HSBC

HSBC Stock Market Guaranted Investment Certificate (GIC) – "U.S.A."- Index Linked (GIC) Non-Registered (2 Years) Term Sheet

This Term Sheet should be read together with HSBC's Standard Terms and Conditions ("Standard Terms") for all non-registered HSBC Stock Market GICs and with the Depositor's Receipt or Contribution Form (as applicable) and any other documents given to you when you purchase your HSBC Stock Market GIC. Together this Term Sheet, the Standard Terms, the Depositor's Receipt and/or the Contribution Form (collectively, the "Stock Market GIC Terms") apply to and will govern the HSBC Stock Market GIC you are purchasing. For more information on this product, please refer to: www.hsbc.ca/markettracker.

A. Investment Details

1.	HSBC Stock Market GIC to be Purchased:	U.S.A.
2.	Start Date:	May 28, 2012
3.	Applicable Indices:	S&P 500® Low Volatility Index
4.	Index Description:	See Section C
5.	Index Set Date:	May 28, 2012
6.	Final Observation Date:	May 19, 2014
7.	Term:	2 years from Start Date
8.	Maturity Date:	May 28, 2014
9.	Initial Interest Rate:	Not Applicable
10.	Customer Participation Rate:	45%
11.	Minimum Return Rate:	0 % (equal to 0 % compounded annually)
12.	Early Encashment/Redemption:	Not permitted
13.	GIC Issued By:	HSBC Bank Canada
14.	Transaction Reference Code:	US2#1031BK (Bank)

B. Additional Terms And Conditions

Risks

HSBC guarantees repayment of principal and any interest earned on this HSBC Stock Market GIC in accordance with the Stock Market GIC Terms. However, there are risks associated with this GIC. Before making your purchase, you should read the Stock Market GIC Terms carefully and speak to your own financial advisor or an HSBC representative to ensure you understand the terms of this GIC and associated risks.

Index Information

The Index used to calculate the return, if any, on this HSBC Stock Market GIC is indicated on the first page of this Term Sheet and is described in section C below. Please review section C carefully as there are also certain disclaimers and limitations relating to the Index and with respect to HSBC's use of the Index in connection with this product.

Language	It is the express wish of the parties that this Term Sheet and all related documents be drafted in English. Les parties aux présentes conviennent et exigent que cette convention ainsi que tous les documents qui s'y rattachent soient rédigés en anglais.

C. Index Description

The S&P 500® Low Volatility Index

HSBC has derived all information relating to the Index, including, without limitation, its make-up, performance, method of calculation and changes in its components, from publicly available sources. That information reflects the policies of and is subject to change by, Standard & Poor's Financial Services LLC ("S&P"). S&P is under no obligation to continue to publish and may discontinue or suspend the publication of the Index at any time.

The Index has been calculated since April 20, 2011 and measures the performance of the 100 least volatile stocks in the S&P 500® Index. Volatility is defined as the standard deviation of the stock's daily price returns over the prior 252 trading days. Constituents are weighted relative to the inverse of their corresponding volatility, with the least volatile stocks receiving the highest weights. The Index is designed to serve as a benchmark for low volatility or low variance strategies in the U.S. stock market and S&P may from time to time, in its sole discretion, add companies to or delete companies from, the Index to achieve these objectives. Changes in the Index are reported daily in the financial pages of many major newspapers and on the S&P website (www.standardandpoors.com). Information contained in the S&P website is not incorporated by reference in, and should not be considered a part of, this document.

The Index does not reflect the payment of dividends on the stocks included in the Index and therefore the return, if any, on this HSBC Stock Market GIC will not produce the same return you would receive if you were able to purchase such underlying stocks and hold them until the Maturity Date. In addition, past performance of the Index is not an indication of future results.

Index Trademarks And Disclaimers

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