrowings as they mature.

The Bank is subject to political and economic risks in the countries in which it operates: The Bank operates through an international network of subsidiaries and is subject to the risk of loss from unfavourable political developments, currency fluctuations, social instability and changes in government policies.

The Bank has significant exposure to counterparty risk both within the financial sector and to other risk concentrations: The Bank's ability to engage in routine transactions to fund its operations and manage its risks could be adversely affected by the actions and commercial soundness of other financial institutions. Financial institutions are necessarily interdependent because of trading, clearing, counterparty or other relationships.

The Bank is subject to legal and compliance risks, which may have an adverse effect on the Bank: Legal and compliance risks arise from a variety of sources and require the Bank to deal appropriately with potential conflicts of interest, legal and regulatory requirements, ethical issues, anti-money laundering laws or regulations, privacy laws, information security policies, sales and trading practices and the conduct of its associated companies.

Operational risks are inherent in the Bank's business: The Bank is exposed to many types of operational risks, including fraudulent or other criminal activities, breakdowns in processes or procedures, systems failure or non-availability and disruption of its business arising from events that are wholly or partially beyond its control. Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the Issuer or the Group will be unable to comply with its obligations as a company with securities admitted to the Official List or as a supervised firm regulated by the Financial Services Authority.

The Bank is subject to tax-related risks in the countries in which it operates, which could have an adverse effect on its operating results: The Bank is subject to the substance and interpretation of tax laws in all countries in which it operates, the risk associated with changes in tax law or in the interpretation of tax law, the risk of changes in tax rates and the risk of consequences arising from failure to comply with procedures required by tax authorities.

The Bank's operations are highly dependent on its information technology systems: The reliability and security of the Bank's information and technology infrastructure and the Bank's customer databases are crucial to maintaining the service availability of banking applications and processes and to protecting the HSBC brand. Critical system failure, prolonged loss of service or a material breach of security could cause long-term damage to the Bank's business and brand.

The Bank faces a number of challenges in regulation and supervision: The Bank is subject to ongoing regulation and associated regulatory risks. In addition there are a number of regulatory changes which are likely to have an effect on the activities of the Group; including those proposed under Basel III and/or the Capital Requirements Directive IV and those proposed by the UK Independent Commission on Banking ("**ICB**"). The proposals relating to capital and liquidity will result in increased capital and liquidity requirements and could have a material effect on the Group's future financial condition or results of its operations. The ICB proposals may affect the manner in which the Group conducts its activities and structures itself, with the potential to both increase the costs of doing business and curtail the types of business carried out, with the risk of decreased profitability as a result.

Summary of provisions relating to the Notes and Warrants

Notes and Warrants will be issued in Series which may comprise one or more Tranches issued on different issue dates.

The terms and conditions applicable to each Tranche are set out under "*Terms and Conditions of the Notes*" or "*Terms and Conditions of the Warrants*" as appropriate, as supplemented, modified or replaced by the relevant Final Terms.

The Issuer may, subject to compliance with relevant laws, issue Notes and Warrants denominated in any currency. There is no limit on the maximum amount of Notes and Warrants outstanding at any time. Notes will be in registered form or in uncertificated registered form, without interest coupons, or in bearer form, with or without interest coupons. Warrants will be in book-entry form represented by a global Warrant, in registered form or in uncertificated registered form

The aggregate principal amount, interest rate or interest calculation, issue price, denomination, maturity date and other terms and conditions with respect to a Series of Notes, to the extent not contained in this Base Prospectus, will be set forth in the applicable Final Terms. Notes may be redeemable at par or at such other redemption amount as is set out in the relevant Final Terms or by the delivery of securities or other property. If so specified in the relevant Final Terms, Notes may be redeemed prior to their stated maturity at the option of the Issuer and/or the Noteholders in such circumstances and at such redemption amount as set out in the relevant Final Terms. The Issuer has the option to redeem Notes early for taxation reasons. Early redemption may reduce the return on investment provided by a Note compared to the return that would have been achieved had the Note been redeemed at maturity.

If the Calculation Agent determines that the Issuer's performance of obligations under any Notes and/or Warrants has become unlawful or impractical in whole or in part for any reason, the Issuer may redeem or cancel such Notes and/or Warrants and, subject to the relevant Final Terms, pay the holders of such Notes and/or Warrants an amount equal to the fair market value of such Notes and/or Warrants notwithstanding such illegality less the cost to the Issuer of unwinding any related hedging arrangements, all as determined by the Issuer and/or the Calculation Agent (as applicable) in its sole and absolute discretion.

The aggregate amount, type, style, issue price, currency, expiry date and other terms and conditions with respect to a Series of Warrants, to the extent not contained in this Base Prospectus, will be set forth in the applicable Final Terms. Warrants give the holder certain rights, including the right to receive a cash amount from the Issuer or the right to receive delivery of securities or other property against payment of a specified sum. Warrants create options exercisable by the Warrantholder, but

there is no obligation upon such Warrantholder to exercise his Warrant or any obligation upon the Issuer to pay any amount in respect of unexercised Warrants.

Notes and Warrants issued under the Programme will be unsecured and unsubordinated obligations of the Issuer. Events of default applicable to the Notes are limited to non-payment (subject to a grace period) of principal or interest and winding-up of the Issuer. The Notes will not have the benefit of negative pledge or cross-default provisions (in respect of events of default). There are no events of default applicable to the Warrants.

Payments of principal and interest in respect of Notes will be made without deduction for or on account of United Kingdom withholding taxes, except as required by law. Warrantholders will be liable for and/or subject to any taxes, including withholding tax, payable in respect of the Warrants.

The Notes and Warrants permit the substitution of an affiliate of the Issuer as principal debtor in respect of the Notes and Warrants.

The terms and conditions of the Notes may be modified by resolution of Noteholders. Modifications to the terms and conditions of the Notes and the Warrants may be made without the consent of any Noteholders or any Warrantholders, as the case may be, where the Issuer determines that the modification is not materially prejudicial to the interests of the Noteholders or the Warrantholders, as the case may be, or to correct an inconsistency with the termsheet relating to the relevant Notes or Warrants.

Notes and Warrants issued pursuant to the Programme may include:

- (1) Equity-Linked Notes and Warrants, which include:
 - (a) Equity Linked Notes and Cash Equity Notes;
 - (b) Index Linked Notes; and
 - (c) Security Warrants, Security Basket Warrants, Index Warrants and Index Basket Warrants;
- (2) Preference Share-Linked Notes;
- (3) Market Access Notes and Warrants;
- (4) Commodity/Commodity Index-Linked Notes;
- (5) Interest Rate-Linked Notes and Warrants;
- (6) Inflation Rate-Linked Notes and Warrants;
- (7) Currency-Linked Notes and Warrants; and
- (8) Credit-Linked Notes.

In some cases, Notes and Warrants may carry the risk of a total or partial loss of principal.

In "*Subscription and Sale of Notes*" and "*Sale and Purchase of Warrants*", the Base Prospectus describes certain legal restrictions on the offer, distribution or sale of Notes and Warrants in a number of jurisdictions including the United Kingdom and the United States. Persons into whose possession the Base Prospectus or any Notes or Warrants come must inform themselves about, and observe, any such restrictions.

Application has been made to admit Notes and Warrants issued under the Programme to the Official List of the UK Listing Authority and to trading on the Regulated Market of the London Stock Exchange. However, Notes and Warrants may also be unlisted or admitted to listing, trading and/or quotation by other stock exchanges, listing authorities and/or quotation systems as specified in the

applicable Final Terms. Whether or not any Notes and Warrants are admitted to listing, trading or quotation, there may be no active trading market for the Notes or Warrants.

Unless otherwise specified in the applicable Final Terms, Notes and Warrants will be accepted for clearing through one or more clearing systems, including CREST, DTC, Euroclear Bank and/or Clearstream, Luxembourg. In relation to Notes and Warrants which are held through a clearing system, investors will have to rely on such clearing system's procedures for transfer, payment and communications with the Issuer, including the exercise of any Warrants.

In respect of Notes and Warrants issued under the Programme and unless otherwise specified in the relevant Final Terms, the Dealer will be HSBC Bank plc and the CREST Registrar will be Computershare Investor Services plc. The Calculation Agent will be HSBC Bank plc or HSBC France (as specified in the relevant Final Terms). The Principal Paying Agent, the Principal Warrant Agent and the Registrar will be HSBC Bank plc. In respect of Notes and Warrants issued in the United States under Rule 144A, the Registrar and Transfer Agent will be HSBC Bank USA, N.A.

Upon request, certain documents relating to the Programme, the Notes and the Warrants will be available, during usual business hours on any weekday, for inspection at the offices of the Issuer, the Paying Agents and the Warrant Agents.